

Sustainable Development Report

CONTENTS

CHIEF EXECUTIVE OFFICER'S MESSAGE	4	Continual improvement	76
		Products and services	78
		Awards	80
REPORT SCOPE	8	LABOUR	82
Contact details and further information	8	Employment statistics	82
Assurance policies and internal practices	9	Labour/management relations	82
		Safety and health	85
		HIV/AIDS	93
KPMG: INDEPENDENT ASSURANCE STATEMENT	10	Housing and living conditions	98
		Human resource development	102
PROFILE	16	HUMAN RIGHTS	112
Main products and nature of markets served	16	Strategy and management	112
Key statistics	19	Non-discrimination	112
Sustainable development management	20	Freedom of association and collective bargaining	113
Anglo Platinum's principles of conduct	21	Child labour, and forced and compulsory labour	113
Our code of ethics	22	Disciplinary practices	113
Stakeholder engagement	24	Security practices	114
Our principal stakeholders	28	Indigenous rights	115
		SOCIETY	116
THE SOUTH AFRICAN MINING CHARTER	34	Mine community and rural development	116
Measurement systems	34	Resettlement	126
Audit	34	Bribery and corruption	127
GRI	34	Political contributions	129
Performance management	34	Competition and pricing	129
Our response to the Mining Scorecard	35	Product responsibility	129
		GRI 'IN ACCORDANCE WITH' SELF ASSESSMENT	132
CORPORATE GOVERNANCE	36	GRI CONTENT INDEX	133
Principles of corporate governance and structures	36	GLOSSARY OF DEFINITIONS, TERMS AND ACRONYMS	134
Risk management	42	OTHER USEFUL WEBSITES	138
		ACKNOWLEDGEMENTS	138
ECONOMIC IMPACTS	44	FAX REPLY FORM	139
Direct value added to South Africa	44	CONTENTS	
Indirect and other economic impacts	46	BUSINESS REPORT	
Beneficiation	50	VOLUME 1	2
ENVIRONMENTAL IMPACTS	56		
Environmental policy	56		
ISO 14 001 certification	57		
Environmental management principles	57		
Commitment	57		
Competence	58		
Risk assessment	58		
Prevention and control	60		
Performance	62		
Evaluation	76		
Stakeholder engagement	76		



KEY FEATURES

- Just under R1 billion rand of goods and services purchased from HDSA vendors;
- 72% reduction in SO₂ emissions from Waterval Smelter;
- All 2004 ISO 14 001 certification targets achieved;
- 14% improvement in the lost time injury frequency rate;
- Increasing uptake in the provision of free anti-retroviral therapy;
- The 46% employment equity target by 2009 is on track; and
- The 2004 Sustainable Development Report complies with the 'in accordance with' requirements of the 2002 GRI Guidelines.

BUSINESS REPORT • VOLUME 1

CONTENTS

MAIN FEATURES	2
CHAIRMAN'S STATEMENT	4
CHIEF EXECUTIVE OFFICER'S REVIEW	12
MARKET REVIEW	20
FINANCE REVIEW	30
OPERATIONS REVIEW	35
ANNUAL FINANCIAL STATEMENTS	101

Cover Picture *The Corchorus Micranthus.* PPRust reported the discovery of a possible plant species at Zwartfontein South in 2002. The *Corchorus Micranthus* is part of the Tiliaceae family and is a type of jute. Though there were herbarium records of this sub-species in other places, this was the only known living example. Further populations have subsequently been found.

For a full appreciation of the Group's activities and performance, read this Sustainable Development Report in conjunction with our Business Report, both of which are available on the Company's website:

<http://www.angloplatinum.com>



CHIEF EXECUTIVE OFFICER'S MESSAGE

Our prime objective of achieving the best possible returns for our shareholders is viewed in the context of our relationships with, among others, you – our employees, customers, communities, the Government, business partners and other stakeholders. These relationships are governed by and shaped by your long-term expectations of our performance on many fronts in the wider socio-economic and environmental domains. This sustainable development report is important feedback to you on how well we have managed many of the non-financial issues in our business during 2004, and on our commitment to our short- and long-term targets in areas where we still need to improve.

OUR SUSTAINABLE DEVELOPMENT VISION AND STRATEGY

Our overriding sustainable development objective, as a mining company that strives to add maximum value to finite mineral resources, is to sustain our mining and mineral processing interests for as long as the available mineral resources and beneficiation technologies allow, and to do so within the stringent framework of striving to be a responsible corporate citizen. We endeavour to create maximum social and economic value, and to minimize adverse impacts on the natural environment. We seek to pursue the principles and practices of sustainable development by developing mutually constructive and beneficial relationships with our broad stakeholder base.

The table on page 6 summarizes the key sustainable development issues we face as a Group: where we are; where we are aiming to be in the long term; and which stakeholders each issue directly affects.

This report outlines, for each of these issues, the strategies we have adopted to achieve our vision and our progress to date. In identifying these issues, we pay particular attention to our stakeholder engagement approach, which receives support from, and is communicated to, all our employees and business partners through our Code of Ethics and Business Principles.

Our sustainable development targets are inextricably interwoven with our business strategy; they are interdependent and cannot be formulated separately. We cannot have a business strategy without reference to sustainable development; similarly, our sustainable development programmes would be pointless unless shaped by our business strategy.



Ralph Havenstein • CEO

Sustainable development is a cooperative effort. It is not a matter of ticking the boxes on a nine-point scorecard and being reluctant compliers with a charter. Instead, it is something we undertake willingly in partnership with Government, our communities, our employees, our suppliers, our customers and our business partners. Sustainable development is also a key imperative from their perspective. The changing legislative environment and the many new empowerment charters we are witnessing in South Africa merely reflect what mature societies around the world expect of their corporate citizens.

We have also formalized our stakeholder engagement effort. There will always remain an informal element of these engagements; every time our employees go home at the end of a workday, they are engaging with other community stakeholders. But there remain formal engagements that need careful monitoring if all participants are to benefit.

I would like to make particular mention of non-governmental organizations (NGOs). Given the sheer number of communities that Anglo Platinum influences, it is evident that strong NGOs will play a similarly important role in our quest to build meaningful relationships with our stakeholders.

FACTORING IN FLEXIBLE EXPANSION

As emphasized in my review of operations in the accompanying Business Report, it is vital that Anglo Platinum continues to pursue its long-term growth strategy, provided we retain a responsible and flexible approach towards implementing the expansion programme initiated in 2000. During 2003, the Group was compelled to reduce the pace of its expansion programme to counter the impacts of the rand's sustained strength on cash flow. Current plans for 2005 indicate capital expenditure of R6 billion and refined platinum production of 2,6 million ounces. While we remain flexible with regard to the rate of expansion, the slower implementation is expected to result in refined platinum production in 2006 of between 2,7 million and 2,8 million ounces.

CHIEF EXECUTIVE OFFICER'S MESSAGE (continued)

Sustainable development issue	Where we are now	Where we want to be: our vision
Beneficiation	17,5% of JM fuel cell component business; funding of world platinum jewellery industry development via the PGI; support of South African jewellery initiatives via the Platinum Jewellery Trust.	Best achieved by the jewellery and engineering industries; help establish some fuel cell and other component manufacture in South Africa; promote platinum jewellery capacity in North West province; create South African jewellery links with the PGI.
Biodiversity	76% of Group land is not utilized for mining or processing infrastructure; biodiversity action plans in place at each operation.	Fully implement all aspects of the biodiversity action plans by end 2009.
Community engagement	Conducted via official Group structures.	Integrated community development processes and greater community cooperation and involvement.
Corporate social investment	R59 million in 2004, based on 0,75% of working costs; plus donations.	Increase cooperation with Government in its integrated development plans; channel local and international funds.
Corruption and supplier performance	Whistle-blowing facilities in place; monitoring of suppliers' social, environmental, human rights and corporate governance performance has begun.	Complete establishment of a system for monitoring suppliers' performance and report the results of monitoring in full in the Sustainable Development Report in 2005.
Energy and CO ₂ emissions	Energy: 5,17GJ/oz precious metals in concentrate; CO ₂ emissions: 1 097kg/oz precious metals in concentrate.	Reduce energy usage and CO ₂ emissions per ounce of precious metals in concentrate by 10% by end-2014 (baseline year is 2004). 2005 energy intensity target 5,12GJ/oz precious metals in concentrate and CO ₂ emission intensity target 1 086 kg/oz precious metals in concentrate.
Fatalities	24 in 2004.	Zero fatalities.
HDSA procurement	Spend with HDSA-empowered suppliers, in the three categories stated in the Mining Charter (refer to page 47), averaged out at 8,4% and 1,6%; for HDSA owned suppliers. Total spend with HDSA suppliers by the Group was 10,0% in 2004. Spend with local HDSA suppliers averaged out at 2,2%.	Enhance mentorship capability (business development officers); forge stronger ties between Supply Chain and Corporate Social Investment functions; show continuous growth in HDSA spend, raise HDSA procurement, by 2012 to 30%, of which 2,5% with HDSA-owned suppliers and 27,5% with HDSA-empowered companies; increase procurement from local communities to 5%.
Historically disadvantaged South Africans (HDSAs) in management	30% representation in Paterson C-level (junior management) and above.	40% representation in Paterson C-level (junior management) and above by 2009.
HIV/AIDS	26,73% HIV prevalence; ART and VCT being rolled out; slow take-up; R78,4 million impact in 2004; 154 AIDS deaths in 2004.	Falling prevalence after 2006; falling death rate after 2006; 100% take-up of ART among relevant employee population, complemented by effective Government rollout.
Housing	21% of total employees live in informal settlements; some facilitation now taking place.	Reduce to zero the number of employees in squatter camps via a number of structured interventions.
ISO 14 001 certification	Complete by end-2004, except for operations outside the 2004 deadline.	Ongoing certification as new operations are added. Continual improvement of environmental management system and performance.
Labour relations	The employee relations policy, which regulates stakeholder relations with management is under review in 2005.	Improve relations with labour stakeholders through effective consultation, collective bargaining and dispute resolution structures.
Literacy and numeracy	26 913 illiterate and innumerate employees.	Offer all employees in-house training to ABET 4, in their spare time.
Lost-time injuries	1 262 in 2004 (including restricted-work cases and contractors); lost-time injury frequency rate (LTIFR) of 1,5.	Continuous improvement.
Mineral waste	Just under a billion tons in tailings, rock and slag dumps (non-saleable production).	Expand chrome sales; create infrastructural use for waste rock dumps; re-processing of tailings.
Noise-induced hearing loss	562 compensated cases in 2004.	Zero new cases by 2010.
Non-discrimination	Seven employees dismissed in 2004 for racism and sexism.	Maintain an uncompromising position on discrimination.
Non-mineral waste management	Major inroads made into clean-up of historical waste accumulation at shafts and concentrators.	No waste accumulation at shafts, concentrators, smelters and refineries.
Ownership	Current HDSA transactions and projects will achieve a minimum of 15% by 2009.	26% HDSA ownership of reserves and resources by 2014.
SO ₂ emissions	2004 average 37 tons per day from Waterval Smelter (stack and fugitive).	Average of less than 20 tons per day at Waterval Smelter (stack and fugitive).
Water use for primary activities	7,40 m ³ /oz precious metals in concentrate.	Reduce water use for primary activities per ounce of precious metals by 5% by end-2009 (baseline year is 2004); increase recycling, minimize accidental and uncontrolled discharge; 2005 water intensity target 7,33 m ³ /oz precious metals in concentrate.
Women in mining	4,8% at end December 2004.	10% by 2009; Government/union engagement needed.

CHIEF EXECUTIVE OFFICER'S MESSAGE (continued)

It is also imperative to reiterate that every facet of our recent, current and envisaged future expansion projects is founded on strict sustainable development criteria. We will not advance any new capital expansion project without taking due cognizance of the applicable economic, social and environmental criteria.

In the economic domain, we continue to endeavour to improve the overall efficiency, integration and profitability of our operations with the objective of creating additional shareholder value and a greater contribution to the wider South African economy. In the social and environmental domains, we continue to endeavour to maximize our contributions in a responsible manner through our expansion programme.

GRI ACCORDANCE

This Sustainable Development (SD) Report has been prepared in accordance with the 2002 Global Reporting Initiative (GRI) Sustainability Guidelines. It represents a balanced and reasonable presentation of our organization's economic, environmental and social performance. In preparing this report, we have applied GRI principles or protocols.



Ralph Havenstein

Chief Executive Officer

Johannesburg

11 February 2005

REPORT SCOPE

Anglo Platinum's financial year is from January to December; this report reviews results for calendar and financial year 2004. The last report was released in February 2004. Since that report, there have been no significant changes in Anglo Platinum's size, structure, ownership, or products sufficient enough to materially alter the scope of this report. There have been restatements of information provided in the previous report, the reasons for which are provided in this report.

By far the majority of Anglo Platinum's activities take place in South Africa, and are confined to three provinces (North West, Limpopo and Mpumalanga), with a fourth (Gauteng) being the location of centralized and corporate offices and research facilities. Where applicable,

this report provides information at provincial level. Our main products are the platinum group metals (PGMs), of which the main three are platinum, palladium and rhodium.

Primary activities cover everything from exploration and the mining of ore to the refining and production of final metal products for sale to customers. In the case of operations not controlled by the Group – Northam Platinum, Modikwa (jointly owned with African Rainbow Minerals), and Pandora (managed by Lonmin Platinum) – such activities are excluded from this report on the understanding that they will be reported separately by the managing entities. Leased facilities and plants are treated for reporting purposes as if the Group owned them.

CONTACT DETAILS AND FURTHER INFORMATION

For further information, please e-mail us at sustainabledevelopment@angloplat.com or complete the fax reply form at the back of this report. The Anglo Platinum Website is: <http://www.angloplatinum.com>

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**ASSURANCE POLICIES AND
INTERNAL PRACTICES**

The Group has internal systems in place to record, monitor and improve the accuracy, completeness and reliability of financial, operational, safety, health and environmental management information. Management information also includes data on community involvement, as well as systematic monitoring of unintended community impacts, support for or violations of human rights and other social issues.

The Directors:

- recognize explicitly that they are responsible for the content of this report;
- recognize explicitly that the assurance provider, KPMG, alone is responsible for the content of the independent assurance report and agree, at the outset, to publish the assurance report in full; and
- ensure that adequate resources are made available for KPMG’s work and that KPMG has access to all individuals, groups, sites, records and information that it considers necessary for carrying out the assurance engagement.



KPMG: INDEPENDENT ASSURANCE STATEMENT

Independent assurance report to the Directors of Anglo American Platinum Corporation Limited on the Sustainable Development Report for 2004

INTRODUCTION

We have performed our assurance engagement of the Anglo American Platinum Corporation Limited (Anglo Platinum) Volume 2: Sustainable Development Report (the Report) contained in the 2004 Annual Report, with respect to the following three areas:

- Selected 2004 Sustainable Development (SD) performance indicators;
- Anglo Platinum's compliance with the reporting requirements of the Broad Based Socio-economic Empowerment Charter for the Mining Sector (the Mining Charter) and with those requirements relating to procurements from Historically Disadvantaged South Africans (HDSA); and
- Whether the Report complies with the 'in accordance with' requirements of the 2002 Global Reporting Initiative (GRI) Sustainability Reporting Guidelines (the Guidelines).

RESPONSIBILITIES OF DIRECTORS

The Directors of Anglo Platinum are responsible for the preparation and presentation of the Report for 2004 and the information and assessments contained within it; for determining the Group's objectives in respect of SD performance and development

of appropriate SD indicators. This responsibility includes designing, implementing and maintaining appropriate performance management and internal control systems to record, monitor and improve the accuracy, completeness and reliability of financial, operational, safety, health and environmental management information reported on.

RESPONSIBILITY OF THE ASSURANCE PROVIDER

Our responsibility is to express our conclusions based on our independent assurance engagement, performed in accordance with the International Standard on Assurance Engagements 3000 (Revised): Assurance engagements other than audits or reviews of historical financial information issued by the International Auditing and Assurance Standards Board. These standards require us to comply with ethical requirements and to plan and perform the assurance engagement to obtain reasonable or limited assurance expressed below, regarding the subject matter of the engagement. This engagement does not constitute an audit or review performed in accordance with International Standards on Auditing or International Standards on Review Engagements and consequently an audit or review opinion is not expressed. Any reference to the term "audit" contained elsewhere in the body of the Report does not relate to the assurance engagement performed by us.

WORK PERFORMED AND LIMITATIONS

The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the subject matter and purpose of our engagement. In making these assessments we have considered internal controls relevant to the company's preparation and presentation of information in the Report, in order to design procedures appropriate for gathering sufficient evidence to determine that the following areas are not materially misstated or misleading:

- The selected 2004 SD performance indicators, together with the associated statements;
- The company's compliance with the reporting requirements of the Mining Charter; and in particular, requirements relating to procurements from HDSA suppliers;
- The Report's compliance with the 'in accordance with' requirements of the GRI Guidelines.

Our assessment of these internal controls is not for the purpose of expressing a conclusion on the effectiveness of the company's internal controls.

We believe that the evidence that we have obtained is sufficient and appropriate to provide a basis for our conclusions, expressed below, for each of the areas that were the subject of our assurance engagement.

The subject matter, criteria and

limitations for each aspect of the assurance engagement, the work performed and conclusions are detailed separately below:

Selected 2004 sustainable development (sd) performance indicators

The SD performance indicators selected by Anglo Platinum, in conjunction with KPMG, to be the subject of the assurance engagement were determined by considering Anglo Platinum's key SD risks, identifying those SD indicators most relevant to management and stakeholder decision-making processes, and our experience of the associated SD reporting systems and processes, these collectively being referred to as the selected 2004 SD performance indicators.

- The 2004 SD performance indicators selected for purposes of expressing reasonable assurance were: total fatalities; total energy used; CO2 emissions from electricity, processes and fossil fuels; SO2 emissions from processes; environmental complaints and Corporate Social Investment (CSI) Expenditures.
- The 2004 SD performance indicators selected for purposes of expressing limited assurance were: Lost Time Injury Frequency Rate (LTIFR) (including Restricted Work Cases (RWCs)); total new cases of occupational disease; total payroll costs; human resources development training budget; land utilised by operations; land fully rehabilitated; water used for primary activities; number and level of environmental

KPMG: INDEPENDENT ASSURANCE STATEMENT (continued)

incidents; biodiversity action plans in place; number of employees on Anti-Retroviral Therapy (ART); taxes paid to government and land claims and resettlement procedures. The subject matter did not extend to the resettlement of communities referred to on page 126 of the Report as this has yet to occur.

In addition to the internally developed Anglo American plc SHE internal reporting guidance, the GRI Guidelines relating to completeness, accuracy and consistency of information were used as the criteria for assessing the selected SD performance indicators.

There are no generally accepted standards for reporting SD performance information. Anglo Platinum applies the Anglo American plc SHE reporting guidance as its own internal SD Reporting Guidance. This is based on emerging best practice for reporting SD performance indicators. The reliability of SD performance indicators is subject to inherent limitations given their nature and methods for determining, calculating or estimating such data. No assurance is expressed in relation to the remaining SD performance indicators not covered by our work performed.

Our work performed with respect to the selected 2004 SD performance indicators consisted of:

- Obtaining an understanding of the systems used to generate, aggregate and report the selected 2004 SD performance indicators;
- Conducting four site visits to review the selected 2004 SD performance

indicator management systems and the associated reliability of the selected 2004 SD performance indicators. Our site visits included assessing the systems and processes the sites have in place to meet the requirements of the Anglo American plc SHE Reporting Guidance for the selected 2004 SD performance indicators;

- Conducting interviews with management at sites visited in the previous year to obtain an understanding of the consistency of the reporting processes compared with prior years and to obtain explanations for SD performance trends;
- Conducting interviews with management at Head Office to further investigate the accuracy and consistency of the SD performance data, including systems and controls;
- Performing an analytical review of the selected 2004 SD performance indicators consolidated by the Group and obtaining explanations for SD performance trends;
- Testing the accuracy of the aggregation process for the selected 2004 SD performance indicators at Group level; and
- Reviewing the consistency between the selected 2004 SD performance indicators and associated statements in the Report, in light of the findings from the site visits and the analytical review.

We believe that our work performed

provides an appropriate basis for our conclusion.

In our opinion, except for the limitations indicated above, and based on our work described above, the following performance indicators: total fatalities; total energy used; CO₂ emissions from electricity, fossil fuels and processes; SO₂ emissions from processes; environmental complaints and CSI Expenditures (respectively), for the year ended 31 December 2004, are fairly stated based on Anglo American plc SHE internal reporting guidance.

Except for the limitations indicated above, and based on our work described above, nothing has come to our attention that causes us to believe that the information included in the Report regarding the following performance indicators: LTIFR (including RWCs); total new cases of occupational disease; total payroll costs; human resources development training budget; land utilised by operations; land fully rehabilitated; water used for primary activities; number and level of environmental incidents; biodiversity action plans in place; number of employees on ART; taxes paid to government and land claims and resettlement procedures for the year ended 31 December 2004, is materially misstated based on Anglo American plc SHE internal reporting guidance.

THE MINING CHARTER

Our assurance engagement was to determine whether Anglo Platinum complies with the reporting requirements of the Mining Charter, and with those requirements relating

to procurements from HDSA suppliers. Criteria for the nine elements specified in the Mining Charter of the Department of Minerals and Energy are set out in the Mining Scorecard on page 35 of the Report, together with the company's responses.

Compliance with the procurement criteria contained in the Mining Charter relating to procurements from HDSA suppliers is dependent on the adequacy and effectiveness of internal controls over procurement systems implemented at the Anglo Platinum sites and Head Office.

Our work performed with respect to compliance with the reporting requirements of the Mining Charter consisted of:

- Conducting management interviews and a review of policies and procedures relating to reporting requirements;
- Visiting four sites and Head Office to inquire about procurement policies and inspecting documentation relating to the appointment of HDSA suppliers as approved vendors to determine whether their appointments complied with the HDSA definitions set out on page 35 of the Report;
- Inspecting evidence to support the classification of HDSA suppliers indicated by the data and inquiring into differences identified regarding the completeness and accuracy of the data relating to approved vendors.

KPMG: INDEPENDENT ASSURANCE STATEMENT (continued)

We believe that our work performed provides an appropriate basis for our conclusion.

In our opinion, except for the limitations indicated above, and based on our work described above, Anglo Platinum complies with the reporting requirements of the Mining Charter.

COMPLIANCE WITH THE 2002 GRI GUIDELINES

Our assurance engagement was to determine whether the Report complies with the 'in accordance with' requirements of the 2002 GRI Guidelines.

Our work performed consisted of:

- Conducting a review of the Report; and
- Considering whether the Report has met the requirements for stating that it is 'in accordance with' the 2002 GRI Guidelines, namely that:
 - Anglo Platinum adequately reports on the 44 numbered elements in Sections 1 to 3 of Part C of the GRI Guidelines;
 - The Report includes a GRI Content Index
 - A response has been given to each core indicator in Section 5 of Part C of the GRI Guidelines;
 - The Report is consistent with the principles in Part B of the GRI Guidelines; and

- The Report includes a GRI 'in accordance with' statement signed by either the board or CEO.

We believe that our assurance engagement provides an appropriate basis for our conclusion.

In our opinion, based on the work performed, the Report complies with the 'in accordance with' requirements of the 2002 GRI Guidelines.



KPMG Services (Pty) Limited

Johannesburg

11 February 2005



PROFILE

Anglo American Platinum Corporation Limited ('Anglo Platinum' or 'the Company') is listed on the JSE Securities Exchange, South Africa (JSE) and is the sole listed entity for the Group. It is also listed on The London Stock Exchange. International Depositary Receipts in respect of the Company's shares are listed on the Brussels Bourse.

'Group' refers to the Company and its major wholly owned subsidiaries: Anglo Platinum Management Services (Proprietary) Limited; Rustenburg Platinum Mines Limited (RPM); Potgietersrust Platinums Limited (PPRust); Lebowa Platinum Mines Limited (Leplats); and all other subsidiaries.

The Group holds a 22,5% share of Northam Platinum, acquired as a consequence of a mineral rights swap.

The Group is also in joint venture with: ARM Platinum, a historically disadvantaged South African (HDSA) consortium, to operate the Modikwa Platinum Mine; Royal Bafokeng Resources, an HDSA partner, over the combined Bafokeng-Rasimone Platinum Mine (BRPM)/Styldrift properties; Lonmin Platinum and HDSA partners, the Bapo Ba Mogale Tribe and Mvelaphanda, over the Pandora PGM reserves; and has a Pooling and Sharing agreement (PSA) with Aquarius Platinum (South Africa), covering the shallow reserves of its Kroondal Mine and RPM's Rustenburg Section.

The Group's smelting and refining operations are wholly owned through RPM and situated in South Africa.

These operations treat concentrates not only from its wholly owned operations, but also from its joint ventures.

In Zimbabwe, the Group envisages a 51% controlling share in the Unki Platinum Mine. Potential partners include: Anglo American Corporation of South Africa, 29%; a local Zimbabwean consortium, 15%; and an Anglo American Corporation Zimbabwe employees' trust, 5%.

Elsewhere in the world, the Group conducts exploration at the River Valley project in the Sudbury district of Ontario, Canada (through a joint venture with Pacific North West Capital [PFN] of Vancouver, which manages the project), and at Agnew Lake, also in the Sudbury district (through an agreement with (PFN) and Platinum Group Metals Limited). The Group is in joint venture with Eurasia to evaluate certain properties in the Vissim district of the Ural Mountains, near Yekaterinberg in Russia, and is also conducting PGM exploration at Pedra Branca in Brazil. In addition, an exploration and potential mining joint venture between the Sishuan Bureau of Geology and Mineral Resources and RPM for PGMs within the Dunba, Gaojacun and Xinjie areas in the Sishuan Province in China was negotiated and a cooperative joint venture entered into over all the areas of interest.

MAIN PRODUCTS AND NATURE OF MARKETS SERVED

Anglo Platinum is the world's leading primary producer of platinum and accounts for about 38% of the world's newly mined production. It also

produces other platinum group metals (PGMs) in quantities determined by their occurrence in the ores mined. Apart from platinum, PGMs comprise palladium, rhodium, ruthenium, iridium and osmium. Nickel, copper and other base metal products are by-products of PGM operations.

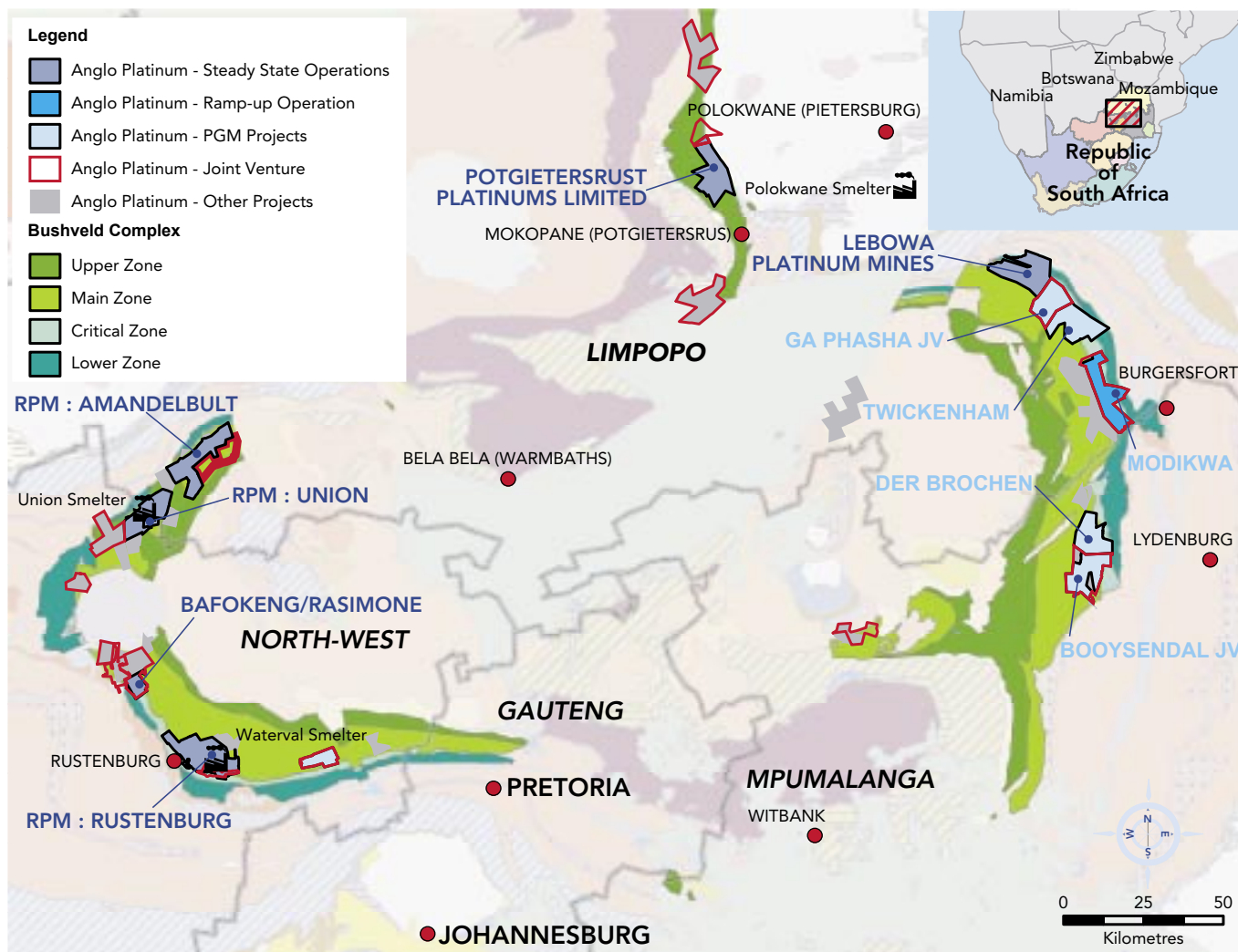
For a more detailed review of the uses of these metals, the reader is referred to the Market Review in Volume 1: Business Report.

Adherence to ISO 9 000 standards ensures the required purity of refined metals. Close connections with customers afford the Group an intimate relationship with end-markets. An agency relationship with Johnson Matthey provides the intelligence and research essential to successful marketing and operational strategies.

The Group is firmly committed to the development of PGM markets and, in joint arrangements with Johnson Matthey, researches and promotes new products using PGMs. The Group has a 17,5% stake in the fuel cell components subsidiary of Johnson Matthey.

Anglo Platinum created the Platinum Guild International (PGI) in 1975 and provides funding for its jewellery development efforts. The PGI has offices in Japan, Italy, Germany, the UK, the USA, China and India. The Group is active in other industry organizations, including the International Platinum Association, which provides a communication forum for producers and fabricators and the World Fuel Cell Council, a body dedicated to the commercialization of fuel cell technology.

PROFILE (continued)



KEY STATISTICS

Anglo American Platinum Corporation Limited	2004	2003
Total capitalization, at 31 December, R millions:		
Debt	5 793,9	7 492,4
Equity	17 972,6	12 422,7
Total assets, at 31 December, R millions:		
Property, plant and equipment	17 757,3	14 550,8
Capital work-in-progress	6 124,4	7 249,2
Originated loans	233,0	184,1
Investment in associates	435,3	484,0
Non-current accounts receivable	357,3	96,5
Inventories	3 192,3	2 439,6
Accounts receivable	2 081,3	2 286,7
Cash and cash equivalents	2 364,5	569,4
Refined production:		
Platinum, 000 oz	2 453,5	2 307,8
Palladium, 000 oz	1 310,7	1 190,9
Rhodium, 000 oz	253,3	232,5
Gold, 000 oz	109,9	116,1
Nickel, 000 tons	22,3	22,1
Gross revenue, R millions:		
North America	2 267,1	1 934,6
Asia	6 146,2	5 202,0
Europe	6 865,3	6 306,4
Africa	4 313,5	3 048,5
Other	32,7	17,1
Total cash operating costs, R millions:		
Gauteng	–	–
Limpopo	2 733,0	2 221,3
Mpumalanga	–	–
North West	10 295,7	8 692,9
Non-South Africa	98,2	111,0
Value added, R millions:		
To salaries, wages and other benefits, net of tax	4 892,7	4 289,2
To Government	1 872,7	1 127,5
To providers of capital	2 136,7	3 219,0
Reinvested in the Group	2 517,2	604,9

SUSTAINABLE DEVELOPMENT MANAGEMENT

At its corporate office, the Group retains specialist sustainable development and other management staff who help determine overall Group policy, advise on implementation and create alignment throughout the Group's operations in respect of sustainable development. In addition to the committees that report to the Board, as depicted on page 37, the Group has established a Transformation Steering Forum, whose job it is to report to the Executive Committee on issues of social and labour policy, planning and compliance with the Mining Charter and Scorecard. Chaired by the Executive Director: Human Resources, this forum comprises members detailed in the table below.

At the operational level, the Group charges its line management with ensuring that adequate resources are applied and attention is given to the implementation of sustainable development policies within the

communities affected by the Group's mining and processing activities. The operational executive directors' membership of the Transformation Steering Forum is designed to ensure alignment of the Group's social and human resource policies and programmes throughout its operations.

ANGLO PLATINUM'S PRINCIPLES OF CONDUCT

Business integrity and ethics

We support free enterprise as the system best able to contribute to the economic welfare of society, as well as to the promotion of individual liberty. Without satisfactory profits and a strong financial foundation, it would not be possible to fulfil our responsibilities to shareholders, employees, society and those with whom we do business. However, our corporate actions are not governed solely by economic criteria; they also take into account social, environmental and political considerations.

We comply with all relevant laws and regulations.

We are implacably opposed to corruption. We do not offer, pay, or accept bribes or condone anti-competitive practices in our dealings in the marketplace and do not tolerate any such activity by our employees.

We prohibit employees from trading securities illegally when in possession of unpublished, price-sensitive information.

Transformation Steering Forum members

Abe Thebyane, Executive Director: Human Resources (Chairman)

Fred Arendse, Senior Manager: Transformation

Leon Bekker, Head: Legal Services

Stephen Bullock, Head of Sustainable Development

Mike Halhead, Executive Director: Process

Theuns Mienie, Group HRD Manager Competence

Robin Mills, Executive Director: Mining

Deon Mocke, General Manager: Supply Chain

Iain Mulvey, Group Property Manager

Dean Pelsler, General Programme Manager: Eastern Limb Development

Martin Prinsloo, General Manager: Corporate Finance and Development

Pumlani Tyali, Senior Manager: Socio-economic Development

Duncan Wanblad, Executive Director: Projects and Engineering

Henry Zondi, Employee Relations Consultant

We require our employees to perform their duties conscientiously, honestly and with due regard for the avoidance of conflicts between any personal, financial or commercial interests and their responsibilities to their employer.

We maintain high standards of planning and control: to identify and monitor material risks; to safeguard our assets; and to detect and prevent fraud.

We promote the application of our principles by those with whom we do business. Their willingness to accept these principles is an important factor in our decisions to enter into, and remain in, such relationships.

We encourage employees to take personal responsibility for ensuring that their conduct complies with our principles. No one suffers as a consequence of raising violations of this policy or any legal or ethical concern with management.

Corporate citizenship

We respect human dignity and the rights of individuals and of the communities associated with our operations. We seek to make a contribution to the economic, social and educational well-being of these communities by means that include local business development and providing opportunities to workers from disadvantaged backgrounds.

We recognize the sensitivities involved in addressing issues that relate to the cultural heritage of indigenous communities. We seek to ensure that such matters are handled in a spirit of respect, trust and dialogue.

We believe that we have the right and the responsibility to make our positions known to governments on any matters that affect our employees, shareholders, customers, or the communities associated with our operations.

While the primary responsibility for the protection of human rights lies with governments and international organizations, where it is within our power to do so we seek to promote the observance of human rights in the countries where we operate. We support the principles set out in the Universal Declaration of Human Rights.

Employment and labour rights

We are committed to the adoption of fair labour practices at our workplaces: our conditions of service comply with applicable laws and industry standards.

We promote workplace equality and seek to eliminate all forms of unfair discrimination.

We do not tolerate inhumane treatment of employees, including any form of forced labour, physical punishment, or other abuse.

We prohibit the use of child labour.

We recognize the right of our employees to freedom of association.

We operate fair and appropriate means for the determination of terms and conditions of employment. We provide appropriate procedures for the protection of workplace rights and our employees' interests.

We provide employees with opportunities of enhancing their skills and capabilities, enabling them to develop fulfilling careers and to maximize their contribution to our business.

Safety, health and environmental stewardship

We have adopted a comprehensive SHE Policy and report regularly on our performance. We continue to review and develop this policy.

We recognize the need for environmental stewardship to minimize consumption of natural resources, waste generation and the impact of our operations on the environment.

Senior executives and line management are accountable for the Group's SHE issues and for allocating adequate financial and human resources within their operations to address these matters. We work to keep SHE at the forefront of workplace concerns and report on progress against our policies and objectives.

Recognizing the human tragedy caused by the HIV/AIDS pandemic, particularly in sub-Saharan Africa, we have a clear policy for addressing HIV/AIDS in the workplace and are committed to a comprehensive containment strategy, linked to programmes of care for those with HIV/AIDS. We strive to eliminate any stigma or unfair discrimination on the basis of real or perceived HIV status.

We are committed to the principles of sustainable development, by which

we mean striking an optimal balance between economic, environmental and social development. We strive to innovate and adopt best practice, wherever we operate, working in consultation with stakeholders.

In pursuance of this statement of commitment, we have published fuller policy statements, such as our SHE policy and other such codes and guidance notes, which are issued from time to time.

OUR CODE OF ETHICS

The following highlights aspects of the Group's Code of Ethics, a complete copy of which will be made available on request or can be accessed at the Group's website: <http://www.angloplatinum.com>. Any contravention of the Code is regarded as a serious matter.

Compliance with laws and regulations

Employees must comply with all laws and regulations that are applicable to their activities on behalf of the Group.

Conflict of interest

The Group expects employees to perform their duties in accordance with the best interests of the Group and not to use their positions or knowledge gained through their employment with the Group for private or personal advantage.

Outside activities, employment and directorships

We all share a very real responsibility to contribute to our local communities.



The Group encourages employees to participate in religious, charitable, educational and civic activities, provided that such participation does not make undue demands on their work time or create a conflict of interest.

Relationships with clients, customers and suppliers

Employees should ensure that they are independent of any business organization having a contractual relationship with the Group or providing goods or services to the Group.

Gifts, hospitality and favours

An employee should neither accept nor solicit any non-minor gifts, hospitality, or other favours from suppliers of goods or services.

Personal investments

Personal investment decisions must not contravene the conflict of interest provisions of this Code, any applicable legislation, or any policies or procedures established by the various operating areas of the Group and must not be based on material non-public information acquired by reason of an employee's connection with the Group.

Dealing with outside persons and organizations

The Group strives for complete, accurate and timely communications with all parties with whom it conducts business, as well as Government authorities and the public. In addition, prompt internal communication is encouraged. Employees approached by the media should immediately contact the department or individual responsible for corporate communications. As a general

rule, the executive management of the Group deals with the Group's position on public policy or industry issues.

STAKEHOLDER ENGAGEMENT

Our responsibilities to our stakeholders

Our primary responsibility is to our investors. We seek to maximize shareholder value over time. We believe that this is best achieved through an intelligent regard for the interests of other stakeholders, including our employees, the communities affected by our operations, our customers and business partners. A reputation for integrity and responsible behaviour underpins our commercial performance and is gained by motivating employees and building trust and goodwill.

The following principles and other considerations guide and inform our dealings with stakeholders:

Investors

The directors of Anglo Platinum have a fiduciary duty to shareholders to maximize the value of the Company's assets. Fundamental to increasing the value of assets is the minimization of the Group's cost of capital by reducing both real and perceived business risk. Anglo Platinum has a formal comprehensive investor relations programme in place to assist in this.

Anglo Platinum defines its investor relations programme as a proactive, relationship-based process for disseminating information to, and assimilating information from, the investment community to ensure

accurate valuation of the Group. It includes matching the risk profile and expectations of investors and potential investors with the Group risk profile and strategy in order to maximize the value placed on the Group's assets.

Formal financial disclosure is the basis for communication with market analysts and fund managers. This includes interim results, preliminary results, the Annual Report, media releases, announcements, circulars and the Group's website. Formal disclosure is supplemented with media conferences that present the interim and preliminary results, regular group meetings, road shows, ad hoc meetings and participation in investment conferences.

All contact with the market is used as a two-way communication forum, with concerns and suggestions noted for internal debate and action if appropriate. Formal research conducted by independent organizations is used to identify investor perceptions and changes in perceptions. The results of the research and feedback from meetings are used to enhance disclosure policies and the investor relations programme.

Employees

Implementation of Anglo Platinum's Employee Relations Policy enables the Group to focus on building partnerships with stakeholders and forging world-class relations.

The following partnership structures are fully functional:

- The Central Partnership Forum (CPF);

- The CPF Steering Committee; and
- The Operating Unit Partnership Forum.

The key roles and functions of these partnership forums are monitoring and measuring policy implementation and decision-making.

Unions and associations that have at least a 15% representation of either the supervisor's or operator's bargaining unit at each mine or plant are entitled to organizational rights and to participate in the partnership structures. A 30% threshold entitles unions and associations to participate in collective bargaining. (Please refer to page 84 of this report.)

A 25% representation in a region entitles a union or association to elect a full-time regional coordinator.

Each recognized union and association is entitled, in terms of its constitution, to elect among its shop stewards' committee members a full-time shop steward, who is responsible for liaison with operational management and member employees on behalf of his/her union or association and for attending partnership meetings.

Customers and business partners

We seek mutually beneficial, long-term relationships with our customers, business partners, contractors and suppliers based on fair and ethical practices. We identify and select customers for desired market penetration and, in some cases, for desired geographic distribution. Long-term contracts – either on a principal-to-principal or a principal-

to-agent basis – provide the basis of the Group's sales strategy. Spot sales are less often undertaken, but are executed when required.

Established customers are engaged regularly through various communication forums, including personal visits, workshops and surveys. This approach enables the Group to nurture strong working relationships and to strengthen the understanding of each customer's business.

Customer surveys are analyzed carefully to identify service delivery problems, as well as changes in compliance with packaging and documentation in different regions. Visits to and from customers fulfil an important role in helping to better understand each other's business and go a long way to influencing the Group's sales policies and procedures. In addition, workshops are designed to discuss and strategize market development with customers and other stakeholders.

Anglo Platinum business partners include: joint-venture partners; contractors; suppliers of goods and services; and those organizations with whom the Group has agreements covering its core business interests of mining, processing, refining and marketing of platinum-group metals. We identify and select these partners for their competence, their adherence to Anglo Platinum's own high standards of corporate and sustainable development performance and increasingly, for their commitment to empowering historically disadvantaged South Africans through both employment policies and ownership structures.

The nature of engagement with business partners is generally contractual. Each business partner is required to comply with relevant sustainable development performance benchmarks/criteria in terms of its contract. These include measurements for social, safety, health, environmental and labour-related criteria.

The Group has also undertaken to mentor and advise business partners in cases of underperformance in terms of each contract, unless they are guilty of fraudulent practices. In this case, the relationship is terminated and the company blacklisted.

Communities, governmental bodies and non-governmental organizations (NGOs)

Identifying stakeholders is the first step in building a good engagement policy. The process includes mapping out the impact that particular stakeholders have or will have on the Group's business, which helps in the prioritization of the engagement process. The engagement strategy is grounded in the Group's overall socio-economic development and corporate social investment programmes. Leaders of these programmes engage with different partners and stakeholders while balancing changing relationships and a wide range of social and business objectives.

Stakeholders are those individuals or groups that have an interest in, or may be positively or negatively affected by, the operations of Anglo Platinum. The geographical and economic boundaries containing the stakeholders overlap.

Various channels of communication are used to engage different stakeholders, including:

- Public relations and marketing channels;
- The Group website (dedicated section);
- Dedicated sections in the Annual Report;
- Community meetings through formal committees and forums;
- Local newspapers and community radio stations; and
- Traditional leadership structures.

It is important to engage with stakeholders, to consult them about issues, to listen to their perspectives and to be prepared to justify the Group's positions. A regular dialogue with the communities affected by operations, in which many employees also live, is an important element in minimizing the risk of local hostility or disruption to operations. Support for local projects is a further element of community engagement.

The structure and objectives of community engagement are defined for all operations where this is relevant and clear management accountability and success criteria have been identified. Each operation has a three-year community engagement strategy in place, which reflects inputs from a range of local stakeholders.

Identifying stakeholders takes place in the wider South African context. The

social and economic priorities facing the country will dictate the composition of stakeholder forums. In no particular order, the major areas of concern are:

- Training and development needs;
- Appropriate and employable skills;
- Cost and quality of education;
- High levels of unemployment;
- Economic stagnation;
- Intensified competition brought about by globalization;
- High cost of living and inflation;
- Accessibility of health services;
- HIV/AIDS, malaria and tuberculosis;
- Starvation and malnutrition;
- Access to basic services: electricity, water, waste management and sewerage;
- Institutions: clinics, schools and libraries; and
- Access to information and communication services.

PROFILE (continued)

OUR PRINCIPAL STAKEHOLDERS

Investors	Key attributes	Relationship to Anglo Platinum	Method of engagement	Frequency of engagement
Anglo American plc	Listed in London	Owns 74,8% of Anglo Platinum	Meetings	Weekly
Minority shareholders	Predominantly South African, European and North American	Own the balance of Anglo Platinum shares	Results presentations, media	Bi-annual continuous
Potential investors	Represented by investor groups, such as pension funds	An interest in the potential of becoming shareholders	Results presentations, media	Bi-annual continuous
JSE Securities Exchange South Africa	Regulator of listed companies	Primary listing exchange and market	Various	Continuous
JSE SRI Index	Independent assessment of triple bottom line reporting	Anglo Platinum is included in the index	Index questionnaire	Annual
Employees	Key attributes	Relationship to Anglo Platinum	Method of engagement	Frequency of engagement
Permanent employees	74 736; 97% South African; 3% from Mozambique, Lesotho, Zimbabwe and Swaziland	Direct contractual relationship	Various	Continuous
Contractors	24 002; over 92% South African	Indirect contractual relationship	Various	Continuous
Trade unions and associations	Key attributes	Relationship to Anglo Platinum	Method of engagement	Frequency of engagement
National Union of Mine Workers	18 333 predominantly mining employees	Signatory to Employee Relations Policy	Partnership structures and task team	Once every two months
United Association of SA	3 996 surface-based employees	Signatory to Employee Relations Policy	Partnership structures and task team	Once every two months
Trade Union Alliance	9 956 members of smaller unions	Signatory to Employee Relations Policy	Partnership structures and task team	Once every two months
Togetherness Amalgamated Workers' Union of South Africa	1 266 employees	Signatory to Employee Relations Policy	Partnership structures and task team	Once every two months
Solidarity	422 supervisory mining and engineering employees	Signatory to Employee Relations Policy	Partnership structures and task team	Once every two months
National Union of Metalworkers of SA	209 engineering employees	Signatory to Employee Relations Policy	Partnership structures and task team	Once every two months
Customers	Key attributes	Relationship to Anglo Platinum	Method of engagement	Frequency of engagement
Johnson Matthey	Listed in London; PGMs fabricated into industrial products	Direct supply and long-term agency contracts for PGMs	Supply contract	A minimum of once a month
Engelhard Corporation	Listed in New York; PGMs fabricated into industrial products	Direct long-term contract to buy PGMs	Contract	A minimum of once a month
Tanaka Kikinzoku Kogyo KK	Private Japanese company; fabricating PGM industrial products	Direct long-term contract to buy PGMs	Contract	A minimum of once a month
Umicore SA	Listed in Brussels, fabricating PGM industrial products	Direct long-term contract to buy PGMs	Contract	A minimum of once a month
Heraeus	Private German company, fabricating PGM industrial products	Direct long-term contract to buy PGMs	Contract	A minimum of once a month
Toyota Motor Corporation	Tokyo-listed motor manufacturer; PGMs used in autocatalysts	Direct long-term contracts to buy PGMs	Contract	A minimum of once a month
Honda Motor Corporation	Tokyo-listed motor manufacturer; PGMs used in autocatalysts	Direct long-term contract to buy PGMs	Contract	A minimum of once a month
Business partners	Key attributes	Relationship to Anglo Platinum	Method of engagement	Frequency of engagement
ARM Platinum	HDSA mining company	Joint venture partner at Modikwa Platinum Mine	Joint venture agreement	Quarterly Manco meetings
Aquarius Platinum (South Africa)	Sydney and Johannesburg-listed mining company	Partner for exploiting Kroondal reserves	Pooling and Sharing Agreement	Monthly Manco meetings
Bapo Ba Mogale Tribe	Tribal authority in North West Province	Potential joint venture partner at Pandora	Joint venture agreement	Quarterly Manco meetings

Business partners	Key attributes	Relationship to Anglo Platinum	Method of engagement	Frequency of engagement
Khumama	HDSA consortium	Potential joint venture partner at Booyesendal	Salient principles agreement	Monthly Manco meetings
Lonmin	London-listed mining company	Potential joint venture partner at Pandora	Joint venture agreement	Quarterly Manco meetings
Mvelaphanda Resources	Johannesburg-listed HDSA mining company	Co-shareholder of Northam Platinum and joint venture partner at Pandora	Joint venture agreement	Quarterly Manco meetings
Plateau Resources (formerly Pelawan)	HDSA mining company	Joint venture partner at Ga-Phasha PGM project	Joint venture agreement	Technical committee meetings ongoing
Royal Bafokeng Resources	Tribal authority in North West Province	Joint venture partner at BRPM/Styl drift	Joint venture agreement	Monthly Manco meetings
Major contractors	Key attributes	Relationship to Anglo Platinum	Method of engagement	Frequency of engagement
JIC Mining	South African contract mining company	Supply cost rose from R263 million in 2003 to R282 million in 2004	Contract	Monthly
Cementation Mining Skanska	South African contract mining company	Supply cost rose from R216 million in 2003 to R224 million in 2004	Contract	Monthly
Murray and Roberts	South African construction company	Supply cost decreased from R308 million in 2003 to R223 million in 2004	Contract	Monthly
Marsh South Africa	South African insurance advisory and brokering company	Supply cost rose from R124 million in 2003 to R142 million in 2004	Service agreement	Annual
San Contracting Services	South African contract mining company	Supply cost rose from R46 million in 2003 to R124 million in 2004	Contract	Monthly
Major suppliers	Key attributes	Relationship to Anglo Platinum	Method of engagement	Frequency of engagement
Eskom	South African energy supplier	Supply cost rose from R802 million in 2003 to R875 million in 2004	Contract	Monthly
African Explosives	South African explosives supplier	Supply cost rose from R319 million in 2003 to R378 million in 2004	Contract	Monthly
Sandvik Tamrock	South African mining equipment supplier	Supply cost rose from R318 million in 2003 to R362 million in 2004	Contract	Monthly
Scaw Metals	South African castings supplier	Supply cost rose from R171 million in 2003 to R227 million in 2004	Contract	Monthly
Shell South Africa	South African fuel supplier	Supply cost rose from R171 million in 2003 to R219 million in 2004	Contract	Monthly
Other contractors and suppliers	Key attributes	Relationship to Anglo Platinum	Method of engagement	Frequency of engagement
Various	Of all contractors and suppliers, 99% were South African registered.	Total supply costs of 'other' contractors and suppliers excluding the above decreased from R10 411 million in 2003 to R9 450 million in 2004 (excluding VAT).	Various	Various
Communities*	Key attributes	Relationship to Anglo Platinum	Method of engagement	Frequency of engagement
Rustenburg (NW373)	Municipal area in North West Province	Labour-sending area; part of Rustenburg Section's and BRPM's mine communities	Formal and informal meetings	Monthly and as needs arise
Moses Kotane (NW375)	Municipal area in North West Province	Labour-sending area; part of Rustenburg Section's, Amandelbult Section's, Union Section's and BRPM's mine communities	Formal and informal meetings	Monthly and as needs arise
Kgetleng River (NW374)	Municipal area in North West Province	Labour-sending area; part of Rustenburg Section's and BRPM's mine communities	Via TEBA, HR impacts	As required
Mafikeng (NW383)	Municipal area in North West Province	Labour-sending area	Via TEBA, HR impacts	As required

PROFILE (continued)

Communities*	Key attributes	Relationship to Anglo Platinum	Method of engagement	Frequency of engagement
Mogalakwena (NP367)	Municipal area in Limpopo Province	Labour-sending area; part of PPRust's mine community	Formal meetings	Quarterly and as required
Greater Tubatse (CBLC5)	Municipal area in Limpopo and Mpumalanga provinces	Labour-sending area; part of Leplats' mine community	Formal meetings	Monthly
Fetakgomo (NP03A3)	Municipal area in Limpopo Province	Labour-sending area; part of Leplats' mine community	Formal and informal meetings; joint planning sessions	Monthly
Polokwane (NP354)	Municipal area in Limpopo Province	Labour-sending area; part of PPRust's, Leplats' and Polokwane Smelter's communities	Formal and informal meetings	As required
OR Tambo District Municipality	District municipal area in Eastern Cape Province covering the following local municipalities: King Sabata Dalindyebo; Nyandeni; Port St Johns; Ntabankulu; Qaukeni; Mbizana; Mhlontlo	Labour-sending area; part of Rustenburg Section's, Amandelbult Section's and Union Section's mine communities	Formal and informal meetings	As required
Tribal authorities, administrations and liaison committees	Traditional leadership around operational areas	Surface lease, social and economic impacts of mining on the community	Meetings, workshops and presentations	As required
Governmental bodies	Key attributes	Relationship to Anglo Platinum	Method of engagement	Frequency of engagement
Central Government	Various administrative departments	Some ministries may only be visited on specific issues, such as Home Affairs (matters of work permits); other relationships are more permanent and relate to specific issues (e.g. legislation in respect of mining rights, environmental management, environmental permits and licences)	Formal and informal meetings/ presentations	Various structures meet at various times
Parliament	Various administrative departments	Policy discussion and lobbying (both ways) take place at this level; also debate on overarching issues of mutual interest	Formal and informal meetings/ presentations	Various
Limpopo Provincial Government	Various administrative departments	Operational issues are discussed, including economic, environmental and social impacts	Formal and informal meetings/ presentations	As required
Komamani Forum	Various administrative departments	Operational issues are discussed, including economic, environmental and social impacts	Formal and informal meetings/ presentations	Quarterly
Mpumalanga Provincial Government	Various administrative departments	Operational issues are discussed, including economic, environmental and social impacts	Formal and informal meetings/ presentations	As required
North West Provincial Government	Various administrative departments	Operational issues are discussed, including economic, environmental and social impacts	Formal and informal meetings/ presentations	As required
District and local municipalities	Various administrative departments	Local and community-specific issues are discussed, including economic, environmental and social impacts of operations; also part of stakeholder forums with Anglo Platinum and community representatives	Formal and informal meetings/ presentations	Various structures meet at various times
Independent Government structures	Commission for Conciliation, Mediation and Arbitration; Commission on Restitution of Land Rights; Magalies Water Board; Mintek; National African Federated Chamber of Commerce; and the South African Reserve Bank	Focused working groups may work together for up to 18 months on specific issues (e.g. land restitution)	Formal and informal meetings/ presentations	As required
SAPS	Various branches of the SAPS around Group operations	Addressing security risks and issues in partnership	Meetings and consultations	Monthly and as required
South African Heritage Resources Agency	South African cultural and environmental organization	Environmental and social impact	Meetings	Ad hoc

Non-governmental organizations (NGOs)	Key attributes	Relationship to Anglo Platinum	Method of engagement	Frequency of engagement
Association of Black Professionals in Mining	A network of black professionals in mining, supporting entry and development of blacks in the mining industry	Community development, mentorship and support	Meetings, seminars and workshops	As required
African Pathways for Youth Development	Polokwane-based youth development and training organization	Social impacts and community development	Meetings	As required
Earthlife Africa	South African environmental organization	Environmental impacts	Meetings	Ad hoc
Environmental Justice Networking Forum	South African environmental watchdog	Environmental impacts	Public meetings	Ad hoc
Kroondal Environmental Forum	Rustenburg area environmental watchdog	Environmental impacts	Meetings	Every second month
LimDev	Limpopo Business Development Agency	Business development, training and funding	Workshops	As required
Limpopo Education Development Trust	A public-private partnership to develop education in Limpopo Province	Educational developments in Limpopo	Meetings and workshops	Monthly and as required
Limpopo SMME Agency	A business development agency funded through Government	SMME development and support	Meetings and workshops	As required
Limpopo Wetlands Forum	Limpopo Province environmental group	Environmental impacts	Meetings	Quarterly
Magoba Environmental Club	Lebowa area environmental organization	Environmental impacts	Informal discussion	Ad hoc
Mpumalanga Education Development Trust	A public-private partnership to develop education in Mpumalanga Province	Educational developments in Burgersfort	Meetings and workshops	Monthly and as required
North West Eco Forum	Rustenburg area environmental watchdog	Environmental impacts	Meetings, consultations and presentations	Every second month
North West Education Development Trust	A public-private partnership to develop education in the North West Province	Educational developments in North West Province	Meetings and workshops	Monthly and as required
Operation Wildflower	South African environmental organization	Environmental impacts	Relocation of plants	Ad hoc
Royal Bafokeng Economic Board	Economic Board of the Royal Bafokeng Nation looking at development of SMMEs within the Royal Bafokeng Nation	An important partner in the development of SMMEs in and around RPM operations and communities	Meetings, workshops and presentations	As required
Royal Bafokeng Resources	Environmental Management Body of the Royal Bafokeng Nation looking at environmental issues within the Royal Bafokeng Nation	Partners Anglo Platinum in environmental issues in and around RPM operations and within the mining communities of Rustenburg	Meetings, workshops and presentations	As required
Sekhukune People Development Trust	Graduate and skills development in Sekhukune District Municipality	Community development	Meetings	Monthly as required
South African Women in Construction	Support organization for women in construction	SMME development and support	Meetings	As and when required
South African Women Entrepreneurs Network	Organization focusing on women business development and support	Women SMME development and support	Meetings and workshops	As and when required
Trade and Investment Limpopo	Investment agency for Limpopo	Black economic empowerment, supplier development and preferential procurement	Meetings	As required

PROFILE (continued)

Non-governmental organizations (NGOs)	Key attributes	Relationship to Anglo Platinum	Method of engagement	Frequency of engagement
Waterberg Biosphere Reserve	Limpopo Province nature conservancy body	Environmental impacts	Meetings	Quarterly
Wildlife and Environment Society of South Africa	South African environmental organization	Environmental impacts	Meetings	Ad hoc
Educational Institutions	Key attributes	Relationship to Anglo Platinum	Method of engagement	Frequency of engagement
Universities/ technikons/technical and community colleges	Education institutions promoting required skills	Bursary programmes Continuing education MDP/MBA Graduate development Research sponsorship Membership of faculty advisory councils Interaction on planning directly and via professional bodies Major contributor to METF Sponsorship of professorial seats	Meetings	As required
<small>* Mine communities are defined as being within 50km of a mine and a labour-sending area is defined as supplying more than 1% of any mine's workforce. A 'major' labour-sending area is defined, for purposes of the Mining Scorecard, as supplying more than 5% of the Group's total workforce.</small>				



Malebo Nkuna addresses ladies of the Ga-maroga Village near Burgersfort on issues surrounding HIV/AIDS and domestic violence.

THE SOUTH AFRICAN MINING CHARTER

Developed in consultation between the mining and minerals industry and Government, ratified in October 2002 and published in General Notice 1639/2004 in Government Gazette GG2661 of 13 August 2004 in terms of section 100(2) of the Mineral and Petroleum Resources Development Act, 2002, (MPRDA). The Broad-based Socio-economic Charter for the Mining Industry (the Mining Charter) is designed to bring into effect the aims of the MPRDA. The goal of the Charter is to 'create a mining industry that will proudly reflect the promise of a non-racial South Africa'.

The Government produced an annexure to the Mining Charter with measures for assessing the progress of mining companies in respect of a number of key areas as they relate to socio-economic goals. This document is known as the 'Mining Scorecard'.

The nine elements of the Mining Scorecard are listed below. Each element has a number of sub-requirements.

- Human resource development
- Employment equity
- Migrant labour
- Mine community and rural development
- Housing and living conditions
- Procurement
- Ownership and joint ventures
- Beneficiation
- Reporting

MEASUREMENT SYSTEMS

As part of the process, Anglo Platinum has developed a system for measuring compliance with the Mining Scorecard, which has been incorporated into the Enterprise Resource Planning programme. Because of the importance of this issue, this system is managed at senior levels within the Group, that is, at Board and Executive Committee level. Mines undertake reviews on a quarterly basis.

AUDIT

Given the importance of accurate data, internal auditors and external assurance providers are involved in assurance processes with regard to the key indicators identified in the Mining Scorecard. The reader is referred to KPMG's independent assurance report earlier in this report.

GRI

In parallel with the Mining Scorecard, and as part of the process by which the Annual Report is produced 'in accordance with' the GRI Guidelines, many of the indicators are required to be published in the Annual Report and some duplication may occur.

PERFORMANCE MANAGEMENT

Given the importance of complying with the Mining Charter and achieving its targets, individual and mine performance management systems will eventually be linked to the progress achieved against targets set.

OUR RESPONSE TO THE MINING SCORECARD

Notes	Description	Response	Refer to page
	Human resource development		
	• Has the company offered every employee the opportunity of being functionally literate and numerate by the year 2005 and are employees being trained? ¹	✓	102
	• Has the company implemented career paths for HDSA employees, including skills development plans?	✓	102
	• Has the company developed systems through which empowerment groups can be mentored? ²	✓	102
	Employment equity		
	• Has the company published its employment equity plan and reported on its annual progress in meeting that plan?	✓	103
	• Has the company established a plan to achieve a target for HDSA participation in management of 40% within five years and is it implementing the plan?	✓	103
	• Has the company identified a talent pool and is it fast-tracking it?	✓	103
	• Has the company established a plan to achieve the target for women participation in mining of 10% within the five years and is it implementing it? ³	✓	103
	Migrant labour		
	• Has the company subscribed to Government and industry agreements to ensure non-discrimination against foreign migrant labour? ⁴	✓	112
	Mine community and rural development		
	• Has the company cooperated in the formulation of integrated development plans and is the company cooperating with Government in the implementation of these plans for communities where mining takes place and for major labour-sending areas? Has there been effort on the side of the company to engage the local mine community and major labour-sending area communities? (Companies will be required to cite a pattern of consultation, indicate money expenditures and show a plan.)	✓	116
	Housing and living conditions		
	• For company-provided housing, has the mine, in consultation with stakeholders, established measures for improving the standard of housing, including the upgrading of hostels, conversion of hostels to family units, and promoted home ownership options for mine employees? Companies will be required to indicate what they have done to improve housing, show a plan to progress the issue over time and demonstrate that they are implementing the plan.	✓	98
	• For company-provided nutrition, has the mine established measures for improving the nutrition of mine employees? Companies will be required to indicate what they have done to improve nutrition, show a plan to progress the issue over time and demonstrate that they are implementing the plan.	✓	98
	Procurement		
	• Has the mining company given HDSAs preferred-supplier status?	✓	46
	• Has the mining company identified current levels of procurement from HDSA companies in terms of capital goods, consumables and services?	✓	46
	• Has the mining company indicated a commitment to a progression of procurement from HDSA companies over a three-to-five-year timeframe in terms of capital goods, consumables and services and to what extent has the commitment been implemented?	✓	46
	Ownership and joint ventures		
	• Will the mining company achieve HDSA participation, in terms of ownership of equity or attributable units of production, of 15% in HDSA hands within five years and 26% within ten years? ⁵	✓	49
	Beneficiation		
	• Has the mining company identified its current level of beneficiation?	✓	50
	• Has the mining company established its base line level of beneficiation and indicated the extent that this will have to be grown in order to qualify for an offset? ⁶	X	50
	Reporting		
	• Has the company reported on an annual basis its progress towards achieving its commitments in its annual report? ⁷	✓	Refer to footnote 7

Notes:

1. The critical test is whether a human resource development system has been established and resourced so that people are being trained.
2. The mentoring of empowerment groups refers to the mining company's HDSA employees and HDSA-linked partners at the levels of ownership and procurement. It does not preclude mining companies being involved in mentoring programmes outside of their own operations.
3. The five-year 10% target in respect of women in mining poses a considerable challenge for the Group. Continued engagement with stakeholders, including Government, will do much to address this issue.
4. The commitment of stakeholders to ensuring non-discrimination against foreign migrant workers can be approached from the perspective that each company subscribes to industry and Government agreements on the matter.
5. The scorecard is represented by the five-year target and it has been agreed that, within ten years, the level of HDSA participation will rise to 26%. In the case of Anglo Platinum, it has achieved HDSA participation that will meet the 15% target. The maintenance of this target will however be dependent both on the HDSA owners to fill the capacity established and on Anglo Platinum's own level of production from time to time. Discussions with a number of potential HDSA partners to ensure that the 26% target is achieved are currently in progress.
6. In terms of the beneficiation commitments and the offset options, the key issue is to capture the actual beneficiation activities of a company and to convert it to the same unit of measurement as used for ownership, i.e. attributable units of production or percentage of value, and offset accordingly. The attributable units that are beneficiated above the base state may be offset against HDSA ownership targets. Considering that some 59 different minerals are mined in South Africa, detailed discussions on the base state for each mineral are ongoing.
7. The Group considers this Annual Report to comply with this requirement.

CORPORATE GOVERNANCE

Corporate governance encompasses the Group's systems, structures and culture of governance and ensures that the Group acts responsibly towards all its stakeholders, economically, socially and environmentally. This portion of our Corporate Governance Report represents part of our corporate governance disclosures and supplements. Further information provided in Volume 1: Business Report.

PRINCIPLES OF CORPORATE GOVERNANCE AND STRUCTURES

The Board affirms its commitment to the principles of openness, integrity and accountability, and timeous, relevant and meaningful reporting to all stakeholders. It ensures that the Group's business is conducted in accordance with high standards of corporate governance, and with local and internationally accepted corporate practice. These standards are entrenched in the Group's system of internal control by its procedures and policies governing corporate conduct, with particular emphasis on the qualitative aspects of corporate governance.

The directors endorse and are of the opinion that the Group adheres to the Code of Corporate Practices and Conduct set out in the second King Report on Corporate Governance for South Africa (King II), with one exception. The Remuneration Committee consists of four non-executive directors of whom two are independent, whereas King II requires a majority of independent non-executives.

The principles contained in King II are reflected in the Group's corporate

governance structures, which are reviewed from time to time to take into account organizational changes and international developments in the field of corporate governance. The Board and management actively review and enhance the Group's systems of control and governance on a continuous basis to ensure that the Group's business is managed ethically and within prudently determined risk parameters in conformity with internationally accepted standards of best practice.

THE BOARD OF DIRECTORS

The Company has a unitary Board comprising seven executive and twelve non-executive directors. Four of the non-executive directors are independent as defined by King II.

All the directors bring to the Board a wide range of expertise, as well as significant financial, commercial and technical experience and, in the case of non-executive and independent non-executive directors, independent perspectives and judgement.

The Board is responsible for setting the direction of the Group through the establishment of strategic objectives and key policies. It monitors the implementation of strategies and policies through a structured approach to reporting on the basis of agreed performance criteria and defined, written delegations to management for the detailed planning and implementation of such objectives and policies. The Board meets quarterly, or more frequently if circumstances so require, to review matters specifically reserved for its decision, including

CORPORATE GOVERNANCE (continued)

The Board

Responsible to shareholders for setting direction through strategic objectives and key policies; monitors implementation through structured reporting systems.

Barry Davison (Non-executive Chairman)	Bill Nairn (Non-executive)
Tom Wixley (Independent Non-executive Deputy Chairman)	Hixonia Nyasulu (Independent Non-executive)
Ralph Havenstein (Chief Executive Officer)	Tony Redman (Non-executive)
Dave Barber (Non-executive)	Abe Thebyane (Executive)
Colin Brayshaw (Independent Non-executive)	Tony Trahar (Non-executive)
Dorian Emmett (Non-executive)	Roeland van Kerckhoven (Executive)
Mike Halhead (Executive)	Duncan Wanblad (Executive)
Sam Jonah (Non-executive)	Sandy Wood (Executive)
Bongani Khumalo (Independent Non-executive)	Lazarus Zim (Non-executive)
Robin Mills (Executive)	

Executive Committee	Administration Committee	Audit Committee	Corporate Governance Committee	Nomination Committee	Remuneration Committee	Safety, Health, and Environment (SHE) Committee
Recommends policies and strategies; monitors implementation; deals with all executive business; responsible for all material matters not reserved for the Board; coordinates and monitors resources to achieve the Group's aims.	Responsible for all matters pertaining to staff and administration.	Monitors the adequacy of financial controls and reporting; reviews the audit plans of internal and external auditors; ascertains the reliability of the audit; ensures that financial reporting complies with IFRS and the Companies Act.	Reviews the quality of corporate governance and recommends thereon to the Board; provides advice to directors and management in respect of conflicts of interest; provides forum for non-executive directors.	Considers suitable nominations for appointments to the Board and makes appropriate recommendations in regard thereto to the Board.	Establishes the overall principles of remuneration and determines the remuneration of executive directors and the Head of Internal Audit; considers, reviews and approves the Group's policy on executive remuneration and communicates this to stakeholders in the Annual Report.	Develops framework policies and guidelines for SHE management and ensures implementation; monitors Group compliance with relevant legislation.
Ralph Havenstein • Mike Halhead Robin Mills Abe Thebyane Roeland van Kerckhoven Duncan Wanblad Sandy Wood	Ralph Havenstein • Mike Halhead Robin Mills Abe Thebyane Roeland van Kerckhoven Duncan Wanblad Sandy Wood	Colin Brayshaw • Dave Barber Bongani Khumalo Vincent Uren Tom Wixley	Tom Wixley • Dave Barber Colin Brayshaw Barry Davison Sam Jonah Bongani Khumalo Bill Nairn Hixonia Nyasulu Tony Redman Tony Trahar Lazarus Zim	Barry Davison • Colin Brayshaw Tony Trahar Tom Wixley	Tom Wixley • Colin Brayshaw Barry Davison Tony Trahar	Bill Nairn • Mzolisi Diliza Mike Halhead Ralph Havenstein John Johnston Bongani Khumalo Robin Mills Tony Redman Abe Thebyane Duncan Wanblad
• Committee chairperson						

CORPORATE GOVERNANCE (continued)

financial and operational results, and to consider issues of strategic direction, major acquisitions and disposals, approval of major capital expenditure, and any other matters having a material effect on the Group.

The Board has a Charter setting out its mission, role, duties and responsibilities and, in particular, important aspects concerning the following:

- The directors' fiduciary responsibilities;
- Leadership of the Board;
- Induction of new directors;
- Evaluation of directors;
- The Board's relationship to staff and external advisors, as well as unrestricted access to Company records; and
- Board meetings and procedures.

The directors have a responsibility, in terms of the Board Charter, to become acquainted with all of their duties, as well as with the issues pertaining to the operations and business of the Company, to enable them to fulfil their duties. To assist new directors, an induction programme has been established by the Company, which includes background materials, meetings with senior management, and visits to the Company's various operations and projects.

In terms of the Board Charter, the directors are assessed annually, both

individually and collectively as a Board. In addition, the Remuneration Committee formally evaluates the Chief Executive Officer (CEO) on an annual basis, based on objective criteria.

The Board as a whole approves the appointments of new directors, on recommendation by the Nomination Committee.

All directors, in accordance with the Company's Articles of Association, are subject to retirement by rotation and re-election by shareholders.

All directors have access to the advice and services of the Company Secretary and are entitled to seek independent professional advice concerning the affairs of the Group at the expense of the Group.

The Board has established a number of standing committees, which are ultimately answerable to the Board, namely:

- The Executive Committee;
- The Administration Committee;
- The Audit Committee;
- The Corporate Governance Committee;
- The Nomination Committee;
- The Remuneration Committee; and
- The Safety, Health and Environment (SHE) Committee.

These committees operate within the

CORPORATE GOVERNANCE (continued)

Directors' attendance at Board and committee meetings in 2004						
Director	Board	Audit Committee	Corporate Governance Committee	Nomination Committee	Remuneration Committee	SHE Committee
<i>Number of meetings held during the year</i>	7	5	3	4	3	4
Dave Barber (Non-executive) appointed 16/8/2004	2/2	1/1	1/1	n/a	n/a	n/a
Leslie Boyd (Independent Non-executive) resigned 16/8/2004	2/5	n/a	0/2	1/3	n/a	n/a
Colin Brayshaw (Independent Non-executive)	6	5	3	3	3	n/a
Barry Davison (Non-executive Chairman)	7	n/a	2	4	3	n/a
John Dreyer resigned 13/1/2004	1/1	n/a	n/a	n/a	n/a	n/a
Dorian Emmett (Non-executive) resigned from SHE Committee on 5/8/2004	7	n/a	n/a	n/a	n/a	3/3
Mike Halhead (Executive) appointed to the Board on 16/8/2004	2/2	n/a	n/a	n/a	n/a	4
Ralph Havenstein (Chief Executive Officer)	7	n/a	n/a	n/a	n/a	3
Sam Jonah (Non-executive) appointed 16/8/2004	2/2	n/a	1/1	n/a	n/a	n/a
Bongani Khumalo (Independent Non-executive) appointed to the Audit Committee on 25/1/2005	6	n/a	3	n/a	n/a	4
Mike King (Independent Non-executive) resigned 16/8/2004	5/5	n/a	2/2	2/3	n/a	n/a
Robin Mills (Executive)	7	n/a	n/a	n/a	n/a	4
Bill Nairn (Non-executive)	7	n/a	2	n/a	n/a	4
Hixonia Nyasulu (Independent Non-executive) resigned from Remco and Nomco 30/9/2004	4	n/a	2/3	1/3	1/2	n/a
Tony Redman (Non-executive) appointed 5/8/2004	2/2	n/a	1/1	n/a	n/a	1/1
Abe Thebyane (Executive) appointed to the Board on 16/2/2004	5/5	n/a	n/a	n/a	n/a	2
Tony Trahar (Non-executive)	5	n/a	0	2	2	n/a
Vincent Uren (Alternate)	n/a	4	n/a	n/a	n/a	n/a
Roeland van Kerckhoven (Executive)	7	n/a	n/a	n/a	n/a	n/a
Duncan Wanblad (Executive) appointed 1/11/2004	1/1	n/a	n/a	n/a	n/a	1/1
Tom Wixley (Independent Non-executive Deputy Chairman)	7	5	3	4	3	n/a
Sandy Wood (Executive)	6	n/a	n/a	n/a	n/a	n/a
Lazarus Zim (Non-executive)	7	n/a	3	n/a	n/a	n/a

n/a = not applicable

defined terms of reference laid down in writing by the Board. The Audit and Remuneration Committees are each chaired by an independent non-executive director and consist entirely of independent non executive directors. The Corporate Governance Committee is chaired by an independent non-executive director.

Each committee member is expected to undertake an assessment of the committee's performance annually.

EXECUTIVE AND ADMINISTRATION COMMITTEES

The membership of both the Executive Committee and the Administration Committee consists of the Company's executive directors.

The Executive Committee is constituted to assist the CEO in managing the business of the Group when the Board is not in session, subject to statutory and authority limits delegated to the CEO and the Executive Committee in terms of the Group's authority policy. The Executive Committee assists the CEO in guiding and controlling the overall direction of the business of the Group and acts as a medium of communication and coordination between operations, Group companies and the Board.

The Administration Committee is responsible for administrative issues pertaining to the Corporate Office and the operations of the Group.

Finance Risk Committee

The Finance Risk Committee, which comprises marketing and treasury representatives, is a sub-committee of the Executive Committee. It is responsible for treasury risk management activities within the Group, subject to the overall limits set by the Board.

AUDIT COMMITTEE

The Directors' Report in Volume 1: Business Report contains a statement relating to the directors' responsibilities. For the purposes of enabling the directors to fulfil these responsibilities and maintain systems of internal controls aimed at reducing the risk of error or loss, the internal audit function, acting on behalf of the Board, independently appraises the Group's internal systems of control and reports its findings to the Audit Committee. The audit approach entails a thorough comprehension of the Group's financial and business objectives, and of the underlying systems and procedures.

The internal audit plan is determined annually, based on the relative degree of the inherent risk within Group operations. The overall effectiveness of internal auditing in the Group is achieved through the development, adoption and implementation of audit standards, methodologies and techniques. This is complemented by conducting ongoing training programmes to ensure that those tasked with this responsibility remain abreast of current developments and practices.

The Audit Committee also evaluates

the performance, independence and effectiveness of the external auditors and considers any non-audit services to determine whether or not such services substantively impair their independence as external auditors. The Audit Committee also considers and makes recommendations on the appointment and retention of the external auditors. Before an audit commences, the Audit Committee discusses and reviews with the external auditors their engagement letter and the terms, scope and nature of the audit function, procedure and engagement, as well as the audit fee.

The Audit Committee comprises solely non-executive directors, the majority of whom, including its chairman, are independent non-executive directors. The purpose of the Audit Committee is to assist the Board in discharging its duties relating to the safeguarding of assets, the operation of adequate systems, financial control and reporting processes, and the preparation of accurate financial reporting and financial statements in compliance with all applicable legal requirements and accounting standards. The Audit Committee also provides a forum for discussing business risk and control issues, for developing relevant recommendations for consideration by the Board, and for overseeing the activities of the Group's internal and external audit functions. As such, the Audit Committee is an advisory committee and not a management committee. It does not perform any management functions, nor does it assume any management responsibility, but has an independent, objective role in submitting its recommendations

to the Board for its approval or final decision.

In addition to the executives and managers responsible for finance, the head of internal audit and external audit partners attend meetings of the Audit Committee. The committee meets at least four times a year. The head of internal audit and external audit partners have unrestricted access to the chairman of the committee.

CORPORATE GOVERNANCE COMMITTEE

The Corporate Governance Committee was established in line with the spirit of the recommendations of King II and consists entirely of independent non-executive directors.

It is responsible, inter alia, for reviewing the quality of corporate governance in the Group, for making recommendations to the Board for its enhancement, and for providing advice to directors and management on issues that may lead to conflicts of interest. It further provides a forum for independent non-executive directors to meet separately from the executive directors on the board.

NOMINATION COMMITTEE

The Nomination Committee has the responsibility of making recommendations to the Board on the appointment of new executive and independent non-executive directors, including the responsibility for making recommendations on the size, structure and composition of the Board generally and the balance between executive and independent non-executive directors.

The committee is also charged with the responsibility of identifying and nominating candidates, for the approval of the Board, to fill Board vacancies as and when they arise. The committee identifies candidates of suitable calibre, possessing the skills required to perform as directors and having the expertise to enhance the skills and knowledge base of the Board as a whole. The committee is required to put in place succession plans for the Chairperson of the Board and the CEO.

REMUNERATION COMMITTEE

The role of the Remuneration Committee is to establish the overall principles of remuneration and to determine the remuneration of executive directors and the Head of Internal Audit. It considers, reviews and approves the Group's policy on executive remuneration and communicates this policy to stakeholders in the Annual Report. It consists of four independent non-executive directors, of whom two are independent.

The Group's remuneration philosophy is outlined in Volume 1: Business Report.

The Group's remuneration philosophy is designed to ensure that Anglo Platinum, by rewarding superior performance, is able to attract and retain the critical skills necessary for promoting the prosperity of the Group. This philosophy is subject to ongoing review by means of internal and external benchmarking, with the objective of maintaining competitiveness within the labour market.

Executive directors, their alternates and

senior management participate in the Group's Share Option Scheme, which is designed to recognize the contributions of senior staff to the growth in the value of the Group's equity. With the exception of Barry Davison and Dorian Emmett, who were awarded options while they were executive directors, independent non-executive directors do not participate in the Share Option Scheme. Within the limits imposed by the Group's shareholders, options are allocated to directors and senior staff in proportion to their contributions to the business.

A comprehensive remuneration report is included in Volume 1: Business Report, containing details of the emoluments of executive directors and their alternates, including their interests in the Group's Share Option Scheme.

SAFETY, HEALTH AND ENVIRONMENT (SHE) COMMITTEE

The Group strives to conduct its business with due regard for economic, social, cultural, safety, health and environmental concerns. The safety and health of the Group's employees and the well-being of the communities surrounding its mines are the focus of comprehensive policies and programmes dedicated to this end.

The SHE Committee was established to assist the Group in its endeavours to conduct its operations in a responsible manner that achieves a sustainable balance between economic and social development, with special attention on the safety and health of its employees and the impact of its operations on the environment. The SHE Committee

CORPORATE GOVERNANCE (continued)

is also responsible for considering material national and international regulatory and technical developments in the fields of SHE management.

The committee is also charged with the responsibility for monitoring Group compliance with the various SHE laws that affect Group companies.

An independent non-executive director chairs the SHE Committee.

RISK MANAGEMENT

In pursuance of its policy of aligning Group corporate governance with international best practice and thereby safeguarding the interests of stakeholders, the Executive Committee had, as reported last year, been mandated by the Board to supplement the Group-wide system of internal controls to monitor, manage and control significant Group risks. The achievement of these objectives is enhanced through compliance with and observance of the UK Turnbull Guidelines on internal control and King II.

This risk management system is a principal factor facilitating the discharge of the Board's responsibility for ensuring that the extensive risks associated with the Group's operations are effectively managed and the interests of stakeholders safeguarded.

Group risk management is achieved through the identification and control of all the main business risks, including operational risks, which could adversely affect the achievement of the Group's business objectives. The Board has determined the level of acceptable risk

and requires the operations to manage and report in terms of this.

Uncertainty is inherent in Anglo Platinum's business, potentially affecting its performance both negatively and positively. In order to manage this uncertainty, the Group has identified fifteen risk areas, which form the basis for regular and exception reporting to the Executive Committee and the Board, detailed below. Strategies are in place to address each area and are reported on quarterly.

The Group faces not only the risks of unforeseen events or circumstances, but also those of inaction or of anticipated events not occurring. Economic and social transformation in South Africa, made possible by new empowerment legislation, represents a unique opportunity to the industry of reducing the long-term risk of doing business, while failure of this process would heighten such a risk.

Headline risk area

1. Commodity prices
2. Foreign exchange rates
3. Interest rates
4. Other treasury risks:
 - a. Counterparty
 - b. Liquidity
5. Operating cost efficiency
6. Efficient use of capital
7. Stakeholder relationships
8. Political
9. Mineral resource base
10. Legal and regulatory compliance
11. Safety
12. Health
13. Environment
14. Performance of human assets
15. Employee relations

Owners have been appointed for each risk area and practical guidance is given in the Group's operational

risk management handbook. The risk assessment and reporting criteria are designed to provide the Board with a consistent view of the key risks. Senior management is committed to the established system of internal control for the management of risk, which requires transparency and clear accountability.

The abovementioned system of internal control, implemented at all key operations and tailored to suit the specific circumstances of each mine or plant, provides reasonable rather than absolute assurance that the Group's business objectives will be achieved within the prescribed risk tolerance levels. The risk areas and related control processes are monitored across the Group on a continuous basis.

In conducting its annual review of the effectiveness of risk management, the Board considers the key findings from the ongoing monitoring and reporting processes, as well as management and independent assurance reports. The Board also takes account of material changes and trends in the Group's risk profile, and considers whether the control system, including reporting, adequately supports the Board's risk management objectives.

The Board is satisfied that there is in place an adequate ongoing risk management process that identifies, evaluates and manages the main risks faced by the Group.

Regarding the principles of sustainable development, the Group takes the precautionary approach. As expressed in Principle 15 of the Rio Declaration

on Environment and Development, this requires that 'where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation'. Details of some of the Group's environmental precautions are given later in this report.

Aspects of corporate governance outlined in Volume 1: Business Report:

- Directors' responsibilities for the Annual Financial Statements.
- A remuneration report covering service contracts, executive directors' emoluments, fees and bonuses paid in 2004, and their participation in share option schemes and other schemes of benefit, as well as gains on share options exercised in 2004.

ECONOMIC IMPACTS

DIRECT VALUE ADDED TO SOUTH AFRICA

Anglo Platinum adds direct value to the following sectors of South African society

EMPLOYEES

Total payroll and benefits paid in South Africa, R millions	2004	2003
Gauteng	332,5	303,0
Limpopo	2 349,2	1 929,7
North West	3 092,6	2 742,3
Mpumalanga	0,0	0,0
Total	5 774,3	4 975,0
Wages	5 211,7	4 511,1
Pension	383,7	374,0
Other benefits	56,1	88,9
Redundancy payments	122,8	1,0
Total	5 774,3	4 975,0

Remuneration refers to current payments and excludes future commitments.

PUBLIC SECTOR

Taxes paid of all types in South Africa, R millions	2004	2003
South African normal taxation	98,3	1 020,2
Secondary tax on companies	197,5	340,9
Royalties	169,2	21,6
Total	465,0	1 382,7

Apart from the reimbursement of its payment to the Skills Development Levy, the Group received no grants, tax relief, or other types of benefits that did not represent a transaction of goods and services.

Donations in South Africa, R millions	2004	2003
Community groups:		
Cash	18,0	6,4
In-kind	0,2	0,7
Civil society groups:		
Cash	20,0	6,6
In-kind	0,0	0,0
Other groups:		
Cash	53,8	41,2
In-kind	0,1	0,0
Total	92,1	54,9

Non-core infrastructure development *, R millions	2004	2003
Total	24,2	23,1

**This is infrastructure built outside main business activities, such as schools or hospitals for employees and their families.*

ECONOMIC IMPACTS (continued)

PRIVATE SECTOR

Suppliers

Cost of goods, materials and services purchased, R millions	2004	2003
Total	12 506	13 149
Of which, sourced from South Africa	12 412	12 941

Customers

The Group is primarily a PGM producer operating in South Africa. All other metals produced result from the same indistinguishable process from which PGMs are produced. The following splits of the Group's revenue are based on the end use of the metals sold, rather than on the location of its primary customers.

Gross sales revenue splits, R millions	2004	2003
Platinum	13 609,5	11 793,5
Palladium	1 911,9	1 746,7
Rhodium	1 475,1	923,1
Gold	289,8	309,6
Total 4E	17 286,3	14 772,9
Nickel	1 811,3	1 357,0
Other	527,2	378,7
Total	19 624,8	16 508,6
North America	2 267,1	1 934,6
Asia	6 146,2	5 202,0
Europe	6 865,3	6 306,4
Africa	4 313,5	3 048,5
Other	32,7	17,1
Total	19 624,8	16 508,6

The following data are the Group's output as a proportion of demand, as defined by Johnson Matthey as 'sales of new metal'.

Market share of global demand, %	2004	2003
Platinum	38	36
Palladium	21	22
Rhodium	37	34

Providers of capital

Distributions to providers of capital, R millions	2004	2003
Interest on short-term debt	557,1	487,4
Dividends	1 579,6	2 731,6
Total	2 136,7	3 219,0
Increase/(decrease) in retained earnings at end of period	944,9	(639,7)

ECONOMIC IMPACTS (continued)

INDIRECT AND OTHER ECONOMIC IMPACTS

Procurement

In respect of procurement, the Mining Scorecard poses the following questions:

- Has the mining company given historically disadvantaged South Africans (HDSAs) preferred supplier status?

- Has the mining company identified current levels of procurement from HDSA companies in terms of capital goods, consumables and services?
- Has the mining company indicated a commitment to a progression of procurement from HDSA companies over a three-five-year timeframe in terms of capital goods, consumables and services, and to what extent has the commitment been implemented?

The following definitions apply:

- HDSA: 'Refers to any person or category of persons or community, disadvantaged by unfair discrimination before the Constitution of 1993 came into operation. HDSAs include African, 'Coloured', Indian people (collectively black people), women, communities and people with disabilities who are South African citizens and permanent residents. It includes a vendor or company that is owned or controlled by HDSAs.
- HDSA-empowered company: one in which HDSAs have >25% ownership and where there is substantial management influence. In this context, 'management' refers to executive directors. By exception, an enterprise which has less HDSA ownership than stated above but which contributes significantly to the objectives of black economic empowerment may be included under this definition if approved at Anglo Operations Limited (AOL) OPCO level. One such example is Shell SA where AOL has taken the decision to accept Shell SA as an HDSA-empowered company based on Shell's classification as such a company under the provisions of the Petroleum Charter;
- HDSA-owned company: is one that is more than 50% owned and managed by HDSAs. In this context 'ownership' refers to economic interest and 'management' refers to membership of any board or similar governing body of the company;
- Black enterprise: One in which HDSAs have >50% ownership and where there is substantial management control. In this context 'ownership' refers to economic interest and 'management' refers to membership of any board or similar governing body of the company;
- HDSA-influenced enterprise: One in which HDSAs have >5% but <25% ownership and where there is substantial management influence. In this context, 'management' refers to executive directors;
- Ownership economic interest – i.e. equity participation and the exercise of rights and obligations that accrue under such ownership;
- Discretionary spend: Total Discretionary Spend is calculated by the sum of total procurement spend on capital, consumables and services less spend on:
 - Government, parastatals and municipalities
 - Imported technology
 - Imported materials not available locally
 - Any other exclusion approved by the General Manager - Supply Chain
 - Spend on the abovementioned categories must be tracked and shown separately.

ECONOMIC IMPACTS (continued)

Total discretionary spend	2004 actual R millions	2004 actual % of total	2005 planned % of total	2006 planned % of total	2007 planned % of total	2008 planned % of total	2009 planned % of total
HDSA-empowered companies:							
Capital goods	198	5,6	11,3	14,1	16,8	17,0	17,5
Consumables	467	11,4	14,9	15,5	20,7	22,0	22,5
Services	154	7,3	15,2	20,2	25,5	27,0	29,0
HDSA-owned companies:							
Capital goods	20	0,6	0,4	0,5	0,7	0,7	0,8
Consumables	90	2,2	1,2	1,4	1,6	1,7	2,0
Services	49	2,3	2,0	2,3	2,5	2,7	2,9
Local companies:							
Capital goods	20	0,6	0,4	0,5	0,6	0,7	0,8
Consumables	99	2,5	2,6	3,5	4,3	4,7	4,9
Services	81	4,0	3,0	3,5	4,1	4,2	4,5



Lesedi Tracks (Pty) Ltd provides railway track equipment at Paardekraal Shaft. It is an HDSA-owned company. On the right is Edgar Keforilwe, Lesedi's managing director.

ECONOMIC IMPACTS (continued)

Suppliers to Anglo Platinum that represent HDSA interests are given preference on a scale that reflects the extent of HDSA equity, which may vary from >25% to 100%. Other factors such as gender or persons with disabilities are also taken into account. Preferential opportunities for discretionary procurement in both capital and operating expenditure are afforded to HDSA-owned or HDSA-empowered companies. This preference is ranked in terms of:

- HDSA-owned companies
>50,0%
- HDSA-empowered companies
>25,0%
- Companies without HDSA participation.

The Group's Supply Chain produces monthly records of expenditure in percentage and monetary values of procurement from HDSA companies, broken into capital, consumables and services. The report is distributed monthly to various management teams and to the Operations.

Percentage targets for HDSA procurement are broken into three categories, namely: capital, services and consumables as laid out in the Mining Charter. Targets are in place for the next ten years. These targets will be managed and reported on at Operation level, as well as at EXCO. Each year the targets will be reviewed and changes will be submitted to the Transformation Committee for approval. The targets are only based on HDSA-owned and HDSA-empowered vendors. Records of all HDSA-influenced

vendors are kept and the Procurement Department monitors this progress. The spend with HDSA-influenced vendors for 2004 was R122 million, which equates to 1,3% of total discretionary spend.

Anglo Platinum strives for the identification, development and promotion of HDSA businesses. The objective is to ensure that they have access to Anglo Platinum's supply chain, resulting in an increase in the momentum of affirmative procurement and the meeting of legislated targets.

In the process of rolling out an HDSA procurement policy throughout the Group in 2004, the following principles applied:

- There should be no compromise on quality, price, delivery, service, SHE, or any other commercial or technical requirements. Current general procurement policy and procedures should therefore apply. All companies should compete through the same process and on equal platforms.
- All procurement processes should be transparent and subject to audit in accordance with sound business principles and practice.
- The supplier assessment methodology should extend beyond a simple shareholding measurement. The Group should only conduct business with companies that are duly registered with the Registrar of Companies (where applicable), the South African Revenue Service, the Unemployment Insurance Fund, Workmen's Compensation and the Regional Services Council.

In 2004, Anglo Platinum's vendor database of HDSA-owned, HDSA-empowered and HDSA-influenced vendors totalled 623. The number of companies has decreased compared to 2003 given stricter vendor accreditation criteria, of which the Group contracted with 149 HDSA-owned and 124 HDSA-empowered vendors. Services and products worth just under R1 billion, or 10% of the total discretionary procurement spend, were purchased from these vendors in 2004, which represented an increase of 23% over that achieved in 2003. The 2005 target for total Group HDSA spend is 15%.

The HDSA procurement policy was reviewed and amended in 2004. The Group incorporated Anglo American plc's Procurement Guiding Principles and Local Community Development principles and its vendor list was given to Eezi-dex, a company that had been used as a sourcing tool by the Group's resident buyers in the past. Anglo Platinum used this company as well as Wincus Projects to confirm the HDSA status of all currently active vendors in accordance with the Mining Charter. The same exercise was then carried out for the balance of the 16 500 vendors on the vendor list. Those that have no HDSA status have been engaged regarding the Group's requirements, in conjunction with Strategic Commodity Teams, if the vendor has an existing contract.

A communication strategy was implemented in 2004, advising all key stakeholders regularly on the progress and new developments in this environment.

In addition to the above, the Group has initiated a programme of procurement from local companies – suppliers operating within the district municipality of which each mine or plant is a part – which is aimed at enhancing the skills base of the communities impacted upon by the Group's activities. This is jointly managed by the Group's Supply Chain and Socio-economic Development departments. A local vendor is one that is situated within a 50km radius of the mine or plant that it services.

Significant existing suppliers have been given copies of the Group's Business Principles. In addition, the Group has held internal discussions about prioritizing suppliers on the basis of environmental criteria and there have been discussions with suppliers about their environmental performance. To date the process has been ad hoc in nature, but it is intended that this aspect will become more formalized in due course. Compliance with the Group's Business Principles and SHE Policy is a mandatory requirement in all new long-term, high-value strategic contracts.

Ownership and joint ventures

In respect of ownership and joint ventures, the Mining Scorecard poses the following question:

- Will the mining company achieve HDSA participation in terms of ownership for equity or attributable units of production of 15% in HDSA hands within five years and 26% within ten years?

ECONOMIC IMPACTS (continued)

Anglo Platinum recognized at an early stage the importance to the mining industry of empowering HDSAs and considers itself to be one of the corporate pioneers in executing significant and successful economic empowerment transactions and initiatives in South Africa. The Group continues to support this empowerment process and is proud of the contribution it has made, having facilitated numerous empowerment transactions for projects and at existing operations. These transactions include:

- The facilitation in June 2000 of the purchase of 22,5% of Northam Platinum by Mvelaphanda Resources;
- The formation in August 2001 of the Modikwa Platinum Project, a 50:50 joint venture with a consortium led by ARM Platinum;
- The formation in March 2004 of a 50:50 joint venture with Royal Bafokeng Resources, the Bafokeng-Rasimone Platinum Mine, inclusive of the Styldrift project area; and
- The formation in April 2004 with Lonmin Platinum of the Pandora joint venture, which includes the participation of the Bapo Ba Mogale Tribe and Mvelaphanda Resources as empowerment partners.

The Group's commitment to fostering such empowerment projects was reaffirmed by the agreement reached in August 2002 with the South African Government regarding the substantial participation of historically disadvantaged South Africans in

portions of the Eastern Limb expansion projects.

Additional HDSA production over the next ten years will be created predominantly through the expansion of existing HDSA joint ventures, particularly those on the Eastern Limb (Modikwa, Booyendal, and Ga-Phasha), market conditions permitting. Anglo Platinum also has the option of allowing exploitation of several non-core mineral rights by HDSA companies. The Group already meets its 2009 target of 15% and remains committed that it will be able to meet the 26% objective by 2014.

BENEFICIATION

In respect of beneficiation, the Mining Scorecard poses the following questions:

- Has the mining company identified its current level of beneficiation?
- Has the mining company established its baseline level of beneficiation and indicated the extent that this will have to be grown in order to qualify for an offset?

Current beneficiation position

Anglo Platinum's current and envisaged future beneficiation position is to focus on refining platinum-group metals (PGMs) and some of the associated base metals extracted during the core PGM mining and mineral processing stages. These refined metals, both precious and non-precious, have already been substantially beneficiated (or increased in value) by the time they are packed and ready to be shipped to customers.

Anglo Platinum currently mines and mills PGM ores at its various South African operations and sends the resultant concentrate to the Waterval and Mortimer smelters on the Western Limb and the Polokwane Smelter on the Eastern Limb. The Group also buys concentrates from its joint venture partners in South Africa and Zimbabwe for treatment at these smelters.

The smelters, in turn, send their furnace matte to the Anglo Platinum Converting Process (ACP) Plant at Waterval to be converted into converter matte through an oxidation process. The converter matte is slow-cooled and then dispatched to the Group's Magnetic Concentration (MC) Plant at Rustenburg. The MC Plant separates the PGMs for downstream treatment at the Group's Precious Metals Refinery (PMR). The base metals, such as nickel and copper, are sent to the Rustenburg Base Metals Refiners (RBMR) for refining into final saleable products for external customers.

Anglo Platinum treats concentrates, matte and nickel salts from other South African producers, which helps to further the domestic beneficiation of South African PGM ores.

The Group's involvement in further beneficiation after this stage is limited because it continues to operate on the premise that its core competence is in mining and refining PGMs, and that it has little competitive advantage in going further downstream by fabricating jewellery and other value-added PGM products, such as catalytic converters for the automotive industry and specialized platinum-based catalysts for the petrochemical and fuel cell industries.

The South African Government released the first draft of the Precious Metals and Diamonds General Amendment Bill during the latter half of 2004. Anglo Platinum maintains that constructive discussions and negotiations are needed before legislation is enacted to provide a logical, non-punitive regime that places the responsibility for beneficiation where it best lies in terms of commercial and technical expertise. This expertise does not necessarily lie with PGM producers, who nevertheless should be encouraged to perform a supportive and facilitative role, rather than an operational one.

In the jewellery sector, for example, established beneficiators, such as designers and jewellers, are far better positioned to gain from the development of their sector and to take the lead in adding greater value to platinum. It is for such positive reasons that Anglo Platinum has provided substantial support to such beneficiation options.

Jewellery fabrication

The Group is well placed to sustain its established programmes of encouraging, facilitating and empowering individuals and companies who have jewellery design and fabrication skills. This is focused primarily on harnessing additional opportunities in partnership with key stakeholders, including agents, manufacturers, retailers, education and training institutions and government bodies. These activities include:

- Building capacity in the South African jewellery manufacturing and retailing industry;

ECONOMIC IMPACTS (continued)



- Sponsoring cooperative advertising and promotional campaigns;
- Facilitating with Johnson Matthey the supply of refined metal to the South African market; and
- Promoting the pursuit of excellence in designing and manufacturing platinum jewellery by sponsoring the annual PlatAfrica competition.

The 2004 sixth annual PlatAfrica jewellery design competition, sponsored by Anglo Platinum, attracted 59 entries, of which 35 were students and 24 professionals. Johnson Matthey South Africa lends the required platinum to contestants and the PlatAfrica awards and prizes are presented at a gala ceremony held in October each year. With the ongoing support of Platinum Guild International (PGI), competition entries are exhibited at major cities around the world as part of a wider global PGI commitment to stimulating interest in, and demand for, platinum

jewellery. The Group is hoping to achieve an even higher number of entries for the PlatAfrica 2005 competition.

During the year, Anglo Platinum continued to support jewellers with cooperative advertising to a carefully targeted and upmarket advertising print campaign in select South African fashion, travel and lifestyle magazines to heighten domestic awareness of, and to stimulate demand for, platinum jewellery.

Anglo Platinum also presented promotional and educational workshops to jewellery sector retail staff during the year. Besides informing jewellers and retail staff on the uniqueness and attractiveness of platinum and other PGMs, as well as the geological, processing and marketing highlights of the PGM industry, the Group introduced workshop participants to the distinctive international PGI promotional point-of-sale material used in jewellery stores around the world.

To keep building design and manufacturing capacity for platinum in the South African jewellery industry, Anglo Platinum continues to offer bursaries to technikon and university students who wish to specialize in the design and/or manufacture of platinum jewellery. In keeping with the spirit of the Mining Charter, the Group endeavours to award bursaries to historically disadvantaged South Africans. Anglo Platinum sponsored four bursaries over the 2003/0004 period and will fund a further five new bursaries in 2005.

In addition, the Group continues to build structured partnerships with established jewellery fabricators for providing practical experience, as well as permanent job placements, for students who have completed their technikon studies. Due to substantial staff changes during 2004, however, little progress was achieved against this deliverable. In 2005, Anglo Platinum will appoint a new manager to resuscitate this initiative, with responsibility for the rest of the Group's downstream beneficiation and promotional programmes.

The Group has also agreed to contribute R1,5 million towards developing a new design and manufacturing workshop at Stellenbosch University in the Western Cape. Construction of this workshop is expected to be complete by mid-2005. Together with the established platinum-jewellery centre at the Tshwane University of Technology (formerly Pretoria Technikon), the new Stellenbosch facility will contribute towards developing local competence with the hope that it will achieve international recognition. The Department of Trade and Industry has also been approached and will probably participate in the development of this facility, thus leveraging another funding source.

Enhancing jewellery manufacturers' global competitiveness

In partnership with the North West Provincial Government, Anglo Platinum is advancing the development of a jewellery manufacturing and training facility at Pelindaba, west of Pretoria. The first range of jewellery products was developed during the year and will be

tested in the local market during 2005. The development partners intend to establish a full-scale business, as well as formal training programmes, in the year ahead.

In general, as a member of the Jewellery Council, Anglo Platinum continues to support constructive dialogue and debate aimed at making jewellery manufacturing and exporting more attractive for both South African and international players.

Finally, the Group will review its strategy in line with the proposed Beneficiation Bill while continuing with the above programmes throughout 2005. Engaging with Government on new legislation will continue to ensure that the new bill is workable and realistic.

Other South African PGM beneficiation opportunities

Anglo Platinum's marketing agent, Johnson Matthey, established an autocatalyst manufacturing plant at Germiston near Johannesburg in 1992 on the strength of the South African Government's motor export incentive scheme. Other manufacturers followed suit and today South Africa produces more than 10% of the world's catalytic converters using South African labour, PGMs and stainless steel.

In support of promoting greater PGM beneficiation in South Africa, Anglo Platinum will continue to encourage Johnson Matthey and other PGM fabricators to consider South Africa as an attractive base for establishing or expanding manufacturing facilities.

ECONOMIC IMPACTS (continued)

In 2002, Anglo Platinum converted a research and development agreement with Johnson Matthey into a 17,5% interest in this company's fuel cell component business. Although it is currently envisaged that the era of widespread commercialization of fuel cells is still a few years away, Anglo Platinum and Johnson Matthey remain convinced that this environmentally benign fuel cell technology will present a viable start to the era of cleaner hydrogen energy, which would increase demand for PGMs as speciality catalysts.

While it is currently far too premature to forecast how a future fuel cell industry may be optimally structured and operated, the Group will nevertheless continue to encourage the establishment of some fuel cell component manufacturing in South Africa.

It is hoped that South Africa will become a significant developer, producer and marketer of fuel cell components and technology, but there are already many advanced fuel cell research and development (R&D) programmes underway in America, Europe, Asia and Australia, for example. South Africa is not expected to have the desired scale of financial capacity to compete head on with the tens of billions of US dollars that are already being invested into these international R&D programmes and the envisaged commercialization programmes that would follow.

It is the Group's view that while most other countries involved in this emergent technology will use much of their financial capacity to create jobs in their own countries for the commercial

production and marketing of fuel cells, the South African Government has the opportunity to provide highly attractive incentives to encourage some of the world's future proponents of fuel cell technology to establish some of their manufacturing capacity in South Africa. Anglo Platinum would endeavour to work closely with the Government in helping to create such an economically desirable dispensation.



Top South African model, Primrose Moloantoa modelling a platinum dress worth R1,3 million. It is made of fabric knitted with platinum thread and viscose.

ENVIRONMENTAL IMPACTS

ENVIRONMENTAL POLICY

The Group is committed to sustaining a safe and healthy environment for all its employees and the members of the communities with which it interacts. In order to give expression to this commitment, the Group has established an integrated policy that has five specific environmental aims and eight management principles. Its aims are:

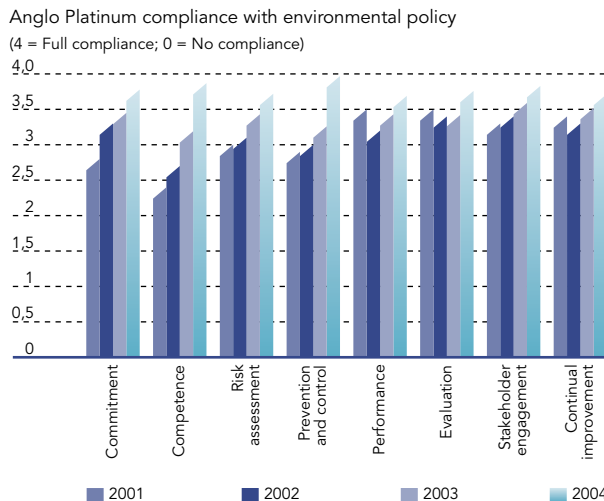
- To conserve environmental resources;
- To prevent or minimize adverse impacts arising from the Group's operations;
- To demonstrate active stewardship of land and biodiversity;
- To promote good relationships with, and enhance capacities of, the local communities of which the Group is a part; and
- To respect people's culture and heritage.

The management principles are:

- Competence
- Risk Assessment
- Prevention and Control
- Performance
- Evaluation
- Stakeholder Engagement
- Continual Improvement

To measure the Group's level of compliance with the management principles, it has been using a comprehensive self-assessment questionnaire for the past four years. Each operation completes the questionnaire which is then consolidated to provide a Group view.

The chart below illustrates the progress made over the past four years. It is clear that compliance with the management principles has increased substantially during the past four years. It has been decided to discontinue this measure from 2005 onwards as all operations now substantially comply with the management principles. Continued compliance will in future be measured via the third-party ISO 14 001 audit and verification assessments.



ISO 14 001 CERTIFICATION

ISO 14 001 is an international standard for environmental management systems (EMSs) and is based on three key principles namely prevention of pollution, compliance with relevant environmental law and continual improvement in both the system and environmental performance. Achievement and continued ISO 14 001 certification gives testimony of a company's environmental commitment to stakeholders such as employees, communities, government and customers.

During 2002, the Group set itself a target to have all operations certified to the ISO 14 001 standard by end-2004. The Group achieved this target during 2004. Valid ISO 14 001 certificates are held by the following managed operations: Rustenburg Section – East Mine, West Mine, Waterval Mine, Concentrators; Union Section; Amandelbult Section; Bafokeng-Rasimone Platinum Mine; PPRust; Leplats; Waterval Smelter; RBMR; PMR; Regional Environmental Department in Rustenburg and the Corporate Office Environmental Department. The Western Limb Tailings Retreatment Plant and the Polokwane Metallurgical Complex, which fell outside of the 2004 deadline, must still attain their ISO 14 001 certification. The deadline for these operations is end-2005. Anglo Platinum has been using the British Standards Institute (BSI) for its certification audits. Follow-up audits at certified operations are conducted by BSI on an agreed timetable to measure the required continual improvement aspect of ISO 14 001. The certification of all operations is a notable achievement.



Hans Ramokgaba, Noel Williams and Hope Tyira celebrating ISO 14 001 certification at Union Section.

ENVIRONMENTAL MANAGEMENT PRINCIPLES

COMMITMENT

Each operation is responsible for its own specific environmental policy, taking full cognizance of the requirements of the Group's policies, those of Anglo American plc, local circumstances and ISO 14 001 requirements.

Managers of all mines and plants are accountable for environmental issues; an environmental coordinator assists each. Mine and plant managers report to executive directors, who in turn report on environmental issues at the Board SHE Committee meetings each quarter. All operations have

ENVIRONMENTAL IMPACTS (continued)

environmental coordinators, who ensure implementation and continual improvement of the EMSs. The Rustenburg Regional Environmental Department (RRED) continues to contribute significantly to the proactive management of crosscutting environmental issues within the Rustenburg region's mines and plants.

The Group Environmental Systems Manager oversees the implementation, standardization and continual improvement of EMSs based on ISO 14 001 requirements at all operations.

The Group's Environmental Consultant ensures that the Group Environmental Policy is uniformly implemented across operations and that environmental aspects are properly addressed at new projects. He acts in an advisory and coordinating capacity between operations and senior management, and represents the Group on external committees, such as the Environmental Policy Committee of the Chamber of Mines. Material environmental impacts and statistics are reported and discussed at the quarterly meeting of the Board SHE Committee.

COMPETENCE

Certification of EMSs in terms of ISO 14 001 has led to a significant increase in environmental awareness over the year, as illustrated by the chart on page 56. It was especially improved at lower and middle management level.

RISK ASSESSMENT

The Group affects the environment in a variety of ways. Mining uses both renewable and non-renewable

resources. In the process of mining and beneficiation, land is transformed, ground and surface water impacted upon, resources used, substances emitted to air and wastes generated. The social and economic dynamics in the areas where operations are located may also be affected. Such interaction can lead to both positive and negative environmental impacts. Most of the environmental impacts are confined to the local environment in which operations are situated. However, some aspects also have positive global implications, such as the use of PGMs in autocatalysis.

In order to ensure that environmental impacts are prioritized and managed in a manner that adds value and reduces risk, all activities have been assessed and rated in terms of their significance. A standard environmental risk assessment tool is used throughout the Group. Management plans have been put in place for all significant impacts and these are managed through an electronic action management tool, IsoMetrix, at all operations (except PMR, which uses a paper-based system).

All operations have approved Environmental Management Programmes (EMPs) as required in terms of the MPRDA, 2002. Commitments to mitigate negative impacts and sustain positive impacts have been incorporated into the formal EMS at each mine and plant to ensure integrated environmental management. Addenda to EMPs for expansions at existing operations and new projects are compiled as required and submitted to the authorities for approval prior to commencement of the projects. The Group manages over 80 EMPs and EMP addenda.

Implementing best practice in the Rustenburg region

The RRED, in conjunction with Redlog Data Solutions, has developed a sophisticated geographical information system (GIS) programme called REMIS, an acronym for Regional Environmental Management Information System.

REMIS enables all environmental monitoring data such as water quality data, return water dam levels and ambient air quality data to be stored in a central database. Through this single database, data trends can be viewed spatially and the environmental impacts of Anglo Platinum's activities, for example, can be determined using sophisticated data interpretation techniques.



REMIS has the capability to highlight any data that exceeds predefined limits or criteria. This enables the RRED to focus on pollution prevention rather than only reacting to environmental impacts or incidents after they have occurred. For example, when the water level in a return water dam is rising and comes close to the maximum allowable level, the REMIS will flag the problem automatically.

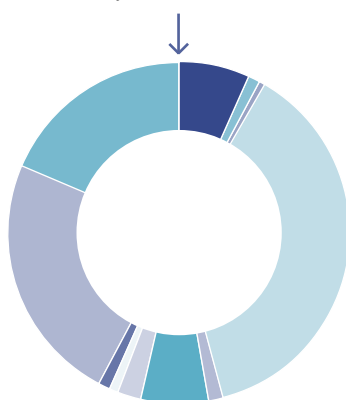
This enables environmental coordinators to alert line management that the dam level is rising and that there could potentially be a spill unless corrective action is taken. The programme allows for a historical record of all exceeded limits and environmental incidents to be recorded.

Furthermore, REMIS has also been linked with the environmental management system software of IsoMetrix. The latter software allows all actions that follow from an exceeded limit or incident to be tracked and remedied using the programme's action manager capabilities.

The British Standards Institute (BSI), the organization that certifies Anglo Platinum's environmental management systems, said this about REMIS in a recent ISO 14 001 certification audit: "The monitoring and measurement of environmental key characteristics through the REMIS Monitoring System is considered to be best practice."

ENVIRONMENTAL IMPACTS (continued)

Anglo Platinum environmental incidents between 1 January to 31 December 2004



● Air	6,9%
● Biodiversity	1,0%
● Energy	0,6%
● Hydrocarbons	37,9%
● Land	1,3%
● Other hazardous	6,4%
● Slimes/Tailings	2,3%
● Socio-economic	0,1%
● Systems	1,1%
● Waste	23,9%
● Water	18,5%

PREVENTION AND CONTROL

Environmental incidents

Level 1 incidents

The increase in the number of Level 1 incidents reported over the last four years indicates better management systems and enhanced awareness of environmental issues resulting from the implementation of ISO 14 001 standards, rather than poorer performance. The chart alongside provides a consolidated view of the various categories of Level 1 environmental incidents for the Group during 2004. The most incidents (38%) fit into the hydrocarbon category, followed by the waste category (24%). Most hydrocarbon incidents are caused by incorrect storage and spillage of fuel, oils, grease and lubricants whereas most waste incidents are due to inappropriate waste-handling practices, such as uncontrolled dumping of domestic and industrial waste, incorrect sorting and storage and littering. Much attention was given to improving the use, storage and recycling (where appropriate) of fuel, oils, grease and lubricants this year through the environmental management systems at the operations. Some operations, notably BRPM and PPRust, have excellent hydrocarbon balance programmes in place. These

operate in similar ways as water balances. Waste management practices are continuing to improve owing to focused attention via the operational EMSs, but there is still some way to go before they are satisfactory at all operations. The third largest category is that of water-related incidents (19%). These were due mostly to seepage, leakage, spillage and uncontrolled discharge of water. Attention is also given to these aspects via the on-site EMSs at each operation.

Level 2 incidents

Four Level 2 incidents were recorded during the year, down from 18 during 2003:

- Rustenburg Section – Partial failing of the Klipfontein Tailings dam wall during quarter three. A full investigation was conducted following the failure. The failure was repaired within 24 hours and clean-up has been completed. The reason for the failure was overtopping when the dam had been left unattended for a period as a result of a strike by the dam operator's personnel. The emergency response procedure has been amended to include strike action and what needs to be done during a strike.

The table below reflects the environmental incidents reported from 2001 to 2004.

Type of incident	2004	2003	2002	2001
Level 1 (minor impact)	4 059	2 967	1 933	337
Level 2 (intermediate impact)	4	18	11	8
Level 3 (major impact)	0	0	0	0
Formal complaints	73	83	32	3

Definitions are shown in the glossary at the end of this report.

- BRPM – Silt spillage into a storm water trench during the third quarter when a silt dam wall burst during clean-up of settling dams. The spillage was successfully cleaned up after it dried and the silt dam wall was repaired.

of a containment sump at the end of the trench before it discharges into the spruit.

Level 3 incidents

No Level 3 incidents were reported.

Legal compliance

- Rustenburg Section – Overflowing of pollution control dams, especially Klipgat return water dam, during the first quarter owing to excessive rainfall at that time. Klipgat return water dam currently has insufficient capacity to handle the additional volume of water caused during storm events greater than 70mm. The corrective action plan includes recycling of more water from this dam to the UG2 and Waterval concentrators, installation of a pipeline to increase recycling to the Western Limb Tailings Retreatment (WLTR) operation and stopping pumping of water from Townlands 5 decline to Klipgat dam. All these actions will be completed during 2005.

Legal compliance audits are conducted at operations and all operations have access to relevant environmental legislation as well as to an environmental legal register which was specifically designed to address issues of importance to the Group. This register is available through the EMSs and is updated at least twice annually. All operations are also kept informed of changes in environmental legislation through regular legal news flashes.

- PMR – A pipeline from a storage dam pulled out on a joint and caused effluent liquor to spill into the Klipfontein Spruit. Appropriate clean-up action was taken at the spruit. The incident was investigated and corrective actions taken included revised procedures for running of the pump and investigating the building

Anglo Platinum is not aware of any pending environmental litigation against it at managed operations and no fines were imposed during 2004 for non-compliance with environmental regulations and permits. Unresolved legal non-compliance incidents carried over from 2003 are listed below. There were no new legal non-compliance incidents reported during 2004. All infringements of regulatory, permit, or licence conditions are reported to the relevant authorities and corrective action taken as soon as practicable in all circumstances.

Unresolved Level 2 incidents in terms of legal compliance at the end of 2004

Nature of non-compliance

Corrective action/risk control measures

All operations

No operations have yet been issued with new water licences. Non-compliance with the National Water Act, 1998.

All operations have applied for their water use licences. No application has been turned down by the Department of Water Affairs and Forestry.

ENVIRONMENTAL IMPACTS (continued)

PERFORMANCE

Materials

The Group does not use wastes (processed or unprocessed) from sources external to it. Total fuel and grease consumption increased in line with the mechanization of the Group's operations.

Energy

Total energy use rose by 6,4% due to the increased mining and refining activities, however energy use per ounce of refined precious metal increased by 1,9% (the 2004 energy usage per ounce of refined precious metal was 5,39 GJ. Refer to the footnote on page 63).

A Group target of a 1% improvement in energy efficiency per annum over the next ten years was adopted during 2004. The Group reports its overall

energy usage as a function of ounces metal in concentrate produced over a specific period. This figure for 2004 was 5,17 GJ per ounce. This will be used as the initial baseline from which to measure improvements. The suggested Group target for 2005 is therefore 5,12 GJ per ounce.

The Group makes no use of renewable energy at present.

Energy used for organizational travel is currently excluded from the total energy use calculations. Energy used for transport of product is also excluded, as it is not material. Energy used by third parties to transport concentrates and furnace matte between mines and smelters is also excluded from the total energy use calculations.

The operational total energy intensity targets are as follows:

Total energy intensity	Actual 2004	Target 2004	Target 2005
Mines, Megajoules per ton milled:			
Rustenburg Section	326	445	320
Amandelbult Section	474	400	451
Union Section	526	657	522
PPRust	473	435	470
Laplats	452	460	490
BRPM	419	421	417
Processing plants:			
Waterval Smelter (Megajoules per ton of converter matte produced)	77 372	*	76 598
Polokwane Smelter (Megajoules per ton of furnace matte produced)	26 586	†	†
RBMR (Megajoules per ton of base metals produced)	64 684 [®]	65 129 [®]	51 420 [*]
PMR (Megajoules per refined ounce of PGMs and gold)	42,9 [#]	68,7 [#]	259 [^]

* No 2004 target due to ACP commissioning.

† No 2004 & 2005 target due to production ramp-up.

® Including steam energy sold to PMR.

^ Excluding steam energy sold to PMR.

Excluding steam energy bought from RBMR.

^ Including steam energy bought from RBMR.

ENVIRONMENTAL IMPACTS (continued)

Performance Parameters

	2004	2003	2002	2001	2004	2003	2002	2001
Materials produced/accumulated/used								
	000 tons				Tons/oz precious metals**			
Rock mined	84 953***	78 294	65 961	52 406	18,95	19,24	16,49	13,88
Ore milled	37 925***	33 546	30 864	26 844	8,55	8,24	7,72	7,11
Accumulated low-grade stockpiles	11 086	9 524	10 769	9 553				
Coal	106,6	100,4	81,0	85,2	0,02	0,02	0,02	0,02
Liquid petroleum gas (LPG)	5,5	4,4	3,1	1,0	<0,01	<0,01	<0,01	<0,01
Grease	1,2	0,4	0,9	0,6	<0,01	<0,01	<0,01	<0,01
	000 litres				Litres/oz precious metals **			
Fuels	54 284	50 655	40 545	37 260	12,23	12,45	10,14	9,88
Lubricating and hydraulic oils	3 863	3 970	2 389	1 754	0,87	0,98	0,59	0,46
Energy consumption								
	000 GigaJoules				GigaJoules/oz precious metals **			
Energy from electricity purchased	18 003	16 955*	14 433	13 359	4,06	4,17*	3,61	3,53
Energy from processes and fossil fuels	4 919	4 578	3 661	3 544	1,11	1,12	0,92	0,94
Renewable energy	0	0	0	0				
Energy used in travel (products and people)	#	#	#	#				
Total energy consumed	22 922	21 533*	18 094	16 903	5,17	5,29*	4,53	4,47
Water usage								
	000 cubic metres				Cubic metres/oz precious metals **			
Water used for primary activities	32 804	31 224*	31 928	31 390	7,40	7,67*	7,98	8,31
Potable water from an external source	25 181	22 974*	21 006	15 625	5,68	5,64*	5,25	4,14
Non-potable water from an external source	283	486	2 065	1 447	0,06	0,12	0,51	0,42
Waste water and second-class water used	1 788	1 125	969	1 052	0,40	0,28	0,24	0,23
Surface water used	0	505	325	573	0,00	0,12	0,08	0,15
Groundwater used	12 819	10 101	9 501	15 721	2,89	2,48	2,38	4,16
Water recycled in processes	12 892	13 710	#	#	2,91	3,37		
Water used for non-primary activities	7 112	5 760	#	#				
Land management								
	Hectares				Land utilized, %			
Land under Group charge for current mining activities	43 351	48 741	46 996	52 482				
Land utilized for current mining and related activities	10 390	8 934	8 109	6 851	24,00	18,30	17,30	13,10
Total tailings dam area	2 364	1 875	#	#				
Total waste dock dump area	661	581	#	#				
Mining in formally protected areas	0	0	0	0				
<i>Other land owned</i>								
Land for resettlement, buffer zone near PPRust	7 602	#	#	#				
Land at Der Brochen and Modikwa region	32 764	#	#	#				

Definitions are shown in the glossary at the end of this report.

* Restated.

** The denominator in 2001 to 2003 is 'refined' ounces; the denominator in 2004 accurately reflects the actual production.

*** The 'rock mined' and 'ore milled' figures for 2004 do not agree with the figures reported in the Business Report. The Business Report reports only the share of 'rock mined/broken' and 'ore milled' attributable to it from joint venture operations. However, from an environmental burden point of view, all the 'rock mined' and 'ore milled' is included in the above table for the BRPM joint venture.

Not measured.

ENVIRONMENTAL IMPACTS (continued)

	2004	2003	2002	2001	2004	2003	2002	2001
Emissions to air								
	000 tons				Kilograms/oz precious metals **			
Greenhouse gas emissions, CO ₂ equivalent:								
From electricity purchased	4 451	4 192*	3 565	2 857	1 003	1 030*	891	757
Internally generated	418	390	313	306	94	96	78	81
Ozone-depleting compounds vented/ released to atmosphere	0	0	0	0				
Nitrous oxides	0,01	#	#	#	<0,01			
Sulphur dioxide	20,31	55,47	68,71	61,39	4,58	13,63	17,18	16,26
Particulates (point sources)	1,17	1,12	1,40	1,92	0,26	<1	<1	<1
Persistent organic pollutants (POPs)	#	#	#	#				
Effluents								
	000 cubic metres				Litres/oz precious metals **			
Effluents to surface water	1 001	2 004	2 511	2 491	226	492	629	660
Surface water quality monitored at all operations?	Yes	Yes	Yes	Yes				
Surface water quality deterioration off-site?	Yes	Yes	Yes	Yes				
Adverse surface water impact on humans?	No	No	No	No				
Groundwater quality monitored at all operations?	Yes	Yes	Yes	Yes				
Groundwater quality deterioration?	Yes	Yes	Yes	Yes				
Adverse groundwater impact on humans?	No	No	No	No				
Waste management								
	000 tons							
Mineral waste accumulated in:								
Tailings dams (active and inactive)	616 666	585 241*	322 390*	Not available				
Rock dumps	375 065	330 071	285 159	235 512				
Slag dumps	2 229	2 202	#	#				
Non-mineral waste generated:								
Hazardous to landfill	3,18	4,65	1,05	0,08				
Hazardous if incinerated	<0,01	0,05	0,05	0,01				
Non-hazardous to landfill	23,33	10,24	7,71	7,29				
Non-hazardous if incinerated	0,04	0,04	0,04	0,05				
Low-level radioactive waste	0,00	0,00	0,00	0,00				

Definitions are shown in the glossary at the end of this Report.

* Restated.

** The denominator in 2001 to 2003 is 'refined' ounces; the denominator in 2004 accurately reflects the actual production.

*** The 'rock mined' and 'ore milled' figures for 2004 do not agree with the figures reported in the Business Report. The Business Report reports only the share of 'rock mined/broken' and 'ore milled' attributable to it from joint venture operations. However, from an environmental burden point of view, all the 'rock mined' and 'ore milled' is included in the above table for the BRPM joint venture.

Not measured.

ENVIRONMENTAL IMPACTS (continued)

Two operations, PPRust and Amandelbult Section, did not achieve their energy targets for 2004. Some operations have increased their 2005 targets. This was done taking into consideration the fact that these operations equipment during 2005, which will increase energy consumption, but which is not directly linked to increased tons milled. The energy target for the precious metals refinery was increased and that of the base metal refinery decreased to appropriately account for the steam export from the base metals refinery to the precious metals refinery.

Water

Total water used for primary activities rose by 5,1% because of the increased mining and refining activities. However, water used for primary activities per ounce of refined precious metal increased by only 0,7% (the 2004 water usage for primary activities per ounce of refined precious metal was 7,72m³. Refer to the footnotes on page 63).

A Group target of a 1% improvement in water used for primary purposes per annum over the next five years was adopted during 2004. The baseline is the average water used for primary purposes per ounce of metal in concentrate during 2004. This figure for 2004 was 7,40m³ per ounce. The suggested Group target for 2005 is thus 7,33m³ per ounce.

The operational water used for primary purposes intensity targets are reflected in the table alongside:

Amandelbult Section and RBMR missed their targets. However, water efficiency is still an area of major focus at all operations. Most operations have set very challenging targets for 2005.

Water use for non-primary activities, such as at mining villages, informal settlements, golf courses and swimming pools (thus water used not linked directly to production) was 7,1 million cubic metres during 2004.

Water recycled from tailings return water dams is also not included in water uses. Although total recycled water from processes is reported in the previous parameters table, this figure should be viewed as an approximation, as some operations do not yet measure recycled water accurately.

There are no water sources or related ecosystems/habitats significantly affected by the Group's use of water, and no Ramsar-listed wetlands.

Water used for primary purposes intensity	Actual 2004	Target 2004	Target 2005
Mines, Cubic metres per ton milled:			
Rustenburg Section	0,49	1,30	0,48
Amandelbult Section	1,21	1,20	1,14
Union Section	0,48	1,18	0,48
PPRust	0,73	0,75	0,72
Leplats	3,93	*	*
BRPM	0,78	0,88	0,77
Processing plants:			
Waterval Smelter (Cubic metres per ton of converter matte produced)	30,56	^	30,25
Polokwane Smelter (Cubic metres per ton of furnace matte produced)	8,70	†	†
RBMR (Cubic metres per ton of base metals produced)	19,31	18,00	17,80
PMR (Cubic metres per refined ounce of PGMs and gold)	0,037	0,045	0,055

* Not yet in a position to set targets.

^ Did not have a target of 'per ton of matte' during 2004.

† No 2004 and 2005 target due to production ramp-up.

ENVIRONMENTAL IMPACTS (continued)

Land

The Group holds surface and freehold rights over large tracts of land, but uses a relatively small section of this land for mining and infrastructure purposes. The total area of the land used for current mining activities reported during 2004 is less than that reported for 2003. This is not due to sale of land but instead to stricter application of the definition. Of the total area where surface or freehold titles are in place for current mining operations, 24% is disturbed for mining operations and infrastructure. The GRI additional indicator of amount of impermeable surface as a percentage of land is not used, as the percentage of land disturbed is a wider indicator and gives a better reflection of the area disturbed by mining operations.

The Group also holds additional freehold rights over land in the Der Brochen project area and in the non-managed Modikwa mining area. This amounts to 32 764 hectares. The Group also holds the freehold rights (7 602 hectares) over some farms near PPRust which were previously earmarked for resettlement and buffer zones.

The Group has no operations in protected areas, such as The World Conservation Union (IUCN) protected areas or world heritage sites. However, some current and future operations are located in areas with high concentrations of endemic plant species.

Biodiversity

Each operation is implementing appropriate Biodiversity Action Plans

(BAPs) based on the biodiversity risk profile of the operation. BAPs describe the objectives, programmes and targets for protecting and restoring native ecosystems and species in degraded areas. The BAPs have been integrated with the on-site EMS at each operation. Arbor Week was celebrated at all operations by planting various indigenous trees in and around the operational areas. In many instances local communities took part in these celebrations.

Emissions to air

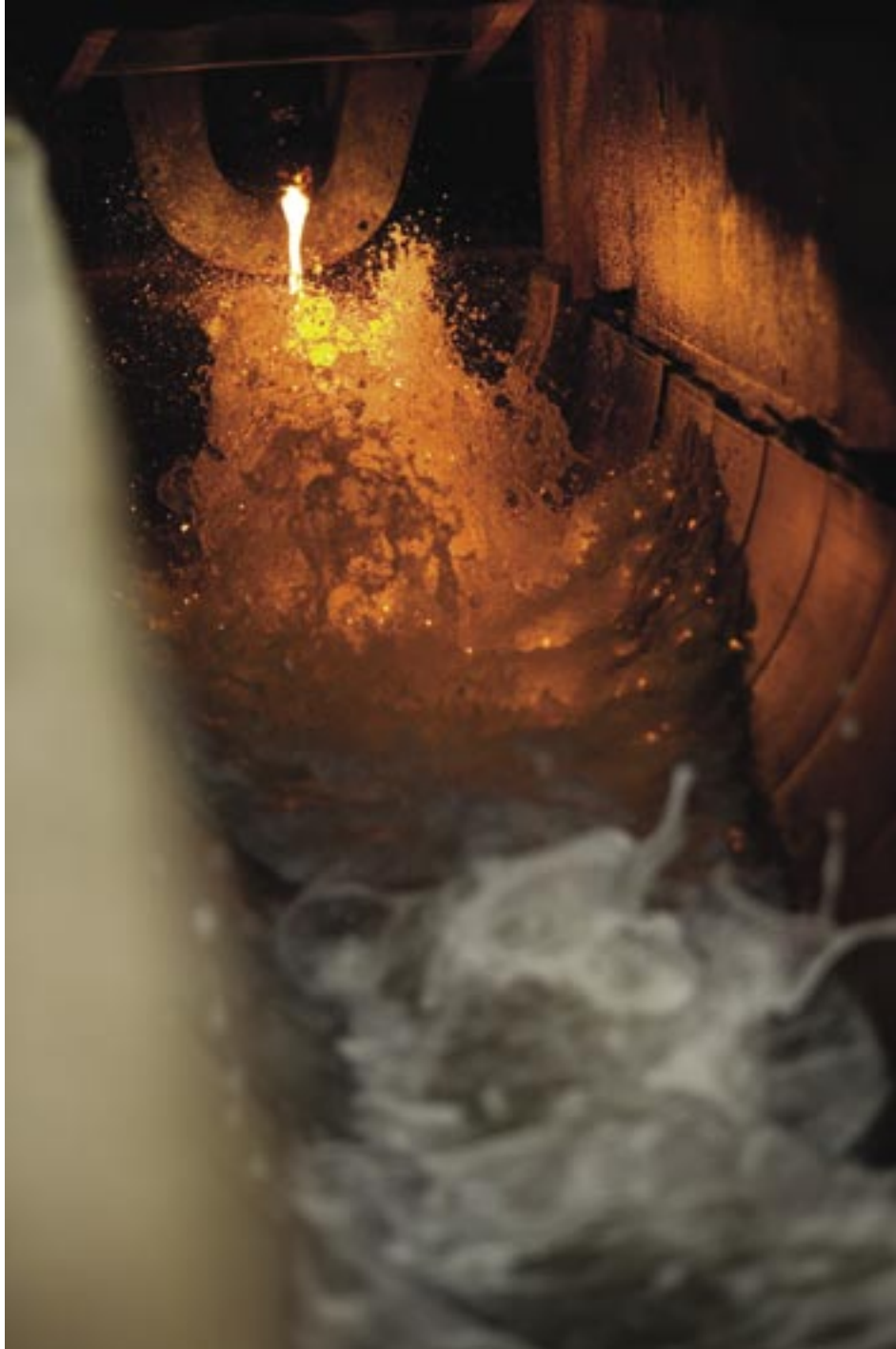
Greenhouse gas emissions

The main constituent of greenhouse gas emissions from the Group is carbon dioxide (CO₂). Over 90% of these emissions are indirect due to electricity purchased from the public utility, Eskom. The rest of the greenhouse gas emissions are a consequence of on-site processes and fossil fuel usage. Since total energy efficiency tracks greenhouse gas efficiency directly, improvements in this area are dependent on success with the energy initiatives discussed above.

Total CO₂ emissions rose by 6,3% owing to the increased usage of electricity, coal and fuel, however CO₂ emissions per ounce of refined precious metal increased by 1,7%. (The 2004 CO₂ emissions per ounce of refined precious metal was 1 145kg.)

Ozone-depleting substances

Ozone-depleting substances have been phased out at all major installations, but there are some minor installations in which these substances are still present. These include some fire-fighting systems and domestic appliances used at the operations.



Biodiversity Case Studies

PPRust

At PPRust close to 270 *Aloe marlotii* plants were relocated from an area where PPRust developed a cemetery on behalf of the community. About a third of the plants were replanted in and around the mine while the rest were donated to a game-breeding centre in Mokopane as well as to succulent collectors. Community members were appointed and trained by PPRust to remove the plants as part of its biodiversity awareness education programme.

Amandelbult Section

Game from the original Madeleine Robinson game park at Amandelbult was relocated to the new eastern game park area at the end of June. A total of 184 different game species were relocated. During September, two white rhino arrived at Amandelbult from Mogwase and were released in the new eastern game park.

Bafokeng-Rasimone Platinum Mine

BRPM completed an integrated biodiversity management plan during the year following the completion of its biodiversity assessment. This assessment looked at all aspects of biodiversity, which included soil, vegetation, mammals, reptiles and birds. It also identified invader species, and set the framework for BRPM to actively manage biodiversity to ensure all environmental impacts are managed.

Der Brochen

The yellow arum lily (*Zantedeschia pentlandii*) is confined to the south-eastern corner of the Leolo Mountains which run north-south across the centre of Sekhukuneland. It is a protected plant in the Limpopo Province. The future of the species will be integrally linked to population expansion and alterations to land-use patterns. Even though the species is formally protected this makes little or no difference to the factors that affect its decline. Mining is probably the single biggest threat, particularly as their natural distribution is so limited, according to an article in *Veld & Flora* of September 2003.

Anglo Platinum through its planned Der Brochen mining initiative in southern Sekhukuneland has adopted the following vision for the area: 'To promote mining as a viable means of unlocking socio-economic benefits in the broader area and enabling the long-term conservation of the Sekukuneland Centre of Floristic Endemism'. The strategy incorporates a concept of a mining zone, conservation zone and a socio-economic zone. Integral to the strategy is to communicate the vision to all interested and affected parties in the area, including other current and new mining operations as well as the local community and the various governmental authorities. The conservation zone could be far in excess of 16 000 hectares if some of the other current and planned mining operations buy into this vision. Such a strategy should thus help to protect the yellow arum lily.

Twickenham

Even though Euphorbia species, which are succulents, occur throughout the Sekukuneland Centre of Floristic Endemism, many are classified as threatened or near threatened. Nine species of euphorbias are classified as protected plants in the Limpopo Province. During the initial establishment of the Twickenham Platinum Mine project, Anglo Platinum actively participated in plant rescue and seed harvesting prior to the clearing of an area for mining infrastructure. A nursery was established to look after the plants and to cultivate plants from seeds for later replanting and rehabilitation of mining areas. Several species of euphorbias can be found in the nursery at Twickenham Mine.

Persistent organic pollutants (POPs)

Dioxins and furans are principally emitted from the PMR during the incineration of general and process wastes from time to time. The incineration is not a continuous process. Modelling and risk assessments have concluded that the dioxin and furan emissions are within Government requirements for an incremental cancer risk factor. However, the Group has undertaken to investigate measures to further reduce any stack emissions of dioxins and furans and other potential pollutants such as acid gases. This commitment has resulted in capital projects and programmes to monitor, evaluate and reduce these emissions.

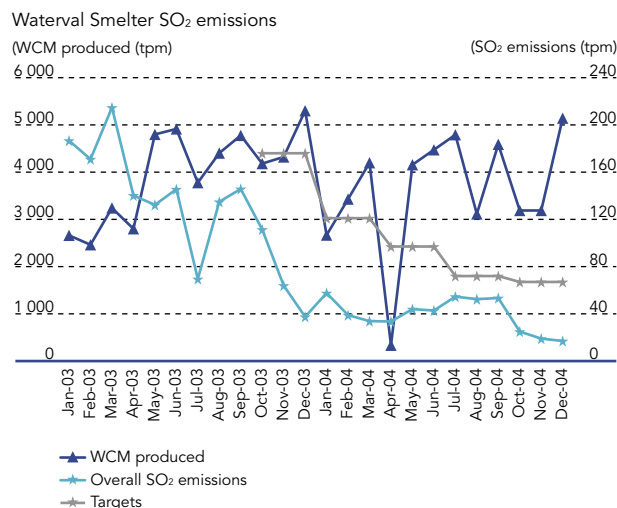
Sulphur dioxide (SO₂) emissions

Oxides of sulphur, particularly SO₂, are emitted from Waterval, Mortimer and Polokwane smelters and from RBMR. Total SO₂ emissions (stack and fugitives) in 2004 were 20 313 tons, of which the Waterval Smelter contributed 67%. The average total SO₂ emissions from Waterval Smelter decreased by 72% during 2004 from 133 tons per day during 2003 to 37 tons per day. The average emissions for November and December were 19 and 17 tons per day respectively. The overall SO₂ emissions for the Group fell by 63% year-on-year, despite the ramp-up of the Polokwane Smelter during 2004.

Monitoring stations have measured ambient SO₂ concentrations at five locations in the Rustenburg region continuously since 1995. These stations are placed at various distances from the Waterval Smelter. Ambient climate conditions, topography, the location of residential areas and the impact zone

of the smelter were taken into account when the locations of the monitoring stations were decided. The results of these measurements are used in real-time models to predict air quality conditions under various production scenarios. There were 13 exceedances of the 24-hour average South African guideline (50 parts per billion over 24 hours) during 2004. (During 2003, there were 35 exceedances.) This number has fallen in line with the full commissioning of the ACP Plant, but it should be borne in mind that the Group is not the only emitter of SO₂ in the area and that exceedances can still occur as a consequence of actions beyond the Group's control.

At Polokwane Metallurgical Complex four ambient monitoring stations have been in operation since 2002. These stations measure both ambient SO₂ concentrations as well as ambient fine particulate (PM₁₀) concentrations. No exceedances of the 24-hour average South African guideline were recorded during 2004.



ENVIRONMENTAL IMPACTS (continued)

World-class system established at Waterval Smelter

The Waterval Smelter upgraded its air-quality monitoring and management system during the year to be in line with international best practice in monitoring the quality of air.

The main objective of this environmental project is to ensure the smelter has the necessary systems in place to comply with the provisional registration certificate issued by the North West's chief air pollution control officer. This certificate is issued in terms of the Atmospheric Pollution Prevention Act.

The Company installed sophisticated, new instrumentation in the smelter's emission stacks and off-gas ducting. The instrumentation is linked to the smelter's normal supervising control and data acquisition system (SCADA) process control system. The plant operators monitor the SCADA system continuously and, if emissions suddenly increase above predefined levels, SCADA alarms are activated. Based on these alarms, the operators follow specific procedures to ensure emissions are reduced or controlled to limit impacts on air quality around the smelter.

The ambient air-monitoring stations that monitor the general air quality in the communities around the smelter have also been linked to the SCADA system. If the ambient air quality in a community exceeds guideline values for dust or sulphur dioxide, the SCADA alarms are triggered and the operators undertake a quick technical assessment to determine if the exceeded limit is attributable to smelter's operations and, if so, corrective action is taken.

Particulate emissions

The commissioning of the additional boiler at RBMR has been instrumental in reducing particulate emissions from the boiler stacks. Further emission abatement equipment will be installed at the boilers during 2005.

The monitoring of ambient fine particulate (PM_{10}) concentrations have been undertaken at two of the abovementioned monitoring stations in Rustenburg since 2001. There was one exceedance of the 24-hour average South African guideline ($180\mu\text{g}/\text{m}^3$, over 24 hours) at the Bergsig High School monitoring station, where Anglo Platinum is unlikely to be a major contributor. During 2003, there were seven exceedances, of which two occurred at the Waterval Village monitoring station.

There were no exceedances of the 24-hour average South African guideline during 2004 at the Polokwane Metallurgical Complex.

Dust fall-out

Dust fall-out from tailings dams is monitored using a bucket-and-water filtering system to determine monthly fall-out concentrations. The dams where most of the 'heavy' fall-out occurs (500 – 1 200 $\text{mg}/\text{m}^2/\text{day}$ as classified in terms of the Department of Environmental Affairs and Tourism [DEAT] guidelines) are Paardekraal Tailings complex and the Leplats old tailings dam during the dry winter months. Programmes are in place to ameliorate the wind-blown dust from these tailings dams.

Effluents

Discharge

All operations, except two, have a negative water balance. This means that no water is routinely discharged from these operations from point sources, but diffuse discharges from spills and pipeline failures sometimes occur. Two operations, Leplats and Amandelbult Section, have excess water because of their geology, which is discharged into nearby ephemeral streams. Water

optimization programmes are ongoing at all operations to minimize new water use and at these two operations to minimize discharges. The water discharged typically has elevated nitrate, sulphate, and chloride concentrations, but at the discharge concentration these do not pose a danger to livestock or humans if consumed. Total excess water discharged during 2004 dropped by 50% to one million m³ from that discharged during 2003, due to the improved water management at Leplats and Amandelbult Section.

Spills

During the year, there were some spills because of pollution control dam overflows and pipe and dam failures. Spills occurred at BRPM, Rustenburg Section and the PMR. All spills were cleaned up and no medium- or long-term environmental impacts were experienced or are expected, as discussed in the Level 2 environmental incidents report on page 60.

Ground and surface water monitoring

Ground and surface water are monitored at all mines and plants, both up- and downstream of operations, as well as inside and outside mining areas. Monitoring results are used to model groundwater flows and contaminant plumes, if any, and surface water results are compared with various regulated standards. Bio-monitoring of surface water bodies is also conducted. The tailings return water dams at all operations continue to provide a good habitat for fish, birds and plant life.

The water monitoring and management programmes are integral parts of the Water Use Licence Applications

(WULAs) which have been submitted to the Department of Minerals and Energy.

Impact

While all mining and processing activities have some impact on ground- and surface water in the immediate vicinity of operations, no agricultural activities, livestock watering, or human use is adversely affected. In many areas of operation, the groundwater conditions are poor as a consequence of mineralogy.

Acid rock drainage

Acid base accounting to determine acid rock drainage and hazardous leachate potential on both Merensky and UG2 tailings has indicated that such tailings have a negligible potential to generate acid or to mobilize metals. Although acid production and metal mobilization does not occur, the sulphide content is sufficient to produce some soluble sulphates under oxidizing conditions. This has the effect of increasing the sulphate concentration of water that comes into contact with the tailings.

Waste

Non-mineral waste

There is no known production, transport, import, or export of any waste deemed 'hazardous' under the terms of the Basel Convention Annex I, II, III and VIII.

The waste management initiatives which commenced in 2003 continued throughout 2004. Significant inroads have been made in dealing with the backlog of historical industrial-type waste at all the operations.

ENVIRONMENTAL IMPACTS (continued)

Appropriate separation, sorting, recycling and disposal procedures are now in place at all operations. The implementation of these procedures is being tracked through the ISO 14 001 environmental management system at each operation.

Hazardous waste continues to be disposed of through third-party contractors in compliance with legal requirements. Hazardous wastes include oils, grease, fluorescent tubes, medical waste and chemical containers.

The management of domestic waste has also improved significantly during the year. Emphasis has been put on waste-sorting at source and on recycling. Some operations, notably PPRust and BRPM have excellent waste-sorting and recycling systems in place.

However, as evidenced by the high number of waste-related incidents reported, there is still much that can be done to improve waste management across most operations.

Mineral waste

The Group has 20 tailings dams (managed operations) and numerous rock dumps. The total footprint area of these dams and dumps is 3 025 hectares. Seven of the tailings dams are inactive and two of these are being actively retreated. Each operational tailings dam has ongoing amelioration programmes to limit dust formation and visual impact. Dust fall-out monitoring is conducted at all active tailings dams and compared to the DEAT guidelines. Whereas vegetation grows quite readily on platinum tailings, there are still some dams which contribute to unacceptable nuisance dust in the atmosphere during windy days, as noted from the

Ground water case studies

Rustenburg Base Metals Refiners (RBMR)

Routine ground water monitoring at the RBMR indicates that ground water in the plant area has been impacted on historically by the operations' activities. This impact typically manifests as ground water with high salt (Na, Ca, Mg, Cl and SO₄) concentrations. Furthermore, the heavy metal concentrations (Fe, Ni and Zn) in the ground water are also high. The ground water movement is slow in the shallow aquifer and remediation will therefore be difficult given the low yields expected. Adequate source control has been implemented (to minimize ongoing contamination) and natural processes (such as dilution) should largely reduce contaminant concentrations to acceptable limits relative to the risk of exposure to the groundwater by the local population. This process of 'Monitored Natural Attrition' will be closely followed during the next few years. It has to be noted that there are no receptors (ground water users) in the area.

Bafokeng-Rasimone Platinum Mine

The recycled process and mine water at this operation is rich in nitrates owing to the well controlled water balance at the operations. There is thus little accidental discharge from the mining and concentrator operations. Even though the nitrate-rich water is not being discharged some water does find its way to ground water sources through seepage from the tailings dam. The mine is currently investigating a novel solution to treat the water with the aim of reducing not only nitrates but also other total dissolved solids. The process being investigated operates on the principle of capacitive deionization to remove ionic compounds and uses a novel electrostatic charging system. Initial results are very positive, but suitable disposal methods for the brine stream that will be generated must still be investigated.

dust fall-out monitoring programmes. The dams with the most incidents of nuisance dust are Paardekraal at Rustenburg Section and the old Leplats tailings dam. Active planting, irrigation and other dust palliative programmes are in place to limit dust formation from these dumps. Bi-annual aerial inspections of all tailings dams are conducted and each tailings dam is subjected to a third-party audit at least once per annum. It is believed that the residual risk of a catastrophic tailings dam failure is low.

Rock dumps are generally not re-vegetated as it would require enormous quantities of topsoil, which is not readily available in the mining areas. The rock dumps are also a resource in many areas as they are used for aggregate

production. At PPRust, however, which is an open pit operation, the rock dumps are being rehabilitated by way of shaping, topsoiling and vegetation. However it has been found that some of the current practices are not sustainable. The mine is currently engaged in a modelling and research programme to find the most appropriate rehabilitation strategy for these rock dumps.

There is an old slag dump at Mortimer Smelter and new slag dumps are being created at Polokwane Smelter. The plans for the rehabilitation of the Mortimer slag dump are well advanced, while the slag dumps at Polokwane Smelter are designed taking cognizance of the relevant legal requirements with regards to liners and water run-off management.

Frank Pieterse of PPRust inspecting the in-situ bio-remediation trail of hydrocarbon contaminated soil. The background shows the vegetation cover on the treated area and the foreground shows the poor vegetation on the untreated control area

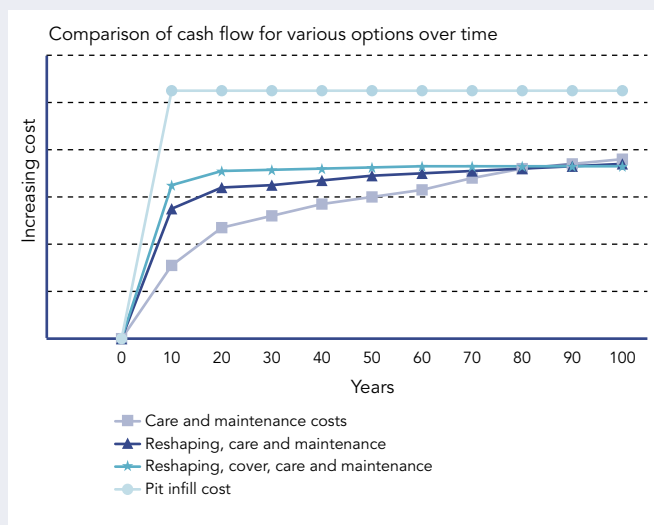


ENVIRONMENTAL IMPACTS (continued)

Sustainable rehabilitation of waste rock dumps at PPRust

PPRust is currently undertaking a study in conjunction with consultants, Golder Associates Africa, to determine the most sustainable closure strategy for the waste rock dumps at the mine. Four broad strategic options for the rehabilitation of the waste rock dumps have provisionally been identified, namely:

- Placement of the waste rock dumps under care and maintenance;
- Reshaping of the waste rock dumps to be more aesthetically pleasing;
- Reshaping of the waste rock dumps and adding a suitable cover to further enhance its visual appeal; and
- Pit infilling as a fall-back if the other approaches considered are not successful.



A computer model is being used to simulate various options for informed decision-making. Probabilities and associated costs are assigned to each of the possible outcomes. The decision-making process is then evaluated on cash-flow consequences. The four broad strategic options can then be evaluated against each other in terms of:

- Total cash flow at the end of the simulation;
- Cash flow requirements at certain periods in the simulation. For example, option A may be more expensive than option B in the short term, but in the long term, option B may be more expensive than option A.

The model runs on a yearly time step and simulates 100 years of activity. During a typical simulation of 100 years, costs will be picked from relevant cost distributions for use in the model. Similarly, success probabilities are selected from their respective distributions during the simulation. The modelling process is ongoing and PPRust, in consultation with the consultants, is currently determining appropriate cost, reliability and probability inputs. No results are yet available. However a typical result is shown.

Suppliers

Although the Group's contracts require suppliers to adhere to all environmental legislation, there is no programme in place to measure their performance in this regard. Specific matters that arise from time to time are taken up with suppliers.

Transport

The environmental impacts associated with transportation for logistical purposes – for example, third-party vehicles that transport concentrates and furnace matte between the mines and the smelters, and private employee and contractor travel to and from work – have not yet been quantified. Products are transported via road or air to the market.

Environmental costs

Provision for rehabilitation at closure

Each mine and plant annually estimates its expected total cost for the rehabilitation, management and remediation of negative environmental impacts at closure. This cost is used to calculate contributions to the Platinum Producers' Environmental Trust (PPET), which has been set up with the express purpose of providing adequate funds to cover the cost of environmental rehabilitation at closure. Before 2004, the contributions to the Trust were spread over the operational life of an operation, but as the MPRDA gives a mining right to a company for 30

Waste management case studies

Union Section

Union Section achieved significant success with its historical waste rehabilitation programme during 2004. 38 hectares were rehabilitated:

- All scrap steel found on the surface has been cleared and taken to the salvage yard;
- Rubber, rubber-lined pipes, PVC and plastic were removed from the surface areas for recycling via the salvage yard supervisor;
- General waste that is not recyclable was disposed of at the landfill site;
- Redundant structures within the rehabilitation area were demolished to ground level and the rubble was disposed of at the rubble site;
- Waste dumps within the rehabilitation area were removed and hauled to the landfill site to be used as covering material;
- The dump footprints were then levelled and ripped to facilitate re-vegetation.

The programme was done to improve environmental rehabilitation and this is in line with the legal requirement to do concurrent rehabilitation during the operational life to minimize the rehabilitation requirements at closure.

Bafokeng-Rasimone Platinum Mine

BRPM implemented new cutting-edge waste minimization and waste internalization strategies, which will change the face and cost of ecological rehabilitation practices at BRPM. The mine implemented a composting scheme that utilizes sewage sludge and wood from underground operations. This project not only reduces the liabilities of disposing dried sewage sludge, but also utilizes waste streams to produce a product that can ensure sustainability in terms of rehabilitation at the tailings facility. This is achieved with the introduction of multi species as part of the rehabilitation process.

Leplats

An estimated 12 000 tons of scrap metal have been removed from the historical waste site. Also, daily arisings of industrial waste, which was previously disposed of at the historical waste site is now sorted on a daily basis and recyclables sold. Non-hazardous waste is landfilled. Hazardous waste is accumulated and taken to Holfontein hazardous landfill site.

years, the contributions for 2004 were spread over a maximum of 30 years. The contributions to the Trust are made annually by each operation. Even though the various investments in the Trust are pooled, each operation has its own account.

The accumulated funds in the PPET as at 31 December 2004 amounted to R149,0 million. These funds will be used for rehabilitation and associated environmental costs of managed operations at closure. The total undiscounted rehabilitation liability at 31 December 2004 was R1 096,7 million. This includes the Group's portion of the rehabilitation liability of Modikwa.



Compost from sewage sludge and woodchips applied to the BRPM tailings dump.

ENVIRONMENTAL IMPACTS (continued)

EVALUATION

Audits

It is important to monitor, review and confirm the effectiveness of performance against standards, objectives, targets and legal requirements. Environmental audits and performance assessments are key elements of evaluating performance. Anglo Platinum uses a mix of in-house audits and external auditors to assess its environmental performance. These include statutory EMP report Performance Assessments in terms of Regulation 55 of the MPRDA legal compliance audits, as well as external audits in terms of ISO 14 001 implementation. All operations were covered by third-party environmental audits during 2004. Findings and action plans of all third-party audits are reported to the corporate office every quarter.

Reports

Environmental reports are compiled quarterly by each operation. A consolidated environmental report for the Group, using the individual reports as a basis, is also compiled quarterly and distributed to the Executive Committee and operational managers.

STAKEHOLDER ENGAGEMENT

Stakeholder engagement is a key activity in environmental efforts. Stakeholders are engaged through comprehensive public participation processes during the development stages of all major capital projects. The stakeholder engagement process continues during the construction and operational

phases of projects. ISO 14 001 requires that each operation consider processes for external communication on its significant environmental impacts. To this end, each operation has compiled a comprehensive stakeholder list from an environmental perspective.

The Group also continues to develop and enhance its positive working relationship with key Government departments tasked with implementing environmental laws. Regular contact is maintained through environmental liaison, EMP meetings and frequent site visits to Group operations.

During 2004, Rustenburg Section, in conjunction with the Waterval Smelter, base and precious metals refineries, hosted two public open days. Even though the open days were primarily to give the local community and Government officials the opportunity to interact with personnel on environmental issues, the exhibits at the open days also featured community health issues, housing, Corporate Social Investment, wellness programmes and HIV/AIDS awareness. Raising environmental awareness in the communities in which the Group operates is also a key part of the environmental strategy.

CONTINUAL IMPROVEMENT

The Group fosters creativity and innovation in environmental management and performance, as well as in its approach to solving the environmental challenges it faces. This is evident from the manner in which it has implemented integrated EMSs based on ISO 14 001 at all operations.



Donovan Rieger monitoring dust at the Waterval Smelter flash dryer unit using the Oaldham laser dust analyzer.

ENVIRONMENTAL IMPACTS (continued)

One of the three corner-stones of the EMS is continual improvement. If the Group cannot show continual improvement, it will have failed to live up to its environmental policy and goals. A thorough environmental strategy review was conducted toward the end of 2004 to highlight areas where improvements should be made during 2005 and beyond. The strategy identified many opportunities for improvement. These include further improvement of recycling practices; full integration of environmental issues into business plans at all levels; integrating SHE, Turnbull and Corporate Risk Management systems; setting uniform environmental standards for new developments; further reducing emissions to air, to increase focus on life-cycle analysis and product stewardship; further improvement of energy and water efficiency; focusing on innovation and cleaner technology; raising environmental awareness; engaging supply chain more actively on purchasing policies; and focusing on ensuring ongoing compliance with commitments in EMPs, procedures, permits and other requirements.

PRODUCTS AND SERVICES

Platinum's unique physical and chemical properties enable its use in a variety of applications. The catalytic abilities are utilized to clean exhaust gases while its resistance to corrosion and ability to withstand high temperatures means that products containing PGMs are more durable, resulting in less waste. Furthermore, the PGMs are recyclable, and their high relative value encourages recovery from spent equipment.

Catalytic converters

Concern over the effects of vehicle emissions started to emerge in the 1960s when smog in cities such as Los Angeles and Tokyo reached levels that were negatively affecting health. In 1968, legislation was passed in the USA to limit the exhaust emissions from vehicles. Catalysts were first fitted to vehicles in the 1970s when the reductions in noxious gases promulgated in the Clean Air Act could not be met through engine management alone. Japan adopted similar legislation soon after, but the rest of the world, particularly Europe, lagged behind these developments, adopting emission legislation only in the 1990s. At present more than 90% of new vehicles produced in the world are fitted with autocatalysts as standard equipment.

Fuel cells

Platinum is also at the forefront of technology that will produce power with no direct harmful emissions, thereby presenting an opportunity to improve air quality in densely populated cities and towns throughout the world. Fuel cells produce power using hydrogen as a source of fuel and as such do not directly emit poisonous gases to the atmosphere as the only by-products in the process are heat and water. As yet, this energy source is not entirely renewable and without secondary emissions because most liquid hydrogen fuel is produced using non-renewable energy. Nevertheless, emissions legislation in place in the USA will require an increasing number of zero emission vehicles to be sold. Fuel

cells present the most viable technology to power zero emission vehicles and all major automobile manufacturers are engaged in research.

governments elsewhere to improve their own laws and as a result global recycling rates of electronic equipment are expected to improve.

Other environmental benefits of using PGMs

PGMs' role in reducing harmful emissions starts at the petroleum refining stage where PGM catalysts are used to remove sulphur from the gasoline and diesel. Sulphur, a harmful gas itself, contaminates autocatalysts preventing them from effectively reducing other harmful gases.

Recycling

PGMs are non-corrosive, durable and have a high heat resistance, and as such little metal is lost and more than 90% can be recovered when appliances containing them reach the end of their life. The largest quantity of recycled PGMs comes from the recovery of metal from spent autocatalysts. At present only one third of the metal is recovered. Effective collection networks only exist in major markets at present. As these improve in other markets, supplies of PGMs from this source will improve.

Supplies of PGMs also emanate from end-of-life electronic equipment. The amount has reduced in quantity over the years as miniaturization of electronic components has occurred. Metal from these sources, is however, expected to increase in the future on account of legislation promulgated in the developed world. In Europe the Waste Electrical and Electronic Equipment (WEEE) directive came into force in 2003. This has encouraged

ENVIRONMENTAL IMPACTS (continued)



AWARDS

During the year, Anglo Platinum received the following reporting awards:

- First prize in the UK-based Association of Chartered and Certified Accountants (ACCA) for the 2003 Sustainable Development Report; and
- First prize in the Southern African Institute of Chartered Secretaries and Administrators (ICSA) award for the best Sustainable Development Report of all companies listed on the JSE.

Other achievements

- Listing on the JSE's Socially Responsible Investment (SRI) Sustainability Index.

Anglo Platinum's Community Engagement Programme in the Rustenburg area

Three years ago Anglo Platinum began a process of regular community engagement in the Rustenburg area through public meetings. This was initiated because of widespread negative publicity with regard to air emissions from the Waterval Smelter, particularly SO₂. It was felt at the time that Anglo Platinum needed to pro-actively engage with the community on the issue, explain the plans and processes that were in place to reduce the emissions and give regular feedback on the progress in that direction.

This public engagement process was highly successful and soon it became apparent that there was a range of other issues, not only environmental, on which the community wished to engage Anglo Platinum. It was decided to use a public open day format for these meetings, where a range of different disciplines within the Group that interacted with the community would be demonstrated. Staff were available to answer any questions the public raised.

Accordingly, two public open days were held during 2004, one on 3 April and the second on 2 December. Posters were produced and displayed at a number of stands staffed by relevant Anglo Platinum employees in the field so that the public could ask questions and get immediate answers.

Posters for the public open days were produced to address the following issues as outlined:

- Regional Environmental Department
 - Air Quality Management
 - Water Management
 - Waste Management
 - Environmental Management Systems
 - Emergency Response Planning
- Social and Economic Development Department
 - Corporate Social Investment
 - Black Economic Empowerment
 - Community Development
- Health, including HIV/AIDS
- Housing
- Expansion projects



The meetings at the open days were chaired and facilitated by an independent chairperson from Golder and Associates. All questions and responses were recorded and minutes sent out to all attendees. Any issues that could not be answered at the meetings were addressed through the minutes. All issues raised were brought into the Environmental Management System of the Rustenburg Regional Environmental Department and addressed accordingly.

The first public open day on 3 April was held on a Saturday morning starting at 8am and was well attended. Anglo Platinum employees were kept busy fielding questions and enquiries. This gave the community the opportunity to have one-on-one discussions about any issues of concern or interest. A meeting followed at 11am where members of the community were given the opportunity to raise any issues of concern. 220 members of the community attended the April public open day.

The second public open day meeting was held on Thursday, 2 December starting at 10am. Once again posters were displayed and stands staffed. 115 members of the community attended the day. All issues raised were recorded and minutes were sent out. Of the key issues, 42 % raised were environment-related. The community wanted an update on the Waterval Smelter SO₂ emissions reduction programme, information on the number of ambient air quality exceedances of the SO₂ guidelines and information on water quality in the rivers and ground water surrounding the mines and processing plants. 24% related to socio-economic development, with particular focus on requests for Anglo Platinum to fund educational and recreational facilities in surrounding communities; 16% related to black economic empowerment (BEE), with the vast majority pertaining to how BEE companies could register with Anglo Platinum so that they can start winning contracts; 13% related to public health, with a focus on the health impacts of SO₂ and progress on Anglo Platinum's efforts to stop the spread of HIV/AIDS; the remaining 5% related to housing and requests by the community for the Group to address the proliferation of informal settlements around the mines.

As part of its social responsibility, commitment to sustainable development and commitment to the community in which it is the leading platinum producer, Anglo Platinum will continue to hold annual public meetings in the Rustenburg Region.

LABOUR

EMPLOYMENT STATISTICS

Breakdown of South African workforce, numbers	2004	2003
Gauteng	442	686
Limpopo	21 927	21 075
North West	24 367	24 278
Mpumalanga	0	0
Total own employees	46 736	46 039
Contracting staff:		
Outsourced	3 948	3 599
Volume contractors	15 090	11 490
Direct contractors	909	743
Through labour brokers	4 055	6 388
Total contracting staff	24 002	22 220

Net employment creation in South Africa, numbers	2004	2003
Gauteng	0	209
Limpopo	193	309
North West	204	89
Mpumalanga	0	0
Total own employees	397	607

Average labour turnover in South Africa, percentage	2004	2003
Gauteng	7,9	12,7
Limpopo	7,2	8,1
North West	7,9	6,2
Mpumalanga	0	0,0
Total own employees	7,7	9,0

LABOUR / MANAGEMENT RELATIONS

Partnership structures

In terms of the Employee Relations (ER) policy signed by all recognized unions, associations and management, partnership structures were established at various levels of the Group. In June, as a consequence of the Fit For Future organizational restructuring process, significant changes to the governance structures provided for by the ER Policy took place. The

creation of one single business entity with two components, mining and processing, has seen the eradication of all regional operational structures. The Regional Partnership Forums were created to service regional operational structures. As these became obsolete, the need for Regional Partnership Forums fell away. Following these changes, the remaining fully functional partnership structures are: the Central Partnership Forum (CPF); the CPF Steering Committee; and the Operating Unit Partnership Forum (OUPF).

The CPF consists of delegates from the OUPF, mine/refinery/smelter managers, human resources managers, the Executive Director: Mining, the Executive Director: Process, and the Executive Director: Human Resources as chairperson.

The Steering Committee is chaired by the Executive Director: Human Resources and attended by mine and plant managers, as well as the senior leadership of recognized unions and associations. The Steering Committee, which meets quarterly, ratifies decisions in the period between the CPF meetings, which are bi-annual.

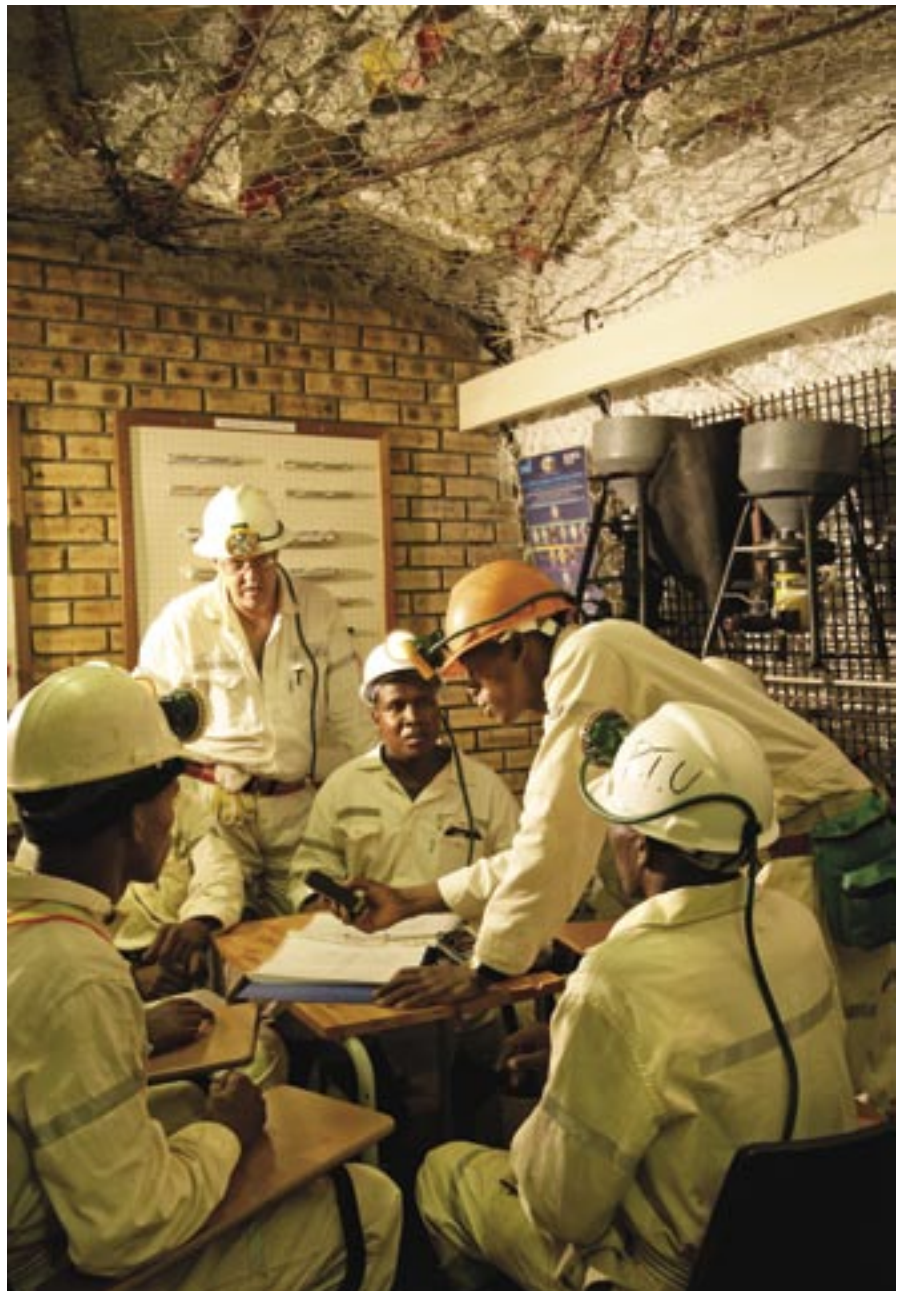
The OUPF is chaired by the mine/refinery/smelter manager and attended by representatives of recognized unions and associations who have a seat on the forum by virtue of attaining 15% in a bargaining unit.

Employee relations: policy and procedure framework

The ERP objectives are to ensure commitment to long-term partnerships and to support the Group’s vision and values. The policy also regulates the recognition of new unions and associations that meet the required entry threshold for partnerships and collective bargaining. In so doing, it acts as the enabling instrument for all employee relations policy and procedure instruments in the Group.

Employee relations: goals and measures

The Group’s Employee Relations Scorecard (ER scorecard) is an effort to



measure progress in terms of employee relations achievements.

In 2004, the ER scorecard was implemented across all operating units.

The ER scorecard is presented at each sitting of the OUPF for perusal and comment by both labour and management. The scorecard also forms

LABOUR (continued)

a vital source of executive-level HR information in respect of the Executive Information System. 2005 will see continued focus on the scorecard, particularly interventions aimed at improving employment relationships within the organization.

Project plans and evaluation

The Employee Relations Project Plans aim to ensure that policies and procedures and the Performance Scorecard are implemented at all operations. The focus in 2004, which was on employee performance optimization through training and effective implementation, yielded satisfactory results and has resulted in the development and empowerment of all labour stakeholder representatives by way of:

- The development of job descriptions and competency profiles for full-time union/association representatives;

- Competency assessments and competency-focused training programmes for all full-time union/association representatives; and
- The establishment of a compensation measure for all full-time union/association representatives by way of a shop steward's allowance.

In 2005, the focus will be on building the effectiveness of the task teams, ensuring each have clearly mandated terms of reference, project plans, rules of conduct and meeting schedules.

In 2005, the ER policy is scheduled for review to ensure that it continues to serve as a viable employee relations instrument aligning behaviour to the organization's business goals and Human Resources strategy. The review will take place in the first quarter of the year with implementation of an updated policy document scheduled for release in the second quarter.

Membership of recognized unions and associations at 31 December	2004	2003
National Union of Mineworkers (NUM)	18 333	16 890
Mouthpeace Workers Union (MPWU)*	3 990	5 212
United Association of South Africa (UASA)	3 996	3 830
Commercial Workers Union of South Africa (CUSA)*	2 928	3 146
Steel, Mining and Commercial Workers Union (STEMCWU)*	1 616	1 698
Building, Motor, Engineering and Allied Workers Union (BMEAWU)*	1 422	1 653
Togetherness Amalgamated Workers' Union of South Africa (TAWUSA)	1 266	1 375
Solidarity	422	380
National Union of Metalworkers of South Africa (NUMSA)	209	227
Total	34 182	34 411
Percentage of employees represented:		
Gauteng	0	0
Limpopo	50,6	50,4
Mpumalanga	0	0
North West	95,1	96,2
Total	73,1	73,6

*Members of Trade Union Alliance – 9 956.

Union and association membership

The Group Employee Relations Consultant regularly checks trade union and association membership figures. The 2004 figures across the Group are outlined in the table on page 84.

Several union and association membership developments occurred during the year.

In the first quarter of 2004, four trade unions, MPWU, CUSA, STEMCWU and BMEAWU, banded together to form the Trade Union Alliance. According to the Group's ER policy, each trade union/association requires at least a 30% membership in a bargaining unit at an operation for it to qualify for collective bargaining rights, allowing it then to participate in wage negotiations. Individually, none of the four mentioned above met the 30% threshold in any bargaining unit at any operation. The Alliance met the 30% requirement.

Employee consultation

On various matters of mutual interest to the Group and its employees, management regularly consults and communicates with employees belonging to trade unions and employee associations through the transparent partnership and communication structures such as the Central Partnership Forum (CPF). The conveners of these partnership communication and consultation sessions are required to publish minutes of each of their meetings. This mandatory requirement ensures that all the relevant employees of the

applicable operating units are kept informed on issues currently on the union and management agenda.

The relevant trade unions and employee associations also consult directly with their members through their union or association structures at membership mass meetings. The Group provides the necessary resources for these meetings to enable these employee-representative organizations to brief their members on important employee and company matters.

In addition, all employees are communicated to through the Group's formal internal communication system. This system includes the distribution of an informative monthly publication as well as formal communication sessions in which relevant employees are informed verbally. Important information is also communicated through Group memoranda. In general, either a company director or senior manager is responsible for issuing these formal communiqués to the relevant employees.

SAFETY AND HEALTH

The International Labour Organization's (ILO's) Code of Practice on Recording and Notification of Occupational Accidents and Diseases requires Government '...in the light of national conditions and practice, and in consultation with the most representative organizations of employers and workers, (to) formulate, implement and periodically review a coherent national policy on occupational safety, occupational health and the working environment.

LABOUR (continued)

The aim of the policy shall be to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work, by minimizing, so far as is reasonably practicable, the causes of hazards inherent in the working environment.'

Accordingly, the South African Government has enacted legislation and participates in forums with trade union associations and business, on which Anglo Platinum is represented, to debate issues of occupational safety and health.

The Group has established formal joint health and safety committees comprising management and worker representatives at all levels of the organization. These are in terms of formal agreements with trade unions and associations covering health and safety at work and apply to the entire workforce. Health and safety committees are mandatory in terms of law.

In order to assess the risks and take any corrective steps necessary, Anglo Platinum's management, in cooperation with workers and unions/associations, investigates immediately:

- Accidents and other incidents, whether or not they cause bodily injury;
- Suspected and confirmed cases of occupational disease;
- Situations in which workers have removed themselves from danger; and
- Any other situation in which there may be an unacceptable risk.

In line with principles contained in the ILO Code of Practice on Recording and Notification of Occupational Accidents and Diseases, the South African Government has put in place, under the auspices of the Department of Minerals and Energy, reporting requirements that include:

Safety and absenteeism statistics	Number of fatalities		Fatal injury frequency rate (FIFR) *		Lost-time injury frequency rate (LTIFR) * † #		Absenteeism rate *	
	2004	2003	2004	2003	2004	2003	2004	2003
Operation								
Rustenburg Section	9	10	0,03	0,03	0,6	0,8	2,0	0,7
Amandelbult Section	7	3	0,05	0,02	1,5	1,0	2,5	2,1
Union Section	3	5	0,03	0,04	1,2	1,3	2,3	3,1
PPRust	0	1	0,00	0,04	0,1	0,3	2,0	2,1
Leplats	3	2	0,05	0,04	0,3	0,4	1,2	3,3
BRPM	1	1	0,01	0,01	0,4	0,3	2,7	3,0
Waterval Smelter	0	2	0,00	0,11	0,5	0,3	0,0	2,1
Polokwane Smelter	0	0	0,00	0,00	0,6	0,0	1,8	0,0
RBMR	0	0	0,00	0,00	0,2	0,1	1,5	3,4
PMR	0	0	0,00	0,00	0,1	0,1	3,2	2,8
Projects	1	0	0,02	0,00	0,4	0,3	0,0	2,2
Total/aggregate (managed)	24	24	0,03	0,03	0,8	0,7	1,7	2,3

* Per 200 000 hours worked

† ≥ 1-day definition

Excludes restricted work cases (RWCs)

Statistics include all contractors' safety performance

- Prescribed periods of absence from work;
- Work-related injuries or illnesses requiring medical treatment or loss of consciousness, or that are of similar seriousness; and
- Any other work-related injuries or illnesses resulting in the injured or sick person being unable to work for more than one day.

Internally, the Corporate SHE department reports to the following forums and committees:

- The quarterly Board SHE committee;
- Mine committee (ad hoc);
- The bi-annual Group Environmental Co-ordinator's forum;
- The quarterly Public Health forum;
- The bi-monthly Group Safety forum; and
- The monthly Health forum.

Externally, the Corporate SHE department is involved in the following forums and committees:

- The Platinum Industry Safety forum;
- The Bushveld Safety forum;
- The Chamber of Mines' Occupational Health and Safety Policy committee; and

- The Mine Health and Safety Council and its permanent statutory committees.

Safety

The safety and health of all employees and contractors is of critical importance to Anglo Platinum. Numerous initiatives and processes have been ongoing for several years and these are in line with international standards in the safety field.

In terms of the Group's lost-time injury frequency rate (LTIFR), there has been a steady improvement in performance since 2000 and, specifically, a 14% improvement in 2004 (1,45) versus the comparable period in 2003 (1,68). However, if restricted work cases are excluded from the calculation of the LTIFR (as per the table on page 86), there was no improvement during the course of the year. As management acknowledges that any injury (irrespective of its severity) is unacceptable, it has been decided that in future, all LTIFR reports will include restricted work cases and strict 'targets' will continue to be imposed on the operations to bring the overall Group statistics into alignment with international best practice.

The Group remains concerned that actual safety performance has plateaued in terms of the number of fatalities. Tragically, 24 employees were killed in Anglo Platinum managed operations during 2004 with another three fatalities at Modikwa (non-managed). These year-end figures are identical to 2003. The Board and management extend their condolences

to all the families and people affected by these events. The Anglo Platinum Group will not relent in its efforts to effect a step-change in its operational safety performance.

PPRust, Waterval Mine (part of Rustenburg) and all process operations were fatality-free during 2004 and it was pleasing to note that several units bettered their safety targets set at the beginning of the year. Also, numerous Mine, Health and Safety Council Awards were made during 2004.

The Group believes that its safety strategy is fundamentally sound and will continue to emphasize the critical role that behavioural interventions can play in reversing untoward trends and inculcating the required culture change in the organization.

Health

Human health and wellness, in general, are becoming increasingly important global issues. The modern workplace is no exception, especially in the more health-sensitive industrial sectors such as mining. With such global maladies as HIV/AIDS, malaria, depression, TB, malnutrition, water scarcity, overcrowding and poor sanitation continuing to abound, the role of the World Health Organization (WHO) and the various regional and national healthcare organizations continues to grow in magnitude. In addition, the Global Health Initiative is rising in prominence and inspiring a growing percentage of larger companies to play a more active role in employee healthcare and wellness.

Against this backdrop of an increasing focus on human healthcare and wellness, the private sector has an important role to fulfil by partnering the public sector to address the major health issues of the day. One of the greatest contemporary health challenges, especially in a South African context, is to increase the accessibility and efficiency of the healthcare system.

Possibly one of the most significant contributions of the mining industry to sustainable development is the comprehensive system of healthcare delivery established, often in the most remote and rural areas of South Africa. Comprehensive, quality healthcare is provided to all employees of Anglo Platinum in an affordable and sustainable manner. The Group intends to maintain this commitment in the spirit of good corporate citizenship. A sub-committee of the Anglo Platinum Executive Committee, the Group Health forum, serves to define healthcare strategy, policy and procedures, as well as to interface with other private and public services to optimize services. The health forum monitors the HIV/AIDS condition and major infectious diseases, such as TB, and develops and implements the appropriate control programmes. The health forum informs the members of the Group's Executive Committee monthly of key developments in managing health issues and programmes.

Anglo Platinum is a major healthcare provider and ensures comprehensive healthcare for all employees. This is done through a health maintenance

organization (HMO) that ensures cost-effectiveness and affordability. This service has proved to be a huge benefit to employees, especially in peripheral and rural areas, where public healthcare services are not prevalent. The Group is exploring the possibility of providing healthcare services through a private-public partnership arrangement on the Eastern Limb to benefit both local communities and employees.

Health services provided

Anglo Platinum contributes to the following health services:

- A range of public healthcare interventions aimed at preventing infectious diseases, including TB, cholera and malaria, as well as expert assistance to regional healthcare services to help them to deal with such issues;
- HIV/AIDS prevention and treatment programmes;
- Treatment for infectious diseases such as TB;
- Occupational healthcare services; and
- Primary, secondary and tertiary healthcare that contributes to an improved health status of its communities, as well as to reducing poverty and the prevention of disability.

Cost-effective sustainable services

Given the background of high medical cost inflation in South Africa and various financial constraints, Anglo Platinum is in a position to manage costs and to thereby ensure cost-

effective and sustainable delivery. Mine hospital-based healthcare provision is the ideal model for providing access to affordable healthcare for lower-income families who cannot afford the cost of private medical schemes. This service is available at affordable rates to all contractors working at Anglo Platinum operations.

On the basis of providing a service that is essentially not for profit, the Group's Platinum Health costs are significantly lower than those of comparable schemes. Anglo Platinum employees who are not members of the statutory medical scheme receive the same comprehensive medical cover and treatment, but at no contribution as the Group pays for their healthcare in full.

These employees may include spouses or dependants, provided they join the medical scheme and effect the necessary contribution for such members. The uptake on this is still relatively low because membership of a medical scheme is not yet mandatory in South Africa.

Occupational health

In order to prevent or minimize health impairment from workplace health hazards, Anglo Platinum has a well-developed system of occupational healthcare services. These include occupational hygiene systems, as well as occupational medicine systems. These are monitored and audited according to occupational health management guidelines and best practice.

LABOUR (continued)

These audits allow for the calculation of a percentage score and this is reflected in the table below. All operations scored above 80%. The intention in 2005 is to address the gaps identified during 2004 and to repeat the audit at year-end. The gaps identified were mainly administrative in nature.

Integrated audited results, overall % of compliance	
Union Section	90,3%
Modikwa	89,0%
BRPM	88,7%
PPRust	83,5%
Leplats	82,3%
Amandelbult Section	81,5%

Note: Rustenburg Section was due to be completed in February 2005.

is to increase awareness, improve prevention efforts and provide training to public health officials in diagnosing the condition.

None of Anglo Platinum's operations pose any risk of exposure to silica dust and the lung diseases associated with it. Recruitment of employees who have had previous exposure to silica at other types of mines does occur. As a result there are occasional cases of lung disease, which, once detected, are monitored. During 2004, 212 cases of pneumoconiosis were notified, including cases of asbestosis (pneumoconiosis is another lung disease caused by the inhalation of dust; asbestosis is a lung disease caused by the inhalation of asbestos particles).

Previous exposure to silica dust at other mines also renders such employees more susceptible to tuberculosis. Affected individuals are referred to national social security and workmen's compensation bodies.

All mines are insured against lung diseases through a national statute, the Occupational Disease in Mines and Works Act (ODIMWA). Anglo Platinum considered it inappropriate to be risk rated on par with mining operations that do pose such risk. The Group took specific measures to ensure that actual risk is properly validated and considered by the State when determining levies payable in terms of this statute. In order to achieve this, Anglo Platinum requested the reinstatement of this statute's Risk Committee (in terms of the ODIMWA) from the Minister of Health, which has been done.



The Rehabilitation and Functional Assessment Centre at Bleskop Hospital.

Silicosis and ODIMWA

The South African Ministry of Labour launched in 2004 a national campaign to eradicate silicosis. The objective is to align efforts in South Africa with the International Labour Organization's global initiative to eradicate silicosis. The scientific basis for the prevention of silicosis is well established, but awareness and prevention efforts are still lacking. This campaign's objective

The Risk Committee was convened in October 2004, having been dormant since 1997. A proper process of revising risk will be undertaken by the Risk Committee to ensure a fair levy based on the risk of each individual mine or works. It is common knowledge that numerous civil claims have been initiated against Anglo American, as well as Gold Fields.

Occupational Tuberculosis (TB)

Owing to the HIV pandemic, infectious tuberculosis has been increasing and is a well-recognized occupational risk, especially among healthcare workers. During 2003, Anglo Platinum diagnosed three cases of occupational TB in healthcare workers employed at Rustenburg’s Bleskop hospital. These affected workers received medical treatment. Because of a more vigilant approach throughout 2004, no further such cases were identified during the year under review.

Infectious Tuberculosis (TB)

Anglo Platinum actively screens for TB and provides comprehensive treatment to infected employees. Despite diagnosing and treating 899 cases of infective TB, 64 died from TB during 2004. About 80% of these cases were HIV-infected, thus highlighting the virus as the main cause of the disease. The incidence of infectious TB in the country is not readily available and reliable for comparative purposes.

Noise Induced Hearing Loss (NIHL)

The graph alongside reflects both new cases of noise-induced hearing loss (NIHL), compensated in 2004, and existing ones. Following the establishment of Instruction 171 (the new statutory method for calculating

compensation for NIHL, which became effective on 16 November 2003), a significant number of cases were only processed through the insurer during 2004. These numbers all reflect historic exposure.

All operations in Anglo Platinum, as part of the restructuring process, appointed occupational hygienists, responsible for monitoring and overseeing personal protective equipment. The highest priority issue is specifically NIHL.

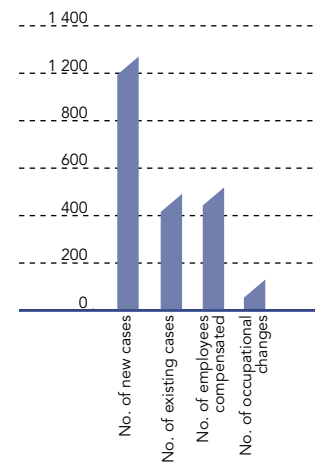
Platinosis

The potential for platinum salt sensitization applies only to the Precious Metals Refinery. The risk has abated significantly over the last decade. Six cases of such sensitization were recorded in 2004 although none yet compensatable for occupational asthma.

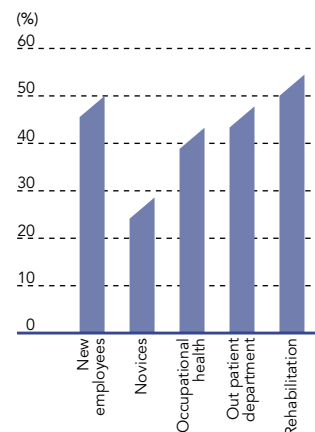
Evaluation of fitness to work, Rehabilitation and Functional Assessment (RFA) centres

Apart from undertaking periodic medical examinations of established employees, Anglo Platinum conducts medical examinations of all new employees (including contractors) to continuously monitor fitness to work and to identify any adverse medical effects emanating from the workplace. To conduct these medicals, Anglo Platinum operates two RFA centres: one at Rustenburg and the other at Thabazimbi. A new RFA centre is envisaged for the Eastern Limb in 2005. At the RFA centres, batteries of tests are used to measure individuals’ physical fitness objectively through physical work capacity (PWC) testing, as well as functional work capacity (FWC) testing.

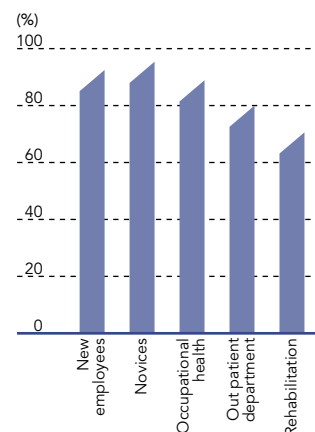
Noise-Induced Hearing Loss



Assessment category and pass rates on FWC (%)



Assessment category and pass rates on PWC (%)





The Swissray Expert 4000 digital X-ray machine at Bleskop Hospital, which has greatly enhanced checking and monitoring for TB and silicosis.

The pass rate at these medicals is reflected in the charts on page 91.

All employees included in rehabilitation programmes are assessed periodically until they pass the required tests, whereafter they are declared fit to return to work. The PWC, however, by itself implies that an employee is able to

perform his/her specific work category safely and without risk to health. Where required, the FWC evaluates an individual's ability to do a specific job and meet its physical demands.

These findings result in reviewing the individual's job placement. If individuals are medically affected, alternative placement is considered and a change of job category is undertaken. Where no accommodation is possible because of an inability to meet any of the job requirements or where alternative jobs are not available, medical boarding is initiated.

This objective approach to evaluation of an individual's ability to perform certain categories of work has significantly streamlined decisions pertaining to fitness to work and productivity. The Department of Minerals and Energy, who has to adjudicate on findings of unfitness to work, has shown interest in utilizing the same methodology to arbitrate on cases of appeal.

To ensure that the employment of women in Anglo Platinum, in line with the requirements of the Mining Charter, is undertaken without compromising health and safety in respect of both the individual and the rest of the workforce, the RFA centres are critical. There are anatomical, biological and physical facts that have to be recognized and evaluated to ensure women are employed in jobs where they can meet the requirements of the job without compromising their own health, or the health and safety of their fellow workers.

Digital X-rays

A state-of-the-art digital X-ray system is now operational at Rustenburg. This new system involves lower radiation exposure to employees, while achieving better detection and reliability. It also reduces patient waiting time and administration time.

The storage of records for 40 years, as required by the Mines Health and Safety Act (MHSA), is readily met in this way, with the additional benefit of being able to reduce storage space. The Group uses X-rays mostly to scan mine workers for lung diseases.

HIV/AIDS

Anglo Platinum is aware of the gravity of HIV/AIDS as a medical, social and economic malady and fully recognizes the tragic implications associated with this pandemic, as well as the potential enormity of its socio-economic implications.

Anglo Platinum has a comprehensive approach towards managing and striving to reduce the HIV/AIDS pandemic. The Group's approach includes promotive, preventive and curative measures.

Wellness programme

The Anglo Platinum Wellness Programme is comprehensive and generic. It covers not only HIV management, but also all chronic diseases listed in the chronic diseases list of the Medical Schemes Act. This approach was considered appropriate in order to treat HIV/AIDS equally with any other serious medical conditions.

It has also served to alleviate discrimination and stigmatization and has now been entrenched in legislation given that treatment for HIV has been regulated as a benefit in terms of the Medical Schemes Act.

In 2004, the Group launched a major publicity campaign to inform all employees of the new Anglo Platinum Wellness Programme and its objectives. This campaign is aimed principally at encouraging all employees to assume and maintain personal responsibility for their individual health and wellness. A specific rollout was taken to all operations, which included voluntary counselling and testing (VCT) for all potentially life-threatening illnesses, including screening tests for hypertension, diabetes and cholesterol.

This initiative further serves to document the health status of all employees. The initial campaign, lasting three months, managed to cover more than 10% of the workforce. Because of this generic, non-specific approach, employees were willing to participate and the initiative provided individuals with the necessary information to assume responsibility for their health status. This approach will be continued in 2005.

Provision of antiretroviral therapy

The Group introduced the provision of free antiretroviral therapy (ART) for employees in 2003. Affected individuals participating in the wellness programme undergo a full clinical review, receive information about the therapy and obtain counselling on the importance of adhering to this therapy. They are also provided with training and support to

develop the skills necessary for ensuring success in preventing the development of resistance to medication.

The drugs are provided in terms of internationally accepted treatment protocols and are of high quality.

Anglo Platinum has been providing ART to employees since March 2003 with satisfactory results. Sadly, many individuals only access the programme with late-stage HIV status. The wellness programme intends continuing with the wellness promotion to enable healthcare workers and infected employees to diagnose early and initiate treatment at a more appropriate time, thereby ensuring improved prognosis and a greater possibility of managing the condition.

In the period from March 2003, when the ART programme began, to end-December 2004, 1 037 individuals had commenced ART therapy on an Anglo American group programme. As at end-December, 822 individuals were still on treatment; the other 215 individuals no longer on the programme, left for a variety of reasons including death, medical retrenchment, termination of service and therapy non-compliance. In addition, a further 275 individuals receive treatment through Anglo Platinum's health care structure.

Most of the participating employees are responding well to ART and are back at work.

The Karnofsky scale is an internationally recognized scientific measurement of quality of life in patients. The average Karnofsky scale of employees on ART

at the end of February 2004 was 88, with 34 employees below 70 (7,1%) and thus unable to return to work. At the end of September, the average Karnofsky measurement was 85,7, with 104 employees being below 70 (12%) and therefore being unable to work productively. This is of concern and will be monitored closely. The details of this scale are set out below:

Karnofsky scale	
50	needs assistance to care for oneself
60	able to care for oneself
70	unable to work
80	normal activity, some symptoms
90	normal activity, mild symptoms
100	normal activity, no symptoms

The average weight of affected individuals increased from 61,9 kg to 65,6 kg over the year. The adherence figure (taking all tablets as prescribed) recorded previously was 90%, which has remained the case.

Community empowerment

To assist in rolling out ART to communities around Anglo Platinum sites, doctors from historically disadvantaged communities were sponsored for training to enable them to provide ART. These doctors are members of the People's Independent Practitioners' Association (PIPA) and are also engaged by Anglo Platinum to conduct treatment and wellness sessions at company clinics.

This allows them guaranteed income, rather than including the service in the health maintenance organization, which would have taken this business away. This also allows for a broader spectrum and freedom of choice of

healthcare provider to Anglo Platinum employees. The Group is also participating in the Anglo American Lovelife National Adolescent Friendly Clinic Initiative (NAFCI) to bring ART and VCT into community clinics.

Ongoing risk assessment

The 2002 voluntary prevalence testing, with projections to 2008 for HIV/AIDS prevalence, morbidity and mortality, was performed at all operations. More than 11 000 respondents participated. The sample size was sufficient to obtain representative results, which were projected forward, making it unnecessary to repeat testing annually. The challenge to reach all employees and contractors via proper voluntary informed consent and treatment is formidable. Inroads were made with the recent wellness campaign, which resulted in a significant increase in the uptake of VCT. A total of 4 499 individuals was reached during this period. Through VCT, 592 new HIV-infected individuals were identified.

One of the reasons for the Wellness campaign's success was that Anglo Platinum's Wellness Programme is generic and non-stigmatizing and covers all chronic diseases and not only HIV.

Based on the 2002 testing, the estimated predicted prevalence for 2004 was 26,73%.

The recent wellness campaign information confirmed that contractors have a higher risk of HIV infection. Information from this campaign is extremely positive. It indicates that the average prevalence among contractors,

as well as employees, is still within the confidence intervals established for 2002 and not near the predicted estimate. The full-time employees included in the campaign had an average infection rate of 12,59%, while contractors had an infection rate of 18,46%. What is extremely encouraging is that the averages for all operations are still within the 95% confidence intervals determined in 2002.

Even though the wellness campaign data might not be absolutely accurate, and 2005 information will confirm prevalence with more accuracy, it would appear that the spread of the pandemic has not been as rapid as predicted.

The prevalence findings have been incorporated into a financial model and are used to direct operations in terms of risk management. Risk assessment incorporates direct and indirect costs. The Group anticipates that the financial impact of HIV/AIDS will be R78 million in 2005. This impact includes the cost of operating a holistic wellness programme, inclusive of ART, and lost production through absenteeism, inclusive of employee time to attend funerals. The loss of employees to the disease is expected to be less than 1% annually and will most likely peak in 2006.

Policy review and development

Anglo Platinum reviews its HIV/AIDS policy annually to ensure incorporation of new knowledge and legislative requirements. Reviews include an assessment of policy effectiveness and the success of all the key programme components.



A mobile AIDS awareness programme in PPRust. Talking to the facilitators is Julia Ledwaba.

Expenditure and costs

The functions of HIV/AIDS prevention and education are accommodated in the Group HIV/AIDS budget, while treatment costs are covered by the medical services budget. The budget is reviewed annually and approved by the Executive Director: Human Resources. The Group manager: HIV/AIDS administers the prevention and education budget, while the Group medical consultant controls the treatment budget. The Group budget for managing HIV/AIDS totalled R26 million in 2004.

Government tax concessions have not yet been factored in and application to the Government for training refunds has not yet been undertaken. It is hoped that the South African Revenue Service will remove the tax on ART in 2005, which will further facilitate treatment and maintain patient confidentiality.

In 2004, the cost/benefit assumption to the Group was R78 million (with treatment), compared with R114 million (without treatment), which represents an estimated saving of R36 million emanating from the HIV/AIDS treatment programme.

Voluntary counselling and testing (VCT)

The Group VCT programme is designed to promote positive behavioural change and ensures the provision of comprehensive care and support. Access to treatment has proved to be a valuable incentive to employees to seek counselling and the programme presents an opportunity to provide individual counselling and education. Its key features include quality, accessibility and affordability in a supportive and confidential environment.

Other features include: condom availability and access; advisory and treatment services for sexually transmitted infections (STIs); post-test support; and follow-up psychological support. Once an employee tests HIV-positive, he or she has access to ongoing medical, nursing and homecare services, prophylaxis for common infections and antiretroviral therapy, as deemed appropriate. The programme also encourages outreach to vulnerable groups, treatment and spiritual support, and social support for clients and families.

Communication of the programme is achieved through the Group's various internal media, such as posters, leaflets, magazines and newsletters, as well as through peer educators.

In addition to the professional code of ethics, medical staff signed a public pledge guaranteeing confidentiality, which was highly appreciated by potential patients. Patient records are subject to strict medical confidentiality. In 2004, the Group had a major wellness campaign rollout that resulted in an estimated 15% of the workforce participating in the VCT programme.

HIV stakeholder partnerships

Traditional healers

In 2004, Anglo Platinum formalized relationships with traditional healers and supported the detailed recommendations for implementing the Traditional Health Practitioners’ Act. The Group continues to support local and national traditional healer initiatives, including the training undertaken through the national Department of Health to formalize the traditional healer’s role in helping to manage the HIV/AIDS pandemic.

Circle of Hope community project

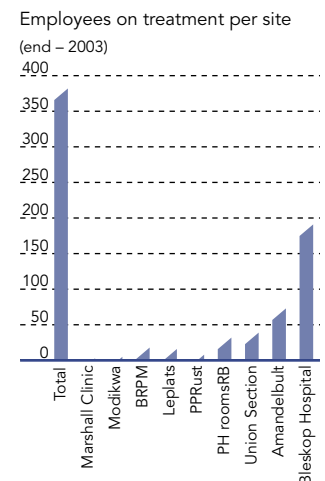
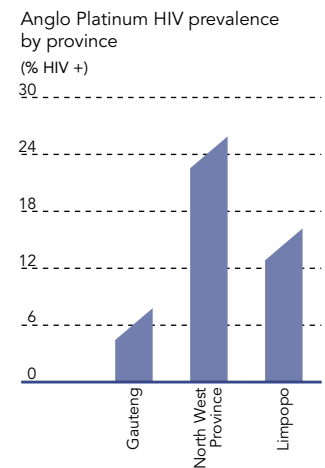
Circle of Hope, managed by the Council for Scientific and Industrial Research (CSIR) at Johannesburg, operates in communities around Anglo Platinum’s operations and is a partnership with local and district governments, NGOs, faith-based organizations (FBOs), traditional leaders and other external organizations. The importance of trade union and employee association involvement has been emphasized, with two representatives from each union and association on each regional stakeholder committee.

Circle of Hope aims to achieve active engagement with communities through:

- Peer education;
- The management of sexually transmitted infections;
- VCT and wellness programmes;
- The management of TB;
- Home-based care; and
- Socio-economic empowerment initiatives.

The project is based on a business plan developed jointly by Anglo Platinum and the CSIR, which details an overview of the intervention model on which the project is based, five-year outcome targets, project management structures, implementation models and project plans. The project evaluation and feasibility studies were completed in early 2003.

Anglo Platinum’s community peer education programmes have been consolidated into the Circle of Hope programme and since expanded. A home-based care feasibility study was conducted to effectively link the Circle of Hope model with the activities of community organizations and the Department of Health. A home-based care programme, aimed at addressing the needs of people in both local and distant communities, was rolled out in 2004 in cooperation with NGOs and the district government.



HOUSING AND LIVING CONDITIONS

In respect of housing and living conditions, the Mining Scorecard poses the following questions:

- For company-provided housing, has the mine, in consultation with stakeholders, established measures for improving the standard of housing, including the upgrading of hostels, de-densification and promoting home ownership options for mine employees? (Companies will be required to indicate what they have done to improve housing, show a plan to progress the issue over time and demonstrate that they are implementing the plan.)

For company-provided nutrition, has the mine established measures for improving the nutrition of mine employees? (Companies will be required to indicate what they have done to improve nutrition, show a plan to progress the issue over time and demonstrate that they are implementing the plan.)

Promoting home ownership

The Group continues to operate a number of subsidy schemes focused on promoting a variety of tenure options, both rental and ownership. These options complement the development of social housing programmes which facilitate housing options at an affordable level and in line with the integrated development planning of local municipalities. In response to requirements for family accommodation, a number of

Stakeholder Advisory Committees were established at the end of 2003 across all operations.

The Group's pilot project to build 3 000 housing units made good progress in 2004. The project, which involves representatives from local and provincial government, Anglo Platinum management and organized labour, is facilitated by the Social Housing Foundation. Each meeting, formalized with minutes and actions and chaired by either a local municipality representative or Anglo Platinum management representative, encourages the formation of sub-committees to participate in the design of housing, employee education and establishing financial viability of each project.

1 000 units are planned for construction in the Boitekong area in Rustenburg (North West Province), 1 000 are planned for Thabazimbi (Limpopo) and 1 000 units on the Eastern Limb (Limpopo). Discussions with local municipalities for suitable land options in line with the spatial development framework for each area have been fruitful. These agreements will ensure that these social housing projects, which support the National Housing Plan, will contribute towards the achievement of urban restructuring and urban renewal.

By the third quarter of 2004, the blueprint for operating an outsourced independent third party Housing Association to run the project had been developed and discussions commenced with financial institutions to test the commercial viability of the

financial model and business plan. Two banks were selected in November to review the model with the intention of receiving formal funding proposals in early 2005.

With the belief that the Housing Association concept would be adopted widely by the mining sector and upon request, a presentation was also made to the sustainable development sub-committee of the Chamber of Mines who commended the innovation and endorsed the approach, forwarding the presentation to its member base. A number of expressions of interest have since been received and it is anticipated that, with the commencement of the construction phase, other projects will be initiated with other mining houses across the industry.

Informal settlements

Anglo Platinum recognizes that a large number of South Africans in and around the communities within which it operates live in abject poverty, in settlements characterized by overcrowding, inadequate resources, social exclusion and limited or no access to basic infrastructure, services, or economic opportunities. Human settlements are a significant factor in addressing the issues of sustainable social and economic development in a globalizing world.

The quality of life in these areas can be improved by paying attention to housing and accommodation, infrastructure and basic services, social issues such as repatriation and migration, and health matters such as waste removal and potable water.



Contractors applying the finishing touches to an apartment for married couples at Jabula Hostel near Townlands Shaft at Rustenburg Section.

Anglo Platinum is helping its employees gain access to reasonable accommodation, in line with its Housing Policy. The Group's assistance of Government in its formalization of settlements is also addressing the rapid rate of urbanization of non-employees. Much-needed projects, particularly in the Rustenburg area, are already underway.

The Group's Sustainable Habitat Policy aims at ensuring that housing and living conditions, via housing, social housing and informal settlement programmes or projects, are:

- Fully integrated with Government and municipal integrated development plans (IDPs);
- Delivered through proper consultation with the relevant authorities and community structures;
- Designed to address the high rate of urbanization in a holistic manner;

LABOUR (continued)

- Structured so as to consider other social amenities; and
- Able to provide pathways to self-sufficiency for economically vulnerable persons and families.

The programme is flexible, allowing for a variety of solutions based on what residents and potential residents in these settlements can afford.

There is no doubt that additional transit camps and site-and-service projects may be advantageous, in that they provide maximum flexibility in terms of ownership, family size and permanency.

The partnership approach to addressing these settlements is guided by a structured business plan, budget and recommendation for Group contribution. In addressing these issues, a stakeholder engagement process is paramount and includes all relevant stakeholders, particularly local municipalities, as they are responsible and accountable for ongoing service delivery.

Municipalities are the custodians of this process, which Anglo Platinum facilitates but does not own.

Some 26% of Rustenburg Section employees live in informal settlements, but they represent a small part of total informal settlement populations. Anglo Platinum has planned to complete a Group-wide survey to determine the number of employees living in informal settlements. The Group is part of the Rustenburg Urban Renewal project aimed at addressing the influx of people into the area and informal settlements. It is also, with the Thabazimbi Municipality, investigating the informal settlement outside Amandelbult Section, known as Schilpadnest.

Improving the standard of accommodation; residential housing and hostels

Anglo Platinum manages and coordinates the maintenance of 5 000 residential properties across the Group. During 2004, service levels improved to residents and cost effective strategies were adopted to reduce the unit cost of maintenance without impacting on the life cycle asset management philosophy. The refurbishment of a significant number of housing assets that required attention contributed towards improved occupancy rates.

The hostel refurbishment project continued on schedule during 2004.

Hostel accommodation, actual and plans	2004	2005	2006	2007	2008	2009
Employees in hostels						
Total number	15 885	15 760	15 325	14 891	14 508	14 146
As a percentage of total employees	37	35	31	30	29	27
Hostel de-densification						
Converted rooms as a cumulative percentage	7	32	57	79	100	*
Capital expenditure, R millions	14,1	49,1	49,1	43,2	41,2	*

*The hostel de-densification programme is a five-year programme running from 2004 – 2008.

Originally piloted during 2003, hostels at Amandelbult, Union and Rustenburg sections, comprising 13 hostels in total, are being upgraded from the current configuration to a future configuration of two employees per room.

The project to improve the standard of accommodation on-mine, will cost R196 million and will benefit over 15 000 employees living in single accommodation. The working teams, comprising representatives from organized labour, hostel committee members and management are pleased with progress over the last two years and expect the projects to remain on schedule through 2005.

Nutrition

The menu for hostel residents ensures that adequate energy in the form of protein, carbohydrates and starch is supplied. The South African Food Based Dietary Guidelines is used as a directive to ensure nutritional intake is adequate. Carbohydrates with a lower glycaemic index have been included and products containing animal origin are served every day. There is a drive to include protein of plant origin, as it lowers the glycaemic index of a meal, benefiting the worker. Care has been taken to ensure that no discomfort is experienced during a shift as a result of food intake. Further, regular audits are conducted by the Group's Health Department to ensure adherence to all food safety principles. Raw and cooked food samples are taken to accredited laboratories for microbiological and chemical analyses to ensure conformity to Health Legislation as well as to Anglo Platinum standards.

The Consulting Dietician analyses reports on actual consumption and meal participation, for portion and nutritional control, on a monthly basis and is responsible for addressing any concerns.

In line with international standards and dietary norms, the weekly provision of fresh fruit and vegetables was increased in 2004. Vitamin C intake is of the utmost importance and every effort is made to increase this. During 2004 an intervention programme was put in place to enrich Mahewu, a traditional drink consumed on a daily basis by 80% of the workers, with Vitamin C. This increased the Vitamin C intake by approximately 60% to meet the South African Mining Industry guideline for Vitamin C of 250mg per person per day. Other micro-nutrients closely monitored include Vitamin A intake, to ensure dark adaptation time is shortened, and Vitamin D, the primary source of which comes from the photochemical action of ultraviolet sunlight on the 7-dehydroxycholesterol produced in the skin. Given miners' limited exposure to sunlight, supplementary sources of Vitamin D are necessary. The Dietary Reference Intakes (DRI) of the Institute of Medicine, Food and Nutrition Board, USA is used as a guideline to ensure adequate Micro-nutrient Intake.

Food safety aspects are paramount and all feeding programmes complied with minimum Hazard Analysis Critical Control Points principles from 1 January 2004, as did food suppliers. Microbiological swabs are taken from all food service units in the Group on a monthly basis and the zero tolerance principle

applies. Food suppliers are audited by the Public Health Department's audit team, which includes a senior SAATCA (South African Auditor & Training Certification Association) auditor on an annual basis to ensure health criteria adherence.

Sustenance feeding consists of a high-kilojoule supplement provided to all employees who work underground, regardless of whether they reside in the hostels or not. Sustenance meals are additional to the nutritional intake received by each hostel resident, although all are encouraged to ensure that neither breakfast nor the main meal are skipped or replaced by the sustenance meal.

HUMAN RESOURCE DEVELOPMENT

In respect of human resource development, the Mining Scorecard poses the following questions:

- Has the company offered every employee the opportunity of becoming functionally literate and numerate by the year 2005 and are employees being trained?
- Has the company implemented career paths for HDSA employees, including skills development plans?
- Has the company developed systems through which empowerment groups can be mentored?

Strategy

Human resource development is a core component of Anglo Platinum's human

resources and business strategies. Apart from the requirement to meet the Mining Charter's HDSA targets for management, the development of future leadership is a key strategic focus area in achieving the Group's vision. Anglo Platinum also regards leadership and people development across all levels as a critical component of business success, good corporate governance and sustainable development.

Outcome-based education, training and development

Outcome-based Education, Training and Development began during 2003 to ensure that the human resource development strategy and practices are fully aligned with the National Skills Development Strategy and relevant national legislation and is approved by the relevant authorities. During this period, the first steps were taken towards the establishment of a world-class education, training and development methodology within Anglo Platinum.

Quality assurance and external participation

Anglo Platinum has retained its ISO 9001 listing and continues to be one of the few accredited training providers. The Group continues to maintain its strong representation within national structures, such as the Mining Qualifications Authority (MQA), and by so doing contributes significantly towards human resource development within the mining industry as a whole.

Human resource development structure and capacity

Human resource development takes place through the Anglo Platinum Development Centre in Rustenburg and at each operation. As a result of expansion, the need for additional capacity for delivering engineering, mining, leadership and safety training is more acute than it might otherwise have been, but has nonetheless been adequately addressed. Assessment and development of human resource development practitioners continue to ensure the availability of suitable people who can help the Group meet the challenges it faces.

Employment equity

In respect of employment equity, the Mining Scorecard poses the following questions:

- Has the company published its employment equity plan and reported on its annual progress in meeting that plan?
- Has the company established a plan to achieve a target for HDSA participation in management of 40% within five years and is it implementing the plan?
- Has the company identified a talent pool and is it fast-tracking it?
- Has the company established a plan to achieve the target for women participation in mining of 10% within the five years and is it implementing it?



Women miners underground at Amandelbult No. 1 shaft. On the left is Sonia Matcharo, a loco driver, and on the right is Cecilia Duduzile a boilermaker.

The Group's fourth employment equity progress report was presented to the Department of Labour in October 2004 in compliance with Section 22 of the Employment Equity Act. In 2004, 14,6% of Legislators and Senior Managers were Employment Equity candidates against the five year target of 18% (up from 9% in 2003). The Employment Equity representation in the Professional category for 2004 was 43% against the five year target of 46,9% (up from 37% in 2004). Good progress has been made in the Technicians and Associate professionals category with 54,9% Employment Equity representation against the five year target of 49,7%. Female representation in the work force was 4,8% in 2004 (up from 3,6% in 2003) and is planned to reach 5,5% in 2005.

The Group's employment equity strategy seeks to ensure that a sufficient number of capable HDSA management candidates are in a position to apply for

LABOUR (continued)

new posts. This strategy, which looks to the early identification of suitable HDSA candidates, their internal development, mentoring and fast-tracking, has over the past year delivered positive results.

The Group continues to make progress towards the 10% target of women in mining. During the second half of 2004, an internal 14-week project was undertaken to understand the current status, investigate areas of concern and develop recommendations that, when implemented, would enable Anglo Platinum to reach the 10% target. The nine key areas of concern encompassed: safety; health and environment; budgets and policies; facilities; suitability of jobs; availability of skills; training and development; social issues; culture and change management; and benchmarking. The outcome, which included a comprehensive report on the project team's findings, with proposed

strategies and actions covering the next five years, focused on the need to employ a greater number of females in the mining discipline.

Mining as a career remains the choice of few South African women as a consequence of a mixture of historical and cultural factors, such as the need to work shifts, and some legislative restrictions (for example, pregnant or breastfeeding females are forbidden to work in potentially hazardous areas). The industry, unions and the Government, have an important task ahead in finding ways to draw women into careers in mining. Anglo Platinum is committed to playing a leading role. The Anglo Platinum Career Marketing Centre in Rustenburg has, as a consequence, been redefined to market careers in mining to HDSAs, especially to women, and will function as an active outreach to surrounding communities.

HDSA participation in management, actual and plans, %	2004	2005	2006	2007	2008	2009
Paterson F-level (top management)	7,1	10,0	10,0	10,0	22,2	22,2
Paterson E-level (senior management)	11,0	13,5	17,6	21,5	27,8	30,5
Paterson D-level (middle management)	28,9	30,0	34,0	37,0	40,0	43,0
Paterson C-level (junior management)	40,1	42,0	45,0	47,0	50,0	52,0
Total	32,5	34,0	37,0	41,0	44,0	46,0
Women participation in mining, actual and plans, %						
Paterson F-level (top management)	0,0	0,0	0,0	0,0	11,1	11,1
Paterson E-level (senior management)	4,6	4,6	6,3	7,5	9,3	11,6
Paterson D-level (middle management)	14,2	12,7	13,7	14,6	15,4	16,0
Paterson C-level (junior management)	13,2	14,0	15,0	16,0	17,1	18,2
Paterson C-level (other)	10,0	9,9	11,1	12,5	13,7	14,9
Paterson B-level (semi-skilled)	2,6	3,2	4,6	5,9	7,1	8,4
Paterson A-level (unskilled)	10,5	10,3	12,7	15,1	17,0	19,2
Total	4,8	5,5	6,9	8,3	9,5	11,0
Employment equity costs, plans, R millions		2005	2006	2007	2008	2009
HDSA recruitment costs		8,4	8,2	7,8	7,4	9,4
Non-HDSA retrenchment costs		-	-	-	-	-
HDSA development training		14,8	14,7	15,4	15,8	16,4
HDSA development training		0,8	0,9	0,9	1,0	1,0

Anglo Platinum recognizes that there is a duty of care to provide a safe system of work for women of reproductive age, their unborn children, and all working mothers who are breastfeeding. At the same time, the right to equal opportunities and fairness is recognized.

Anglo Platinum has implemented a policy that:

- Provides recommended action steps to benefit both the employee and the Group;
- Manages pregnancy where there is exposure to work that may be hazardous to a mother's health and safety, or that of her child; and
- Stimulates and creates awareness and continued risk assessment in the workplace to provide adequate protection without jeopardizing equity, equality and fairness.

At the same time as the literacy and numeracy test detailed in the human resources development section of this Report, employees are tested for learning potential, the results of which are used to identify those employees within talent pools who can be fast-tracked. Anglo Platinum has also designed a mentorship policy, which was rolled out during 2004, enabling identified HDSAs to benefit from high-quality operational exposure in order for fast-tracking to work and helping to meet the Group's employment equity targets.

People development interventions

The attraction, retention and development of high-quality professional staff to manage and lead Anglo Platinum into the future are vital for the Group's long-term success. The growing shortage of critical skills in the mining industry in South Africa, combined with Anglo

Average annual training, hours/employee/year	2004	2003
Legislators, senior officials and managers	9,7	20,4
Professionals	18,9	17,0
Technicians and associated professionals	36,1	21,0
Clerks	18,8	14,0
Service workers, shop and market sales workers	13,3	7,2
Agricultural and fishery workers	0,0	0,0
Craft and related trade workers	48,9	24,7
Plant and machine operators and assemblers	26,5	26,0
Labourers and related workers	25,5	39,3
Weighted average	26,7	28,2

Expenditure on HDSA development programmes, R millions	Plan 2005	Plan 2006	Plan 2007	Plan 2008	Plan 2009
HDSA ABET training	12,7	12,3	12,6	14,0	14,3
HDSA supernumerary positions	41,9	42,3	44,0	43,9	38,8
HDSA retention costs	4,2	4,2	4,0	3,7	6,4
HDSA mentoring costs	1,1	1,3	1,4	1,6	1,8
Total	59,9	60,1	62,0	63,2	61,3



ABET numeracy class (level 3) at Thusanang Training Centre at Bleskop. On the left is Phestus Maphunye, a production supervisor at Amandelbult with facilitator, Muriel Kgalezi.

Platinum's heightened need for such skills due to its expansion programme, has highlighted the importance of proper talent management and people development.

Adult basic education and training (ABET)

The Group's Education Department offers a wide variety of full-time and own-time courses through its adult education centres. ABET is available for employees who have no literacy through to advanced technical qualifications such as N2 and N3, which are recognized nationally.

Current progress indicates that the Group will only be able to assess 50%

of the workforce by the end of 2005. However, the Group is developing plans to expedite the assessment process with regard to literacy and numeracy.

The own-time centres focus on ABET training, while the majority of the other courses offered by the Education Department are conducted at the Group's full-time centre.

The operations are responsible for identifying and fast-tracking the development of high-potential employees. All assessments and examinations undergo a stringent quality assurance process by legislative bodies such as the MQA. An independent industry-wide panel of examiners moderated by the North West Department of Education sets examinations for all ABET levels.

On returning from their annual leave cycle, all previously untested employees from the A and B band are exposed to a literacy and numeracy test. In conjunction with these tests, a learning potential assessment is carried out with each employee, the results of which are used for the purposes of career planning and for determining mentorship and fast-tracking potential. Those employees who do not meet ABET Level 4 standards are offered the opportunity of attending ABET

As at 31 December 2004, subject to further testing and evaluation	Number of Group employees
Number of employees below ABET level 1	10 083
Number of employees at ABET level 1, but below ABET level 2	4 189
Number of employees at ABET level 2, but below ABET level 3	4 841
Number of employees at ABET level 3, but below ABET level 4	7 800
Total number of employees who were not functionally literate and numerate*	26 913

*This number could change as the Group progresses in verifying its literacy and numeracy levels through the assessment process.

courses on a part-time basis, taking six months to complete each required ABET level.

Given the nature of the leave cycle, it is expected that the process of offering each employee the opportunity of completing ABET Level 4, thus becoming functionally literate and numerate, will be completed by the end of 2005. On average, there are 20 learners per class, and each student is provided with workbooks and tutorial material. Classrooms are upgraded when required, for example by the introduction of new visual aids and the purchase of new desks and chairs. Significant resources have been allocated to ABET in order to ensure that the Group will be able to meet the anticipated demand. Facilities, workbooks and facilitators are provided across the ABET spectrum. Despite this, not all employees are expected to make use of the opportunity to become functionally literate for the following reasons:

- Some employees are satisfied with a level of literacy below the national definition;
- Not all employees are driven to become functionally literate and numerate. Some wish to become literate without becoming numerate or vice versa;

- Some employees who do not live in mine accommodation are not prepared to travel to classes, although this problem has been addressed by offering classes either directly before or after shifts; and
- Others resign, retire or are dismissed before they have taken full advantage of the training being offered.

Career paths

Anglo Platinum commenced the process of generating generic career paths for every discipline at its operations. As part of this programme, role descriptions will be articulated, indicating minimum requirements such as complexity, qualifications, experience and competence. Individual development charters will be developed for management employees and these development charters will be reviewed on an annual basis.

Mentoring

Anglo Platinum has planned and designed a formal HDSA mentoring process for use at its operations, which was rolled out in 2004. The main features of this programme are:

- The planned involvement, agreement and buy-in of suitable managers;

Group talent management, number of employees in talent pool	Actual 2004	Plan 2005	Plan 2006
Paterson E-level HDSA employees	12	16	22
Paterson D-level HDSA employees	111	122	134
Paterson C-level HDSA employees	217	239	263
Paterson B-level HDSA employees	162	195	234
Paterson A-level HDSA employees	14	17	20

- The design of necessary training materials, mentoring agreements and working documents;
- The training and accreditation of line management responsible for mentoring;
- The matching of mentors to protégés;
- Regular audits and, if necessary, corrective action; and
- Institutionalization of the process throughout Anglo Platinum's operations.

Talent management

Anglo Platinum's talent management programme was consolidated during 2004. The talent management strategy is directed towards the achievement of the business vision by creating:

- A haven for talent and leadership, and a reputation as a highly desirable place to work;
- An authentic employment value proposition that is capable of attracting, retaining, and optimizing talented people and leaders;
- Enhanced capacity to identify and optimize the talents and leadership capacity of individuals;
- Continuous development of talented individuals and leaders; and
- The institutionalization of an organizational culture and value system that encourages talent

development, management and leadership across all levels of the organization.

Mines/plants and functional owners are accountable for talent and drive its management and development. This includes taking the lead in developing, implementing and auditing the systems, processes and results achieved from talent management in order to forecast future skills needs, attract, recruit and retain talent.

Engineering learnerships

The Engineering Skills Training Centre was acquired from Randfontein Estates in June 2000. Since then, it has not only been voted the overall winner at the Randfontein Show (the fifth-largest engineering products and skills training show in South Africa) but also won the coveted industrial category trophy. It has world-class facilities and training programmes.

The Centre provides a diverse range of engineering training products and is recognized in the industry as a producer of high-quality engineering skills training. It was a major strategic acquisition given the Group's expansion plans. The facility was established in 1984 and has since developed a broad client base, of which Anglo Platinum's operations form about 60%. The revenue generated from external clients significantly reduces the cost of training to Anglo Platinum.

One of the most important benefits of the training is that it can be customized to serve the specific needs of Anglo

Platinum's operations, a critical factor given the passing of the Skills Development Act. The Cooperative Training Scheme, under the auspices of the Anglo Platinum Development Centre, feeds high-calibre, appropriately qualified and competent staff into a variety of disciplines in the lower professional levels. It is also an important mechanism for addressing the employment equity needs of the Group.

Young professionals

The Young Professional schemes, comprising the Bursary and Graduate Development schemes, constitute key focus areas in Anglo Platinum's human resource development activities. The schemes attract significant Group resources in terms of direct financing of the bursars and graduates, and staff support.

The associated processes and programmes are designed to attract, educate and develop high-calibre young professional staff to meet the Group's future needs, as well as to support the Group's employment equity programme. The schemes are of strategic importance in view of the skills shortages and the intense competition in the labour market for such people in South Africa, the mining industry and Anglo Platinum itself.

The table on page 110 provides historical and future bursar numbers.

The 2005 intake includes 80% HDSAs.

58 university and technikon bursars obtained their qualifications at the



The Engineering Skills Training Centre based in Randfontein.

end of 2004 via the bursary scheme in the following disciplines: mining engineering, electrical and mechanical engineering, metallurgy and chemical engineering, analytical chemistry, rock engineering, geology, mine surveying and finance and accountancy. In the past seven years, 356 bursars obtained their tertiary qualifications through this bursary scheme.

Comprehensive publicity and recruiting campaigns are conducted each year to attract and identify the best matriculants, and university and technikon students who have already commenced their tertiary studies. A strong emphasis is placed on recruiting potential bursars from communities in close proximity to the Group's operations.

The minimum selection requirements for Grade 12 learners are a C (Higher Grade) or B (Standard Grade) in mathematics and science, although science is not required for finance and accountancy.

For more information on the Engineering Skills Training Centre, please contact Training Manager Niall Mackenzie on 011 411 6744, or e-mail nrmackenzie@angloplat.com.

LABOUR (continued)

Practical route bursaries are also offered in mining, mine surveying and mine ventilation and occupational hygiene. These bursaries are of interest to young men and women who do not wish to follow a full-time study programme.

Management and leadership development

A component of the Performance Management Project for Anglo Platinum is the Supervisory Development Programme. This has taken supervisors through an extended development intervention, covering areas such as personal and professional mastery, performance management, employee relations and employee communications. Begun in 2002, this project will continue through to 2006/7.

In addition to the above, the Anglo Platinum Development Centre (ADC) continues to provide further leadership programmes (Junior Management Programme and Management Development Programme) for selected managers at various levels

in conjunction with a leading South African business school.

The interventions fall into various categories, namely:

- The Junior Management Programme, which caters for junior managers, and the Management Development Programme, catering for middle-management development; and
- Short courses: based on operational needs, the Anglo Platinum Development Centre conducts various interventions focusing predominantly on behavioural skills, for example:
 - Employee relations training; and
 - Performance-management training.

In addition to the provision of various education programmes and short courses, the management and leadership function is involved on an ongoing basis in development projects for the Anglo Platinum Group.

Further details on the Group's Bursary Scheme can be obtained by contacting Peter Barnes, Human Resource Development Manager: Development at the Anglo Platinum Development Centre: telephone 014 596 0186 or e-mail PeterB@angloplat.com.

For more information on the Management and Leadership function, please contact Gavin Brink, Human Resource Development Manager/ Leadership Development, at the Anglo Platinum Development Centre: telephone 014 596 0161, or e-mail gbrink@angloplat.com.

Bursary scheme	2005 target	2004	2003	2002	2001	2000
Number of bursars	384	364	395	324	252	220



Participants in the Academic Achievers programme. Refer to page 120.

HUMAN RIGHTS

STRATEGY AND MANAGEMENT

South Africa is a signatory to the Universal Declaration of Human Rights, which is in turn reflected in the country's Constitution.

Eight International Labour Organization (ILO) conventions were identified by the ILO's governing body in 1985 as being fundamental to the rights of human beings at work, which in turn were split into four key groupings:

- Freedom of association;
- The abolition of forced labour;
- Equality; and
- The elimination of child labour.

Anglo Platinum has interpreted and incorporated the above into its Code of Ethics and Business Principles. Employee training, particularly that of new recruits, includes education in this Code and operation-specific aspects of human rights, such as work practices and disciplinary procedures, are covered in all supervisory training.

NON-DISCRIMINATION

Discrimination in the workplace

Anglo Platinum's Code of Ethics and Business Principles declares that 'we promote workplace equality and seek to eliminate all forms of unfair discrimination.'

While employment equity goes some way to forcing the reversal of historical unfair discrimination,

and management's commitment to this principle is visible and publicly stated in a variety of media, it is an unfortunate fact of life in South Africa that residual racial and gender biases linger in the culture and value system of its society, as indeed it does in many other countries. This is an 'invisible' and largely uncontrollable element of discrimination, and while the Group can only play its part in South Africa to slowly reconcile its peoples and cannot force the change of its employees prejudices, it is nevertheless in a position to tackle discrimination in the workplace when this is detected.

Accordingly, the Group monitors and is on the alert for unfair discrimination via its disciplinary and grievance procedures. The Human Resources department is tasked with tracking incidents, reporting them and looking for trends. The Group takes the actions necessary to address unfair discrimination, including consultation, reports and disciplinary procedures. Where necessary, guilty employees are dismissed.

Migrant labour

In respect of migrant labour, the Mining Scorecard poses the following question:

- Has the company subscribed to Government and industry agreements to ensure non-discrimination against foreign migrant labour?

Anglo Platinum does not discriminate against foreign migrant labour.

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

All Anglo Platinum employees have the right to freedom of association under the South African Constitution and the Labour Relations Act, 1995. This right is also entrenched in the Group's Code of Ethics and Business Principles.

In terms of the Code, the 'Group encourages the personal participation of its employees in the democratic political process and respects their right to absolute privacy with regard to personal political activity. The Group will not attempt to influence any such activity, provided there is no disruption to workplace activities and that it does not contribute to industrial unrest.'

The Group recognizes trade unions and associations that have a significant representation among its employees, and these in turn participate in collective bargaining forums with Group management.

CHILD LABOUR, AND FORCED AND COMPULSORY LABOUR

The ILO Convention 138 states as its objective 'the total abolition of child labour', defining a minimum age 'of completion of compulsory schooling and, in any case, shall not be less than 15 years'. The ILO Convention 29 defines forced or compulsory labour as 'all work or service, which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily'. It has as its objective 'the suppression of forced or compulsory labour in all its forms'. In pursuance of these objectives,

the South African Government passed the Basic Conditions of Employment Act, of which Chapter 6 is especially pertinent.

Anglo Platinum has committed itself, in terms of its Code of Ethics and Business Principles, to 'comply with all relevant laws and regulations', to 'prohibit the use of child labour', and to 'not tolerate inhumane treatment of employees, including any form of forced labour, physical punishment, or other abuse'. The Code also commits the Group to ensuring that 'conditions of service comply with applicable laws and industry standards'.

Similarly, the Group requires adherence to these principles by its business partners: 'we promote the application of our principles by those with whom we do business. Their willingness to accept these principles is an important factor in our decisions to enter into, and remain in, such relationships'.

Monitoring of the Group's adherence to this commitment is undertaken through its SAP computerized management system, in which a database of all employees is maintained. No incidents involving child, forced, or compulsory labour involving Anglo Platinum or any of its business partners were detected during 2004.

DISCIPLINARY PRACTICES

Appeal procedure

In cases where an employee has been counselled, given a verbal warning, written warning, or both, or been handed a sanction arising from a



Anglo Platinum Protection Services won the 2004 South African Working Dogs Open Championship, for the third year in a row. On the left is Oliver Hlalele and the right, Solomon Nomadolo.

hearing, the employee may appeal. The employee must appeal within three working days, in writing, to the employee relations practitioner. The manager or head of department shall, within three working days, or as soon as reasonably possible, convene an appeal hearing, investigate the facts and circumstances, and assess the evidence led.

The chairperson's decision on appeal is final. There is only one level of appeal. Should the employee wish to take the matter further, he or she is entitled

to process it in terms of the Labour Relations Act or any other legal avenue of the Group's Employee Relations Policy.

Grievance procedure

Anglo Platinum's grievance procedure is intended to create an environment that is conducive to good employee relations and a satisfied productive workforce by taking prompt and fair action when employees have legitimate complaints. Grievances should be handled as speedily and as close to the point at which they originate as possible. There are two recognized grievances:

- An individual grievance, in which one person has a grievance; and
- A group grievance, in which more than one person has a grievance. In this instance, the aggrieved group may select up to five representatives to raise the grievance with their immediate supervisor. Union/association members must select shop stewards as representatives. Employees who are not members of a union or association must select a representative from the group that has the grievance.

Individual and group grievances are treated in the same way and the same procedure must be followed.

SECURITY PRACTICES

The Anglo Platinum Protection Services department embarked on a comprehensive cost-effective in-house training course on human rights for

its protection services employees in 2004. Constant monitoring of human rights issues was performed within the various protection services sections across the Group. In addition, the Group's standard operating procedures are in the process of being re-written regarding procedures of search, arrest and charging, taking cognizance of South African legislation and human rights.

The Chamber of Mines has agreed in principle that its members will support the US-UK Voluntary Principles on Security and Human Rights.

INDIGENOUS RIGHTS

In its Code of Ethics and Business Practices, Anglo Platinum states that it recognizes 'the sensitivities involved in addressing issues that relate to the cultural heritage of indigenous communities'. The Group seeks 'to ensure that such matters are handled in a spirit of respect, trust and dialogue'. South Africa has eleven official languages and numerous tribes and races, a 'rainbow nation' of peoples, all of who can claim some uniqueness that makes them 'indigenous'. Indeed, the question has been the subject of legal debate in South Africa in recent years. Anglo Platinum takes the view that most of what is intended in the GRI's definition of 'addressing the needs of indigenous people' is covered in the 'Society' section that follows in this report, in which relationships with the communities associated with its operations are discussed.

Nevertheless, the Group remains sensitive to issues of cultural heritage

and monitors them on the basis of the following criteria:

- Does the community speak a language other than one of the eleven official languages?
- Are the community's members the original inhabitants of the land?
- Does the community have distinct cultural, religious or spiritual practices?
- Does the community have distinct laws, institutions, or other decision-making structures?
- Does the community have a mode of subsistence that is distinct from the dominant culture in the area?
- Does the community identify itself as indigenous, aboriginal or native to the area?

If the answers to these questions are generally affirmative, then the Group assumes that, in addition to the community engagement efforts outlined in the following section, it must allow for the unique cultural identity of the community's people and traditions to influence operational planning and activities and to inform Group-community relationships.

Jointly managed grievance mechanisms for communities, whether 'indigenous' or not, are managed by the various forums set up as described elsewhere in this Report.

SOCIETY

MINE COMMUNITY AND RURAL DEVELOPMENT

Integrated development plans (IDPs)

In respect of mine community and rural development, the Mining Scorecard poses the following questions:

- Has the company cooperated in the formulation of integrated development plans and is the company cooperating with Government in the implementation of these plans for communities where mining takes place and for major labour-sending areas? Has there been an effort on the side of the company to engage the local mine community and major labour-sending areas? (Companies will be required to cite a pattern of consultation, indicate money expenditures and show a plan.)

The Group's sustainable development efforts are organized at the operational level. Each operation has developed a social and labour plan, which refers

to, and is aligned with, the objectives of municipal governments that are responsible for the formulation and implementation of their integrated development plans in terms of the Local Government: Municipal Systems Act. Anglo Platinum's role is to cooperate with the municipalities, along with other private stakeholders and labour unions so that its efforts are aligned with Government plans.

Group operations participate in the IDP and LED processes in the following municipalities:

- Amandelbult – Thabazimbi Local Municipality
- Union – Moses Kotane Local Municipality
- Rustenburg mines – Rustenburg Local Municipality
- PPL – Magalekwena Local Municipality
- Lebowa – Fetakgomo Local Municipality
- Twickenham – Tubatse Local Municipality

Each operation has an internal forum, headed by the operations manager and includes internal participants from Socio-economic Development. This in turn controls the functions of Corporate Social Investment, HIV/AIDS, and Small, Medium and Micro-enterprise Development, the latter carried out by the business development officers. Corporate Office specialists also join these forums.

Anglo Platinum's new mobile clinic travelling through a village near Rustenburg.



The operations engage with other PGM producers and other mining companies in a joint development forum, as has been established on the Eastern Limb over the Greater Sekhukuneland and Mpumalanga reserves (the Tubatse JDF), in the Thabazimbi area (with, among others, Kumba), and in the Rustenburg area (with Impala, Lonmin, Aquarius, and chrome producers). In the areas where PGM mining is less dominant in the local economy, namely Polokwane (where the Group has only a smelter) and Mokopane (where PPRust is situated), the Group engages with Government and with other, non-PGM businesses represented in those municipal areas.

The results of this process have been encouraging. In the Greater Sekhukuneland area, where infrastructure shortages are the most acute, the Tubatse JDF has cooperated with Government in bringing much-needed water supply to communities via a dedicated pipeline, and it has built roads, schools, houses and clinics, all within the scope of the area's integrated development plan. In the Mokopane area, PPRust has helped bring water to the area via a sewage treatment plant. Similar initiatives have been successful on the Western Limb, in the Rustenburg and Thabazimbi municipalities, including the formalization of informal settlements.

The reader is referred to the list of community stakeholders on page 29 in this Report.

Corporate social investment (CSI)

Anglo Platinum maintained its strong commitment to financing and

facilitating social development in host communities during the year despite tougher operating conditions. This ongoing commitment underpins the Group's strong desire to play a proactive role in facilitating South Africa's social and economic development by building key partnerships with various stakeholders. These stakeholders include local communities, non-governmental organizations (NGOs) and government departments at local, provincial and national levels.

The Group's approach also ensures that it can meaningfully address social investment issues in a sustainable manner so that the economic benefits of Anglo Platinum's mining and processing operations create enduring benefits for the greater society in which it operates.

Although South Africans celebrated ten years of democracy and freedom during the year, the country continues to face a plethora of social and economic development challenges, most notably poverty and its associated problems, such as unemployment, illiteracy and disease, as well as major infrastructural deficiencies in many underdeveloped communities.

Such challenges are exacerbated by the economic impacts of participating in a global marketplace that is becoming increasingly open and fiercely competitive. Although South Africa has a multitude of inherent opportunities for social and economic development, the country's economic potential is currently constrained by the relatively low levels of skills, especially in the fields of science, technology and innovation.

SOCIETY (continued)

The Group's CSI strategy as a subset of its broader corporate socio-economic development portfolio is to play a constructive role in enhancing the quality of life of those communities surrounding Group operations, as well as some of those regions from which some of the workforce are sourced. To a lesser extent, the Group is also engaged in social and economic initiatives of national importance.

This task remains challenging, but the ongoing support of the Group's structured interventions, in line with its social investment strategy, is helping to facilitate the necessary behavioural changes in host communities. Increasingly, it is apparent that beneficiary or targeted communities are becoming more empowered to take charge of their own destinies and to steer themselves towards greater socio-economic freedom and hope.

Real socio-economic development, Anglo Platinum believes, can only be achieved when the responsible

and accountable stakeholders are empowered to take charge of their obligations and opportunities and to manage those developmental processes that ensure the sustainability and quality of community upliftment and development initiatives. This challenge requires a keen understanding of development work where many of the variables are outside direct company control and can be risky. The experience of assisting and seeing people making a stand against poverty and a lack of resources by empowering themselves makes the risk worth taking.

Anglo Platinum assists beneficiaries directly or, preferably, in partnership with other stakeholders to assist priority development initiatives. This is done through a consultative process that allows the relevant stakeholders to engage in order to determine and agree priorities in line with requirements identified in local IDPs.

Anglo Platinum continues to focus most of its corporate social investment activities in six main areas:

- Small donations: contributing to charitable causes, sport and community development events;
- Education: supporting the development of quality education centres and improvements of mathematics, science and English language teaching and learning at primary and high schools;
- Community Capacity Building: supporting initiatives intended to improve the skills of community members and their organizations;

Construction of new ablutions facilities at Lerome Middle School near Union Section. In the foreground is Nelson Sefora of the company 'Marentia 0289', which he owns.



- Small, Medium and Micro Enterprise Development: supporting programmes intended to promote entrepreneurship in mine communities and labour-sending areas;
- Infrastructure: contributing to the sustained improvement of physical infrastructure in underdeveloped areas; and
- Health and Welfare: supporting initiatives geared towards enhancing Government's delivery of primary health care and welfare services to the under-privileged sector.

Anglo Platinum has spent R59,08 million to support social upliftment programmes during the year. This amount is determined with reference to the Group's operational cost in accordance with a formula which is in line with the approach adopted by many of South Africa's leading corporate social investors. The amount is split among operational units on a needs basis depending on the priorities identified, the process of engagement with local stakeholders and integrated development planning with local governments.

The ability to secure complementary funding and resources from other social development partners is ongoing and essential if the Group is to continue achieving its principal social investment objectives. In particular, the Group continues to build constructive partnerships with local and provincial governments in the main geographic areas of its operations with the aim of creating maximum synergy and using available resources optimally.

Small Donations

Anglo Platinum has given donations towards 18 charitable causes and seven sport events intended to benefit the disadvantaged sectors of society.

Education

The Anglo Platinum Education Project is the longest supported initiative within the Group's Social Investment portfolio. This far-reaching initiative continues to play a significant role in improving education in mine and rural communities, particularly in respect of the following:

- Training of subject advisors and educators in mathematics, science and technology; 761 subject advisors and educators benefited from this programme in 2004. This programme was implemented through RAUTEC and PROTEC, leading service providers in this field;
- Provision of supplementary and bridging programmes in mathematics, science and technology, and English for learners at high school and post-matriculants who have a low pass rate in these subjects; 8 800 learners participated and benefited from this programme in 2004. The Group engaged Edumap, Radical Maths, Eduland and the ESTC to run respective components of this programme;
- Building, renovations and improvements of school facilities; 18 schools benefited from such support in 2004;
- Provision of teaching staff at schools close to mines; the Group is paying

Academic Achievers programme

The Academic Achievers programme run by Radical Mathematics and Science ensures higher maths and science matric passes.

Anglo Platinum has responded to the mathematics and science crisis in schools, especially those in historically disadvantaged areas where too few grade 12 learners are achieving higher-grade matriculation passes in science and mathematics. The industry needs young human talent with good grades in science and maths – and has therefore responded to this challenge through the auspices of the Anglo Platinum Development Centre at Rustenburg and the Anglo Platinum Academic Achievers Programme.

The Group invested R805 000 into this programme in 2004 with the primary aim of enabling promising learners to pursue science and maths at a higher-grade matric level and, in time, pursue tertiary studies in the fields of science, engineering and technology. Unless concerted investments are made in this area, the Group will be hard pressed to achieve longer-term employment equity targets because a significant percentage of the Group's key professional, managerial and technical jobs require a high degree of literacy in maths and science.

The purpose of the Academic Achievers Programme is to offer a fast-track, extracurricular academic programme to grade 10, 11 and 12 learners from historically disadvantaged backgrounds in the Rustenburg area. Through this programme that complements their normal schooling, the programme provides the essential resources to enable students to improve their results in higher-grade mathematics and science and to acquire skills vital to their preparedness to successfully enter tertiary education and compete more effectively for bursaries and recruitment.

An independent service provider, Radical Mathematics and Science, presents the programme to selected grade 10, 11 and 12 learners on Saturdays and during school vacations. Learners received 27 full-day seminars (189 contact hours) during which they work through a thorough and systematic presentation of the school mathematics and physical science syllabi. They are also exposed to essential business and social skills. This skills-based course also embraces communication and time-management skills, stress management, self-motivation and self-image, basic business computer literacy, business etiquette, interview skills, presentation skills and career information.

Through this initiative, learners are exposed to a basic understanding of the mining process and career opportunities in the mining industry. An underground-mine visit and an opportunity to drill the rock face is a highlight of the grade 12 programme. The project was started in January 2003 with the selection of 30 grade 11 and 30 grade 12 learners. The programme was extended to grade 10 learners in 2004.



and North West provinces, the Group provided major contributions towards the establishment of these centres at Thlabane and Mogwase (North West) and Makgala (Limpopo). There are facilities established to improve the quality of education and learner human resource development; and

- Management and learnerships training; 56 educators in 2004 benefited from this programme run through the Catholic Institute of Education. This support led to an average 10% increase in the matric mathematics and science pass rates (compared with the 2003 level) at participating schools.

the salaries of 28 teachers deployed at seven schools close to the mines;

- Establishment of Education Resource Centres; in partnership with the Departments of Education in Limpopo

Community capacity building

To address and, in time, reduce poverty, the Group offers practical skills development and training

programmes that create marketable skills. These skills programmes are geared to the needs of the communities in the vicinity of Group operations and they address the strengths and opportunities that exist within them. The objective of these interventions is to continue providing much-needed skills training in line with realistic work opportunities.

In the quest to transform people from traditional job seekers to proactive job creators, these programmes help to promote entrepreneurship among unemployed people around Group operations. A sustainable change in entrepreneurial behaviour has already been witnessed and augurs well for the continued creation of self-driven entrepreneurs in communities that historically have had comparatively high unemployment levels. The outcome-based modules include computer literacy, product development, money generation and business theory based on an unconventional approach that uses experiential learning and maximum learner participation.

Despite the difficulties in the process of creating new jobs, Anglo Platinum continues to support various job-creating initiatives, such as the development of commercial vegetable gardens, poultry farms, carpentry businesses and community spaza shops, all of which promote self-reliance.

The Group also supported the Old Mutual Tycoons Programme in the province of Limpopo, aimed at promoting entrepreneurship. It is hoped that this promising initiative will be continued in 2005.



The GTZ solar heater.

In partnership with Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ), Anglo Platinum is promoting the use of affordable household cookers that use solar energy. This commitment is part of a wider national programme sanctioned by the Department of Minerals and Energy to protect the environment by conserving trees. The cutting of trees for heating fuel currently remains the sole or primary option for many poorer households in South Africa.

Small, medium and micro enterprise development

During the year, Anglo Platinum increased its drive to promote entrepreneurship in surrounding communities. The Group supported programmes intended to increase economic and social opportunities for black business development. These interventions resulted in 375 individuals benefiting from the business skills training programme and the start-up of 62 new businesses. In addition,

Turning entrepreneurial dreams into sustainable reality

The vitality of the future South African economy will to a large extent depend on the willingness and ability of partners from Government, non-governmental organizations (NGOs), the business sector and local communities to establish and sustain practical programmes for developing practical entrepreneurial skills and creating sustainable small, medium and micro enterprises (SMMEs).

Compared with dev to be lowered gradually if we as a nation are to create a sustainable socio-economic dispensation in which rising percentages of South Africans can prosper and enjoy the fruits of their labours free from the maladies created by poverty.

One highly innovative NGO, a non-profit Section 21 company based at Pretoria, Addicted to Business™ (A2B), has responded to the challenge in an impressive manner. During 2004, A2B partnered Anglo Platinum through BRPM to provide highly focused skills training for people from historically disadvantaged communities and to help prospective entrepreneurs to establish their own start-up businesses in the greater Bojanala District near Rustenburg. The Group contributed R500 000 towards the A2B-led programmes in 2004.

The core concepts and syllabi of the A2B programme were inspired by a series of successful entrepreneurial programmes developed for unemployed people in the Bronx area of New York City. The programme has since been adapted, refined and evolved to meet specific South African needs. Unlike many other so-called entrepreneurial development programmes, the A2B approach is intense, unorthodox, challenging and outcomes-based with a clear vision of helping to create real entrepreneurs equipped with the vision, motivation, resources and real businesses to be self-sufficient and growth-orientated.

Through the A2B programme, participants from the Bojanala District can undergo one of five core programmes. Through one of these, the comprehensive entrepreneurial training and development programme, participants undergo what A2B affectionately calls 'entrepreneurial army' training. This course comprises six months of intensive, highly focused skills training before participants are guided pragmatically for a further six months as they establish their own seed businesses in their communities. The programme is aligned to South Africa's new Skills Development Strategy and is expected to become a registered venture creation learnership in 2005. Working in partnership with the Rustenburg Local Municipality and the Royal Bafokeng Administration, A2B gets intimately involved with the local community around the BRPM and attracts the most desired recruits: a diverse cross-section of men and women without infrastructure, capital, markets, networks and prior business experience. Recruits participate in well-planned and balanced courses through which they acquire a diverse spectrum of theoretical and practical skills. In time, the participants are equipped with a 'biz-bag' containing the basic tools they need to 'wheel and deal' in the real-world marketplace away from the mostly theoretical realms of the A2B classroom. Skills as diverse as sewing, welding, baking, wire-modelling, carpentry, building, painting and poster-making, for example, are developed and are then steered in the direction of practical business ventures so that entrepreneurs have the requisite skills, resources, capital, markets and the motivation to provide practical, commercial products and services needed in their communities, including the corporate market. Training also entails visits to established businesses, interviews with successful entrepreneurs in the district, participation in invention workshops presented by the CSIR of Pretoria and exposure to a database of business opportunities, including tenders. Anglo Platinum has already placed several A2B graduates on its procurement list – and our intention is to continue outsourcing a significant portion of our supply needs to these promising new entrepreneurs.

519 BEE companies were screened and processed for accreditation to qualify for inclusion on Anglo Platinum's vendor database.

Infrastructure development

In line with the commitment to contribute towards assisting Government in addressing the backlog on infrastructure development, Anglo Platinum has contributed to the construction of the following projects:

- Road Projects: Moruleng road in the Moses Kotane Local Municipality and Ga-Pila road in the Magelekwenwa Local Municipality;

- Facilities: Rehabilitation of the Ga-Molekana Cemetery and establishment of sanitation facilities at 12 schools; and

- Water Projects: Borehole water provision to six schools and communities in Modikwa and 14 schools in the Bojanala District Municipality.

These projects were carried out in consultation and partnership with the relevant Government departments, namely: the Departments of Education, Water Affairs and Transport.



Extracting another precious commodity

Anglo Platinum has played a key role in responding to one of South Africa's greatest social and environmental challenges by helping to provide water for under-resourced communities.

By world standards, South Africa is arid, receiving, on average, about 500 millimetres (mm) of rainfall a year, about 58% of the world average of 860 mm. Rainfall is largely erratic and, in some regions, is a rare occurrence. To exacerbate matters, many poorer communities are too far from established infrastructure and lack the finances and technology to develop their own water-supply infrastructure. The women and children of these communities are often compelled to walk long distances to fetch water from rivers, sometimes in the blistering heat with nothing more sophisticated than a wheelbarrow and a few plastic containers.

The South African Government maintains an exemplary Water for All policy and has over the last decade made great strides in bringing water to a growing percentage of disadvantaged South Africans. To achieve its target of bringing water to all South Africans in a comparatively short timeframe, however, the Government needs committed support from the private sector and other social partners. Hence the recent involvement of Anglo Platinum in assisting several farm schools in the greater Bojanala Platinum District in South Africa's North West Province.

We partnered with the Rustenburg Local Municipality, the Rotary Club of Rustenburg, British American Tobacco Company and South Africa's national Department of Education. The latter organization played a key role in identifying water-poor farm schools in the targeted district. We donated R200 000 to fund the drilling of 13 new water boreholes and to rehabilitate 11 established boreholes, many of which were in a dire state of disrepair and neglect. It is estimated that as many as 6 000 people have benefited from this project in the Bojanala District.

A novel aspect of this water project is its reliance on fun-based form of free human energy – and not costly electricity – to extract water from the ground. Children play on a special form of a traditional roundabout, which acts as a wheel pump to extract water and store it in a nearby reservoir for the benefit of their community.

The Minister of Water and Forestry, Ronnie Kasrils, was among the dignitaries who attended the opening ceremony held to celebrate the successful completion and handover of this project.

SOCIETY (continued)

Health and welfare

Anglo Platinum's primary community health objective remains the need to sustain a mutually beneficial partnership with Government in its ongoing efforts to provide primary healthcare facilities to under-resourced communities near Group operations. This support is mostly carried out by building health clinics or by purchasing mobile clinics, which play an important role in providing access to primary healthcare in informal settlements in the Rustenburg Local Municipality, Magalekwena Local Municipality and Moses Kotane Local Municipality.

Support has been given to local NGOs rendering welfare services to communities adjacent to the mines, namely; the Greater Rustenburg Foundation, Tslupe Hospice and Lighthouse Children's Centre.

Traditional labour-sending areas

In line with the Mining Charter, Anglo Platinum has developed a partnership with the OR Tambo District Municipality (Eastern Cape) to pursue a common goal in addressing the historical socio-economic imbalances, caused in part by the migrant labour system.

The Group has targeted communities from which its mineworkers come. As a result, Anglo Platinum has supported agricultural projects in the Bizana Lusikisiki Flagstaff triangle and the King Sabata Dalindyebo Local Municipality. About 320 ex-mine worker family members are direct participants in these projects. The expected impact of this support is that of ensuring sustenance of livelihood among families of ex-mine workers and stimulation of local economic activity.

Anglo American and Anglo Platinum Corporation Chairman's Fund

Anglo Platinum's 2004 contribution of R12,0 million represents a substantial proportion of the total allocated to this Fund and is one of the mechanisms through which the Group makes its social investment in South Africa.

Its approach is to interact with a variety of governmental and major developmental agencies, so maintaining the relevance of its activities and focusing its areas of support within the country's overall development context. It seeks opportunities to maximize the impact of its contributions on communities, and supports projects

Corporate investment expenditure, 2004

Corporate social investment in 2004, R million	In-house programmes	Chairman's Fund	Total	Percentage
Health and welfare	2,16	3,81	5,97	10
Arts, culture and sport	0,69	0,23	0,92	2
Infrastructure development	24,16	4,49	28,65	48
SMME development	4,18	0,50	4,68	8
Education	15,14	2,34	17,48	30
Community capacity building	0,76	0,62	1,38	2
Total	47,09	11,99	59,08*	100

*Excludes contributions to community trusts and amounts not accrued at 31 December 2004.

Giving your children a head start

Through the Anglo Platinum Schools Project initiative, the Group sponsored and facilitated the development of early childhood education projects. Programme workshops are delivered on Saturdays with the primary objective of training qualifying women to become qualified early childhood educators.

Early childhood education programmes are designed to prepare young children (typically in the three to five age group) for the formal education environment of the modern schooling system. Until recently, many grade-one learners had to jump into the proverbial deep end and, in a comparatively quick time, were expected to come to grips with the rudiments of the three basic Rs of education: 'reading, riting and rithmetic'.

In short, young children need to master some of the fundamentals of cognitive thinking in a structured, but informal environment before entering the classrooms of the formal education system. For example, they need to recognize and name colours and shapes; they need to name parts of their anatomy; and they should know how to assemble a puzzle. They also need to develop elementary socialization skills.

But there has been a major challenge for many communities. While the formal education system – from grade-one learning through to university postgraduate studies – falls under the responsibilities of the national Department of Education, the early education system – delivered through pre-primary schools (pre-schools) is registered with, and overseen by, the National Department of Social Services. This means that pre-schools are excluded from educator training and do not receive financial grants to purchase essential equipment.

Anglo Platinum agreed to support an early childhood education programme because of the dearth of State funding and because it is so essential to helping young children to adapt to the formal education system that commences in grade one. As a result of the Group's funding, women are able to participate in Saturday training workshops for developing pre-school educators (teachers).

Specialist educationists present workshop modules covering such topics as visual motor development, school readiness, first aid, movement and planning using the guidelines outlined in the Department of Education's Revised New Curriculum Statement (RNCS), as well as numeracy and early literacy, again based on the RNCS. Five women participated in workshops during 2004 and subsequently qualified as pre-school educators. Another six women will complete their training courses in 2005.early literacy, again based on the RNCS. Five women participated in workshops during 2004 and subsequently qualified as pre-school educators. Another six women will complete their training courses in 2005.

and organizations that act as change agents, produce tangible multiplier effects, or act as leverage points for larger systemic overhaul or redesign. This approach means that the Fund supports a diversity of projects, ranging from small, grass-roots initiatives to much larger, structured interventions.

The Fund, financed by Anglo American Corporation and Anglo Platinum, provides support amounting to millions of rands to education, health, job creation, welfare and arts and culture. Through these and many other initiatives, it strives to create an environment in which ordinary people are afforded the opportunity of assuming greater control of their lives.

Rural schools programme

The Anglo American Chairman's Fund has a long and proud history of providing basic infrastructure, mainly classrooms, for schools in the more remote rural areas. Over time, experience and interaction with local communities have developed the programme to one that not only provides quality classroom buildings for rural schools, but also ablution facilities, additional support buildings, protective fencing and access to potable water.

The most recent developments in this programme have been the beneficial partnerships forged with various provincial departments of education. The joint resources of this public-private partnership have greatly enhanced the effectiveness of the State's rural schools development programme.

Provinces strategically targeted for this partnership are Limpopo and North West, where Anglo Platinum runs most of its operations. In total, R10 million in matching funding for the rural schools development programme has been secured from provincial departments.

RESETTLEMENT

In 2003, the South African Chamber of Mines, of which Anglo Platinum is a member, undertook to implement and follow up recommendations of the Southern African component of the Mining Minerals and Sustainable Development (MMSD) project to develop resettlement guidelines.

Because the World Bank's policy on resettlement is widely recognized as the international benchmark, the Chamber

provided an interpretation for South African conditions of the World Bank's 'Operational Policy 4.12: Involuntary Resettlement' and its Annexure A, and specifically did not add to this policy nor simply recast it.

The resulting guidelines provide practical guidance to Chamber of Mines members for resettling people, should resettlement be unavoidable. Their use, as is the case with other Chamber of Mines guidelines, is not mandatory, but Anglo Platinum has nonetheless adopted them for resettlements necessary from time to time at Group operations.

The guidelines are built on the following principles:

- Resettlement should be avoided or minimized;

Resettlement projects and land restitution

2004 saw the conclusion of the resettlement of 89 households from the farms Mecklenberg and Waterkop to a newly developed township, Mecklenberg A, where each household received title to the land. 25 families elected instead to resettle in surrounding villages.

Leplats Extension Project

Negotiations have been concluded to relocate 21 households from the farm Umkoannestad. 15 of these households elected to move to the Mecklenberg A township while the remaining six households will, of their own accord, relocate to the surrounding villages.

PPRust North Project

Negotiations have been concluded to relocate 956 households from the farms Overysel and Zwartfontein to new townships to be developed on the farms Rooibokfontein and Armoede. The relocation investment proposal has been finalized. Preliminary approval for township establishment has been received from the relevant local and provincial authority.

Negotiations were conducted with the affected households through their respective tribal authorities, local government and steering committees. These committees had legal representation and all meetings and agreements were vetted by officials of the Department of Land Affairs. Mass meetings were held to approve a resolution to relocate 98% of the households who signed off on the compensation they will receive.

Land restitution

A number of claims over land owned by the Group were successful in the Land Claims Court. In the case of the farm Schildpadnest at Amandelbult, the land was transferred to the claimants and a long-term lease in favour of the Group was concluded.

At PPRust, the claims over the farms Sterkwater and Blinkwater succeeded. The Group reached agreement to sell the farms to the State that in turn undertook to restore them to the claimants. The agreement of sale was concluded during the year and occupation of these properties by the claimants will take place in early 2005.

At Der Brochen, the claims over the farm St George have been successful and the Land Claims Court is investigating the feasibility of restoration, likely to take place in 2005.

The validity of claims over the farms Zwartkop (Amandelbult), Hendrikplaats 'B' and Onverwacht (Modikwa), Elandsfontein, Pandora and Hartebeestpoort 'B' (Brits area) are being investigated by the relevant Regional Land Claim Commissioners.

In all cases, the Group is engaged in negotiations with the Land Claims Commissioner and the Department of Land Affairs in order to protect the Group's interests.

It is expected that more land claims over Group property will be gazetted by the Land Claims Commissioner as the deadline to settle all land claims by December 2005 draws closer.

- All project impacts should be identified and all losses properly recorded;
- Ongoing and meaningful consultation should occur with affected persons and communities;
- All legal obligations should be complied with;
- Affected persons should be assisted in restoring, and preferably in improving, their livelihoods;
- Host communities (i.e. communities to which displaced people are relocated) should be considered as project-affected parties;
- Resettlement planning should be integrated into its regional socio-economic development context;
- Resettlement planning, budgeting and implementation should be an integral part of the project; and
- Procedures should be in place to monitor the reestablishment of resettled households and communities.

BRIBERY AND CORRUPTION

The continuing convergence and integration of previously disparate business issues, challenges and disciplines into a cohesive corporate citizenship and sustainable development framework is a welcome trend, despite the increasing degrees of complexity in integrating and managing such issues from a day-to-day business perspective. Key to

this emerging trend is the increasing willingness in the international business community to strengthen the commitment to building ethics and transparent business practices with special emphasis on striving to eradicate bribery, corruption, fraud and abuse in all forms.

A key development in this regard was the unveiling of the Extractive Industries' Transparency Initiative (EITI) by the British Prime Minister, Tony Blair, at the 2002 World Summit on Sustainable Development (WSSD). The draft EITI transparency reporting guidelines were issued in April 2003. In addition, two influential global organizations, Transparency International and Social Accountability International, unveiled in 2002 the Business Principles for Countering Bribery. These principles were intended to give practical effect to key global anti-corruption initiatives such as the Organization for Economic Cooperation and Development (OECD) Convention on Combating Bribery and the anti-bribery provisions of the revised OECD Guidelines for Multinationals.

Anglo Platinum's code of ethics and business principles states that the Group is 'implacably opposed to corruption'. The Group does not offer, pay or accept bribes – nor does it condone anti-competitive practices in its marketplace dealings. The Group does not tolerate any such activity by its employees. Further, this code stipulates that employees 'should neither accept nor solicit any non-minor gifts, hospitality or other favours from suppliers of goods or services'.

SOCIETY (continued)

During the last two years, in particular, Anglo Platinum has undertaken extensive consultation and benchmarking to ensure its code of ethics and business practices harmonize with the recommendations of Transparency International and Social Accountability International. The Group is confident that its current code is in line with these international recommendations and, where necessary, appropriate revisions will be made as further guidelines are released.

The Anglo Platinum board of directors takes cognizance of the Group's code of ethics and business practices in the formulation of its policies. The board provides leadership, resources and active support for Group management's implementation of its supporting programmes. The chief executive officer is responsible for ensuring that the Group's ethics and values programme is conducted according to agreed standards and criteria. The executive director responsible for finance and business development and his management team are responsible for ensuring the programme is implemented and sustained throughout all operations.

Ethics programmes are also applied to all dealings with joint-venture partners, agents, contractors and other third parties with whom Anglo Platinum maintains business relationships. In addition, the Group's human resources management programmes, including those pertaining to the recruitment, training, promotion, performance evaluation and recognition of employees, all reflect the Group's commitment to its ethics and business principles programme.

Appropriate sanctions are applied for violations of the code. The Group also provides specialized training for managers, employees, agents and, where appropriate, for contractors and suppliers to ensure proper understanding of, and compliance with, the code of ethics and business principles.

Employees and other stakeholders are encouraged to report anonymously on transgressions of this code. In 2003, the Group launched its confidential Speakup whistle-blowing service provided by an independent company, Tip-offs Anonymous. Stakeholders anywhere in the world at any time are free to use various communication media, including the telephone, electronic mail and conventional post, to report transgressions and to express any concerns or suspicions about improper conduct. Such conduct may include, but is not limited to: abuse or theft of company resources; bribery, corruption and fraud; improper accounting practices; environmental damage; occupational health and safety threats; and conflicts of interest. During 2004, of the 52 cases reported to Speakup (against 19 in 2003), the follow-up investigations resulted in one employee dismissed for fraud, several others counselled, three suppliers identified as high risk and a number of audits carried out.

Trained Speakup operators, proficient in Afrikaans, English, Sotho and Zulu, are available 24 hours a day throughout the year to receive and process tip-offs. In South Africa, as in many other countries, the right to expose wrongdoings in the workplace without being prejudiced is protected by law.

The Speakup programme, however, also protects anonymity if whistle-blowers choose to remain anonymous. Should the whistle-blower freely choose to reveal his or her identity, Tip-offs Anonymous will nevertheless conceal that person's identity without exception. In addition, special technical measures preclude the possibility of tracing e-mails and faxes to Tip-offs Anonymous and visits to this company's website.

Contact details for Speakup (managed by Tip-offs Anonymous):

FreeCall phone: 0800 230 570

e-mail: angloplat@anglospeakup.com

Freepost: Speakup, Freepost DN 298, Umhlanga Rocks 4320, South Africa

Website: www.anglospeakup.com

POLITICAL CONTRIBUTIONS

The Group has in previous years made contributions to political parties. Such contributions were made in proportion to the representation of each political party in Parliament, on condition that a total of more than ten seats were held. During 2004, Anglo Operations Limited (AOL), Anglo American plc's major South African operating company, donated a sum of R6 million to political parties contesting the 2004 South African general election. Anglo Platinum agreed to contribute R1 million to the total of R6 million contributed by AOL.

Lobbying on various issues that affect Anglo Platinum, the platinum industry, or the mining industry in general is done through the Chamber of Mines.

Anglo Platinum engages Government independently on specific areas of concern, most recently with respect to the proposed Royalty Bill, and also conducts sessions where representatives of the Group brief Government officials on developments within the Group.

COMPETITION AND PRICING

There were no court decisions regarding cases pertaining to anti-trust and monopoly regulations against Anglo Platinum during the course of 2004.

PRODUCT RESPONSIBILITY

Customer health and safety

The refineries' safety, health, environmental and quality policies give a commitment to the production and supply of quality precious and base metal products for both domestic and international clients. Customer health and safety are of paramount importance to Anglo Platinum. To this end, various process changes have been implemented to facilitate the supply of products that do not compromise the health and safety of the Group's customers.

PMR has recently introduced new recyclable packaging that has been designed for ease of handling and storage. The newly introduced platinum ingot is now cast from a mould to reduce sharp edges. A new osmium removal step has also been installed to reduce levels of the metal in other products. Furthermore, a process change in the production of palladium grain to create a rounder form, as opposed to the sharp

irregularly shaped grain previously produced, has been introduced. In addition, the PMR has maintained regular practices, such as the supply of platinum sponge that is precipitated with wood flour in order to produce a coarser sponge for easier handling.

There were no instances of non-compliance with regulations concerning customer health and safety, and no penalties or fines were assessed for any breaches.

Products and services

Both the PMR and RBMR ISO 9 002 certifications were upgraded to SABS ISO 9 001:2 000 in July and January 2003 respectively. In addition, the final metals control laboratory at PMR achieved ISO 17 025 accreditation in November 2003.

Compliance mechanisms related to product information are contained in the ISO Product Specification Manuals. Several procedures and work instructions cover the process from the feed material through the process to packing and dispatch to the customer. The process is controlled by sample analysis, taken from the stream to the end product, and the issuing of certificates of analysis. Audits are performed annually to ensure compliance with ISO requirements.

Each product has a Material Safety Data Sheet, which is available on request.

Customer surveys are conducted each year in the form of a questionnaire. Feedback to management and both

refineries is given with appropriate customer follow-up where necessary.

Advertising

The Group's policy is to channel corporate advertising – assignments through a single agency, one that has, over a number of years, proved itself to have a good understanding of the Group and the environment within which it operates.

The agency subscribes fully to and is guided by the Code of Advertising Practice. This code is specifically applicable to South Africa, but its use automatically results in compliance with other known codes because of its stringent nature, particularly in respect of comparative advertising. The agency is aware of certain international advertising restrictions, specifically those pertaining to the USA.

There has been no record of any charges having been laid by competitors or the public regarding non-compliance.

Respect for privacy

The Group's policy is to make use of public media. Direct mailing has been used only in the case of people in a position to directly influence the Group, such as investment analysts and decision-makers in Government.

The agency and the Group have never engaged in the dissemination of unsolicited information on the Internet or in the use of mass SMS marketing. No complaints of breach of privacy have ever been received.



One of the houses built at the Mecklenburg A township.

GRI 'IN ACCORDANCE WITH' SELF-ASSESSMENT

Requirement 1: The company must report on the numbered elements in Sections 1 to 3 in Part C of the Guidelines		
Indicator	Page	Comments/Conclusion
1. Vision and strategy	Cover	Included on the inside front cover
2. Profile	16	An overview of the company is included on page 16
3. Governance structure and management systems	36	The governance section provides a detailed overview
Requirement 2: The company must include a GRI Content Index as specified in Section 4 of Part C of the Guidelines,		
Requirement	Page	Comments/Conclusion
Does the Report include a GRI Content Index?	133	The entire list of page references for 'core' and 'non-core' indicators are included in our "GRI Content Index". Page numbers generally refer to either the first, or the most significant location of relevant data.
Requirement 3: The company must respond to each core indication in Section 5 of Part C of the Guidelines by either (a) reporting on the indicator or (b) explaining the reason for the omission of each indicator.		
Indicator	Page	Comments/Conclusion
Does the Report respond to each core indicator in Sections of Part C of the Guidelines by either (a) reporting on the indicator (b) explaining the reason for the omission of each indicator?	133	Our "GRI Content Index" provides the relevant page references for all 'core' and 'non-core' indicators. This report responds to all 'core' indicators.
Requirement 4: The company must ensure that the Report is consistent with the principles in Part B of the Guidelines		
Requirement	Comments/Conclusion	
Principle 1 – Transparency		
Does the Report provide full disclosure of the processes, procedures and assumptions in report preparation?	Our section entitled 'Report Scope' provides a succinct overview of the processes, procedures and assumptions applied in the development of this Sustainable Development Report. Moreover, our CEO Message provides additional information.	
Principle 2 – Inclusiveness		
Does the reporting organisation systematically engage its stakeholders to help focus and continually enhance the quality of its reports?	Although our 2003 SD Report was not explicitly workshopped with our key stakeholders, our ongoing engagement initiatives outlined on page 24 – 27 address all elements of our SD Reports.	
Principle 3 – Auditability		
Is the reported data and information recorded, compiled, analyzed and disclosed in a way that would enable internal auditors or external assurance providers to attest to its reliability?	As evidenced by KPMG's Independent Assurance Statement on page 10, as well as our discussion of our Internal Audit scope for SHE data review, this report is compiled to meet all audit requirements.	
Principle 4 – Completeness		
Does the report include all information that is material to users for assessing the organization's economic, environmental and social performance in a manner consistent with the declared boundaries, scope and time period?	Anglo Platinum's Executive Committee has reviewed the content of this Report, and are satisfied that the information contained herein is sufficient to meet all analysis requirements.	
Principle 5 – Relevance		
Does the report clearly define the degree of importance assigned to particular indicators, including the threshold at which the information becomes significant enough to be reported?	As stressed in our CEO Message, including our SD Performance Targets on page 6, all information contained within this Report is deemed significant and important to our varied stakeholders.	
Principle 6 – Sustainability context		
Does the report provide an overview of the context in which the data is reported relative to the larger ecological, social or economic constraints?	The Report Scope, as well as the introductions to each core section, clearly identifies the context of the data being reported.	
Principle 7 – Accuracy		
Does the report achieve a high degree of exactness, or a low margin of error, such that users can make decisions with a high degree of confidence?	This SD Report has been reviewed by internal and external auditors to ensure that the data contained within is presented with all attempts to eliminate errors.	
Principle 8 – Neutrality		
Does the report avoid bias in selection and presentation of information, and provide a balanced account of the organisation's performance?	This SD Report represents Anglo Platinum's increased commitment to providing a balanced and unbiased account of our social, environmental and economic impacts: both positive and negative. Our neutrality includes several references to under-performance or unachieved targets.	
Principle 9 – Comparability		
Does the report maintain consistency with previous reports in the boundary and scope of indicators? Alternatively, are any changes of boundary or scope, or re-statements of previously disclosed information, adequately disclosed?	This SD Report represents Anglo Platinum's increased commitment to improvements in sustainability reporting. It is our assertion, to be ultimately tested by our stakeholders, that the only changes in reporting boundaries are obvious attempts to improve the quality of our annual SD reports.	
Principle 10 – Clarity		
Does the report make the reported information available in a manner that is responsive to the maximum number of users while still maintaining a suitable level of detail?	Anglo Platinum has again attempted to provide as comprehensive a report as is economically possible, while maintaining our commitment to clarity, consistency and ease of use. Our assertion must ultimately be tested by our many stakeholders.	
Principle 11 – Timeliness		
Is the report being released in a manner that is consistent with a regular schedule that meets user needs?	Once again, Anglo Platinum is pleased to provide our SD Report in accordance with our annual financial year-end reporting guidelines (Feb '04)	
Requirement 5: The company must include the following statement signed by the board or CEO: 'This report has been prepared in accordance with the 2002 GRI Guidelines. It represents a balanced and reasonable presentation of our organisation's economic, environmental and social performance.'		
Requirement	Comments/Recommendation	
Does the Report include the statement?	Anglo Platinum's CEO has included the required quote in our "CEO Message" on page 4. Moreover, it should be noted that this quote is a statement of ongoing commitment and not merely a 'compliance' exercise.	

GRI CONTENT INDEX

Vision and strategy	
1.1	Inside cover
1.2	pg 4

Profile	
2.1	cover
2.2	pg 16
2.4	pg 16
2.5	pg 16
2.6	pg 28
2.7	pg 16
2.8	pg 19
2.9	pg 28
2.10	pg 8
2.11	pg 8
2.12	pg 8
2.13	pg 8
2.14	pg 8
2.15	pg 8
2.16	pg 8
2.17	pg 7
2.18	pg 134
2.19	pg 8
2.20	pg 9
2.21	pg 9
2.22	pg 8

Management systems	
3.1	pg 36
3.2	pg 37
3.3	pg 36
3.4	pg 42
3.5	pg 41
3.6	pg 8
3.7	pg 20
3.8	pg 36
3.9	pg 28
3.10	pg 28
3.11	pg 28
3.12	pg 28
3.13	pg 129
3.14	pg 22
3.15	pg 28
3.16	pg 48
3.17	pg 46
3.18	pg 8
3.19	pg 6
3.20	pg 10

Economic			
Core		Additional	
Customers			
EC1	pg 45		
EC2	pg 45		
Suppliers			
EC3	pg 45	EC11	pg 29
EC4	pg 45		
Employees			
EC5	pg 44		
Providers of capital			
EC6	pg 45		
EC7	pg 45		
Public sector			
EC8	pg 44	EC12	pg 44
EC9	pg 44		
EC10	pg 44		
Indirect economic impacts			
		EC13	pg 46

Environmental			
Core			
Materials			
EN1	pg 63		
EN2	pg 63		
Energy			
EN3	pg 63	EN17	pg 62
EN4	pg 63	EN18	pg 62
		EN19	pg 62
Water			
EN5	pg 65	EN20	pg 65
		EN21	pg 63
		EN22	pg 63
Biodiversity			
EN6	pg 63	EN23	pg 63
EN7	pg 66	EN24	pg 66
		EN25	pg 66
		EN26	pg 66
		EN27	pg 66
		EN28	pg 66
		EN29	pg 66
Emissions, effluents, and waste			
EN8	pg 66	EN30	pg 66
EN9	pg 66	EN31	pg 72
EN10	pg 69	EN32	pg 71
EN11	pg 71		
EN12	pg 70		
EN13	pg 71		
Suppliers			
		EN33	pg 48
Products and services			
EN14	pg 79		
EN15	pg 79		
Compliance			
EN16	pg 60		
Transport			
		EN34	pg 74
Overall			
		EN35	pg 74

Social			
Core		Additional	
Employment			
LA1	pg 82	LA12	pg 82
LA2	pg 82		
Labour/management relations			
LA3	pg 84	LA13	pg 82
LA4	pg 82		
Health and safety			
LA5	pg 85	LA14	pg 85
LA6	pg 85	LA15	pg 86
LA7	pg 86		
LA8	pg 93		
Training and education			
LA9	pg 105	LA16	pg 107
		LA17	pg 110
Diversity and opportunity			
LA10	pg 103		
LA11	pg 104		
Strategy and management			
HR1	pg 112	HR8	pg 112
HR2	pg 112		
HR3	pg 112		
Non-discrimination			
HR4	pg 112		
Freedom of association and collective bargaining			
HR5	pg 113		
Child labour			
HR6	pg 113		
Forced and compulsory labour			
HR7	pg 113		
Disciplinary practices			
		HR9	pg 113
		HR10	pg 113
Security practices			
		HR11	pg 114
Indigenous rights			
		HR12	pg 115
		HR13	pg 115
		HR14	pg 44
Community			
SO1	pg 116	SO4	pg 80
Bribery and corruption			
SO2	pg 127		
Political contributions			
SO3	pg 129	SO5	pg 129
Competition and pricing			
		SO6	pg 129
		SO7	pg 129
Customer health and safety			
PR1	pg 129	PR4	pg 130
		PR5	pg 130
		PR6	pg 80
Products and services			
PR2	pg 130	PR7	pg 130
		PR8	pg 130
Advertising			
		PR9	pg 130
		PR10	pg 130
Respect for privacy			
PR3	pg 130	PR11	pg 130

GLOSSARY OF DEFINITIONS, TERMS AND ACRONYMS

ABET: adult basic education and training.

Accumulated low-grade stockpiles: accumulated quantity of low-grade ore stockpiled for possible future processing.

Accumulated permanent waste rock/overburden: accumulated quantity of waste rock and overburden sent for disposal on surface.

Accumulated tailings in active and inactive tailings dams: accumulated tonnage of tailings deposited in active and inactive tailings/slimes dams.

ADC: Anglo Platinum Development Centre in Rustenburg.

Adverse biophysical environment impact: evidence of adverse impacts on the biophysical environment as a result of discharge to surface water.

Adverse biophysical impact on groundwater: monitoring results indicate deterioration of groundwater quality as a result of the operation's activities.

Adverse groundwater impacts on humans: evidence of adverse impacts on human health or activities as a result of discharge to groundwater.

Adverse surface water impacts on humans: evidence of adverse impacts on human health or activities as a result of discharge to surface water.

ARM: African Rainbow Minerals Ltd.

ART: antiretroviral therapy, used for the treatment of HIV/AIDS to mitigate the effects of the disease.

Basel convention: the Basel Convention on the Control of Trans-boundary movements of Hazardous Wastes and Their Disposal was drafted and adopted in 1989 and came into effect in 1992. The convention works to reduce the movement of hazardous wastes to ensure that wastes are disposed of as closely as possible to where they were produced and to minimize the generation of hazardous wastes in terms of quantity and level of hazard.

BDO: business development officer.

BEE: black economic empowerment, meaning the economic empowerment of HDSAs.

BRPM: Bafokeng-Rasimone Platinum Mine.

CEO: Chief Executive Officer.

CITES: the Convention on International Trade in Endangered Species of Wild Fauna and Flora is an international agreement between governments. Its aim is to ensure that international trade in species of wild animals and plants does not threaten their survival. Today, it accords varying degrees of protection to more than 30 000 species of animals and plants, whether they are traded as live specimens, fur coats, or dried herbs. It came into effect in 1975 and has 150 voluntary parties.

CO₂: carbon dioxide.

CSI: Corporate Social Investment.

DEAT: Department of Environmental Affairs and Tourism of the South African Government.

Decent work: productive work in which rights (specifically those contained in the ILO Declaration of Fundamental Rights at Work) are protected, which generates an adequate income, with adequate social protection. It also means sufficient work, in the sense that all should have full access to income-earning opportunities.

DME: Department of Minerals and Energy of the South African Government.

DWAF: Department of Water Affairs and Forestry of the South African Government.

Eco-efficiency: the delivery of competitively-priced goods and services that satisfy human needs and bring quality of life, while progressively reducing ecological impacts and resource-use intensity throughout the lifecycle to a level at least in line with the earth's estimated carrying capacity. In short, creating more value with less impact.

Ecological footprint: the size and impact of the 'footprints' on the earth's ecosystems made by companies, communities, or individuals reflect a number of interlinked factors, including human population numbers, consumption patterns and technologies used.

Effluent to surface water: total volume of effluent discharged to surface water (e.g. rivers, dams, pans) during the reporting period.

EIA: environmental impact assessment.

EITI: the Extractive Industries Transparency Initiative launched in September 2003 by Mr Tony Blair, British Prime Minister.

EMP: environmental management programme.

EMS: environmental management system.

Energy from electricity: electricity purchased from the national utility, Eskom.

Energy from processes and fossil fuels consumed: total energy excluding electricity purchased.

FIFR: fatal-injury frequency rate; the number of fatal injuries per 200 000 hours worked.

Fuels: diesel and petrol consumed for processes and utilities.

Fundamental human rights conventions of the ILO: international labour standards covered in the Declaration on Fundamental Principles and Rights at Work (adopted by the International Labour Conference at its 86th session, Geneva 1998):

Convention No. 29: Forced Labour, 1930

Convention No. 87: Freedom of Association and Protection of the Right to Organize, 1948

Convention No. 98: Right to Organize and Collective Bargaining, 1949

Convention No. 100: Equal Remuneration, 1951

Convention No. 105: Abolition of forced Labour, 1957

Convention No. 111: Discrimination (Employment and Occupation), 1958

Convention No. 138: Minimum Age, 1973

Convention No. 182: Worst Forms of Child Labour, 2000.

GHG: greenhouse gas.

GMI: Global Mining Initiative, established in October 1998. Founders were Anglo American plc, BHP Billiton, Codelco, Noranda, Newmont, Phelps Dodge, Placer Dome, Rio Tinto and WMC.

Grease: total quantity of all types of grease used in all types of equipment during the reporting period.

Greenhouse gas emissions, CO₂-equivalent: quantity of CO₂ from electricity purchased and internally generated. Conversion factors used are as recommended by the Intergovernmental Panel on Climate Change (IPCC). Gases include CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, and other CO₂ equivalents.

GRI: the Global Reporting Initiative was established in 1997, with the mission of designing globally applicable guidelines for preparing enterprise-level sustainable development reports.

GLOSSARY OF DEFINITIONS, TERMS AND ACRONYMS (continued)

Groundwater used: water abstracted/collected by the operation itself from groundwater sources, e.g. from boreholes and mine dewatering, which is used by the operation.

Groundwater quality deterioration: monitoring results indicate deterioration of groundwater quality because of the operation's activities.

Groundwater quality monitoring: is a groundwater quality monitoring programme in place to monitor water quality at all the required groundwater quality monitoring sites. Required sites are those identified for monitoring by legal permit requirements or by the site EMS.

g/t: grams per ton, the unit of measurement of grade. One gram per ton is one part per million.

Hazardous waste to incineration: this could include: heavy metal contaminated sludge; contaminated containers (reagent containers, oil/grease containers, anti-freeze drums); medical waste, vehicle batteries, and oil-contaminated material (gaskets, filters, soaking agents, rags). Incineration refers to incineration in a facility designed and operated in a manner compliant with legislation or internationally accepted practice (this does not include burning of waste in a pit or open area).

Hazardous waste to landfill: this could include: heavy metal contaminated sludge; contaminated containers (reagent containers, oil/grease containers, anti-freeze drums); medical waste; vehicle batteries; and oil-contaminated material (gaskets, filters, soaking agents, rags).

HDSA: historically disadvantaged South African. Refers to 'any person, category of persons or community, disadvantaged by unfair discrimination before the Constitution of the Republic of South Africa, 1993 (Act No. 200 of 1993) came into operation'. The Anglo Platinum definition of HDSA includes employees who are classified as African, Asian, Coloured, or Women, regardless of citizenship status.

HMO: health maintenance organization.

IDCs: individual development charters. These are being created for all management employees.

IDPs: integrated development plans, as specified in the Mining Scorecard in respect of mine community and rural development, and legislated by Government in terms of the Local Government: Municipal Systems Act.

IIED: International Institute for Environment and Development.

ILO (International Labour Organization): the UN specialized agency that seeks the promotion of social justice and internationally recognized human and labour rights. It was founded in 1919.

IPA: International Platinum Association, which provides a communication forum for producers and fabricators.

IRCA: International Risk Control Africa.

ISO: International Standards Organization.

ISO 14 001: an EMS standard published by the ISO.

IUCN protected area categories: the World Conservation Union (IUCN) defines a protected area as 'an area of land and/or sea especially dedicated to the protection and maintenance of biological diversity, and of the natural and associated cultural resources, and managed through legal or other effective means'. IUCN categorizes protected areas by management objective and has identified six distinct categories of protected areas.

IUCN Red List: the world's most comprehensive inventory of the global conservation status of plants and animals. It uses a set of criteria to evaluate the extinction risk of thousands of species and subspecies. These criteria are relevant to all species and all regions of the world.

JDF: Joint Development Forum.

JM: Johnson Matthey plc, a leading fabricator of PGM products and leading researcher and developer of PGM applications and uses, based in London.

JSE: JSE Securities Exchange South Africa, the Johannesburg-based stock exchange.

JV: joint venture.

King Report: the King Committee on Corporate Governance in South Africa was formed in 1992 (under the auspices of the Institute of Directors in Southern Africa and chaired by Judge Mervyn King) to promote the highest standards of corporate governance in South

Africa. Corporate governance in South Africa was institutionalized by the publication of the King Report on Corporate Governance in 1994, and more recently by the release of an updated version (King II) in 2002. Many recognize the King Report internationally as the most comprehensive publication on the subject, embracing the 'inclusive' or 'stakeholder' approach to corporate governance. The King Report features a Code of Corporate Practices and Conduct, which the JSE stipulates all listed companies must follow. GRI is referenced in this code.

Land disturbed for mineral extraction activities: area of land under Group charge where the original characteristics have been disturbed by mineral extraction and ancillary operations. This includes open pits and quarries, access roads, stockpiles, tailings/slimes dams and co-disposal facilities, offices, dumps, villages, land awaiting rehabilitation, screening banks, and concentrator, smelter and refinery complexes. Disturbance can be by both physical and chemical means.

Land under Group charge: area of land under surface rights. This includes land falling under the direct management of the Group (including all land owned, leased or covered by surface rights), but excludes undeveloped projects/prospects where the land does not yet fall under the direct management of the Group. This also excludes prospecting licences and claims.

Leplats: Lebowa Platinum Mines Ltd, 100% owned by Anglo Platinum.

Level 1 incidents: minor impact on the physical or biological environment with no significant or long-term impairment of ecosystem function or ground/surface water resource; and/or an inconvenience/disturbance/disruption/annoyance of short duration and with no long-term effect on the community; and/or a release of material which has the potential to cause illness, injury, or property damage to the public, or one which causes short-term discomfort; and/or isolated public complaints; and/or minor infringements of legal requirements.

Level 2 incidents: moderate impact on the physical or biological environment with limited impairment of ecosystem function or ground/surface water resource; and/or an

GLOSSARY OF DEFINITIONS, TERMS AND ACRONYMS (continued)

inconvenience / disturbance / disruption / annoyance of moderate duration or with medium-term effect on the community; and/or a release of material which causes severe but reversible illness or moderate property damage to the public; and/or attention from local media or widespread complaints; and/or formal intervention by authorities or where prosecution and conviction have led to fines totalling less than US\$100 000 per event.

Level 3 incidents: significant impact on the physical or biological environment with extensive or long-term impairment of ecosystem function or ground/surface water resource; and/or an inconvenience/disturbance/disruption/annoyance of long duration or with long-term effect on the community; and/or a release of material which causes chronic illness, permanent disabling injury, fatality, or extensive property damage to the public; and/or public or national/international media outcry; and/or instances where prosecution has led to conviction and fines totalling more than US\$100 000 per event.

LPG used: liquefied petroleum gas consumed for processes and utilities during the reporting period.

LTIFR: lost-time injury frequency rate; the number of lost-time injuries per 200 000 hours worked. **Restricted work cases:** Where a person can still work but fulfil less than 100% of his/her normal duties, are excluded from this rate.

Lubricating oil and hydraulic oil used: total quantity of all types of lubricating oil and hydraulic oil added to all types of equipment.

MMSD: the Mining, Minerals, and Sustainable Development project, an independent analytical study funded through the WBCSD, as part of the GMI.

MQA: Mining Qualifications Authority. The MQA is a South African government body charged with developing standards and qualifications for the country's mining sector; maintaining the quality of standards, qualifications and learning provision; developing and implementing a sector skills plan; disbursing grants from the Skills Development Levy; and establishing, registering, administering and promoting learnerships and apprenticeship administration.

NEMA: National Environmental Management Act of South Africa.

NGO: non-governmental organization.

NIHL: Noise induced hearing loss.

Non-hazardous waste to incineration: incineration refers to incineration in a facility designed and operated in a manner compliant with legislation or internationally accepted practice (this does not include burning of waste in a pit or open area).

Non-hazardous waste to landfill: domestic-type waste to on-mine and off-mine landfill sites.

Non-potable water from an external source: water obtained from an external source that is untreated or only partially treated and is not of a standard suitable for drinking. This does not include waste water/second class water, which is typically sewage effluent. It also does not include untreated surface water and groundwater, extracted by the operation itself.

NOSA: the National Occupational Safety Association provides an integrated auditing and certification service. Star ratings, awarded according to an operation's level of compliance with NOSA standards, range from 1 (fair) to 5 (excellent).

NO_x: nitrous oxides.

NWA: National Water Act of South Africa.

OHSAS 18 001: Occupational Health and Safety Assessment Series (specifications for occupational health and safety management systems).

Oz: Troy ounce.

Ozone-depleting compounds vented/released to atmosphere: quantity of ozone-depleting compounds (ODCs) released/vented to atmosphere during the reporting period, for example through inadequate disposal, expressed as CFC-11 equivalent. ODCs include the following compounds: Chlorofluorocarbons (CFC) (CFC-11, CFC-12, CFC-113, CFC-114, CFC-115); Hydro-chlorofluorocarbons (HCFCs); Halons (Halon 1211, Halon 1301, Halon 2402); Carbon Tetrachloride; Trichloroethane; Methyl Bromide; and Hydrobromofluorocarbons.

Particulates: mass of particulates released to atmosphere from point sources during the reporting period.

PGI: the Platinum Guild International, based in London and the key promoter of platinum jewellery worldwide.

PGM: platinum group metal; six elemental metals of the platinum group nearly always found in association with each other. Some texts refer to PGE (platinum group element). These metals are platinum, palladium, rhodium, ruthenium, iridium, and osmium.

PMR: Precious Metals Refiners.

POPs: Persistent Organic Pollutants are chemicals that remain intact in the environment for long periods, become widely distributed geographically, accumulate in the fatty tissue of living organisms, and are toxic to humans and wildlife. POPs circulate globally and can cause damage wherever they travel. In implementing the Convention, governments will take measures to eliminate or reduce the release of POPs into the environment.

Potable water from an external source: water obtained from an external source (e.g. local authority) that has been treated to a standard suitable for drinking. This parameter is used to identify the source of new water consumption.

PPRust: Potgietersrust Platinums Ltd, 100% owned by Anglo Platinum.

Ramsar-listed wetland: an area designated as a wetland of international importance because of its importance for preserving biological diversity or because it is a representative, rare, or unique wetland type. The list includes 1 180 wetland sites, totalling 103,2 million hectares.

RBMR: Rustenburg Base Metals Refiners.

RBR: Royal Bafokeng Resources.

RDP: Reconstruction and Development Plan.

RPM: Rustenburg Platinum Mines Limited.

SED: Socio-economic development.

SHE: Safety, Health, and Environment.

SO₂ from processes: mass of sulphur dioxide released to atmosphere from point sources and fugitive emissions during the reporting period.

Surface water quality deterioration: monitoring results indicate a deterioration of surface water quality off-site because of an operation's activities during the reporting period.

Surface water quality monitored: is a surface water quality monitoring programme in place to monitor water quality at all the required surface water quality monitoring sites. Required

GLOSSARY OF DEFINITIONS, TERMS AND ACRONYMS (continued)

sites are those identified for monitoring by legal permit requirements or by the site EMS.

Surface water used: water abstracted/collected by the operation itself from surface water sources, e.g. from rivers, dams and pans, and which is used by the operation, but excludes water recycled internally from storm-water and tailings dams.

Tailings: that portion of the ore from which most of the valuable material has been removed by concentrating and that is therefore low in value and rejected.

TB: tuberculosis.

Ton: metric ton, equal to 1 000kg, unless otherwise defined.

Total energy used: energy from electricity purchased plus energy from fossil fuels consumed.

Waste water/second class water used: poor quality water obtained from an external source, e.g. municipal sewage effluent. Does not include non-potable water. Does not include internally recycled effluent.

Water used for primary activities: total new or make-up water entering the operation and used for the operation's primary activities. This definition includes mine dewatering water used for primary activities, but excludes internally recycled water and mine dewatering water discharged to surface and not used for any primary activities (it may be discharged or evaporated, but these are not primary activities.) Primary activities are those activities in which the operation engages to produce its product(s) and include dust suppression within the operational area.

WBCSD: the World Business Council for Sustainable Development, an association of corporations that presents the business case for sustainable development.

WFCC: World Fuel Cell Council, a body dedicated to the commercialization of fuel cell technology.

WHO: World Health Organization.

4E: four elements. The grade at Anglo Platinum's mines is always measured as the combined content of the four most valuable precious metals: platinum, palladium, rhodium and gold.

OTHER USEFUL WEBSITES

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Anglo American plc
<http://www.angloamerican.co.uk>

Basel Convention
<http://www.basel.int>

CITES
<http://www.cites.org>

Convention on Long-range Trans-boundary Air Pollution
<http://www.unece.org/env/lrtap/>

Eco-efficiency
<http://www.wbcsd.org>

EITI
<http://www.dfid.gov.uk>

GMI
<http://www.globalmining.com>

GRI
<http://www.globalreporting.org>

ICMM
<http://www.icmm.com>

ILO
<http://www.ilo.org>

IIED
<http://www.iied.org>

IPA
<http://www.platinuminfo.net>

ISO
<http://www.iso.ch>

IUCN
<http://www.iucn.org>

GRI
<http://globalreporting.org>

JM
<http://www.platinum.matthey.com>

JM's fuel cell website
<http://www.fuelcelltoday.com>

King Report
<http://www.iodsa.co.za>

Kyoto Protocol
<http://www.unfccc.int>

MMSD
<http://www.iied.org/mmsd>

Montreal Protocol
<http://www.unep.org/ozone/montreal.shtml>

NOSA
<http://www.nosa.co.za>

PGI
<http://www.preciousplatinum.com>

Ramsar
<http://www.ramsar.org>

Social Accountability International
<http://www.sa-intl.org>

Stockholm POPs Convention
<http://www.pops.int>

Transparency International
<http://www.transparency.org>

WBCSD
<http://www.wbcsd.ch>

WFCC
<http://www.fuelcellworld.org>

WHO
<http://www.who.int/en/>

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