Integrated annual report 2021

AngloAmerican

PLATINUM

Front cover: A view of the rope shovel at Mogalakwena.

For more information, visit:
www.angloamericanplatinum.com/investors/annual-reporting/2021

Refers to other pages in this report

Supporting documentation on the website:

Full annual financial statements (AFS)

Full Ore Reserves and Mineral Resources report

Environmental, social and governance (ESG) report

Notice of annual general meeting

High assurance

Moderate assurance

Contents

Performance at a glance

Safe production, record operational and financial results

Safety	Zero fatalities at own-managed operations and Modikwa	Mining EBITDA margin	↑ 65%	Record refined PGM production	↑ 5.1m
EBITDA	↑ R108bn	Economic contribution to society	↑ R148bn		

ESG performance

We are protecting lives and livelihoods of employees and communities through our WeCare pandemic response programme, and facilitating Covid-19 vaccination roll-out around operations in South Africa and Zimbabwe. We are also supporting our colleagues through embedding safety measures, increasing diversity and inclusion in the organisation, and embedding the right culture.

Record 2021 financial performance

Revenue	↑ R215bn	EBITDA	↑ R108bn	Headline earnings	↑ R79bn
Return on capital employed (ROCE)	↑ 183%	Net cash	↑ R49bn	2021 Dividend declared	↑ R300/share H1 2021: R175/share H2 2021: R125/share

Operational performance

Our platinum group metals (PGMs) production was up by 13% to 4.3 million ounces with solid production performance from all own-managed operations, despite operating under Covid-19 conditions (2020: 3.8 million ounces).
We have had a record refined production performance up by 89%, refining over 5.1 million PGM ounces from own-production material. This was driven by a stable ACP performance and a consistent performance across all processing assets (2020: 2.7 million ounces).

Our approach to reporting

This integrated annual report is one of our primary communications with stakeholders. While it is prepared mainly for providers of capital and long-term investors, financial information is balanced with commentary on material sustainability issues for an integrated view. This report covers the 12 months to 31 December 2021 and follows a similar report for the year to 31 December 2020.

Dynamic materiality
Sustainability issues are integrated into all reports and are material from a financial and non-financial basis

Integrated reporting

Targets stakeholders assessing enterprise value (investors, lenders and creditors)

Balanced view of our progress against strategic priorities and prospects, considering risks, opportunities and trade-offs, as well as ESG matters material to creating enterprise value

Focused on material issues — those with the greatest real or potential impact (positive and negative, internal and external) on achieving our business objectives

Sustainable Development Goals
GRI
EU NFRD/CSRD

ESG reporting

Targets all stakeholders wanting to understand our sustainability impacts

Disclosure on material sustainability topics reflecting our most significant impacts (positive or negative) on society, the environment and the economy (people, planet and prosperity)

Covers all entities in our consolidated financial statements but excludes comprehensive non-financial data on our joint operations

World Economic Forum
CDP
ISSB
Value Reporting Foundation
Integrated Thinking Principles
Integrated Reporting Framework
SASB Standards
TCFD
CDSB Climate Disclosure Standards Board

Financial reporting

Targets primarily investors and capital markets

Audited financial statements reflecting effects on enterprise value that have already taken place at the reporting date, or are included in future cash-flow projections

IASB
IFRS®

Ore Reserves and Mineral Resources reporting

Updated estimates and reconciliation of Ore Reserves and Mineral Resources statements for all assets in line with the SAMREC Code (2016) and signed by the Competent Persons

SAMCODES

Companies Act 2008, JSE Listings Requirements, King IV™*

Source: adapted from Incite drawing on materials developed by GRI, CDP, CDSB, Value Reporting Foundation and IFRS.
Note: the <IR> Framework of the International Integrated Reporting Council is now incorporated under Value Reporting Foundation.

These reports are available on our website: www.angloamericanplatinum.com/investors/annual-reporting/2021

The report sets out our approach to governance, as well as key decisions and outcomes in the review period and progress against strategic priorities. For completeness, we discuss risks, opportunities and trade-offs between the capitals under each strategic element, as well as relationships between external and internal factors that enable Anglo American Platinum to create value. We detail our outlook, again considering risks, opportunities and trade-offs, to give stakeholders a balanced view of our company and its prospects.

Assurance

Financial and sustainability-related aspects of this report and our 2021 suite of reports are independently assured. The report of the external auditor on our consolidated financial statements is on page 4 of the audited annual financial statements, while the external assurer's report on specific sustainability-related indicators is on page 183 of the ESG report and page 99 of the Ore Reserves and Mineral Resources report.

Reporting framework

In addition to the frameworks illustrated, we also apply Anglo American plc group safety and sustainable development (S&SD) indicators, definitions and guidance notes for non-financial indicators. These are available on request.

Forward-looking statements disclaimer

Certain elements in this integrated annual report constitute forward-looking statements. These are typically identified by terminology such as "believes", "expects", "may", "will", "could", "should", "intends", "estimates", "plans", "assumes" and "anticipates", or negative variations. Such forward-looking statements are subject to a number of risks and uncertainties, many beyond the company's control and all based on the company's current beliefs and expectations about future events.

Such statements could cause actual results and performance to differ materially from expected results or performance, expressed or implied. No assurance can be given that such future results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing the company and its subsidiaries.

Effluent dam dredging at Base Metals Refinery (RBMR), Rustenburg.

Reporting principles and approach

This report should be read with our ESG report, full annual financial statements and Ore Reserves and Mineral Resources report, available on our website.

We enhance disclosure on our approach to governance and key decisions in the review period to highlight how our governance structures reduce risk and ensure we create value for all.

Report content

Content is focused on a reassessment of our material issues in 2021 – issues with the greatest real or potential impact (positive and negative) on achieving our business objectives. They may relate to our internal or external environments, significant risks and opportunities identified in our integrated risk management process (page 74), or issues important to stakeholders (page 63).

We use a three-pronged approach to consolidate material aspects of our business (illustrated below). The prioritisation of our material issues was reviewed and confirmed by the platinum management committee (PMC) and then by the board.

Our business model (page 42) illustrates how Anglo American Platinum considers the six capitals of the International Integrated Reporting Council (IIRC) framework and related trade-offs in creating enterprise value. The capitals are:
- Financial
- Manufactured
- Intellectual
- Human
- Social and relationship
- Natural.

Determining the reporting boundary

Our reporting boundary is illustrated on page 5. In determining this boundary, we work outward from the core legal entity, Anglo American Platinum, to consider risks, opportunities and outcomes associated with other entities or stakeholders that have a significant effect on our ability to create value.

Materiality process

1 Internal materiality review | 2 External materiality review | 3 Materiality workshop

Consider
- Value drivers
- Stakeholder material issues.
- Significant opportunities
- Current performance.
- Macro-economic changes
- Key organisational risks.

Assess
Effect on value creation by magnitude and likelihood.

Prioritise material issues

IR disclosure

Apply judgement

Disclose:
- The matter and its effects on strategy, business model or capitals
- Interrelatedness and dependencies
- View on potential outcomes or effects
- Current and future response to mitigating actions to reduce risk
- Data on measuring effectiveness of response
- Extent of Anglo American Platinum's control over the matter
- Targets and key performance indicators (KPIs)
- Qualitative disclosures.

Governance

Financial reporting boundaries

This report includes disclosure on all entities in our consolidated financial statements but excludes comprehensive ESG-related data on our joint operations. We disclose our performance across all PGMs (expressed as platinum, palladium, rhodium, iridium and ruthenium metal-in-concentrate, as well as gold) to better reflect the basket of metals we produce.

Governance

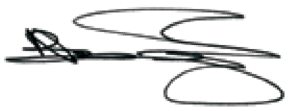
100% owned Operations	Non-managed Joint operations	Investments**
Mogalakwena	50% Modikwa	AP Ventures
Amandelbult	50% Kroondal	Other market and product development investments
Mototolo/Der Brochen	50% Marikana*	49% Bokoni*
Unki		
Twickenham*		
Concentrating		
Smelting		
Refining		
Sales and marketing		

* Under care and maintenance.

** Refer to page 70 of the annual financial statements for a list of investments.

Approval of report

The board acknowledges its responsibility for ensuring the integrity of the integrated annual report, and has applied its collective mind to the preparation and presentation of this report. In our opinion, the 2021 integrated annual report is presented in accordance with the IIRC framework by addressing all material matters to offer a balanced view of our strategy and how it relates to the company's ability to create value in the short, medium and long term.



Norman Mbazima
Chairman

Natascha Viljoen
Chief executive officer

CEO and the financial director responsibility statement

This statement appears in the 2021 annual financial statements on page 3.

Our business

Leading producer of PGMs, focused on safely and responsibly producing metals the world needs

Key disclosures in this section

Who we are

Purpose: Re-imagine mining to improve people's lives

Transforming the very nature of mining for a safer, cleaner, smarter future

Our platinum group metals (PGMs) are essential ingredients in smartphones, electronics, appliances and cancer treatments; PGMs in autocatalysts purify traditional vehicle and other emissions while fuel-cells drive cleaner, quieter engines. Simply put, our products move the world towards a greener, more sustainable future.

At Anglo American Platinum, we are working to make this future a reality – combining integrity, creativity and smart innovation with the utmost consideration for our people, their families, local communities, our shareholders, our customers and the world at large – to better connect Mineral Resources in the ground to the people who need and value them.

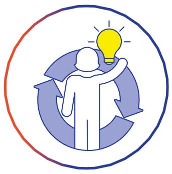
Our strategy drives long-term value for all stakeholders to achieve our purpose in a sustainable way and reshape our business into one that is agile and future-fit.

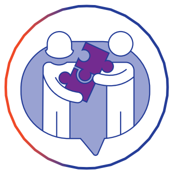
Our values

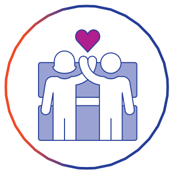

Safety


Integrity


Accountability


Innovation


Collaboration


Care and respect


End of shift at Dishaba main shaft, Amandelbult.

Why invest in us

Anglo American Platinum is a differentiated precious metals investment

The world needs our metals – enabling a greener and healthier future

Climate-change action will accelerate decarbonisation and demand for our metals

Detail overleaf.

- **Industry-leading asset portfolio – our assets in H1 of the cost curve**
  Diverse, high-quality and long-life mining and processing assets with optionality to grow
- **Leading capabilities across our value chain**
  Achieving operational excellence, technology deployment and market and product development
- **Safe, stable and capable operations**
  Operating our integrated value chain at its full potential, fully modernised and mechanised
- **Delivering shared value**
  Become a trusted corporate leader, co-creating thriving communities and healthy environment
- **Disciplined capital allocation that delivers returns – return on capital employed (ROCE) >25% through the cycle**
  Value-focused approach to capital allocation to deliver industry-leading returns.

Our pathway to carbon neutrality by 2040

CO_2 emissions reduction relative to 2016 baseline[1]

>30% Reduced by 2030

100% Reduced by 2040

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

Potential:
20% to 25%

Progress to date:
28% reduction in energy intensity
19% reduction in GHG emissions

Clean power for mines: Renewable energy projects and storage facilities

Potential:
20% to 30%

Progress to date:
Developing our first large-scale solar photo-voltaic facility (100MW) at Mogalakwena

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

Potential:
10% to 15%

Progress to date:
Proof-of-concept trial on first truck is planned for first motion in H2 2022

[1] Scope 1 and 2 emissions.

Inclusive Mineral Resources: year-on-year changes (100% basis)

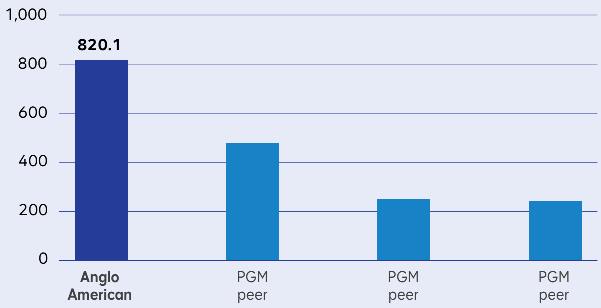
The combined South African and Zimbabwean Mineral Resources, inclusive of Ore Reserves, decreased by 1.3% from 830.8 4E Moz to 820.1 4E Moz in the review period. This was primarily due to:

- The reallocation of Mineral Resources to Mineralisation at Mogalakwena following reasonable prospects of eventual economic extraction assessments (-23.5 4E Moz)
- The reallocation of tailings to Mineralisation after the storage facility was re-activated for deposition at Amandelbult (1.9 4E Moz)
- Annual depletion (-3.9 4E Moz).

The effects of the updated geological and Mineral Resources models at Mogalakwena (+18.1 4E Moz) and acquisition of the block of ground from Northam Platinum at Amandelbult (+0.6 4E Moz) reduced the extent of the overall decrease in inclusive Mineral Resources.

Largest PGM Mineral Resources globally

Mineral Resources inclusive of Ore Reserves (million ounces 4E)[1]



[1] Mineral Resources classified as measured, indicated and inferred, inclusive of Ore Reserves, based on latest available information from company sources and company analysis.

Predominantly PGM Mineral Resources

A leader in ESG – embedding ESG into our capital allocation framework

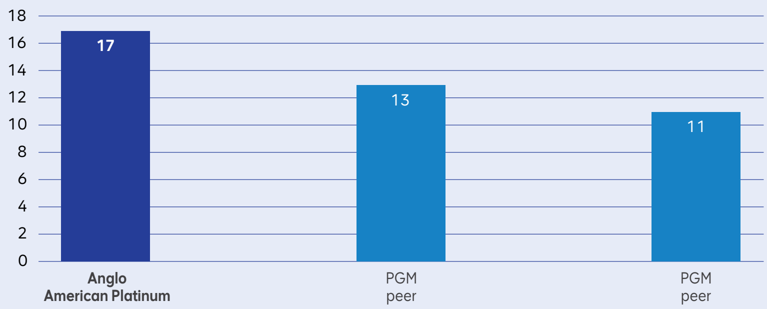
What we have done	Examples of changes we have made
Prioritised ESG dimensions that can be influenced by the capital portfolio with supporting metrics and targets	**Annual targets identified** from the capital portfolio for each priority ESG dimension
Introduced new ESG boundary conditions and shadow prices across our capital projects	**Shadow price introduced**
Baselined our entire capital portfolio to understand the ESG impact of each new project	**800+ projects quantified** for estimated carbon emissions, water use and livelihoods (jobs) impact
Optimised the 2022 capital portfolio to meet new ESG targets (in addition to financial and risk thresholds)	**25+ dedicated ESG projects introduced to the capital portfolio** to offset carbon and water impact (eg energy efficiency and water-reduction projects)
Revised our capital project process to embed ESG	**Ongoing training** for all capital project managers to calculate and mitigate adverse impacts of capital projects

Dividend yield

In line with our balanced capital-allocation framework, we delivered industry-leading returns and total 2021 dividends declared of R80 billion. R33 billion of this relates to the second half and equates to a 100% payout ratio of headline earnings.

Total dividend yield
(%)

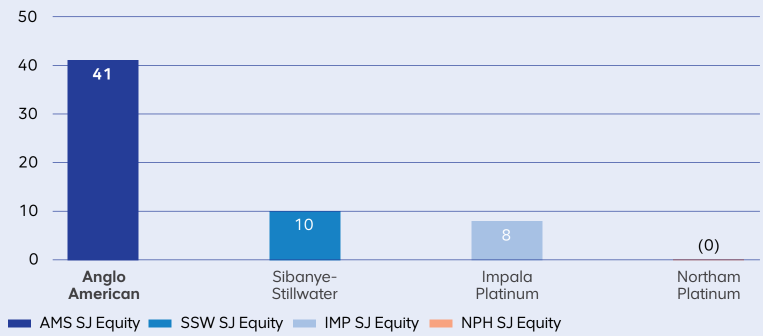
100% payout



Total shareholder return

Total shareholder return performance is determined by reference to the annual share price growth rate plus dividends for Anglo American Platinum and the competitor group companies.

Total shareholder return – 1 January 2021 to 31 December 2021
(Percentage increase year on year)



Source: Bloomberg

Leading capabilities across our value chain

Achieving operational excellence, deploying technology and developing markets for our products

Productivity

	2021	2020	2019
PGM ounces produced per employee	**108.7**	97.2	114.1

* By fully embedding the Anglo American operating model, we expect to increase productivity (by up to 30% in parts of the value chain).

Operational excellence

	2021	2025 Target
Mechanised and modernised operations, percentage of PGM production	**88%**	100%

Developing markets

Refer to our market and product development section on page 53.

Industry-leading asset portfolio – our assets are in H1 of cost curve

- Diverse, high-quality and long-life mining and processing assets with optionality to grow
- Focus on ensuring all operations are in the bottom half of the cost curve to ensure through-the-cycle returns.

Invest in us

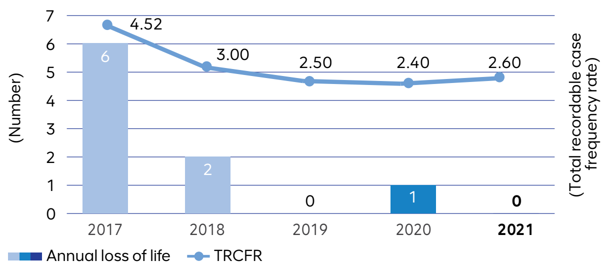
Anglo American Platinum has a large precious metals resource and our portfolio of tier 1 assets, which are diverse in location, product mix and mining methods, and operates sustainably in the first half of the cost curve. We have the largest processing capability in the PGMs industry, and our integrated value chain creates optionality with significant potential.

Zero fatalities at managed operations – focus on protecting our people

Focus on behaviours – particularly during period of disruption and change

H1: 2.80
H2: 2.40

Safety



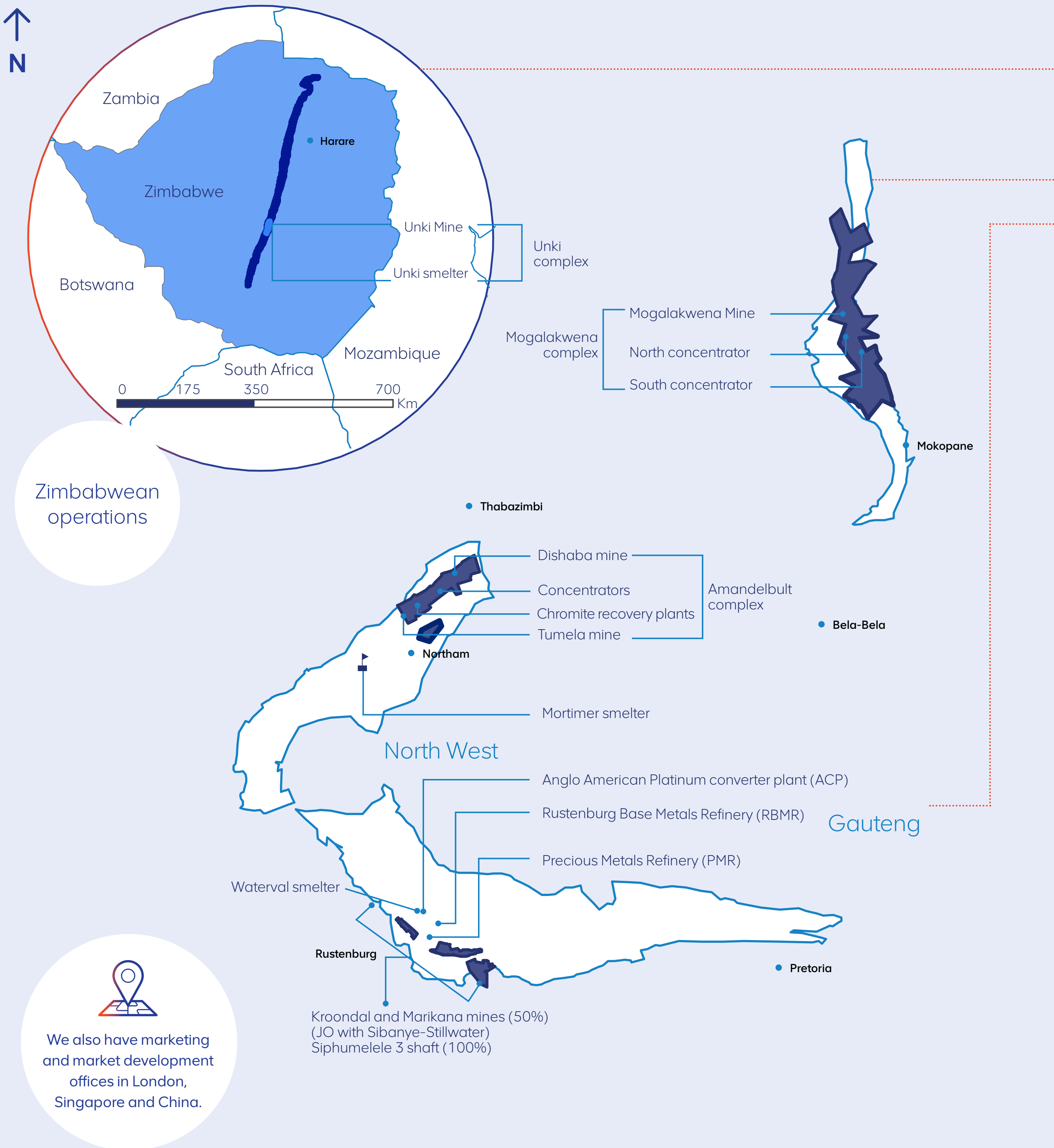
Delivering shared value

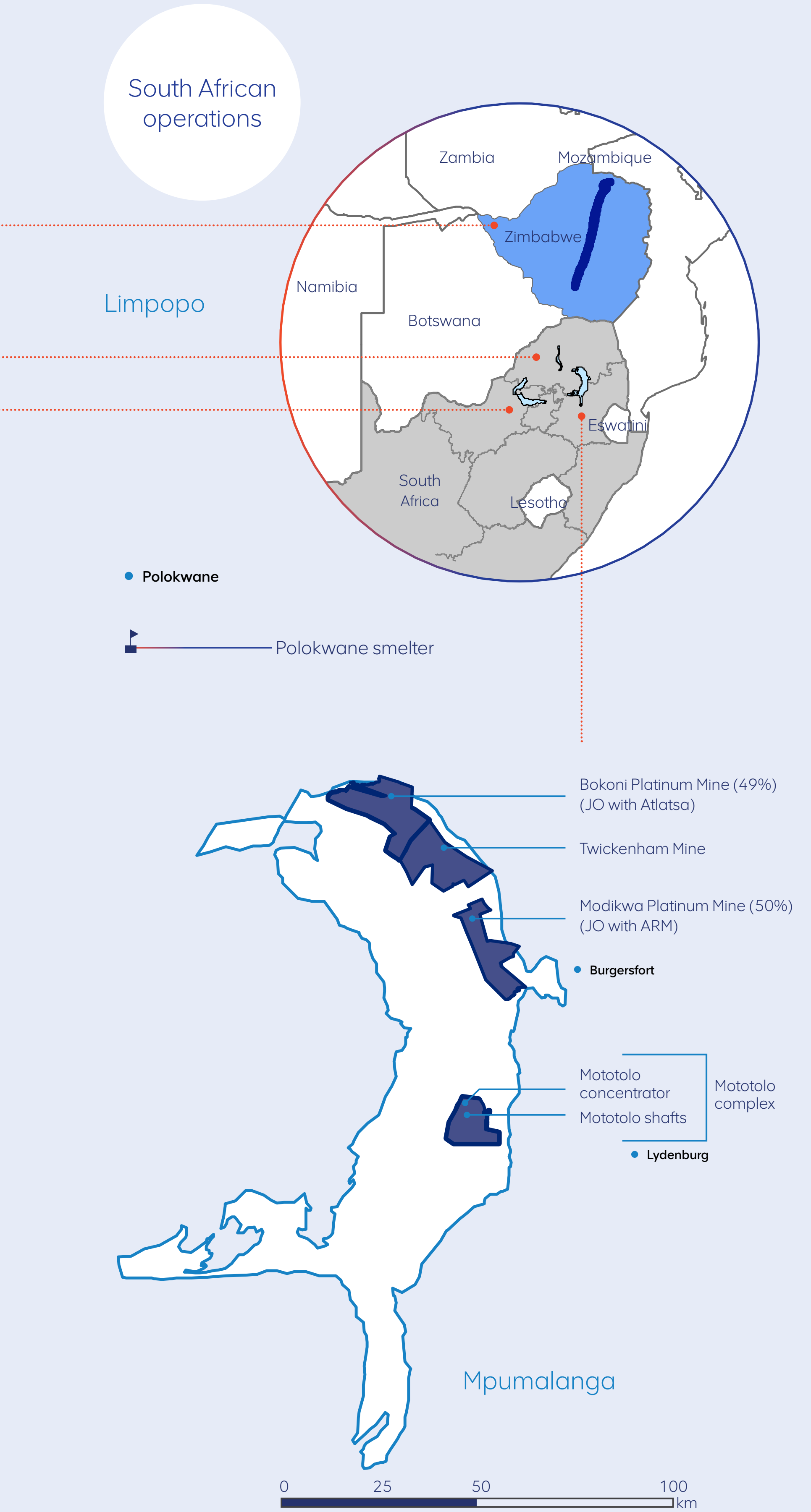
Global recognition of our initiatives to become a trusted corporate leader, co-creating thriving communities and a healthy environment

SUSTAINALYTICS	FTSE4Good	ISS ESG Prime	CDP	Bloomberg Gender-Equality Index	S&P Global	IRMA
Second among global peers	ESG leader in sector, top 30 index since inception	Prime ranking	'A-' rating for climate change 'A-' for water security	Second inclusion	S&P Global Yearbook status top 15% in industry	75 level of performance for Unki Mine

Where we operate

Our operations fall in the PGM-rich Bushveld Igneous Complex in South Africa and Great Dyke region of Zimbabwe. We also have marketing and market and product development offices in London, Singapore and China. Our industry-leading asset portfolio exploits the largest Mineral Resource base of long-life, high-quality precious metals globally.





Mogalakwena complex

Mogalakwena Mine is 30km north-west of the town of Mokopane in Limpopo province and operates under a mining right covering 372km². Current infrastructure comprises five open pits (Sandsloot, Zwartfontein, Mogalakwena south, central and north). The mining method is truck-and-shovel, and current operating pit depths vary from 0m to 280m.

Mogalakwena Platreef 4E prill split (%)

Platinum	Palladium	Rhodium	Gold
41.9	48.6	3.0	6.5

The Amandelbult complex is in Limpopo, between the towns of Northam and Thabazimbi, on the North-western Limb of the Bushveld Complex. It operates under a mining right covering 141km². The layout is a combination of conventional scattered breast mining with strike pillars, mechanised mining pillars and open pits.

Merensky Reef 4E prill split (%)

Platinum	Palladium	Rhodium	Gold
61.8	29.5	5.1	3.6

UG2 Reef 4E prill (%)

Platinum	Palladium	Rhodium	Gold
58.7	29.2	11.4	0.7

Mototolo complex (100%)

Situated in Limpopo, Mototolo Mine is 30km west of the town of Burgersfort in the Eastern Limb of the Bushveld Complex and operates under a mining right covering 96.28km². Current infrastructure comprises two decline shafts, Lebowa and Borwa, and a concentrator. A fully mechanised mine using bord-and-pillar mining methods.

Merensky Reef 4E prill split (%)

Platinum	Palladium	Rhodium	Gold
59.2	30.4	2.5	7.9

UG2 Reef 4E prill (%)

Platinum	Palladium	Rhodium	Gold
54.1	35.6	9.1	1.2

Unki Mine (100%)

Unki Mines (Private) Limited's operations are on the Great Dyke in Zimbabwe, 60km south-east of the town of Gweru. Unki is a mechanised, trackless, bord-and-pillar underground mine.

Main Sulphur Zone (MSZ) 4E prill split (%)

Platinum	Palladium	Rhodium	Gold
48.7	39.4	4.2	7.8

Our strategy and culture

The delivery of our strategy is directly linked to our corporate culture. Accordingly, we are focused on embedding a culture that is led by our purpose, driven by our values and characterised by high performance.

Our desired culture

purpose-led, values-driven and high-performance

Reasons to believe

- Culture is essential to our success as an organisation, working hand in hand with strategy.
- Culture is what drives people, what influences how we all work as individuals and as teams.
- It creates the environment in which all colleagues come to work and are able to do their best work.
- Culture guides our actions and brings our strategy to life.

Our pathway

- **Treat one another with trust and respect**
- **Listen to all voices with fairness and humility**
- **Live up to our promises with positive accountability**

'Culture in Action, strategy always on' defines our intentional journey towards the next phase of value creation.

At Anglo American Platinum, our desired culture is clear cut:

Purpose-led

Led by our purpose to re-imagine mining to improve people's lives

Values-driven

Driven by the six values that guide our behaviour

Safety, integrity, accountability, innovation, collaboration, care and respect

High-performance

Enabling us to achieve our strategy and ambition by taking safe and purposeful actions together to consistently deliver above and beyond expectations

Our strategy

A leader in ESG	Stimulate new markets and leverage new capabilities	Go beyond resilience, thrive through change	Maximise value from our core
Become a leader in ESG by achieving our environment and social impact aspirations as the core of our strategy and way of working, including in our capital-allocation framework. We believe ESG offers significant value at stake, and we will invest significantly to achieve shared value for our stakeholders.	**Stimulate new markets** through our market-development activities to boost existing demand **and leverage new capabilities** to capture value from adjacent value-chain initiatives. Adjacent value-chain opportunities provide for participation in attractive profit pools or for socio-economic development opportunities.	**Go beyond resilience, thrive through change** enables us to be responsive to threats and opportunities that emerge, remain resilient, reliable, stable, and capable despite challenges and change or adapt to become stronger than before. This quality is deliberately embedded within the business.	**Maximise value from our core** of competitive mining and processing assets and marketing excellence, eg through technology and modernisation, while remaining resilient to price fluctuations and deep market downsides and increasing our cash-generation potential in an upside scenario.

Our strategic priorities are interdependent, and synergies will enhance overall outcomes.

	A leader in ESG	Stimulate new markets and leverage new capabilities	Go beyond resilience, thrive through change	Maximise value from our core
A leader in ESG		– Potential that local industry creation for communities could provide profitable adjacent businesses.	– Resilience to climate change risks and regulatory changes – Enhanced community relations decrease potential disruptions.	– Increases the competitiveness of our products in the market.
Stimulate new markets and leverage new capabilities	– Employment creation from beneficiation provides opportunity to enhance sustainable livelihoods.		– Leveraging digital and technological development to create demand for metals.	– The position of our assets on the cost curve allows us to capture a greater share of the profit pool created through market and product development.
Go beyond resilience, thrive through change	– Ambitious carbon and community aspirations underpinned by our culture.	– Requires an agile and innovative organisation and to develop new businesses.		– Safety, asset integrity, reliability and stability the foundation to maximise value from our core.
Maximise value from our core	– Competitively placed assets will be positioned to capture new profit pools – Integrated approach in processing will unlock value from all products.	– Competitively placed assets will be positioned to capture new profit pools – Integrated approach in processing will unlock value from all products.	– Leverage our resource endowment, processing infrastructure and leading capabilities.	

Be a leader in ESG

Strategic initiatives:
- Embed ESG at the centre of our strategy
- Co-create sustainable community livelihoods
- Pursue carbon neutrality.

We are embedding ESG at the centre of our strategy to become a trusted partner, leading in co-creating thriving communities and ensuring a healthy environment.

Our aim is to play a leading role in the mining industry in creating shared value, with particular focus on:
- Sustainable community livelihoods – we will jointly shape sustainable livelihoods for our communities through a shared vision, collaborative local and regional socio-economic development and a focus on what 'meaningful existence' truly means for our communities and stakeholders. We will invest time to understand community goals and ambitions to shape the strategy, as we have done at Mogalakwena as part of the resetting relations project.
- Carbon neutrality – we want to become a leader in delivering carbon neutrality in the South African mining industry and support the global drive to combat climate change and build a green product value chain. We will invest to reduce energy and increase efficiency in our operations, switching to low-carbon energy sources and developing renewable energy projects to transition our energy mix. Our aim is to improve energy efficiency and reduce greenhouse gas (GHG) emissions to become carbon-neutral by 2040.

Stimulate new markets and leverage new capabilities

Strategic initiatives:
- Facilitate the development of diversified markets for PGMs
- Participate in value-chain adjacencies.

Our approach to market and product development is to discover, nurture, scale and sustain a sufficiently diverse set of new and existing demand segments.

This is critical to counter projected growth in the battery-electric vehicle (BEV) market. We have progressed with our initiatives to create demand for platinum jewellery and accelerate the adoption of PGM-enabled hydrogen technologies. We continue to pursue attractive, but largely unproven, potential new demand segments distinct from recognised industrial applications (eg carbon-neutral feedstocks, low-loss computing/electronics, next-generation battery technology as well as food and medical technology (foodtech and medtech)).

Go beyond resilience, thrive through change

Strategic initiatives:

- Eliminate fatalities and ensure zero harm
- Embed the Anglo American operating model
- Improve organisation effectiveness
- Build and fast-track innovation and technology through FutureSmart Mining
- Enhance asset integrity and reliability.

We aim to increase the resilience of our operations and enable value-creation.

Eliminating fatalities remains our highest priority. We have successfully implemented a number of proactive, preventative measures in areas such as supply-chain safety, fatal risks and controls, surface traffic management, fatigue management and explosives handling.

A company-wide elimination-of-fatalities technical training programme was rolled out to strengthen the foundation in building a zero-harm work environment.

Our operating model is designed to transform asset performance. Its focus on stable and predictable delivery provides a foundation for continuous and sustainable improvement to set industry benchmark levels of performance, and provide a standard approach to work management across all assets. The operating model went live at all sites in 2021, including upskilling and resourcing to sustainably maintain the new way of working on-site.

Build and fast-track innovation and technology through FutureSmart Mining involved establishing a digital workplace by end of 2021, which included the Voxel system, a group data analytics platform providing an integrated view of the mine value chain. The Voxel mainline was delivered at Mogalakwena, and a Voxel data programme at Amandelbult.

We have prioritised asset reliability to reduce major operational disruptions and enhance design reliability. This is supported by investment over the next five years and the new asset management approach. This is a fundamental enabler to maximise value from our core.

Hyundai hydrogen fuel-cell electric vehicle testing.

Maximise value from our core

Strategic initiatives:

- Setting benchmark performance at our operations
- Deliver the future of Mogalakwena for long-term sustainable growth
- Fast-track the modernisation and mechanisation of Amandelbult
- Invest in the development of Der Brochen
- Optimise value chain to capture potential from processing assets
- Grow active market participation.

We aim to maximise value from our core portfolio of competitive mining and processing assets, operational excellence, modernisation and deploying technology to ensure we remain resilient through commodity price cycles.

Specific initiatives include:

- Set new benchmark performance – P101 is our transformational asset-productivity programme that will build on the stability provided by our operating model. It required substantial programme-management support to review the portfolio of P101 initiatives, establish progress towards EBITDA improvement, and establish the appropriate management routines to ensure successful delivery. These are all now in place to ensure successful delivery.
- Expand Mogalakwena for long-term sustainability and growth. The future of Mogalakwena initiative continues to make good progress in six workstreams:
  - Resource development plan – optimal open pit plan, including progressing underground opportunities
  - Operational efficiencies (P101) – optimise mine plan and operational performance
  - Communities – create trusting relationships and valued partnerships
  - Technology and innovation – develop and deploy technology, including hydrogen fuel-cell trucks
  - Expanding concentrator capacity – design and build the concentrator of the future
  - Downstream processing – utilise downstream processing to maximise value.

  Each of these workstreams has a number of steps to unlock value. While being integrated, it allows for separate approval of stage gates and an optimised development pathway. It is therefore important that each workstream is fully understood to ensure the highest value creation for all stakeholders over the life of the asset of more than 50 years. We are assessing the configuration of a new concentrator. The feasibility study is indicating that a new concentrator of around 6 million tonnes per annum, with a design to allow flexibility to accommodate various technology options and grade input feeds provides the most attractive option, across a number of value metrics. The earliest date this capacity is required is in 2026, that gives us time before we need to make a capital decision.
- Fast-tracking the modernisation and mechanisation of Amandelbult is a critical step to meet our safety ambitions and reposition this asset in the second quartile of the primary producer cost curve. Technical roadmap for the future of Amandelbult now in place.
- The board approved the Mototolo/Der Brochen life-extension project in 2021. Its development leverages existing Mototolo infrastructure, enabling mining to extend into the adjacent and down-dip Der Brochen Mineral Resources to extend the life-of-mine beyond 30 years. The Der Brochen UG2 Reef will use the same bord-and-pillar extraction method as Mototolo Mine, and will be a fully mechanised operation, positioned in the bottom half of the primary PGM producer cost curve. The project includes developing a new shaft to replace the depleting Mototolo Ore Reserves (Lebowa and Borwa shafts). With the completion of the concentrator debottlenecking project in the third quarter of 2021, production from Mototolo/Der Brochen is expected to be maintained at around 250,000 PGM ounces per annum. Project execution will begin in the first quarter of 2022. The total capital investment is expected to be R3.9 billion in nominal terms. The financial returns are robust, with an internal rate of return of over 25% and payback of around six years from first production (expected in late 2023), based on analyst consensus pricing.
- Our processing network provides optionality to optimise value through five levers (utilisation of assets, product mix, throughput and recovery, inventory management, energy/carbon intensity), from the multiple interlinked assets across the value chain. The immediate focus is considering the optimal use of constrained processing facilities. Given the increasing base metals contained in Mogalakwena material in the near term, there is substantial value to be created by debottlenecking the ACP – ensuring that no excess stock is built, locking up cash flows.
- Marketing excellence – commercial team building economic and strategic value by forging closer relationships with customers.

Schilpadnest solar project at Amandelbult, South Africa.

Delivery against strategic priorities

We operate against a clear roadmap to deliver on our strategy.

Strategic priority	Short term (1–2 years)	Read more
Be a leader in ESG	– Progressed social compact development with communities – Roadmap to carbon neutrality by 2040 in place – ESG embedded in strategic business processes (budgeting, strategy, operational excellence and capital allocation).	Pg16
Stimulate new markets and leverage new capabilities	– Pursue research and ventures for opportunities to stimulate new markets – In collaboration, successfully increase jewellery and investment demand.	Pg16
Go beyond resilience, thrive through change	– Elimination-of-fatalities programme successfully completed in areas of supply-chain safety, technical training, explosives handling and surface-traffic management – Operating model to transform asset performance and reset industry benchmark embedded on all sites – Culture in Action roadmap created and in execution – FutureSmart technology deployed at Mogalakwena – Asset integrity and reliability framework embedded.	Pg17
Maximise value from our core	– Delivering P101 performance – Future of Mogalakwena programme progressing on all workstreams – Future of Amandelbult roadmap in place – Optimise value from processing assets – Invest in development of Der Brochen.	Pg18

	Medium term (3–5 years)	Long term (+5 years)
	– Pilot programmes for new economic development in our communities – Implement energy-efficiency initiatives – All assets assessed against responsible mining standards.	– Recognised beyond mining industry as a leading sustainability-driven organisation – Thriving communities with sustainable livelihoods and low dependence on our mines – Over 30% reduction by 2030 in carbon emissions, and carbon neutrality by 2040 – Support the creation of five jobs off-site for every job on-site.
	– Develop new market opportunities and capabilities – Industrial PGM demand driven through venture-fund support.	– Invest in new market opportunities and leverage new capabilities.
	– Encourage innovative work in a digital workplace – Future skills embedded across the organisation – Asset integrity renewal programme complete.	– A values-driven and inclusive organisation, characterised by trust and collaboration, collective stewardship of our assets and shared value with our communities – Embed responsible asset stewardship.
	– All owned mines in H1 of cost curve – Average EBITDA margin of 40% and ROCE of 30% – Progressing the value maximising pathway for the future of Mogalakwena – Maximise value from processing assets.	– Mechanisation of Amandelbult – Maintain all owned mines in H1 of cost curve – Average EBITDA margin of 35–45% and ROCE of 25–35%.

Chairman's review

Central to our purpose is embedding environmental, social and governance (ESG) at the core of our strategy and way of working.

Norman Mbazima
Chairman

Events of the past two years have focused global attention on common challenges. At the same time as mitigating the Covid-19 impact on the lives and health of people, the urgency of addressing our impact on the natural environment cannot be underestimated. We need to change the way we work and live, the way we consume finite resources, and the way we monitor that our actions have a net positive impact. Importantly, we can only do this together – as countries, companies and individuals.

Central to our purpose is embedding ESG at the core of our strategy and way of working. Given the current global uncertainty, we believe that creating shared value depends on building the resilience of our company through a dynamic strategy to enhance the lives of our communities and other key stakeholders.

The board's collective expertise has a vital role in this process. It is integral to understanding the global and local context that impacts our business, determining the corporate strategy and management agenda, and monitoring delivery of initiatives underpinning our strategic priorities. On page 31, we highlight the board's actions to ensure robust governance and oversight of the business in the context of our external operating environment. In the ESG report, we note actions by responsible board committees to ensure our impact on stakeholders and the natural environment is positive.

Year in review

The CEO and finance director detail our excellent operational and record financial performance in the review period (pages 92–103). From the board's perspective, salient features of the period include:

- Excellent safety performance, with zero fatalities at our managed operations. Our goal remains zero harm – eliminating fatalities is a key initiative across Anglo American Platinum, and a performance metric for the CEO and finance director (page 47). We were disappointed that the TRCFR regressed to 2.60 from 2.40 last year, reflecting ongoing challenges due to Covid-19.
- The unremitting focus on the lives and livelihoods of our people and mine communities contained Covid-19 infection rates in our workforce and strengthened relationships with these key stakeholders. By year end, around 70% of our workforce and contractors had been vaccinated.
- The board declared a second-half cash dividend of R33 billion or R125 per share, bringing the total 2021 dividend to R80 billion or R300 per share, equivalent to a payout ratio of 100% of 2021 headline earnings. The dividend is payable to shareholders on 14 March 2022.

The board approved key projects and transactions (page 31):

- R3.9 billion Mototolo/Der Brochen life-extension project
- R2 billion to fund Mogalakwena's phase A exploration declines
- Additional capital of R224 million for the ACP phase B rebuild. The phase A unit is running well after recommissioning in late 2020
- Sale of 49% interest in Bokoni Mine to African Rainbow Minerals
- Sale of pool-and-share agreement in Kroondal and Marikana to Sibanye-Stillwater post-year end.

Driving our strategic priorities

The detailed Anglo American Platinum strategy is the blueprint for achieving our goals.

Achieving our purpose will drive our strategy as we enhance the company's enterprise value by stimulating new markets, maximising value from our core business, being a leader in ESG practices and an approach focused on going beyond resilience and thriving in change (page 17).

Policy environment

A key development during the year was the September High Court judgment that the mining charter 2018 is a policy document that does not impose legally binding obligations. We welcomed this ruling for clarifying the status of the charter and in particular, that the continuing consequences of previous empowerment deals should be recognised.

We are committed to the transformational objectives of the Mineral and Petroleum Resources Development Act 2002 (MPRDA), specifically Section 28 2(c). We appreciate the Minerals Council's ongoing constructive engagement with the Department of Mineral Resources and Energy (DMRE) to create the necessary policy and regulatory certainty that will attract much greater investment for the exploration and mining sectors.

Also central to South Africa's investment case is the provision of reliable energy. Regrettably, there was again limited progress with the state's efforts to address issues at South Africa's national power utility, Eskom, in 2021. The unreliable supply and spiralling cost of electricity remain a major concern for corporate South Africa, highlighting the need to accelerate the adoption of renewable forms of energy. We therefore welcomed the president's announcement in June that the embedded self-generation threshold would be increased to 100MW.

According to estimates by the Minerals Council, mining companies could now rapidly initiate at least 1.6GW in planned, largely renewable and private-sector-funded embedded generation projects for around R27 billion. These include our 100MW solar photovoltaic plant at Mogalakwena. Collectively, this could raise South Africa's overall growth rate.

We remain concerned about the second phase of South Africa's carbon tax, scheduled to begin in 2023, that will include scope 2 emissions. This is discussed in our ESG report (page 58).

We are also concerned about the potential impact on producers of an export tax on chrome ore, with no material developments on this proposed legislation in 2021.

As noted in recent years, our economy desperately needs investment to grow. Mining investment in particular drives growth in other sectors. We hope the momentum lost on policy reform in recent years can be reignited as the government looks to rebuild the country's economy.

Sound governance and sustainability underpin value creation

Accountability for the governance and performance of Anglo American Platinum ultimately rests with the board. Given the prevailing global uncertainty, we continue to harness the collective expertise of board and management members to address challenges, and capitalise on opportunities, in the best interests of the company and all its stakeholders.

As a mining group focused on sustainability, our communities are vital stakeholders – our social licence to operate depends on these relationships as much as our regulatory licences depend on sound governance.

Our operations are concentrated in Limpopo and North West provinces of South Africa, where communities are largely traditional rather than urban, and where a long history of poor service delivery has eroded trust in provincial and local authorities. By extension, this includes mining companies.

> We are making a fundamental shift in how we engage and support our communities, with respect at the centre of this change. We aim to co-create a shared vision of sustainable livelihoods, grounded in a shared view and understanding of what our communities need and why.

From the outset of the pandemic in South Africa and Zimbabwe, we have concentrated on supporting the most vulnerable communities. As a result, our total social spend rose to R2 billion, which includes Covid-19 spend (detailed in our ESG report) in 2021 from R803 million in the prior year, bringing our total economic contribution to society to R148 billion.

Despite the combined efforts of government and corporate South Africa, the impacts of the pandemic exacerbated an already untenable socio-economic position. Unrelated to our industry, broader social unrest in July 2021 quickly escalated into a tragic and expensive national crisis.

We were saddened and frustrated by the impact on all facets of our country. While management has been working on a detailed approach to mitigate the complex risk of social unrest, the board believes mining companies have an important role in addressing broader concerns about employment and procurement opportunities (both detailed in our ESG report).

Our people are the business. Treating them fairly and developing their full potential are fundamental to our purpose, and our initiatives are detailed in the ESG report.

Developing PGM markets

In a world grappling with the challenges of climate change, the unique properties of PGMs are vital for multiple applications aimed at mitigating environmental impact and addressing climate change (page 53).

Key developments that will in future impact our company include electrification of the drivetrain and the emerging hydrogen economy (page 55 of this report and 63 of the ESG report).

> Long-term supply/demand fundamentals for PGMs remain robust, and we again benefited from strong prices in 2021. In combination, we believe demand from existing applications, new demand from applications being developed, and stimulatory measures to expand the overall PGM market will support sustainable demand and long-term growth.

Board skills and diversity

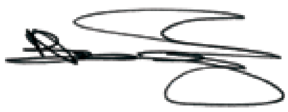
Independent directors constitute 50% of our board. We are also deepening the technical competence and non-financial skills that are becoming increasingly important at board level (page 26).

Accordingly, and in line with our board-succession strategy, we appointed two experienced non-executive directors, Ms Nolitha Fakude and Ms Anik Michaud, in July 2021 to improve the balance of skills on the board and its diversity.

We welcome our new directors and look forward to their contributions in board discussions. Stephen Pearce and Tony O'Neill stepped down as non-executive directors from July 2021 and the board thanks them for their leadership and contributions during their tenure.

As a company, we remain committed to global best governance practices. This was again reflected in leading ESG rankings in 2021, page 11.

In closing, I thank my fellow directors for their valuable input and diligence in fulfilling their duties. On behalf of the board, I thank our CEO, Natascha Viljoen, the senior management team and all our people for their commitment to our strategic goals in creating shared value. Together, we truly are re-imagining mining to improve people's lives.



Norman Mbazima
Chairman

Johannesburg
17 February 2022

Board governance

The board and executive management (the platinum management committee or PMC) are individually and collectively committed to creating and preserving value for all our stakeholders by realising our purpose. The board – through its key responsibilities of monitoring and oversight, strategic planning, financial planning, capital allocation and decision-making – ensures the business model remains relevant and sustainable. This is supported by our dual focus on strategy and culture to achieve our purpose within a governance framework that instils ethical leadership, accountability, transparency and legitimacy.

Our governance philosophy

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

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

Values and culture

Standing strong in our company values, we are on an intentional journey towards the culture we desire. We call this Culture in Action. Our culture is essential to our success as an organisation, working hand in hand with strategy and a key enabler of our four strategic priorities. Strategy and culture are among the key tools of leadership to maintain and strengthen organisational sustainability. While strategy offers a formal pathway to our objectives and ambitions, culture expresses those objectives through values and beliefs, ultimately guiding our actions and ensuring strategy implementation.

The expression Culture in Action deliberately signifies that culture is always active, something we can all influence and work on every day.

Following focused initiatives to listen and learn from all voices at all levels in the company, we identified three foundational commitments to support delivery of our purpose and enable us to consistently live our values.

- Treat one another with trust and respect
- Listen to all voices with fairness and humility
- Live up to our promises with positive accountability

Ethical leadership and governance of ethics

Anglo American Platinum is committed to a policy of fair dealing and integrity in conducting its business. Actively endorsed by the board, this commitment is based on a fundamental belief that business should be conducted honestly, fairly, legally and responsibly. The board expects all employees to share its commitment to high moral, ethical and legal standards and sound business principles.

The board sets the tone from the top and subscribes to the ethical standards detailed in our code of conduct and business integrity policy. It seeks to lead by example in engaging with all stakeholders in its deliberations and decisions, and by monitoring the ethical culture and compliance in the group.

The compliance and ethics committee, chaired by the finance director and attended by executives and senior managers, convenes quarterly. It reviews implementation of compliance and ethics programmes in the organisation. These include:

- Business integrity risk
- Intermediary risk management
- Compliance monitoring
- Awareness training and strategies
- Governance around policies, standards and procedures
- Breaches of conduct including preventative work on fraud, corruption and ethical business conduct
- Conflicts of interest.

While the scope of the ethics programmes is determined by group-wide policies, the committee ensures they remain relevant by addressing any changes in the business.

> Living by our culture and conducting our business ethically is the foundation for good governance, which in turn empowers employees at all levels to expose any behaviour that is in conflict with our values. A dedicated tip-off channel enables employees to anonymously report any unethical behaviour.

In addition to the approval and oversight of our code of conduct and business integrity policies, the board has oversight of the delegation of authority policy, conflicts of interest and share-dealing policy and, through the governance committee, the compliance framework policy.


Solid converter matte being removed from mould, Waterval, ACP.

Our leadership team

Board

Independent non-executive

Nombulelo Moholi (62)

Chair remuneration and social, ethics and transformation committees

Qualifications: BSc (engineering)

Eight years on the board

Core skills: strategic planning, industrial sector experience, senior corporate leadership experience, domestic affairs, strategic thinking and analysis, building and leveraging relationships, openness of communication, learning agility.

R G SD S

John Vice (69)

Chair audit and risk committee

Qualifications: BCom, CA(SA)

Nine years on the board

Core skills: strategic planning, financial and commercial experience, strategic thinking and analysis, building and leveraging relationships, openness of communication.

A G SD

Peter Mageza (67)

Lead independent director, chair governance committee

Qualifications: FCCA (UK)

Eight years on the board

Core skills: strategic planning, global perspective, financial and commercial experience, senior corporate experience, domestic affairs, strategic thinking and analysis, problem-solving, building and leveraging relationships, openness of communication, learning agility.

A N G

Dhanasagree Naidoo (49)

Independent non-executive director

Qualifications: BCom, CA(SA), Masters in Accounting (taxation)

Eight years on the board

Core skills: strategic planning, financial and commercial experience, senior corporate leadership experience, domestic affairs, strategic thinking and analysis, building and leveraging relationships, openness of communication, learning agility.

A G

Thabi Leoka (43)

Independent non-executive director

Qualifications: BA (hons), MA, MSc Economics and Economic History, PhD Economics

More than one year on the board

Core skills: strategic planning, global perspective, financial and commercial experience, strategic thinking and analysis, problem-solving, building and leveraging relations, openness of communication, people development, learning agility,

R G S

Roger Dixon (72)

Independent non-executive director

Qualifications: Pr.Eng. BSC (hons) Mining FSAIMM

More than one year on the board

Core skills: strategic planning, mining, mining technology, global perspective, strategic thinking and analysis, problem-solving, building and leveraging relationships, openness of communication, people development, learning agility.

G SD

Definitions of directors' core skills appear in our ESG report on page 132.

Board committees on page 133.

Non-executive

Norman Mbazima (63)
Chairman

Qualifications: BCom, CA(SA)

Three years on the board

Core skills: strategic planning, global perspective, financial and commercial experience, senior corporate leadership experience, strategic thinking and analysis, problem-solving, building and leveraging relationships, openness of communication, people development, learning agility.

N G SD

Mark Cutifani (63)
Non-executive director

Qualifications: BEng (mining)

Eight years on the board

Core skills: strategic planning, mining, mining technology, global perspective, senior corporate leadership experience, strategic thinking and analysis, building and leveraging relationships.

N

Nolitha Fakude (57)
Non-executive director

Qualifications: BA (hons) Psychology

Less than one year

Core skills: strategic planning, industrial sector experience, global perspective, senior corporate leadership experience, domestic affairs, strategic thinking and analysis, problem-solving, building and leveraging relationships, openness of communication, people development and learning agility.

R SD

Anik Michaud (54)
Non-executive director

Qualifications: LL.L (law)

Less than one year

Core skills: global perspective, sales and marketing, strategic thinking and analysis, problem-solving, building and leveraging relationships, openness of communication, people development and learning agility.

SD S

Executive

Natascha Viljoen (51)
Chief executive officer

Qualifications: BEng (extractive metallurgy), MBA

More than one year on the board

Core skills: strategic planning, mining, mining technology, senior corporate leadership experience, strategic thinking and analysis, problem-solving, sales and marketing, global perspective, learning agility.

SD

Craig Miller (48)
Finance director

Qualifications: BCompt (hons), CA(SA)

Two years on the board

Core skills: strategic planning, financial and commercial experience, sales and marketing, sustainability, global perspective, strategic thinking and analysis, problem-solving, people development, learning agility.

Resigned during the year

Stephen Pearce (58)
Non-executive director

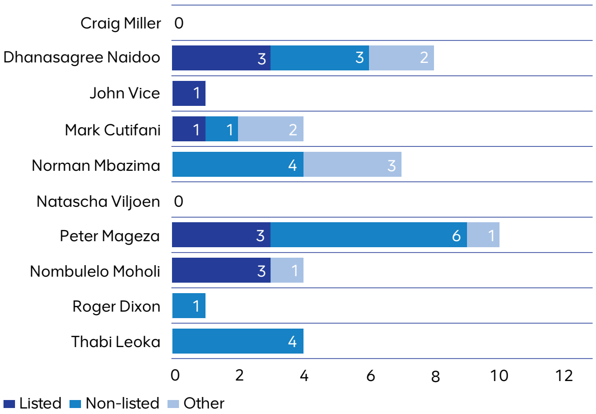
Tony O'Neill (64)
Non-executive director

Board committee membership

A	Audit and risk committee
G	Governance committee
N	Nomination committee
R	Remuneration committee
SD	Safety and sustainable development committee
S	Social, ethics and transformation committee
●	Committee chair

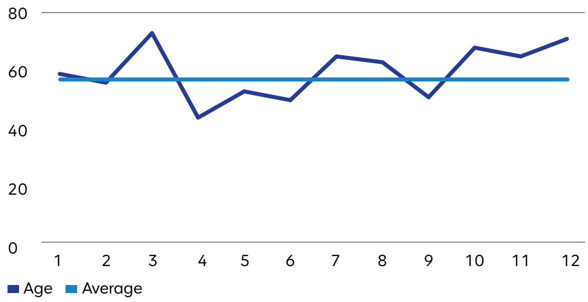
Our board profile

External directorships



There is no specific retirement age for directors. Overall board succession is assessed on the long-term and orderly rotation of directors to maintain an appropriate balance of knowledge, skills, experience, diversity and independence in the boardroom. The average age of the board is 58 years.

Board
(Age)

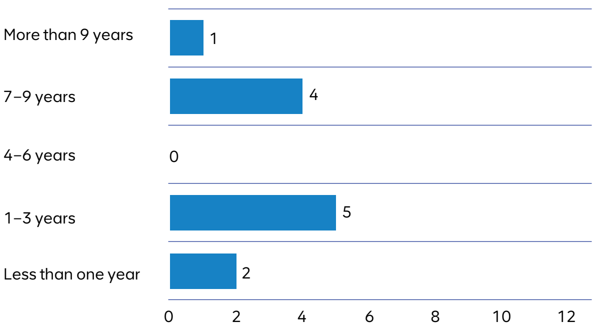


Tenure and experience

All directors are subject by shareholders to retirement by rotation. One-third of directors must retire by rotation from office every three years at the annual general meeting. New directors hold office only until the next annual general meeting at which they much retire. Directors who have served for more than nine years must retire annually. All retiring directors are eligible for re-election.

During the year, Stephen Pearce and Tony O'Neill resigned as non-executive directors and Nolitha Fakude and Anik Michaud were appointed in their stead. The current average board tenure is five years.

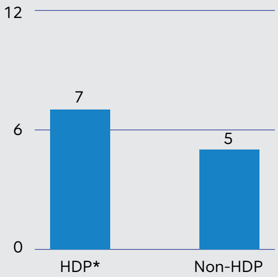
Board tenure
(Years)



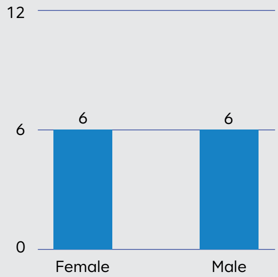
Diversity

The board believes having diverse members brings competing perspectives and enhances decision-making. Female representation on the board is 50%, up from 33% in the prior year. During the year, two female directors were appointed, exceeding our gender and race diversity target. HDP representation on the board is 58%.

Race



Gender

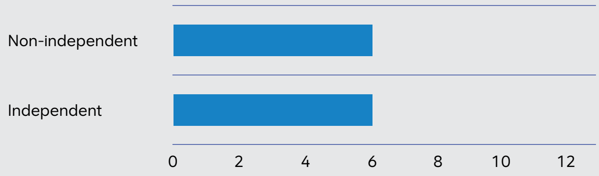


* HDP – Includes white female representation and previously disadvantaged persons.

Independence

The board has an even mix of independent and non-independent directors. Norman Mbazima is the chairman of the board and was not considered independent in the 2021 reporting period because he served as deputy chairman of Anglo American South Africa until 2019. Applying guidance from King IV, he will be considered independent from 2022. Peter Mageza is the appointed lead independent director. Directors serving more than nine years are subject to an annual independence assessment.

Independence



Independence is an important factor given our major shareholder and its representation on the board, but it is not the only factor considered for the board to be effective and efficient.

The board applies a holistic perspective to independence, considering total skills, experience, age and diversity required in terms of the board succession blueprint that supports its effective functioning. Determining independence is a subjective test, based on prevailing circumstances of the independence of the member in question, conflicts of interest (perceived or actual) and other relevant considerations.

Skills profile

Anglo American Platinum is a diverse company, with impact demands from areas such as industrial processes, markets, products and applications. We have made significant progress in attracting critical future skills in line with our succession blueprint. We developed our succession blueprint in 2018 when the board identified future critical competencies in support of the company's strategic priorities. In 2020, skills were diversified by appointing Thabi Leoka and Roger Dixon to boost the board's economic global perspective and technical mining technology knowledge. In the current year, the board appointed Nolitha Fakude and Anik Michaud, enhancing the board's global perspective, domestic affairs and sales and marketing insights.

Further focus areas downstream include skills in the mining and technology, sales and marketing and industrial sector domains.

Skills profile

Board effectiveness

We believe candid, robust discussion on its performance is essential to the board being able to provide oversight and counsel to management in support of its achievement of strategic priorities. A board-effectiveness review was conducted in March 2021.

Specific focus areas included:

- Assessment of board culture
- Effectiveness of board organisation and processes
- Guidance on the chairman and CEO relationship.

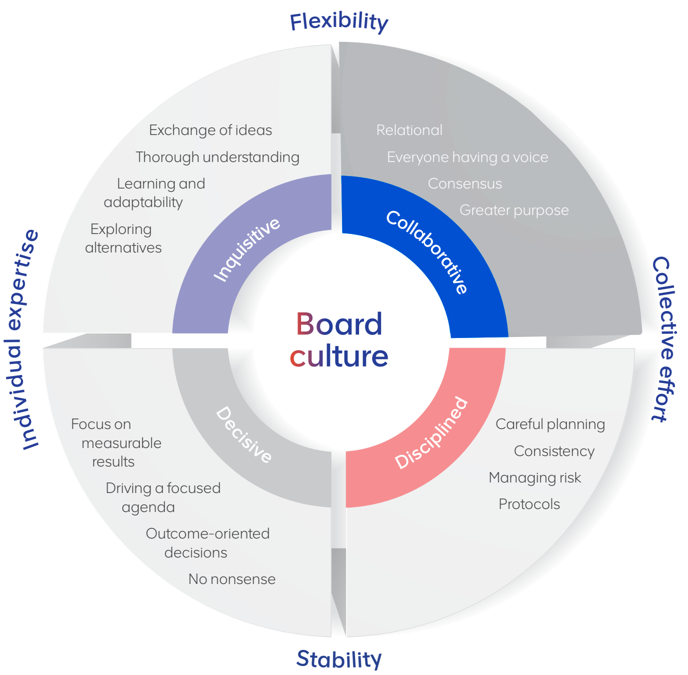
This was done via board-effectiveness questionnaires and a culture diagnostic survey, followed by individual director interviews. In addition, we used extensive benchmarking to review the board's structure, size, operations and composition against domestic and international comparator companies in the mining and extractive industry.

The assessment concluded that the board was effective in leading the current business, with opportunities to shift to a more future-focused approach. Key strengths identified were the board's relationship with the CEO and management, board culture and leadership, the role of the board and committees were clear and worked effectively. Areas still considered effective but which remained key focus areas to maximise impact, were board and management succession, alignment on KPIs individual development plans for directors and ensuring the board's skills profile remains relevant. This is guided by our board-succession blueprint that has identified our future critical competencies in support of the company's strategic priorities.

Board culture

The board assessed and mapped its culture to better understand its underlying value that influences the style of discussion, quality of engagement and trust among directors as well as how it makes decisions.

The board's current culture is defined as collaborative, relational and aligned to a greater purpose, while focusing on measurable results and outcome-orientated decisions.

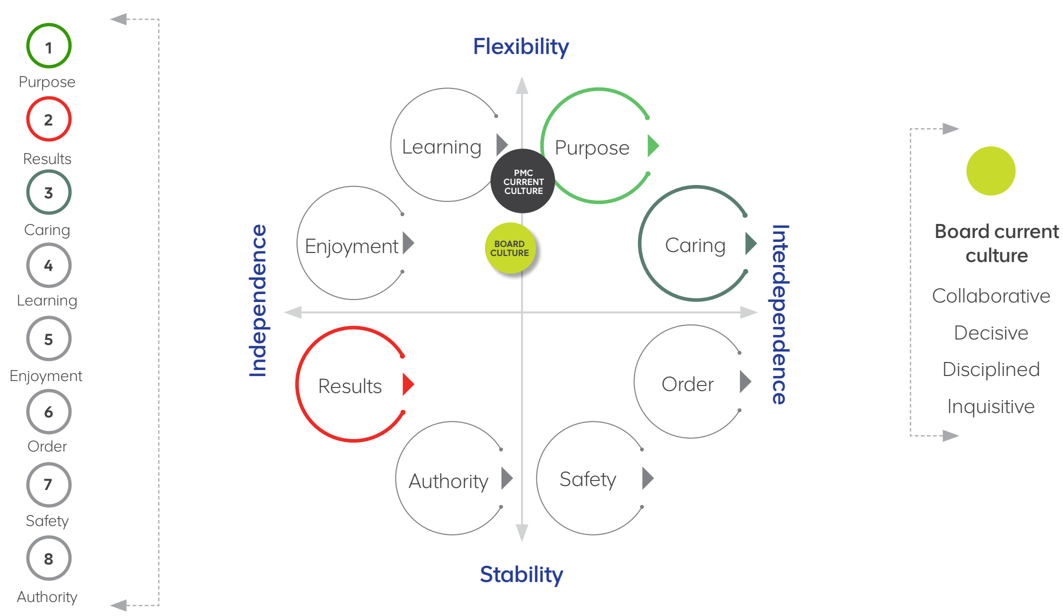


A culture diagnostic was conducted for both the board and platinum management committee (PMC) of Anglo American Platinum in late 2021 by an external leadership advisory firm. The outcomes indicated the board and PMC cultures are well aligned and provide a basis for healthy board and management dynamics.

Both the board and PMC cultures balance longer-term sustainability and collaboration with a focus on results and making effective decisions. The similarities and subtle, yet complementary, differences between the PMC and board cultures allow for effective engagement between executive and non-executive leadership.

Mapping leadership culture

In summary, the ranking of eight cultural styles is mapped into the underlying horizontal and vertical dimensions related to people and change to highlight key themes and allow for visual comparisons.



Board activities

The board typically has five meetings a year, with special board meetings and updates throughout the year as required. Each meeting follows a work plan specifically tailored to ensure the board discharges its duties in terms of the Companies Act, JSE Listings Requirements and King IV.

Strategy forms part of each quarterly board meeting in line with our 'always-on' approach as a means of influencing and monitoring strategic direction and our approach to risk management. A normal meeting comprises reports on current operating and financial performance; strategic progress; safety, health and environment (SHE); sales and marketing environment; community engagement; employee engagement; and governance updates.

		Strategic priorities			
Meeting attendance 100%	**Our approach to decision-making** – Anglo American Platinum has a detailed authority manual. The objective is to delegate transactional and contractual authority from the board to designated staff members at various levels. This provides effective and practical directives and guidelines for minimising or eliminating the company's possible exposure to risk. It also ensures staff members fully understand demarcated authorisation limits and strictly adhere to these. The governance committee provides oversight to this document and recommends its approval to the board annually.				
Key board discussions					
Board succession	– Appointment of Nolitha Fakude and Anik Michaud, replacing Tony O'Neill and Stephen Pearce as controlling shareholder-nominated directors on the board – Obtained feedback on the board-effectiveness assessment and culture diagnostic assignment.		●	●	
Work-in-progress (WIP) inventory	– Monitored work-in-progress inventory-reduction plans arising from inventory increases after the temporary shutdown of the Anglo converter plant (ACP) in 2020.			●	●
Covid-19	– Received updates on management's response plan to Covid-19 and its impact on the business, including the roll-out of vaccination plans – Approved R400 million to extend WeCare programme in a way that considers recent social unrest and the significant impact of Covid-19 on employees and supporting companies directly impacted, with a focus on small and medium enterprises.	●		●	
Corporate transactions	– Received updates on corporate transactions aimed at continued value creation in our assets. The board approved the sale of its interest in Bokoni Platinum Mines.			●	●
Budget and business plan approval	– Approved 2022 and five-year business plan, considering macro-economic assumptions and commodity prices – Approved capital allocations and projects, notably the Mototolo/Der Brochen life-extension project.	●	●	●	●
Strategic review	– Strategy engagement session to consider the strategic context in terms of macro-economic and commodity outlook, PGM supply – Monitored strategy delivery and considered strategy development – Received regular reports on the marketing environment, long-term outlook, as well as marketing and market and product development activities.	●	●	●	●

Key board discussions continued		Strategic priorities			
Risk review	– Held a board risk workshop, noting the materiality process integration and considered the executive risk landscape and key operational risks – Agreed the risk appetite and tolerance levels.	●	●	●	●
Asset integrity and infrastructure review	– Reviewed the asset integrity and reliability strategy as a key enabler to ensure safe, predictable and sustainable operations.			●	
Supplier contract approvals	– Approved material contracts having significant commercial, strategic value or technical innovation as required.	●	●	●	●
Annual financial statements, interim statements and integrated annual report	– Ensured appropriate financial procedures are in place and operating – Assessed key accounting matters and disclosures impacting the financial statements and integrated annual report – Approved dividend declarations in line with dividend policy and considered payout ratio and special dividend payouts.	●	●	●	●
Assessed solvency liquidity	– Considered the solvency and liquidity test for the purposes of approving a dividend and issuing financial assistance to interrelated companies – Resolved that the company is both solvent and liquid.				●
Operational and financial performance	– Received regular updates on key performance areas of SHE, financial performance, production, sales and marketing, culture and organisational effectiveness, human resources and social performance.	●	●	●	●
Investor feedback	– Received reports on investor sentiment and areas of concerns arising from investor roadshows.	●	●	●	●
Committee feedback	– Received feedback on the decisions and activities of each committee on the salient matters as they apply to their remits.	●	●	●	●
ESG-related matters	– Received feedback on the outcome on key environmental and social studies in relation to investigating sources, impacts and solutions to nitrates, generally in Limpopo province and surrounding the Mogalakwena operation – Received updates on voluntary resettlement progress and addressing legacy issues.	●			

Focus areas for 2022

- Board succession and skills matrix assessment
- Strategy engagement and development
- Risk
- Operational efficiencies
- Financial performance
- Climate change and hydrogen economy
- Organisational effectiveness
- Future of Mogalakwena
- Ongoing management of the Covid-19 pandemic
- Business plans and capital allocation

Board committees (B)

The board has a unitary structure and has formed committees to assist in discharging its duties. The roles and responsibilities of these committees are formally defined to determine how authority is exercised and decisions taken. Each committee has terms of reference delegating specific responsibilities and authority on behalf of the board. The chairs of these committees report on their activities at each quarterly board meeting. All terms of reference are reviewed annually. The committees are interrelated and provide feedback to each other on salient matters as these apply to their remits.

Detailed reports from the committee on their activities are included in the ESG report from pages 139–180.

Board committees (B)

Social, ethics and transformation (S)

- Monitors and oversees establishment of an ethical culture and good corporate citizenship
- Reviews transformation initiatives
- Reports to shareholders on developments and progress
- Oversees social and labour plan implementation.

Remuneration (R)

- Establishes principles of remuneration and determines remuneration of executive directors and executive heads; considers, reviews and approves group policy on fair and responsible remuneration practices across the group and communicates this to stakeholders in the integrated annual report.

Audit and risk (A)

- Monitors adequacy of financial controls and reporting
- Reviews audit plans and adherence by external and internal auditors
- Ascertains reliability of the audit
- Ensures financial reporting complies with International Financial Reporting Standards and Companies Act
- Reviews and makes recommendations on all financial matters
- Nominates auditors for appointment
- Monitors the company's appetite for risk and tolerance
- Access independence of external auditors.

Nomination (N)

- Makes recommendations on appointments to the board, composition and succession planning.

Safety and sustainable development (SD)

- Develops frameworks, policies and guidelines for S&SD management and ensures implementation
- Monitors safety and health of employees and impact of company operations on the environment.

Governance (G)

- Monitors status of governance in the company, particularly:
- Related-party transactions and funding arrangements with the major shareholder
- Any unresolved disputes under master services agreement between Anglo American Platinum and major shareholder
- Issues involving a conflict of interest
- The committee comprises solely independent non-executive directors, led by Peter Mageza, lead independent non-executive director. It meets twice a year or more often as required.

Attendance at meetings: 100%

Platinum management committee (PMC)

The PMC provides organisational direction on behalf of the board and advises the board on decisions and business matters including strategic planning, policy, investment and risk. The committee follows an annual work plan to confirm that all relevant matters are addressed.

Natascha Viljoen (51)

Chief executive officer

Qualifications: BEng (extractive metallurgy), MBA

Appointed in April 2020

Prior to her appointment as CEO, Natascha had been group head of processing for Anglo American since 2014. She has extensive industry experience, including serving as an executive committee member of Lonmin and general manager at BHP.

Natascha serves on advisory boards of the chemical engineering faculties at the South African universities of Cape Town and Stellenbosch as well as Queensland University's JKMRC (Julius Kruttschnitt Mineral Research Centre) in Australia. She was a non-executive director of Kumba Iron Ore.

Craig Miller (48)

Finance director

Qualifications: BCompt (hons), CA(SA)

Appointed in April 2019

Craig joined Anglo American Platinum from Anglo American plc where he served for 19 years. He was Anglo American's group financial controller from June 2015, before which he held various roles including chief financial officer of Anglo American Iron Ore Brazil and chief financial officer of Anglo Thermal Coal.

Riaan Blignaut (50)

Executive head: asset strategy and reliability

Qualifications: BEng (mechanical), MBA

Appointed in June 2020

Riaan brings over 25 years' experience in engineering management, asset management, concentrators, smelters, business optimisation and furnaces at Anglo American Platinum, Lonmin and BHP Billiton.

Yvonne Mofolo (54)

Executive head: corporate affairs

Qualifications: BA communication

Appointed in June 2020

Yvonne joined the company from Kumba Iron Ore where she was executive head of corporate affairs from 2011. She previously filled the same role at Anglo American Coal South Africa. Her experience spans both the private and public sectors. Prior to joining Anglo American, Yvonne was chief director of communications at the Department of Minerals and Energy, where she worked for nearly a decade. She also served as the ministerial spokesperson.

Chris McCleave (45)

Executive head: technical and operational excellence

Qualifications: BEng (mining), MBA

Appointed in January 2021

Chris brings over 20 years' experience in mine engineering, technical services, and mine management, including multiple-site regional accountability. He has worked with large teams to deliver ambitious operational excellence and SHE results through strong leadership and technical capability. He has worked for Glencore, BHP Billiton and Rio Tinto in Australia and South America, and is adept at navigating in complex, matrix environments.

Prakashim Moodliar (54)

Executive head: projects and environmental

Qualifications: BSc (chemical engineering), executive development programme

Appointed in March 2019

Prakashim is a project management professional with over 25 years' experience in defence, power-generation and the fast-moving consumer goods manufacturing sectors. Most recently, he worked at ABInBev Africa as the Africa zone projects manager, responsible for leading a large, multidisciplinary team focused on project development and execution in Africa, with a US$650 million portfolio. Prior to that he worked for SABMiller, Eskom and Armscor, where he strategically led and successfully delivered large-scale projects locally and internationally.

* Gordon Smith retired in 2020 as executive head: technical, safety and sustainability.

Gary Humphries (56)

Executive head: processing

Qualifications: PrEng, BSc eng (chem), BCom, MBA

Appointed in January 2017

Gary joined the company in 2001 as manager: concentrator optimisation. He has held numerous technical and operational roles, most recently as head: process control and concentrator technology. Prior to that, he was a senior consultant at SRI Consulting (Zurich), and worked at Fleming Martin Securities and AECI.

Hilton Ingram (51)

Executive head: marketing, PGMs, Anglo American plc

Qualifications: BSc eng (met & mat) (Wits), MBA (UCT)

Hilton first joined Anglo American's De Beers subsidiary in 1994 and has had a varied career in mining, leading teams in South Africa, Namibia, Botswana, Canada, Singapore and the UK. He joined the company in 2011 as head of precious metals and marketing and has been instrumental in leading the company's journey from precious metals to integrated miner-trader. Hilton was promoted to his current position in 2017.

Virginia Tyobeka (56)

Executive head: Human Resources

Qualifications: BAdmin (hons), MAP

Appointed in August 2021

Virginia joined Anglo American Platinum from Kumba Iron Ore, where she was executive head of human resources from 2010. She was previously HR director at Afrisam South Africa Limited. With over 15 years' executive experience in human resources in the mining and manufacturing industries, she brings extensive experience in executing transformational and mission-critical projects and initiatives to turn around business performance.

Elizna Viljoen (46)

Company secretary

Qualifications: BCom, FCIS

Appointed in May 2013

With over 23 years' experience in the company secretarial field in consulting and in-house positions, Elizna has been exposed to corporate transactions across the industrial, mining, information technology and telecommunications sectors. She joined Anglo Operations Proprietary Limited in 2013 where she is responsible for running the company secretarial teams at Anglo American Platinum and Anglo American South Africa, serving their boards and board committees, and ensuring compliance with JSE Listings Requirements, the Companies Act and governance best practice.

Participates by invitation

Benny Oeyen (60)

Executive head: market and product development, PGMs, Anglo American plc

Qualifications: MEc (magna cum laude) (KU Leuven), EMP (Insead, CU)

Benny has lived and worked extensively around the world. Before joining Anglo American Platinum, Benny held key positions in the automotive industry where his speciality lies in product planning, strategy and marketing.

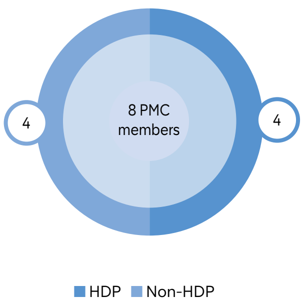
Resigned during the year

Lorato Mogaki (52)

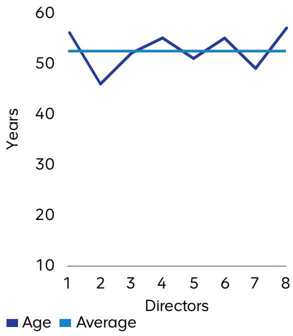
Executive head: human resources

Group PMC demographics

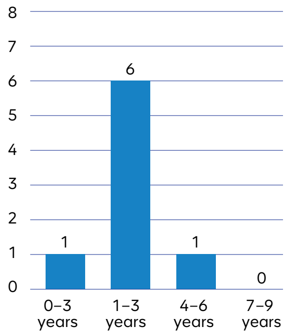
(%)



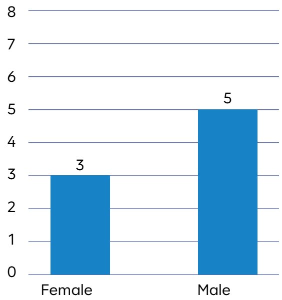
PMC age



PMC tenure



PMC gender



Operating context, stakeholders, risks and opportunities

Clear strategy and defined targets ensure we take a long-term view in creating value for all stakeholders

Key disclosures in this section

Chief executive officer's review

I am confident these results continue to position us as an industry leader, committed to our purpose of **re-imagining mining to improve people's lives**, in ways that go beyond the everyday business of mining and, just as importantly, creating enduring value for all our stakeholders.

Natascha Viljoen
Chief executive officer

Zero
fatalities at managed mines and Modikwa

Refined PGM production up
89%
to 5.1 million ounces

Record EBITDA of
R108bn
and headline earnings of R300 per share, up to R79bn

Industry-leading returns to shareholders of
R80bn

Leader
in multiple independent ESG ratings

For the 2021 financial year, the Covid-19 pandemic continued to rewrite our daily lives and challenged us to lead through uncertainty in delivering our strategic objectives.

I am grateful that we completed the year fatality-free at our own-managed operations and non-managed joint operation, Modikwa. This is an important milestone in keeping our employees safe, while we progress towards our ultimate aim of zero harm. Sadly, we had two fatalities at the non-managed Kroondal operation. Keeping our people safe is our highest priority and we will continue to eliminate fatalities and work towards zero harm in protecting the health and wellbeing of our people. Pleasingly, over 70% of our workforce (employees and contractors) have now received the first dose of the Covid-19 vaccine.

I am proud of our record financial performance in 2021, driven by high margins due to a favourable rand PGM basket price and increased sales volumes on the back of stable processing operations.

I am confident these results continue to position us as an industry leader, committed to our purpose of **re-imagining mining to improve people's lives**, in ways that go beyond the everyday business of mining and, just as importantly, creating enduring value for all our stakeholders.

At a practical level, this means being unequivocal about safety. Exceeding benchmark performance at every operation is the first step to deliver on our purpose. Extracting optimal and sustainable value from the resources we are entrusted with enables us to deliver sustainable value to all stakeholders. We understand that the lives and livelihoods of our host communities are inextricably linked to ours. As such, it is our duty to understand and respond to the challenges and vulnerabilities our employees and host communities continue to endure because of Covid-19. **This is something we can only achieve in collaboration with our industry peers, the private sector, civil society, unions and government in a social compact.**

It also means taking a hard look at ourselves and taking stock of areas for improvement.

We are aware of the gender-based violence, harassment and discrimination issues in our industry and globally, including the many and complex ways they manifest in our own business. While we understand the scale of the work ahead, we are proud of again being included in the 2022 Bloomberg Gender Equality Index – an important acknowledgement of our commitment to do more.

Drawing on our strategic objective to lead in ESG, we have strengthened our ESG commitments by embedding these into our capital-allocation process. This will ensure we meet our targets of a 30% reduction in scope 1 and 2 carbon emissions by 2030, reducing our abstraction of water from scarce resources by 50% by 2030, and achieving carbon-neutrality by 2040.

From a mine-performance perspective, I am excited about our upcoming projects, including the launch of the hydrogen-powered fuel-cell mining haul truck, part of our zero-emissions haulage project at Mogalakwena; Amandelbult's zero harm journey to modernise and mechanise; the Mototolo/Der Brochen life-extension project; Unki's delivery of additional value through the debottlenecking project; and building the future of Mogalakwena. In addition, we achieved record refined production from our processing assets, supported by a strong ACP performance after challenges in 2020.

Although the world around us is changing, I believe we are getting stronger, reinforcing our value proposition as a leading precious metals producer with a major role to play in enabling the transition to a low-carbon world.

We have made great strides in delivering on our strategic priorities, as our results illustrate. It is important to acknowledge that absolutely none of this is ever possible without our people, and I thank every one of our colleagues for helping us go beyond resilience and to thrive through whatever changes we are faced with.

Progress on our strategy and desired culture

In 2020, we adapted our strategy-setting process to be more dynamic and agile, allowing ourselves to proactively adapt to changes in the local and global environment. This is underpinned by our four strategic priorities:

- Lead in ESG
- Stimulate new markets and leveraging new capabilities
- Go beyond resilience, thrive through change
- Maximise the value from our core.

Our focus on the delivery of these strategic priorities, inspired by our purpose and in line with our values, is creating value for all our stakeholders.

As we continue to identify and balance the urgent and important work of our business, we have made strides in addressing the effectiveness of our company to activate meaningful organisational change. This is creating simplicity, with well-defined work and clearly defined accountabilities for our people to be capable in their roles, supported by a framework that drives accountability.

We acknowledge that culture is the environment we create to enable people to bring their best selves to work every day and it is at the core of our success for strategic delivery. We call this **Culture in Action** – our intentional journey to **lead with purpose, gain strength from our core values and develop high-performing teams to make it happen**. We are committed to three foundational actions in honing this focus:

Treat one another with trust and respect

Listen to all voices with fairness and humility

Live up to our promises with positive accountability

A leader in ESG

We want to lead in ESG. We realise our environment and social impacts are core to our strategy, as are the ways of working and how we allocate capital. We believe there is noteworthy value at stake, and we will invest to achieve shared value for all our stakeholders. However, to truly lead in ESG, this work and our investment rely on the integrated delivery of all four strategic priorities. We must operate with efficiency and enhance relationships with our host communities to lead in co-creating thriving communities and a future that is carbon-neutral.

We aim to deliver on three pillars of our sustainable mining plan by: developing trust as a corporate leader through ethical value chains with improved accountabilities in the communities where we work; enabling thriving communities by improving health, quality of education and access to employment and other opportunities; and maintaining a healthy environment by creating waterless, carbon-neutral mines to deliver positive biodiversity outcomes.

Stimulate new markets and leverage new capabilities

We will stimulate new markets through our market and product development activities to boost existing demand and leverage new capabilities to capture value from adjacent value chains. Our approach to market and product development is to discover, nurture, scale and sustain a sufficiently diverse set of new and existing demand segments. We have progressed in our initiatives to create demand for platinum jewellery and accelerate the adoption of PGM-enabled hydrogen technologies. We continue to facilitate the development of diversified markets for PGMs by pursuing attractive, but largely unproven, potential new demand segments distinct from recognised industrial applications (eg carbon-neutral feedstocks, low-loss computing/electronics, and next-generation battery technology, as well as food and medical technology). In addition, we are actively looking for ways to participate in adjacent value chains to capture additional value.

Go beyond resilience, thrive through change

We will go beyond resilience and thrive through change in our business to maintain zero fatalities, ensure zero harm and enable sustainable value creation. The way in which we express the strategic intent of this priority has been amended to reflect the shift we have made over the last two years. We are in a position of strength, having delivered on the foundational aspects of our business to one that is now safer, more stable and capable, with innovative delivery through FutureSmart Mining. We will build on the maturity of our operating model and ensure we maintain the integrity of our assets to transform performance, increase the resilience of our operations and enable value creation.

Maximise value from our core

We will maximise value from our core portfolio of competitive mining and processing assets through operational and marketing excellence, modernisation, and deploying technology to ensure we remain resilient through commodity price cycles. We are setting new benchmark performance with the modernisation and mechanisation work at Amandelbult, our investment in the development of Mototolo and Der Brochen, and with the long-term sustainable growth to deliver the future of Mogalakwena.

Operational and financial performance

For the 2021 financial year, we delivered record operational and financial performance. We had a strong recovery at our mining operations, increasing our metal-in-concentrate (M&C) production 13% to 4.3 million PGM ounces from 3.8 million PGM ounces in the prior year. We achieved record refined production from our processing assets, refining 5.1 million PGM ounces (5.8 million PGM ounces including tolling), up 89% from 2020, buoyed by above-plan performance at ACP phase A and a drawdown of furnace matte stocks. This performance enabled us to increase our sales volumes to 5.2 million PGM ounces, up 82% on 2020.

With ACP phase A operating strongly in FY21, we released most of our built-up work-in-progress inventory from 2020 by year end.

As a result of this excellent operational performance, we are pleased to report a record set of financial results (pages 100–103). Salient features include

- Adjusted EBITDA of R108.4 billion, driven by higher US$ PGM prices and sales volumes
- Net cash of R49.1 billion
- Return on capital employed (ROCE) of 183% compared to 72% in 2020
- Record headline earnings of R79 billion (R300 per share)
- Project and stay-in-business (SIB) capital expenditure of R10.6 billion
- Underlying unit costs of R12,831/PGM ounce were up 9% year on year, largely due to higher input cost inflation from labour, electricity and consumables
- Second half dividend declared of R33 billion or R125 per share. The second half dividend is payable to shareholders on 14 March 2022
- Full-year dividends declared of R80 billion or R300 per share equivalent to a payout ratio of 100% of 2021 headline earnings.

People and our employee value proposition

Our people make it all happen. Their skills, energy and commitment are central to achieving our purpose and strategic objectives. In return, we concentrate on their development and wellbeing in a work environment where they are heard, and where they can realise their full potential.

The quality of our relationship with our unionised workforce is reflected in zero industrial action at any site in FY21. A three-year wage agreement with recognised unions extends to June 2022, with non-union affiliated employees receiving a 3.5% increase for 2021. This supports the sustainability of our business through typical PGM price cycles, while our employees benefit from meaningful pay and other associated benefits.

As part of our shift to modernisation and automation, we are recruiting appropriate skills for our mines while developing and training existing employees. In 2021, we spent 6.6% of total payroll on training and development compared to 5.05% in the prior year. As we build capability to support the culture shift, Anglo American Platinum benefits from a higher-skilled and more efficient workforce. We measure this as productivity (PGM oz/employee), which rose to 108.7 in 2021 from 97.2 in the disrupted prior year and 114.1 in 2019. In addition, we are committed to fully supporting economic activity in the communities around our mines and are targeting the creation of five off-site jobs for every on-site job at our operations.

Transformation is a societal and business imperative, as well as a key compliance element in the South African mining industry. Our focus is on inclusion and diversity, with a targeted approach to building our skills pipeline. In 2021, the representation of designated groups at senior management level improved to 58% (FY20: 55%), middle management rose to 76% (FY20: 73%), junior management to 85% (FY20: 83%) and female representation rose to 21% (FY20: 19%).

Employee share ownership is an important element of transformation. In terms of the 2018 employee share ownership plan agreed with employees and unions, our people received cash of R9,000 in 2018. In 2019 and 2020, they received R8,000 (50:50 cash and shares) each year. In 2021, the 2019 allocated shares vested and gross proceeds paid to each employee were R5,658.

In line with our values, we offer meaningful employee benefits that have been widely recognised by our stakeholders. In recent years, hundreds of our people have benefited from a range of housing schemes, in addition to thousands who live in company-owned accommodation. All our people and their dependants have access to quality healthcare and financial wellness programmes.

Through Alchemy, our community development trusts have equity ownership in Anglo American Platinum. After the early settlement of notional vendor finance agreements last year, the trusts now hold around 1.4 million unencumbered company shares, valued at some R2 billion at year end. Through established governance structures, we are working with the respective trustees to advance broad-based community development, including infrastructure, education and health projects that will improve livelihoods, funded by dividends received as shareholders. This is detailed in our ESG report.

Sustainability through socially responsible operations

We are committed to making meaningful economic contributions to our stakeholders and broader society. Throughout 2021, our role as a responsible corporate citizen saw us make an economic contribution to society of R148 billion. This included paying taxes and royalties of R35 billion. In addition, we spent R28 billion on local procurement; R2 billion on social and community commitments, including Covid-19 support; R14 billion on wages and salaries; R14 billion on capital investment; and paid out R56 billion in dividends declared for H2 2020 and H1 2021.

There is a legacy of underdevelopment and high unemployment in the communities around our operations. Although we cannot address this alone, we are determined to play a meaningful role and work with government in reshaping and leading the industry in creating shared value.

Our role is to extract sustainable value from the resources entrusted to us and we will jointly shape sustainable livelihoods for our communities through a shared vision, collaborative local and regional socio-economic development, and a focus on what 'meaningful existence' truly means for our communities and stakeholders.

To achieve this ambition, which far exceeds regulatory compliance, we require government to create and maintain a stable operating context and work with the private sector to address societal needs. It is both a business and moral imperative which depends on improving the quality of our engagement with communities that are essential stakeholders in the sustainability of our mines. Our mine communities grant us our social licence to operate and are critical to building sustainable, responsible operations.

Markets for PGMs

A detailed review of our markets begins on page 50. In summary, PGM prices were robust (some at record levels) and remain above long-term averages. Higher mine supply and chip shortages saw platinum and rhodium move into surplus, while palladium's deficit was cut substantially.

> Stronger prices for specific metals drove the US dollar basket price up 36% to US$2,761 per PGM ounce. The rand appreciated during the year, meaning the rand basket price rose 22% to R40,511/oz (2020: R33,320). Individually, all PGMs averaged more in 2021 than 2020.

While chip shortages remain an issue for the automotive sector at present, the outlook is for improving vehicle production volumes over 2022, particularly in the second half of the year. Industrial demand for our metals again looks set to be healthy. Although there are challenges to demand in the medium term from the growing share of electric vehicles, we believe this versatility will give rise to attractive longer-term supply and demand fundamentals. At the same time, organic growth and measures to develop the PGM market are expected to support sustainable demand for these metals. In addition to known demand sectors, our metals are still young and our product development work targets the attributes of these metals and their important role in a greener and healthier future.

Operational and financial outlook

Given the record refined production performance in 2021, which depleted most of the built-up WIP inventory from 2020, refined production guidance for 2022 is 4.2–4.6 million PGM ounces. This refined production is in line with expected M&C production of 4.1–4.5 million PGM ounces as well as completing the drawdown of the WIP build. The first full rebuild of the Polokwane smelter is scheduled for the second half of 2022. This rebuild is in line with our asset management strategy and our strategic priority of going beyond resilience and thriving through change across the asset base and the business.

M&C production in 2022 will be impacted by planned maintenance, particularly at the Mogalakwena south concentrator, which is aligned to downtime at the Polokwane smelter. As a result, M&C production for 2022 is expected to be 4.1–4.5 million PGM ounces.

Unit cost guidance for 2022 is R13,800–R14,500 per PGM ounce, which reflects expected ongoing inflationary pressures in 2022 and increased physical mining activities at Mogalakwena. We remain committed to maintaining a strong balance sheet through the cycle by focusing on approved projects that support our strategic priorities and delivering sustainable returns.

I welcome Virginia Tyobeka who joined Anglo American Platinum in August as executive head: human resources after a sterling performance in the same role at sister company, Kumba Iron Ore. Virginia takes over from Lorato Mogaki and I thank Lorato for her contribution of over 15 years with the company.

Our record results reflect the commitment, resilience and determination of all our colleagues at Anglo American Platinum. My sincere thanks to every one of you and my platinum management committee for your support and commitment.

The collective expertise of our directors is a distinct competitive advantage, and we deeply appreciate their counsel and insight. There are clear benefits from increased engagement between the board and management committee in realising the company's full potential.

The ongoing support of our stakeholders, suppliers and customers is much appreciated. With your input, we are well on the path to realising our purpose of re-imagining mining to improve people's lives.

Natascha Viljoen
Chief executive officer

Johannesburg
17 February 2022

Business model

Capital inputs

Financial
- Available committed facilities of R20.9bn
- Committed undrawn facilities of R20.8bn
- Net cash of R49.1bn
- Trade working capital of negative R4.2bn.

Manufactured
- Technical capability
- Deploying technical expertise to optimise Ore Reserves
- Sales and marketing
- Mining rights
- Capital investment
- Technology advancements
- Market and product development.

Intellectual
- Intellectual property applied to new mining equipment
- Intellectual property and technological advancements in processing
- Elimination-of-fatalities taskforce to create safer work environments
- Company culture
- Brand and reputation.

Human
- Workforce of 25,538
- Strong leadership team
- Reskilling workforce for modern mining environment
- Constructive relations with labour unions
- Culture of care and respect
- Diverse and skilled board.

Social and relationship
- Maintaining social licence to operate
- Constructive engagement with key stakeholders
- Collaborative partnership
- Local procurement
- Increased community engagement to build relations.

Natural
- Largest precious metal Mineral Resource base globally
- Water
- Energy and land
- Biodiversity
- Clean air.

Risk and opportunities impacting the business

☑ Liquid balance sheet
☑ Disciplined capital allocation
☑ Unit cost

☒ Disrupted supply chains
☑ Robust forward planning

☒ Key skills shortage
☑ Employer of choice

☒ Employee wellbeing in pandemic
☑ Co-creating company culture

☒ Community unrest
☑ Enhancing relations with mine communities

☒ Rising energy costs
☒ Security of supply (power, water)
☑ Renewable energy plan

Business activities

1 Ore Reserves and Mineral Resources
Largest precious metals Mineral Resource base globally – Bushveld Igneous Complex (South Africa), Great Dyke (Zimbabwe)

2 Mining
Open pit, underground, mechanised, conventional with diverse prill splits

3 Processing
Seven concentrators, four smelting complexes, one Base Metals Refinery, one Precious Metals Refinery processing own-mined and joint-operations material

4 Sales and marketing

5 Market and product development

6 Rehabilitation and environmental stewardship

Governance
Governing the value-creation process through a board that:
- Steers and sets strategic direction
- Approves planning, policy and budget
- Oversees and monitors
- Commits to ethical leadership and behaviour and responsible mining
- Ensures accountability
- Ensures appropriate remuneration for performance.

☑ Fully achieved ^ Partially achieved ☒ Not achieved

Key enablers driving value creation

- Achieving safe production by creating a resilient safety culture
- Healthy and productive workforce by managing risk exposures
- Effectively managing resources, with reduced environmental impact
- Focus on leadership, culture and skills development for an engaged, collaborative and team-based workforce exposures, including chronic disease
- Systems and processes set up to enable optimal performance through organisation model
- Socio-economic development to create sustainable communities, and become a trusted partner via our sustainable mining plan
- Achieving best practice, modernisation and innovation across our value chain.

Revenue drivers

PGM prices: We ensure a premium for quality products
PGM sales: Volumes were higher due to global demand
Rand/US dollar exchange rate: A weaker rand boosted local revenue for US dollar-based PGM prices
Potential for revenue differentiation:

- Ability to achieve premium for superior quality
- Effective marketing driving higher price realisations
- FutureSmart Mining improving efficiencies
- Good prill split and product mix enables diversified customer base
- Market and product development generates new demand and enhances current demand for PGMs
- Enhancing final product quality by upgrading processing capabilities
- Strong ESG performance = preferred supplier and premium prices.

Cost drivers

To maintain the current value proposition		
Energy (diesel and electricity)	Social investments	Maintenance
Capital expenditure	Consumables	Drilling, blasting and hauling
Contractors	Rehabilitation	Beneficiation
Labour	Corporate overheads	
To expand the value proposition		
Capital expenditure	Exploration	Marketing

Capital allocation

- Framework
- Stringent controls
- Embedding ESG metrics into the framework.

Sensitivity analysis 2021

EBITDA impact of 10% change in price	Rm
Platinum (US$/oz)	3,527
Palladium (US$/oz)	5,872
Rhodium (US$/oz)	7,962
EBITDA impact of 10% change in exchange rate	
South African rand/dollar	16,824
EBITDA impact of 10% change in PGM 5e+Au volumes	
PGM 5e +Au ounces	9,113

Moderate assurance High assurance

Capital outcomes

Financial

- ☑ R79bn headline earnings = 100% returned to shareholders
- ☑ SIB of R7.3bn and project capital of R3.2bn. Sustaining capital of R10.8bn
- ☑ ROCE 183%

Manufactured

- ☑ R500m invested in new mining technology Amandelbult = 20% improvement in half levels where cycle mining is rolled out
- ☑ R7bn approved in expansion and breakthrough capital from 2022 to 2025

Intellectual

- ☑ Investment in mining technology
- ☑ FutureSmart Mining technology expenditure
- ☑ Project studies for Mogalakwena expansion
- ☑ cUS$70m spent in market development (includes cost capitalised)

Human

- ☑ Total social investment of R1.3bn
- ☑ R831m in training and development
- ☑ Maintained relations with labour unions

Social and relationship

- ☑ R2bn total social investment and community development spend including R400m on the WeCare programme
- ☑ Resetting community relations
- ☑ Constructive engagements with key communities

Natural

- ☒ 42,623Ml total water withdrawal, 68% recycled (moderate assurance)
- ☒ 20.81mGJ energy used (high assurance)
- ☑ 0.02kt hazardous waste and 0kt non-hazardous to landfill (moderate assurance)
- ☒ 119,669ha land used for operational activities

Managing our trade-offs for long-term value

To achieve our purpose, our business model focuses on effectively converting one capital (Ore Reserves and Mineral Resources) into value across all six capitals.

For over nine decades, we have invested our financial and human resources into mining, processing and marketing PGMs. These are converted into products that create value for stakeholders globally, while minimising our impact on the environment and society. The availability, quality and affordability of capitals affect our ability to achieve our strategic objectives and continue creating value. Managing the business to create shared value involves trade-offs – how value is shared between stakeholders, and how that value is created. Below, we summarise value created per stakeholder and trade-offs across the capitals in 2021.

Key trade-offs in 2021

Extracting a depleting resource	Description		
	By extracting metals, we deplete a finite natural resource and use scarce resources (such as water) in our processes. We minimise our impact on the environment through a number of initiatives. At the same time, by processing and marketing platinum group and base metals, supported by disciplined capital allocation, we aim to increase our financial capital while contributing significantly to our other capitals, particularly human, manufactured, social and relationship. By deploying FutureSmart Mining technology, we are making fundamental shifts in the precision of mining to further reduce the impact. The PGMs and base metals we mine make the modern world possible. Anglo American Platinum continues to develop several existing and new opportunity areas for our metals including hydrogen, battery and energy storage, carbon neutral feedstocks, waste and pollution control. We have clear targets for minimising our impacts on natural capital, detailed in the environmental section of our ESG report.		
Link to strategy	**Link to risk**	**Link to opportunity**	**Capitals affected**
– Maximise value from the core – Be a leader in ESG.	– Future demand and supply of PGMs	– PGMs to form part of new-world commodities	Financial ↑ Natural ↓

Asset integrity and reliability	Description		
	In 2020 and 2021, the cost of rebuilding our ACP units diverted financial resources from other longer-term projects. This challenge is now behind us, with ACP phase A performing above expectations since recommissioning in December 2020. The repair of phase B was completed in January 2022, with recommissioning in Q1 2022. This R776 million rebuild will enhance our manufactured capital by restoring a vital link in our integrated value chain. Read more in the finance review (page 92) and operations review (page 104).		
Link to strategy	**Link to risk**	**Link to opportunity**	**Capitals affected**
– Go beyond resilience, thrive through change	– Prolonged disruption in downstream production, including dependency on single converter at ACP – Failure to deliver the full potential of operating assets.	– FutureSmart Mining, digital	Financial ↓ Human ↑ Social ↑ Manufactured ↑

Protecting livelihoods	Description		
	In 2021, successive waves of Covid-19 lockdown measures impacted many livelihoods. This was further exacerbated by growing social unrest in South Africa, most starkly illustrated in the July riots and looting in KwaZulu-Natal, a province not linked to our operations. The ripple effects were significant. We extended our WeCare programme to mitigate the impact on employees and support companies directly affected, particularly small and medium enterprises. In total, we traded off R400 million in financial capital, but we believe the positive impact on our human and social capitals is a multiple of that monetary value. Please refer to our ESG report.		
Link to strategy	**Link to risk**	**Link to opportunity**	**Capitals affected**
– Be a leader in ESG	– Social licence to operate – Socio-economic/political instability or unrest.	– Improved relationships with employees and communities	Human ↑ Social ↑ Financial ↓

Managing urgent vs important work	Description The onset of the pandemic in early 2020 and incidents at the ACP meant we had to prioritise work to keep people safe, preserve their wellbeing and their livelihoods, and maintain the integrity of our asset base. That trade-off between financial capital on the one hand, and human, manufactured and social capitals on the other, will benefit all our capitals in the short to medium term. Detailed in this report, as well as our ESG report.		
Link to strategy – Be a leader in ESG – Stimulate new markets and leverage new capabilities – Go beyond resilience, thrive through change – Maximise value from the core.	**Link to risk** – Failure to deliver the full potential of operating assets – Failure to invest to secure and grow our leadership position.	**Link to opportunity** – FutureSmart Mining, digital effectiveness – Mogalakwena and Der Brochen expansion – Future of work and organisational effectiveness.	**Capitals affected** Financial ↓ Human ↑ Social ↑ Manufactured ↑

Safe production during Covid-19	Description Creating a safe work environment is a core value. Recognising the trade-offs between managing safety and health risks while promoting employee wellbeing, we maintain an integrated approach through close cross-functional collaboration. This has been critical in managing Covid-19 impacts by the urgent need to prioritise the health and safety of our people and that of our host communities, as well as maintaining production and operating our mines safely. We traded significant amounts of financial and manufactured capital, while delaying implementation of intellectual capital to ensure safe start-up of our operations after lockdown, protect our people and support our communities. This in turn will bolster our human as well as social and relationship capitals through productivity and improved employee relations, as well as enhanced trust with our community stakeholders. Please see the relevant capital sections in our ESG report as well as the CEO's review and mining and concentrator operations overview in the integrated annual report. Recognising the interplay between managing safety and health risks, and promoting employee wellbeing, we maintain close cross-functional collaboration to ensure an integrated approach. This has been critical in managing Covid-19 impacts.		
Link to strategy – Be a leader in ESG – Go beyond resilience, thrive through change.	**Link to risk** – Global health pandemic – Employee safety.	**Link to opportunity** – Future of work and organisational effectiveness	**Capitals affected** Human ↑ Financial ↓ Social ↑

↑ Positive ↓ Negative

How we reward performance

Anglo American Platinum's reward strategy evolves as the business landscape and our company evolves throughout the years. We believe it is crucial to ensure that our remuneration value proposition ensures strategic alignment to what we want to achieve and to ensure that we remain a sustainable and viable investment to shareholders.

Extending beyond the strategic business element, we consider our attraction and retention capabilities while remaining cognisant of the balancing principles of fair and responsible remuneration. We believe that our remuneration policy extends beyond reward and has direct links to an integrated human capital strategy and has the capability to drive desired results and support the short- and long-term business strategy. Our remuneration instruments and processes are structured to subscribe to the key remuneration principles underpinning our remuneration policy and align with the strategy, values and purpose of our business.

To ensure executive director performance outcomes align to shareholder interests, the determined pay mix of total remuneration earning potential is weighted heavily towards variable remuneration. Executive director variable remuneration is made up of a cash incentive, deferred bonus share plan (BSP) forfeitable shares, which vest over a total three-year period with the first one-third tranche vesting after year two, and a long-term incentive (LTI) which vests over three years. The variable remuneration is at risk as it includes performance conditions aligned to the business strategy, business plan and shareholder value-creation metrics. Only the BSP portion of variable reward carries no performance conditions and is used as a retention element in executive remuneration. The BSP share award value is determined by matching the award to the cash incentive value equivalent, which is determined by retrospective performance for the 2021 financial year.

Considering the key result areas (KRAs) applicable to short-term incentives (STIs), the cash incentive value and consequent BSP value is determined by achieving business performance outcomes which make up 70% of the total STI award for the CEO and FD. The 70% portion of the STI incentive is strongly aligned to the business KRAs which consist of financial, operational (production and cost) as well as safety, health and environment KRAs. The remaining 30% of STI earning potential consists of critical tasks. Achieving critical tasks is paramount to ensure sustainable mining, aligning to responsible corporate citizenship requirements and driving maximum value within the business unit. Long-term incentives have their own performance conditions that are different to the annual performance KRA.

Refer to the remuneration report in our ESG report.

Guiding principles of remuneration

Principle	Link to strategy	Link to stakeholders
Attract, motivate and retain high-quality and competent individuals who can integrate throughout various teams and enhance change within our business through specialised skills, knowledge and experience.		Our stakeholders are as much part of our business as our employees. It is therefore necessary that we attract and retain the right people with the necessary skills and expertise to effectively execute our business strategy, allow us to continue to create value for shareholders and to integrate and enhance the lives of the communities where we operate.
Reward structures are designed to echo our purpose and ambitions, align with our business values, link our performance to reward and ensure we are able to provide sustained value for shareholders.		We have a responsibility to our stakeholders when we design remuneration structures. We consider employee safety, the environment in which we operate and its impact on communities and the investment value for our shareholders. This enables us to remain a good corporate citizen and a leader in ESG sustainable mining.
Ensure that remuneration embodies principles that are fair, responsible, ethical and equitable.		Our business is made up of a diverse workforce. It is critical to remunerate our employees fairly and without discrimination. It is necessary to assure our shareholders that our remuneration policy has the necessary protocols in place to fairly remunerate employees, aligned to our business performance outcomes.

Chief executive officer and finance director scorecard summary

	Link to strategy	Impact on remuneration	Total remuneration element impacted	Impact on earning potential
Financial and operational performance				
Financials		Direct impact on total remuneration	Annual cash incentive and BSP share value. The maximum STI earning potential for the CEO is 250%: Cash incentive = 125% of base salary BSP = 100% of the cash incentive	67.50% of total STI. Total STI consists of 43% of total remuneration for the CEO
Production		Direct impact on total remuneration	Annual cash incentive and BSP share value. The maximum STI earning potential for the CEO is 250%: Cash incentive = 125% of base salary BSP = 100% of the cash incentive	40% of total STI. Total STI consists of 43% of total remuneration for the CEO
Cost		Direct impact on total remuneration	Annual cash incentive and BSP share value. The maximum STI earning potential for the CEO is 250%: Cash incentive = 125% of base salary BSP = 100% of the cash incentive	17.50% of total STI. Total STI consists of 43% of total remuneration for the CEO
Safety, health and environment		Direct impact on total remuneration	Annual cash incentive and BSP share value. The maximum STI earning potential for the CEO is 250%: Cash incentive = 125% of base salary BSP = 100% of the cash incentive	50% of total STI. Total STI consists of 43% of total remuneration for the CEO

Weighted total of scorecard = 70%

Critical tasks

Critical tasks are those required to be implemented in 2021 to ensure delivery against the strategic priorities. Critical tasks are binary (ie delivered or not) and need to be objectively assessable, and not subjective in nature. These tasks make up 30% of the overall performance scorecard, with the remaining 70% being made up of financial, operational and SHE targets. The maximum number of critical tasks is six, and the minimum three.

Weighted total of scorecard = 30%

The key results areas below for the CEO and prescribed officers translate into measurable key results areas (KRAs) that determine the variable component in their remuneration (see remuneration report from page 144 in ESG report).

Fully achieved | Partially achieved | Not achieved

KRAs	Outcome	2021	2020
A leader in ESG			
L4–5 environmental incidents	Fully achieved	0	0
Hazardous waste to landfill (tonnes)	Fully achieved	0.02	1.189
Hazardous waste to landfill (tonnes) **Problematic waste streams**	Fully achieved	14.7	–
Hazardous waste to landfill (tonnes) **Legal requirement (new)**	Fully achieved	7.72	–
Potable water intensity (m^3/tonnes milled)	Fully achieved	0.267	0.297
Energy intensity (GJ/tonnes milled)	Fully achieved	0.841	0.817
GHG intensity (tonnes/tonnes milled)	Fully achieved	0.183	0.178
CO_2 emissions (million tonnes)	Fully achieved	4.521	3.943
Critical tasks			
Sustainable mining: Update five-year sustainable mine plans by end of 2021 with 90% compliance with plan	Fully achieved	2/2	
Sustainable mining: Develop an execution roadmap to achieve the 2030 carbon-neutrality goals	Fully achieved	2.0	
Stimulate new markets and leverage new capabilities			
Jewellery – enhance direct engagement and value accrual to Anglo American Platinum	Fully achieved	1/1	
Investment – maintain fair share funding of WPIC and deliver against ounces plan	Fully achieved	1/1	
Hydrogen advocacy and communications – retain thought leadership positions in key jurisdictions and support related regulatory developments	Fully achieved	1/1	
Go beyond resilience, thrive through change			
Fatalities	Fully achieved	0	1
TRCFR	Not achieved	2.60	2.40
Noise-induced hearing loss (new cases)	Fully achieved	7	4
Regulatory employment equity targets	Partially achieved	*	
Critical tasks			
Elimination of fatalities and ensure zero harm: Develop a plan to eliminate fatalities and all injuries for approval in Q2 2021 by platinum management committee to be implemented during 2021	Partially achieved	1/2	
Asset integrity: Successfully complete the rebuild of ACP phase B by the end of Q3 2021	Fully achieved	2.0	
Organisational effectiveness: Design P101 structures and develop the required steps for implementation by H1 2021 with roll-out execution in Q4 2021	Fully achieved	1.0	
Organisational effectiveness: Comply with mining charter targets (2019-2024) for HDSA, diversity and inclusion with focus on placing HDSA and women in senior roles from band 3 to band 5 by the end of 2021	Partially achieved	1/2	
Organisational effectiveness: Complete roll-out of the Anglo American operating model programme by end of Q4 2021 across all assets	Fully achieved	1.0	

** Progress differs for employment level and regulatory framework (page 48 of ESG report).*

Key performance indicator (KPI)	Outcome	2021	2020
Maximise value from our core			
EBITDA margin (%)	Fully achieved	**50.5**	42.6
EBITDA (Rbn)	Fully achieved	**108.4**	41.6
EBITDA – fixed price (Rbn)	Fully achieved	**55.1**	8.8
Sustaining operating free cash flow (Rbn)	Fully achieved	**114.3**	22.5
Attributable ROCE (%)	Fully achieved	**183**	71.8
Headline earnings (Rbn)	Fully achieved	**79.0**	30.3
HEPS (cents/share)	Fully achieved	**30,042**	11,554
Net cash/(debt) (excluding customer prepayment (CP)) (Rbn)	Fully achieved	**22.9**	0.1
Trade working capital (Rbn)	Fully achieved	**(4.2)**	10.6
Unit cost (R/PGM oz)	Fully achieved	**12,831**	11,739
Cash operating costs (Rbn)	Partially achieved	**40.1**	33.4
PGM produced M&C oz (000)	Partially achieved	**4,299**	3,809
PGM refined oz excluding tolling (000)	Fully achieved	**5,138**	2,713
Critical tasks			
Portfolio: Advance future of Mogalakwena and processing impact to feasibility by end of Q4 2021, aligning all pillars to the life of asset plan	Fully achieved	**2.0**	
Portfolio: Complete Amandelbult complex roadmap for mechanisation and labour strategy by Q4 2021	Partially achieved	**1/2**	
Portfolio: Seek board approval for the Der Brochen replacement by Q3 2021	Fully achieved	**2.0**	
Innovation and P101 value delivery: Deliver net US$100m of value via cost and volume improvement, excluding impacts from Covid-19 and operational incidents	Fully achieved	**2.0**	

Moderate assurance High assurance

Fully achieved Partially achieved Not achieved

Our markets

PGM prices were at record highs in the first half of 2021 and fell back in the second half. However, the PGM basket price remains well above long-term averages. A robust recovery in automotive demand from the lockdown-affected 2020 was curtailed when automotive production was impacted by the semiconductor (chips) shortage.

Higher mine supply across the industry saw platinum and rhodium move into surplus, while palladium's deficit was cut substantially.

Longer-term supply and demand fundamentals for PGMs remain attractive. Rising demand from some existing applications and new demand from those being developed, as well as measures to develop the PGM market, will support sustainable demand and foster growth.

	Platinum		Palladium		Rhodium	
000 oz	2021	2020	2021	2020	2021	2020
Supply						
South Africa	4,420	3,225	2,580	1,970	600	480
Zimbabwe	490	480	405	410	40	40
Russia	630	700	2,680	2,640	60	60
North America	335	335	970	960	20	20
Other	170	200	150	180	10	10
Total primary supply	6,045	4,940	6,785	6,160	730	610
Autocatalyst recycling	1,200	1,155	2,900	2,690	370	340
Jewellery recycling	460	510	10	10		
Secondary supply	1,660	1,665	2,910	2,700	370	340
Gross supply	7,705	6,605	9,695	8,860	1,100	950
Demand						
Autocatalyst: demand	2,630	2,220	8,460	8,500	940	955
Jewellery: gross	1,550	1,680	90	80	5	10
Industrial: net	2,400	2,315	1,150	1,090	90	80
Investment	125	1,020	70	(190)	(5)	(15)
Gross demand	6,705	7,235	9,770	9,480	1,030	1,030
(Deficit)/surplus	1,000	(630)	(75)	(620)	70	(80)

Source: Johnson Matthey, adapted by Anglo American for mine supply, autocatalyst demand and investment.

Pt — Primary supply **+22%** Demand **-7%**

Pd — Primary supply **+10%** Demand **+3%**

Rh — Primary supply **+20%** Demand **+0%**

PGM supply and demand fundamentals

Platinum market prices averaged US$1,086/oz, 23% higher than 2020 and its highest annual average since 2014. Anticipation of better future demand saw the price hit a six-year high in Q1.

Palladium market prices averaged a record US$2,388/oz over the year, 9% higher than 2020. In May, it reached a high of US$3,000/oz before falling below US$2,000/oz by year end. Automotive demand was affected by stagnant automotive production due to the chip shortage.

Rhodium market prices again broke records in 2021, reaching US$30,000/oz in March and averaging US$20,109/oz over the year, 79% up on 2020. By year end, however, it was under US$15,000/oz as strong demand and weak supply in the first half reversed in the second as the chip shortage took its toll.

PGM prices and contribution

PGM prices were strong across 2021 although it was a tale of two halves, with records in the first half giving way to much weaker prices in the second. In US dollar terms, the achieved basket price was up 36% year on year to US$2,761/oz (2020: US$2,035/oz), with all PGMs contributing. The rand appreciated during the year, meaning the rand basket price rose a smaller 22% to R40,511/oz (2020: R33,320/oz). Individually, all PGMs averaged more in 2021 than 2020.

Record basket price in first half

US$ rhodium price increase
79% (market prices year on year)

US$ basket price increase
36% (achieved prices year on year)

Rand basket price increase
22% (achieved prices year on year)

Autocatalyst It was a disappointing year for automotive PGM demand, especially compared to expectations at the start of the year. While demand for automobiles was strong, as reflected in low inventories, long waiting lists and rising second-hand car prices, a shortage of semiconductors (chips) and other supply-chain issues prevented manufacturers from meeting demand. Global light-vehicle production rose by just 3% over 2020, according to research group, LMC Automotive, meaning it remained 14% below the pre-Covid level of 2019. Gross automotive PGM demand rose marginally, helped by higher heavy-duty vehicle PGM loadings. Battery-electric vehicle share of production, especially in Europe and China, continued to rise but remains small.

Jewellery Gross global jewellery demand for platinum fell an estimated 8% in 2021, a modest drop but from an already-weak base in 2020. The global total was constrained by a 15% fall in China, the largest consumer, as gold provided stiff competition. Demand elsewhere was more positive, especially the USA where volumes rose above their 2019 levels.

Industrial PGM demand from industrial applications was strong in 2021. Continued capacity expansion in China and a strong global industrial economy all contributed to decent growth. 3E demand (net of recycling) rose around 4% over 2020 and was 1% higher than 2019.

Investment Platinum investment demand fell significantly compared to 2020 and 2019. For the first time since 2018, exchange-traded funds (ETFs) recorded outflows of platinum, of 230,000 ounces. By contrast, palladium ETFs recorded inflows for the first time in seven years, at 50,000 ounces.

Outlook

The fundamental outlook for PGMs is supported by a strong and broad pipeline of demand over the short and long term.

Supply and demand in 2022 and beyond

Supply

Supply of the main PGMs will rise only moderately in 2022, refined mine supply will likely fall marginally for platinum and rhodium, as South African mines continue to operate normally but the last of the built-up inventory from 2020 is released. Palladium mine supply is expected to rise given the importance of Russian output and expectations that it should have a less-disrupted year than in 2021. Recycled flows will increase for all three PGMs as auto production picks up, allowing some older vehicles to be scrapped.

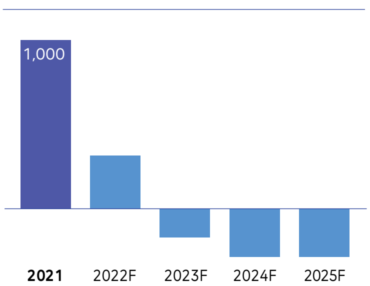
Demand

All three main PGMs should see decent demand growth in 2022 as global auto production rebounds.

Industry analysts expect light-vehicle production, which accounts for about 65% of global PGM demand, to rise by around 10% as the shortage of semiconductors eases. There is, however, considerable uncertainty around this forecast. Light-vehicle sales are forecast to rise by 6% in 2022 (source: LMC Automotive) as they remain constrained by low inventories. PGM demand will follow suit, although a modest reduction in loadings per vehicle and the steady encroachment of non-PGM battery-electric vehicles (BEVs) will moderate growth rates. Loadings are likely to rise again towards 2025 as tougher vehicle emission standards are introduced globally. Platinum will be helped by further substitution for palladium in gasoline catalysts, albeit still at a relatively low level.

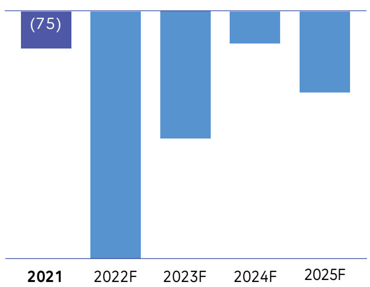
Platinum[1]

Future demand from gasoline substitution and hydrogen economy drives deficit



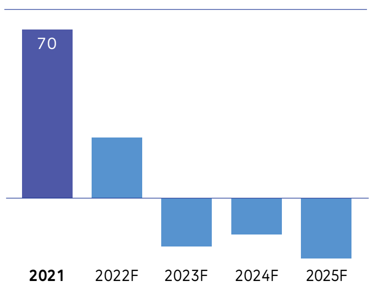
Palladium[1]

Ongoing deficit driven by auto demand and tighter emissions legislation



Rhodium[1]

Unique NO_x reduction qualities drive auto demand and continuing deficits



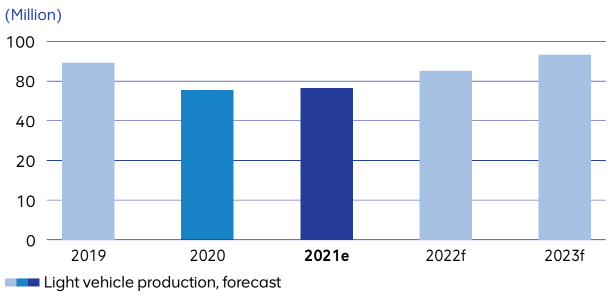
[1] Source: Johnson Matthey data amended by Anglo American Platinum, 2022 Anglo American Platinum.

Heavy-duty vehicle production is forecast to rise by just 1%, as a fall in Chinese production is offset by a double-digit percentage gain in the US, Europe and Japan. Loadings on heavy-duty trucks are generally rising, thanks to tougher Chinese standards, but remain higher in developed countries. Both factors will contribute to an increase in average global loadings in 2022.

For platinum, industrial demand is likely to fall modestly in 2022, as demand from the glass industry moderates after an exceptional 2021. Other categories should increase. Platinum jewellery demand is expected to be flat, as continuing weakness in China offsets growth elsewhere.

Robust chemical demand, as Chinese capacity expansion continues, should push palladium and rhodium industrial demand higher.

Light-vehicle production, forecast

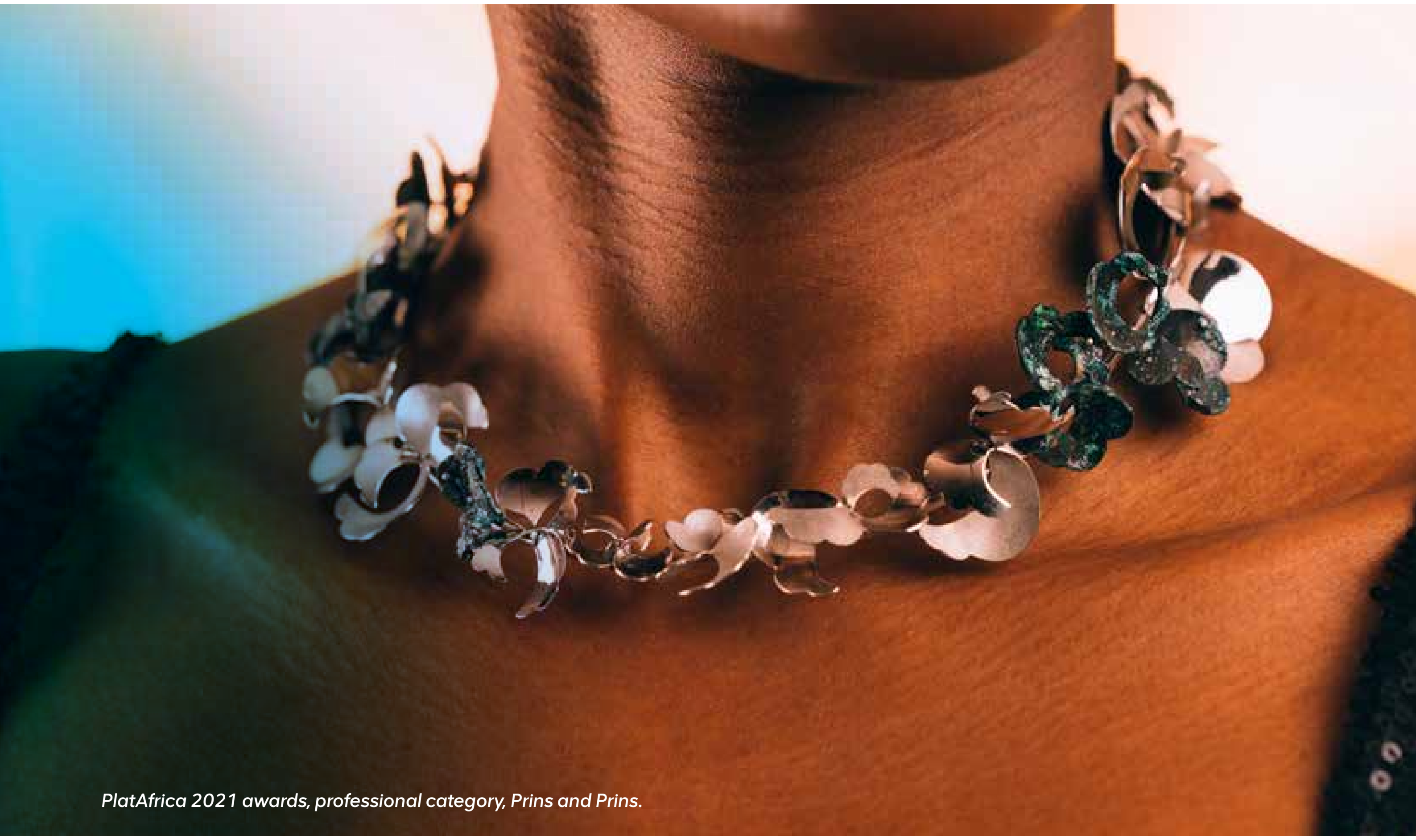


Source: LMC Automotive

In terms of market balance, platinum is likely to be in surplus again in 2022 but this will be smaller than in 2021, given the combination of stronger demand and steady supply. Palladium will again be in deficit, helped by improving automotive demand (capped by substitution). Rhodium will be near balanced after 2021's surplus, as a decent improvement in automotive demand outweighs largely flat supply.

Key uncertainties

- The outlook for global auto production is highly uncertain given ongoing shortages of semiconductors and other supply-chain issues likely to persist until later in 2022.
- Investment demand in platinum was weak in 2021 and our 2022 forecast balance assumes it is somewhat higher. If it were to reach 2020's level, then platinum could again be in deficit.
- Developments in vehicle powertrains, especially BEVs, pose a long-term challenge to PGM demand, particularly palladium and rhodium. However, there are major opportunities over the same period from hydrogen and fuel-cell demand.



PlatAfrica 2021 awards, professional category, Prins and Prins.

Market and product development

Being at the forefront of PGM market and product development for the industry, Anglo American Platinum continues to develop several existing and new opportunity areas for our metals. These include hydrogen; battery and energy storage; carbon-neutral feedstocks; waste and pollution control; new materials; medtech and foodtech (respectively medical and food technology). We deliberately pursue this diversity to create a resilient end market for all our metals.

What the PGM market needs

Diversity of demand + diversity of PGM metals = confidence in the PGM industry by investors and society

End-use sector diversity	Full PGM basket resilience
Opportunity areas	**Creating possibilities and options for**
Hydrogen and mobility	Pt Ir
Low-loss computing	Pt Pd Ru Ir
Battery and storage	Pt Pd
New materials	Pt Pd Rh Ru Ir
Carbon neutral feedstock	Pt Ru
Foodtech	Pt Pd
Medtech	Pt Os
Waste and pollution control	Pt

Possibilities for meaningful incremental demand

For example:

Hydrogen and mobility if 6–7% of global car sales are fuel-cell electric vehicles, that could equal 2.0–4.5 Moz a year, equivalent to or exceeding peak Pt autocatalyst in Europe over 2005–2008.

Battery and storage could be equivalent **to half or nearly the same** consumption seen in automotive sector today.

Low-loss computing could create PGM demand totalling **millions of ounces a year.**

Foodtech could be equivalent to an average platinum mining shaft.

Mogalakwena north concentrator.

In recent months, we have continued to advance the development of PGM-enabled lithium batteries, mainly through our investment in Lion Battery Technologies. We are also expanding industry capability to create new materials and technologies such as fit-for-purpose additive manufacturing and PGM alloys targeting multiple applications, including jewellery.

Lion BATTERY TECHNOLOGIES

We continue to pursue research and venture-capital opportunities to accelerate the adoption of PGM-containing spintronics in multiple end uses to encourage low-loss computing applications. This includes funding research on new semiconductor materials involving platinum, palladium and iridium for memory devices, and launching a software technology venture that simplifies the adoption of hardware using those memory devices.

In addition, we delivered another successful PlatAfrica Jewellery Design and Manufacturing competition with our partners Metal Concentrators and Platinum Guild International (PGI) India. Our metal consignment scheme, administered by Metal Concentrators, allows participants access to work with platinum to develop and improve their manufacturing skills. This year's theme – Metamorphosis – was developed in conjunction with PGI India and inspired by how change is one of the only certainties we have in life. Drawing on the success of last year's event, we again collaborated with African Fashion International (AFI) to celebrate the creative industries while working to expose PlatAfrica to a broader audience. Our partnership with AFI is one example of the work we have been doing with our local industry and global partners to explore new and innovative ways to facilitate access to new markets and grow sustainable demand for South African-produced jewellery and design.

Towards the end of last year, in collaboration with one of our venture-building programme partners, Deep Science Ventures, we co-launched two independent ventures to support our market and product development in the carbon-neutral feedstocks opportunity area:
- **Mission Zero Technologies is developing a direct air capture (DAC) technology that reduces energy consumption and cost of carbon-dioxide (CO_2) capture by over four times compared to today's commercial offerings**
- **Supercritical Solutions is developing the world's first high-pressure, ultra-efficient electrolyser to produce hydrogen and oxygen from water with zero emissions.**

These companies continue to show promising technology development and market traction, in turn supporting the development and uptake of PGM-enabled processes to turn CO_2 and hydrogen into high-value chemicals, fuels and materials.

In the foodtech space, our initiative to commercialise the platinum-containing food freshness/preservation product with our partner Furuya is making great strides. The first commercially available domestic refrigerators containing our product are now on sale in China. In addition, we continue to support the development of two platinum catalysts in China, one for purifying industrial waste gas and another to enable mercury-free polyvinyl chloride (PVC) production.

In the UK, our work in medtech is now in its fourth year, and our research activity to create and improve PGM-containing cancer prodrugs continues to expand and show promising results.

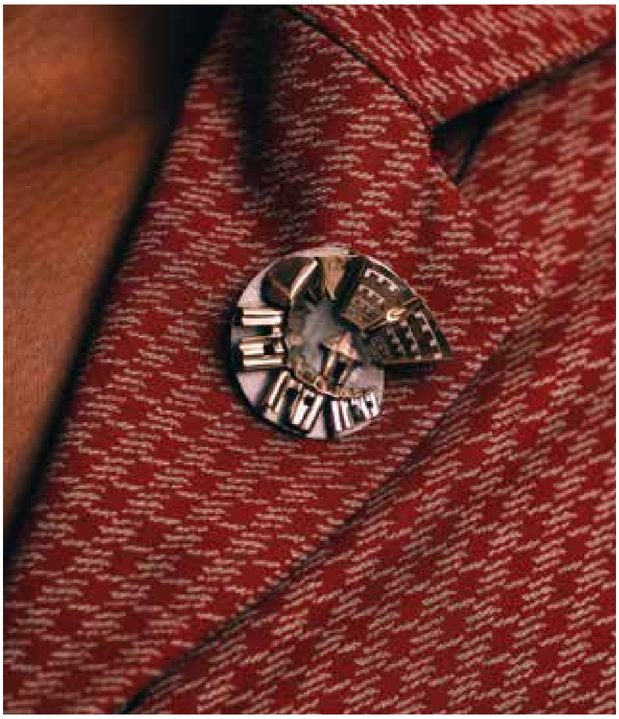
Our portfolio of initiatives to spur the hydrogen sector is expansive and growing:

- In the first half of 2021, we announced a collaboration agreement to complete a feasibility study to assess the viability of a 'hydrogen valley', anchored in the PGM-rich Bushveld geological area in South Africa. Spearheaded by South Africa's Department of Science and Innovation (DSI), the collaboration includes energy and services company ENGIE, the South African National Energy Development Institute (Sanedi) and clean-energy solutions provider Bambili Energy. The study report was published in October 2021 and identified three hubs – Johannesburg, extending to Rustenburg and Pretoria; Durban, encompassing the city and Richards Bay; and Mogalakwena and Limpopo. In addition, nine key pilot projects have been identified across the three hubs, spanning mobility (mining, trucks, buses), industrial (ammonia and ethylene production) and buildings (fuel-cell power) sectors. The report also highlighted that the hydrogen valley in South Africa could add over US$3.8 billion to South Africa's GDP by 2050, while creating over 14,000 jobs per year.

- Anglo American continues to lead multijurisdiction initiatives to promote the adoption of fuel-cell electric vehicles (FCEVs) for commercial uses, particularly facilitating the creation of consortiums to promote the development of hydrogen freight corridors in the UK and South Africa. These initiatives aim to accelerate the uptake of heavy-duty FCEVs by aligning end-user demand locations and specifications with the supply of suitable vehicles and access to the requisite hydrogen infrastructure along key freight routes. In the last six months, exciting progress has been made in these initiatives, particularly in the UK and South Africa, with commitments and interest from OEMs (original equipment manufacturers), business customers and fuel suppliers to progress towards fleet trial.
- There are several streams of ongoing research with universities and corporate partners globally on the venture-led research front. For example, we are working with Umicore to develop PGM-based catalysts for liquid organic hydrogen carrier applications on FCEVs and other mobile applications.

- AP Ventures Fund II has now closed with total committed capital of US$316 million, bringing total assets under management to US$395 million, achieving leverage of almost four times the amount committed by Anglo American Platinum. Since its launch in 2013 and spinning out from Anglo American Platinum in 2018, AP Ventures has attracted ten additional limited partners: Temasek, Implats, Plastic Omnium, Mitsubishi Corporation, the Mirai Creation Fund, Sumitomo Corporation, Pavilion Capital, Nysno Climate Investments, Equinor Ventures and Yara Growth Ventures alongside Anglo American Platinum and the Public Investment Corporation of South Africa.
- Our work to help inform and promote technology-neutral policy and regulatory environments in significant markets, through either communications or direct policy advocacy, continues unabated. For example, in the UK, in addition to our support for existing associations, we joined the Beyond2050 Hydrogen Strategy Now campaign group, working to support the UK government to establish and release a UK-wide hydrogen strategy. We are also members of the UK government's 2020 deployment roadmap hydrogen working group, supporting the ministerial hydrogen advisory council.
- In China, to promote and create awareness of hydrogen and fuel-cell technologies, we co-sponsored and gave keynote presentations at the annual and globally respected Fuel Cell Vehicle Congress. In the last six months, we have increased our participation to support multiple-city cluster FCEV demonstration programmes and the integration of CO_2 and hydrogen sectors to support China's carbon-neutrality ambition.

- Despite our limited presence in the United States, we recognise and continue to monitor the momentum on hydrogen and climate change at federal and state level. We do this through our membership of the California Fuel Cell Partnership Association and the US Fuel Cell and Hydrogen Energy Association (FCHEA). In addition, we became founding members of the Hydrogen Forward Coalition this year, an end-to-end value chain of representatives advancing hydrogen in the US. Over the last six months, there has been exciting development on the policy front, notably the US House of Representatives' approval of a ten-year tax credit to produce clean hydrogen. Through FCHEA, we have been actively driving and advocating for the focus on total system cost instead of purely focusing on PGM thrifting to support the clean hydrogen electrolysis programme under the bipartisan infrastructure plan.
- Internationally, Anglo American remains a founder, steering and board member of the Hydrogen Council, launched in 2017. This brings together CEOs from over 100 multinational companies, acting as an essential conduit for international efforts and perspectives by corporates on hydrogen. We remain a proactive member of Hydrogen Europe, which partners with the European Commission through the fuel cells and hydrogen joint undertaking to support research, technological development and demonstration activities in fuel-cell and hydrogen energy technologies in Europe.



To stimulate investment in platinum, we remain the major funder of the World Platinum Investment Council (WPIC). Overall, 2021 has been a strong year for physical platinum investment and the WPIC. 2021 Partnership incremental ounces remained ahead at circa 300, 000 ounces for the year. While performance is satisfactory, WPIC continues to proactively work with its partners to encourage as many ounces as possible. While European and North American markets have performed strongly from a platinum investment demand perspective, China is in rebuild mode after recent legislative changes that required having to build physical products and distribution to replace frozen bank trading accounts. Despite these headwinds in China, WPIC initiated the first Shanghai Platinum Week to raise the metal's profile. In addition, WPIC has reached an agreement with China Gold Coin to introduce a new 30gm Panda platinum bullion coin for 2022 and initiated a new partnership to produce good volumes of platinum bars for sale online in the new year.

Finally, PGI, also majority funded by Anglo American Platinum, continued its initiatives in major platinum jewellery markets of China, India, Japan and the USA. PGI continues to strengthen the share of voice and availability of desirable platinum jewellery across core markets by ensuring effective communications to market participants as well as partnering with and supporting retailers to improve conversion and distribution. For example, in China, PGI proactively worked with strategic partners to capitalise on the Chinese Valentine's Day and Mid-Autumn Festival, as well as amplifying its Reboot roadshows to deliver significant growth in platinum jewellery sales. In the US, PGI initiated a business development grant as part of a wider effort to continue expanding the market.

Case study

Hydrogen valley – creating new engines of economic activity through hydrogen

Anglo American Platinum has for some years been working on establishing the right ecosystem to successfully develop, scale-up and deploy hydrogen-fuelled solutions. These include investing in innovative ventures and enabling technologies, as well as forging wide-ranging collaborations across industry, to fully harness the transformative potential of green hydrogen for our economy in South Africa.

The opportunity to create new engines of economic activity through hydrogen has been validated through a feasibility study that we completed this year with our partners. This involves constructing hydrogen hubs stretching over 800km from Mogalakwena Mine, along the industrial and commercial corridor to Johannesburg and on to Durban.

The hydrogen valley is a Department of Science and Innovation-led initiative, supported by Anglo American, ENGIE and Bambili Energy.

The results of the feasibility study, released in October 2021, identified three possible hubs – Johannesburg, extending to Rustenburg and Pretoria; Durban, encompassing the city and Richards Bay; and Limpopo province centred around our Mogalakwena PGM mine – with a fundamental role in integrating hydrogen into South Africa's economy. Nine key

Close up of a fuel-cell electric vehicle (FCEV) haul truck's power plant radiator.

pilot projects have also been identified across these hubs and recommended to be prioritised by developers. They span the transport, industrial and construction sectors.

The initiative forms part of work to support the implementation of the national hydrogen society roadmap. The establishment of a South African hydrogen valley is seen as an opportunity with great potential to unlock growth, revitalise the industrial sector, and position South Africa as an exporter of cost-effective green hydrogen to the world.

Hydrogen valleys have been used successfully in other countries to promote clean emerging technologies and their commercial viability in support of emissions reduction.

Electrolyser plant under construction at Mogalakwena.

Adding value to our economies

A five-year view

Total procurement

R115.7bn

Anglo American Platinum needs a range of goods, services, materials and utilities to operate.

Discretionary expenditure only and includes all supply chain-related spend from third-party suppliers. It includes operating and capital related-transactions.

Host procurement

R15.4bn

Creating wealth in communities around our operations by supporting local companies.

Wages and related payments

R54.1bn

Payroll costs for employees, excluding contractors and certain associates and joint ventures' employees, and including a proportionate share of employees in joint ventures.

Corporate social investment

R2.4bn

We invest in healthcare, education, skills training and infrastructure development to uplift our communities.

Capital investment

R43.6bn

Defined as cash expenditure on property, plant and equipment.

Reinvested in Anglo American Platinum to remain sustainable by modernising and mechanising as well as developing our projects.

Tax to governments

R68.8bn

Direct and indirect tax, including royalties paid to governments.

Dividends to Shareholders

R76.3bn

Shareholders use dividends to create wealth and invest in other businesses.

Mogalakwena north concentrator.

2021 value distributed

R186.9bn

2021 value distributed
(Rbn)

Corporate social investment*	0.9	1%
Employees	12.3	7%
Capital investment	13.6	7%
Taxes and royalties	38.0	20%
Providers of capital	56.0	30%
Suppliers	66.1	35%
Total	186.9	100%

* Elements of CSI spent that are aligned with Anglo American's template 14 reporting requirements amounted to R289 million.

2020 value distributed

R137.5bn

2020 value distributed
(Rbn)

Corporate social investment	0.4	0%
Capital investment	9.5	10%
Employees	11.2	10%
Taxes and royalties	13.4	7%
Providers of capital	14.1	8%
Suppliers	88.9	65%
Total	137.5	100%

Our social and economic contribution in South Africa in 2021

Anglo American Platinum is proud of the role it plays in the country's economy and continues to explore new ways to support development and deliver sustainable value to make a meaningful impact.

Total tax and economic contribution

R75,524m

Total procurement

R27,680m

Discretionary expenditure only and includes all supply chain-related spend from third-party suppliers. It includes operating and capital-related transactions.

Host procurement

R5,269m

Procurement of goods or services from the immediate area of the operation, as defined by each operation. A localised supplier is one that meets business-unit criteria for localised procurement, allowing goods or services to be procured from the same immediate area as the operation. This is defined using the same parameters and definitions in SEAT tool 2A – profiling the local area.

Wages and related payments

R11,784m

Payroll costs for employees, excluding contractors and certain associates and joint operations employees, and including a proportionate share of employees in joint operations.

Corporate social investment

R1,275m

All social investment spend that is not related to impact management, either from allocated budgets or established foundations. This includes community trusts and dividends paid to communities.

Capital investment

R12,748m

Defined as cash expenditure on property, plant and equipment.

Total taxes borne and collected

R34,785m

R25,326m
Corporate income tax
Calculated based on profits.

R6,376m
Royalties and mining taxes
Revenue-based royalties.

R172m
Other payments borne
Other payments directly incurred by Anglo American Platinum.

R2,911m
Taxes collected
Taxes paid by Anglo American Platinum on behalf of other related parties through the company's economic activity.

Our social and economic contribution in Zimbabwe in 2021

Our Unki Mine is in the southern half of Zimbabwe's Great Dyke geological formation – widely recognised as the second-largest PGM Mineral Resources in the world. We continue to work with the Zimbabwean government on compliance with the Indigenisation and Economic Empowerment Act 2007.

Total tax and economic contribution

R5,214m

Total procurement

R2,924m

Discretionary expenditure only and includes all supply chain-related spend from third-party suppliers. It includes operating and capital-related transactions.

Host procurement

R5m

Procurement of goods or services from the immediate area of the operation. A localised supplier is one that meets business-unit criteria for localised procurement, allowing goods or services to be procured from the same immediate area. This is defined using the parameters and definitions in SEAT tool 2A – profiling the local area.

Wages and related payments

R408m

Payroll costs for employees excluding contractors.

Corporate social investment

R11m

All social investment spend not related to impact management either from allocated budgets or established foundations.

Capital investment

R858m

Defined as cash expenditure on property, plant and equipment.

Total taxes borne and collected

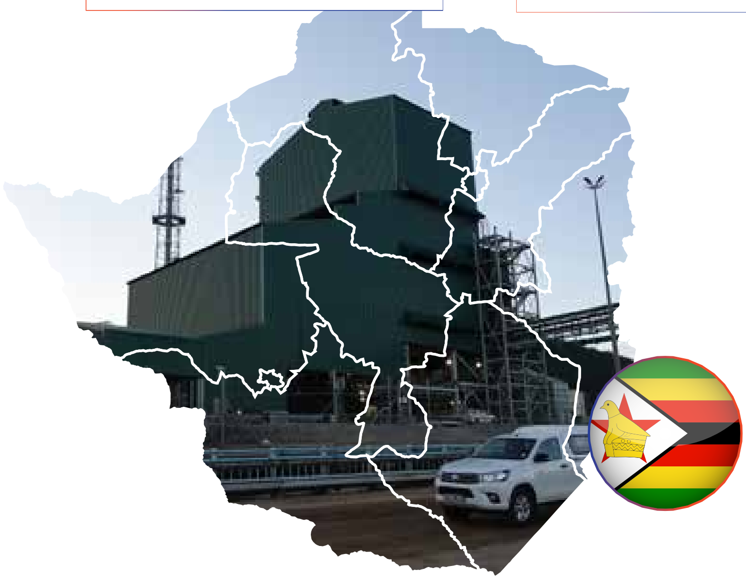
R1,871m

R1,239m
Corporate income tax
Calculated based on profits and includes withholding taxes.

R282m
Royalties and mining taxes
Revenue, production and profit-based royalties.

R61m
Other payments borne
Other payments directly incurred by Anglo American Platinum.

R289m
Taxes collected
Taxes paid by Anglo American Platinum on behalf of other related parties through the company's economic activity.



Tax and economic value generated and distributed

We are committed to paying the right tax at the right time.

Our purpose of re-imagining mining to improve people's lives guides our delivery of sustainable value to our shareholders, our employees, and our broader business and societal stakeholders.

For more information on our impressive range of tax and broader financial contributions across our operating footprint, please see the 2021 tax and economic contribution report at www.angloamerican.com.

Tax strategy

The 2021 Anglo American group tax strategy can be found at www.angloamerican.com/tax-strategy.

Our strategy is closely aligned with the responsible tax principles of the B-Team, a not-for-profit initiative that aims to encourage a better way of doing business. A key pillar of our tax strategy is transparency, which includes publishing details of how we seek to engage with stakeholders as trusted corporate leaders.

Responsibility

Our board is ultimately accountable for our compliance with the tax strategy. Responsibility for ensuring compliance is delegated to the group head of tax, and taxation matters are overseen by our finance director and audit and risk committee. The group head of tax is supported by a local and global team of experienced tax practitioners.

Approach to tax compliance

We are committed to paying the right tax at the right time. We recognise the importance of respecting the spirit and letter of the law, including aligning tax treatment with commercial reality. We seek certainty on tax matters where possible. In all our dealings with tax authorities, including where we seek certainty, our relationships are centred on transparency. Where tax authorities have adopted cooperative compliance arrangements, we will therefore favourably consider participation.

As set out in our tax strategy, we allocate value by reference to where it is created and managed within the normal course of commercial activity, and we pay tax on that basis. We do not use tax haven jurisdictions to manage taxes and we commit to not transfer value created to low tax jurisdictions.

Tax transparency

We are committed to providing tax transparency to our stakeholders. We see the benefits of this transparency with all our stakeholders, including:

- Shareholders: the knowledge that we are deeply committed to good tax governance and responsible tax practices, thereby mitigating tax risk
- Tax authorities: the development and maintenance of long-term, open and constructive relationships
- Communities: understanding the economic benefits attributable to mining activities in their regions
- Others: making a meaningful contribution to ongoing tax and transparency debates. We proactively engage with industry bodies, business forums and civil society.

Public disclosure is essential to building trust in the mining industry. Anglo American has voluntarily provided information about tax payments in each of the business units for many years and the first tax and economic contribution report was published in 2014 to provide details for all major operating jurisdictions of the taxes and royalties they pay, taxes they collect and other key economic contributions to local economies, such as wages/salaries, capital investment and procurement spend. The current-year data also includes an amended basis of preparation to align with reporting improvements made centrally at Anglo American.

Tax mission

To be a respected partner, creating value and leading change

Tax strategy summary

Principles

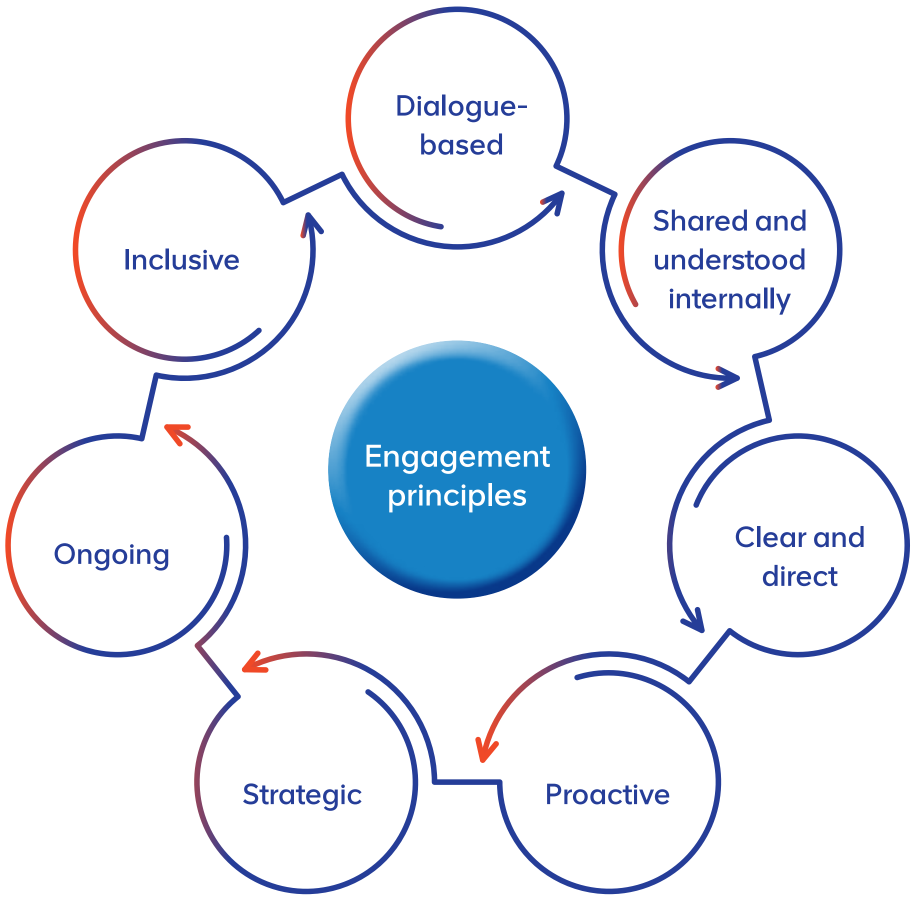
Our stakeholders

In June 2021, we revised our stakeholder engagement standard to align more fully with the global benchmark for best practice, AA1000 Stakeholder Engagement Standard (2015), as well as the principles and guidelines of the Anglo American social way 3.0.

Robust relationships with all stakeholders are critical to our drive for a sustainable mining plan and addressing their concerns. Effective engagement is therefore integral to developing an informed understanding of our stakeholders' needs, interests and expectations, as well as our strategic decisions.

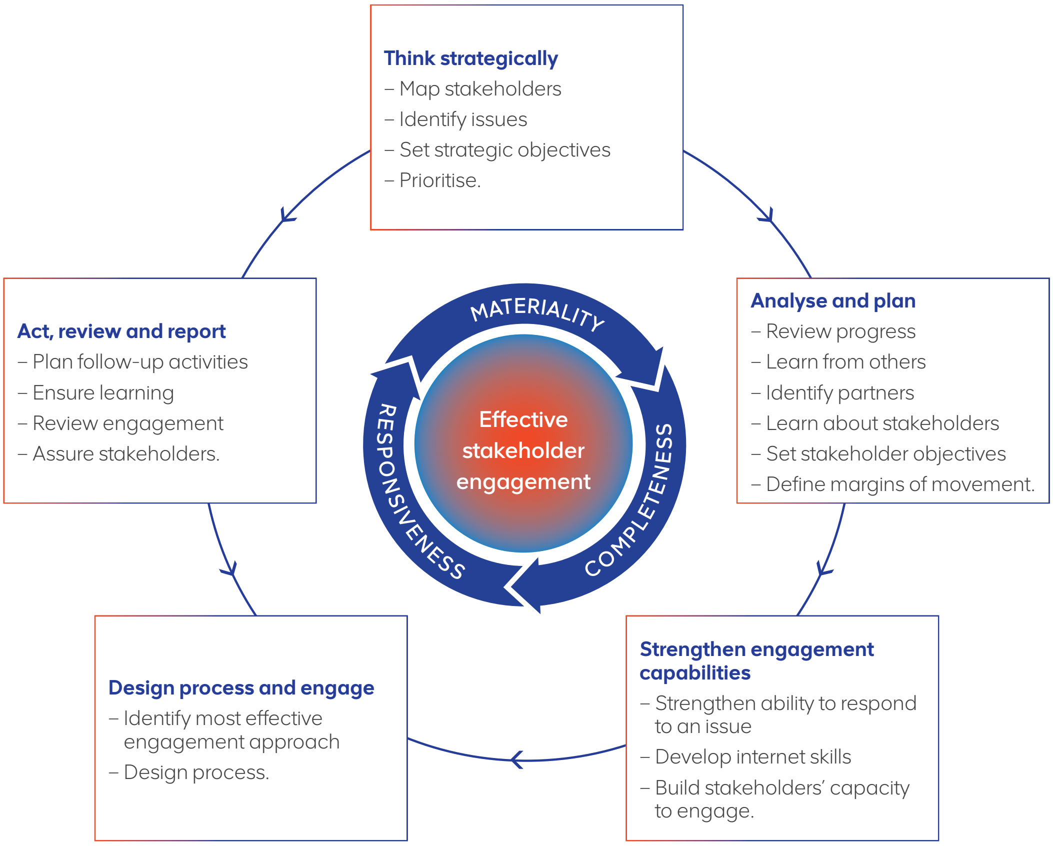
In revising the standard, we are entrenching best-practice principles and processes in a holistic, inclusive approach to stakeholder engagement that will enhance the transparency, accountability, efficacy and sustainability of our operations. We believe this will promote stronger partnerships with key strategic stakeholder groups and harness their knowledge and expertise for mutual benefit. Throughout our engagements, we aim to build, maintain and nurture meaningful relationships that will enhance Anglo American Platinum's enterprise value by being a trusted partner to key stakeholders.

Principles



Sources: SE standard and strategy.

Process



What will success look like?

Resilience to climate change risks and regulatory changes	Consistent and harmonious approach to stakeholder engagement	Proactive, focused engagement on issues of mutual concern	Formalised, integrated engagement processes
– Enhanced community relations decreases potential disruptions.	– Dedicated stakeholder relationship owners/ interfaces – Image/reputation management – Capacity building/skills development – Shared responsibility – Teamwork and collaboration.	– Shared value/co-creation – Win-win approach to issues – Understanding stakeholder issues/rationale – Predictive monitoring – Clear engagement protocols/governance – Systematic approach to prioritise topics/issues.	– Shared value/co-creation – Win-win approach to issues – Understanding stakeholder issues/rationale – Predictive monitoring – Clear engagement protocols/governance – Systematic approach to prioritise topics/issues – Integrated systematic tracking, reporting and monitoring – Integrated information management – Data retention and record-keeping – Stakeholder health reviews – Clear deliverables and accountability – Proactive stakeholder profiling.

Quality of relationship

● Strong	● Cordial	○ Weak

EMPLOYEES

Accountable for relationship: Human resources

Link to strategy

Link to risk ② ③

Nature of engagement

Our people are the heartbeat of Anglo American Platinum. Honest, two-way communication on multiple platforms is central to remaining an employer of choice.

Key issues	Response
Employee communication ●	Encouraged increased take-up and use of the free-data Engage app, which was rolled out to all operations in 2020 to enable employees to self-screen for Covid-19 symptoms before reporting for work. Engage has been developed into an effective communication channel to create awareness and educate employees on the virus, vaccination, important safety and production information, work schedules and information on financial and wellbeing support programmes available to employees. Supported our safety and cultural transformation journey with targeted, planned communication, including to conduct and provide feedback on employee surveys and promoting campaigns focused on safety, Covid-19 and vaccination, gender-based violence, bullying and harassment. Supported employee reward and recognition programmes and engagement through the Applaud awards and the Innovation Challenge. Drove employee engagement through regular CEO staff briefings and CEO senior management calls, and the launch of a weekly electronic newsletter.
Issues management ●	**Response** Developed content for internal and external channels to proactively position our business realities and achievements, including the future of Mogalakwena; market and product development initiatives, particularly in hydrogen and jewellery; sale of Bokoni; and delivery of social and labour plan projects. Continued to leverage the company's leading WeCare programme, which offered Covid-19-related support for employees and host communities for reputational value and brand building (internal and external). Ensured crisis readiness in support of operations.
Strategic communication ●	**Response** Activate our purpose, strategy and culture evolution at all levels of the company. Support implementation of dedicated programme driving strategic goals.

Outlook

By co-creating the desired culture for Anglo American Platinum, we reassure our people that their voices are heard and their input truly considered in all decisions that affect them in reaching their full potential.

For more detailed information, please refer to our ESG report.

UNIONS

Accountable for relationship: Human resources

Link to strategy

Link to risk 2 3 7

Nature of engagement

In a highly unionised industry, open and two-way communication is central to securing union support for strategic decisions that will affect their members. We engage through formal structures, with full accountability.

Key issues ●

Managing Covid-19: Established weekly leadership engagement sessions to:

- Outline business safety plans to address the pandemic
- Confirm payment of basic salary to vulnerable employees
- Operational shift configuration to implement safety and workplace de-densification measures
- Post-lockdown return of employees back to work, particularly vulnerable employees
- Project H (global consolidation of the supply chain function)
- Vaccination for access
- Sunday/public holiday premium payment.

Response

Engagement sessions include national union leadership and members of PMC to discuss the management of return to work of vulnerable employees, vaccination for access, effective management of the business and collaboration on strategy to sustain the business.

Quarterly meetings with senior union leadership to discuss key strategic issues:

- Safety, health and environment (SHE) through community forums/bilateral sessions
- Company strategies and implementation
- Performance of the company (leadership forum attended by executives)
- Relationship-building with union leadership and dispute resolution using different platforms
- Address unions' interest issues or community issues affecting business (leadership forum and CEO sessions)
- All issues affecting the company are addressed in various forums and, where appropriate, escalated to the CEO.

Outlook

By including union leadership in co-creating the desired culture for our company, we are addressing the concerns and needs of their members in developing win-win solutions.

INVESTORS

Accountable for relationship: Finance

Link to strategy

Link to risk 4 8 10

Nature of engagement

As key providers of capital, with ultimate responsibilities for clients including pension funds, charities and other organisations, we listen closely to the issues raised by investors in formal engagements at results presentations, formal investor meetings, group meetings as well as scanning the market for other notable issues and emerging themes and trends.

Key issues ●

- Company's view on medium to long-term market balances for platinum, palladium and rhodium
- Asset reliability after ACP incidents
- Optionality in portfolio, including Mogalakwena expansion
- Understanding capital allocation
- Integration of ESG into strategy.

Response

- Constant engagement to ensure understanding of market fundamentals and demand outlook for platinum, palladium and rhodium
- Appropriate market and product development underway to establish demand for and alternate uses of PGMs
- Communicated regularly to the market on ACP repairs and subsequent impact to the business
- Explanation of how growth projects need to meet strict quantitative and qualitative criteria, with updates on progress of project studies to expand Mogalakwena
- Communicating a disciplined capital-allocation framework
- Far greater discussion and transparency on multiple factors related to ESG – particularly on the climate change and emissions reductions.

Outlook

The impacts of Covid-19 materially impacted the way we engage with shareholders. Going forward, we will use hybrid methods of engaging with investors (both in-person and using technology) to encourage ongoing dialogue to understand the key issues that investors and their underlying clients are concerned about. We will introduce greater transparency and discussion on ESG, which is a key strategic objective of the company. We will develop innovative ways to present our assets and strategic objectives to further enhance engagement with investors.

For more detailed information, please refer to our ESG report.

CUSTOMERS

Accountable for relationship: Marketing

Link to strategy

Link to risk 4 8 10 11

Nature of engagement

Regular personal engagement or via specific platforms on evolving issues of importance to our diverse customers.

Key issues ●	Response
Traceability and sustainability remain important areas of discussion, with particular focus on our responsible mining certification programme as part of our sustainable mining plan. With the sustainable mining plan, our focus on climate change and ESG credentials was highlighted.	Our work on certifying our mines through IRMA has allowed us to demonstrate our leading sustainability credentials to customers, which is of growing interest to them. We continue to regularly communicate with customers through the marketing team and have proactively initiated engagement with our sustainability team in South Africa, deepening our relationship with our core customer base.

Outlook

We are working to secure our credentials as a responsible miner to address the topical issues of traceability and sustainability, while continually ensuring the premium quality of our products.

SUPPLIERS

Accountable for relationship: Supply chain

Link to strategy

Link to risk 4 6 8 9

Nature of engagement

Regular formal and informal engagement ensure our key suppliers adhere to our standards. Simultaneously, we are driving local procurement through targeted engagement on specific platforms.

Key issues ●	Response
A large supplier of mining equipment continued engagement with our company in 2021 on sustainability-related issues. Strong collaboration with suppliers assisted in acquiring key provisions for employees and communities during the pandemic.	Communication on sustainability matters supported existing relationships with key suppliers. Relationships with suppliers were maintained in 2021, which assisted with our health and safety plans to ensure safe operations during the pandemic. In addition, strong relationships with key suppliers enabled us to provide food items, personal protective equipment and healthcare items for communities.

Outlook

We are making good progress in aligning our broader supplier network with the principles of responsible mining.

Quality of relationship

● Strong	● Cordial	○ Weak

INDUSTRY BODIES (Minerals Council, IPA, Nickel Institute) Accountable for relationship: Issue-based, as appropriate	Link to strategy / Link to risk 4 8 10 11
Nature of engagement Formal and informal engagement at appropriate levels to advocate and contribute on key issues affecting the industry.	
Key issues	**Response**
Mine health and safety	– Sharing best practice through the council's zero-harm forum and tripartite structure – Participating in incident reviews and learnings to prevent repeats – Continued focus on the Anglo American tripartite process to build trust and alignment on SHE strategies and objectives – Actively participating, through the operations, in regional DMRE tripartite events.
Minerals policy, regulation	Engagements with government and DMRE on key mineral policy, legislative and regulatory aspects impacting the industry.
Electricity supply security	Engagements with Eskom CEO (as intensive energy users) on the utility's status and security of electricity supply, given maintenance on Eskom's power-generating fleet.
Outlook Active participation ensures best practices and lessons are shared across the industry for the benefit of all.	

GOVERNMENT (National and provincial) Accountable for relationship: Corporate affairs	Link to strategy / Link to risk 4 6 8 9
Nature of engagement Regular formal engagement on pertinent issues is supplemented by leadership engagement on critical issues.	
Key issues	**Response**
Premier Employment Growth Advisory Council (PEGAC)	In 2021, CEO co-chaired an integrated infrastructure technical working group with the Limpopo MEC of Public Works. This working group will focus on water, roads, integrated human settlement and localisation for one meeting per quarter, with the last meeting being a report-back to the Limpopo premier. – The prioritised catalytic projects under water infrastructure are: Olifants River water resources development project (ORWRDP), Ebenezer Olifants (Polokwane water-treatment works), water provision for Musina-Makhado special economic zone and upgrade Nandoni water-treatment works – Catalytic projects under roads infrastructure are R37, N11, R555 (Stofberg-Burgersfort), N1 North (Makhado to Beitbridge) and R7 – Catalytic projects under integrated human settlement are: Northam, Atoostyd/Joe Slovo IRDP Lephalale and Burgersfort IRDP Fetakgomo-Tubatse – Catalytic project under localisation is African Pipe Industries (API) north pipe manufacturing facility.
The office of the presidency	The CEO updated the president's office on work being led by Anglo American to develop a hydrogen-based zero-emission haul truck, with this technology demonstrated at Mogalakwena. The A 3.5MW electrolyser is already in place at the mine. In supporting South Africa`s hydrogen economy, the president's office emphasised its willingness to assist with unlocking regulatory hurdles. Dr Ramokgopa and the team also noted that government is committed to working with the private sector as an enabler to ensure projects succeed. Green hydrogen is a key feature that government would like to showcase at the sustainable infrastructure symposium.

For more detailed information, please refer to our ESG report.

Provincial Department of Health ●	Engagement with departments of health in Limpopo, North West and Eastern Cape to support health initiatives, community testing, community vaccination, health baseline.
Engagement with Transnet's CEO and Minister of Public Enterprises ●	The outcome of the engagement was for our company to prepare a Transnet chrome position paper on behalf of the Chrome Leadership Forum and forward it to the minister.
Mutual understanding and programme for unlocking industry excellence with Department of Planning, Monitoring and Evaluation (DPME) ●	DPME is working with our company to better understand the industry and assist in resolving some of the company and industry challenges to enable mining to play a larger role in the country's growth, socio-economic development and industrialisation. Task teams are being established to share further insights and develop joint solutions. DPME will coordinate relevant government departments for participation. Themes for the task teams are: – Beneficiation – Skills development and district development model to support municipal capacity – Social and community engagement, local economic development – Energy – hydrogen and renewable energy – Environmental sustainability (water and air pollution) – Security and procurement issues.
Engagements with DMRE minister ●	The engagement was to reaffirm the requirements of the new owner (operational and technical expertise, ability to fund the restart and continuous operations of Bokoni Mine and have a credible ownership structure for meaningful transformation).
Covid-19 vaccination drive at Mogalakwena complex and Amandelbult Mine ●	The Limpopo MEC of health visited two operations to get a sense of our on-site vaccination programme and to encourage more people to be vaccinated. The MEC was able to vaccinate a few employees and noted how impressed she was with all the work that has gone into ensuring our employees are vaccinated.
Mogalakwena complex's expansion plan for Skimming and Leruleng resettlement ●	Engagements were held with various Limpopo provincial government departments to share our plans for Mogalakwena Mine expansion. The consensus among all stakeholders was on the importance of robust community engagements to ensure gaps from previous resettlements are sufficiently closed.

Outlook

With the stakeholder engagement strategy in place, a framework will be established to direct how the company manages stakeholder relationships across the various functions. This will include establishing mechanisms to identify the most critical issues that impact the business and associated stakeholders; identifying and describing processes to manage the stakeholder function and providing mechanisms to track and report on performance.

Quality of relationship

● Strong	● Cordial	○ Weak

GOVERNMENT (Municipal)

Accountable for relationship: Corporate affairs

Link to strategy | Link to risk: 2 3 6 7

Nature of engagement

Formal and personal engagement at appropriate levels ensures alignment, collaboration and resolution of issues affecting service delivery.

Key issues	Response
Engaging with municipalities through capacity development programme ●	Ongoing engagement with municipalities where we operate to address issues that affect service delivery. – MCDP is being governed through a memorandum of understanding signed between Anglo American and the Department of Cooperative and Traditional Affairs (CoGTA)
Purpose of the municipality capacity development programme (MCDP) is to strengthen the capability of host municipalities for better service delivery ●	– CSIR has been appointed as the implementation partner – MCDP being implemented in Mogalakwena, Feta Kgomo Tubatse and Moses Kotane municipalities. Thabazimbi to be added from 2022 – Phase 1 (2020–2025) priority capacity development areas agreed with municipalities and the sites cover strategic development planning, infrastructure asset life cycle management and water sustainability – The programme is co-created with municipalities and the focus is on institutional capability (systems, plans and processes) as well as technical capability of teams, including political leadership – The programme has been well received by the municipalities, which have expressed appreciation for the decision made by Anglo American to introduce it – The programme has also been recognised at district and provincial levels, with Anglo American invited to participate in the provincial steering committee, a platform where all capacity-building initiatives are coordinated. Anglo American is the only private-sector stakeholder that sits on this committee.

Outlook

By delivering on our social and labour plan commitments, we are building trust and improving livelihoods.

TRADITIONAL LEADERS

Accountable for relationship: Corporate affairs

Link to strategy | Link to risk: 2 7

Nature of engagement

Formal and informal structures ensure open dialogue and a full understanding of stakeholder issues.

Key issues	Response
Improving mine communities' livelihoods ●	SLP projects are legal commitments that we will improve each community's livelihoods.
Settlement agreement negotiations with Mapela traditional council ● (cordial)	Engagements are ongoing.
Grave resettlements at Mogalakwena ●	We have engaged the Mapela traditional council (MTC) and subordinate traditional leadership on proposed grave resettlement projects. The traditional leadership support the proposed projects and have given their consent to continue with the process. The MTC provided formal written consent as the traditional authority and landowner to support the requisite permit application process.

Outlook

By delivering on our social and labour plan commitments, we are building trust and improving livelihoods.

For more detailed information, please refer to our ESG report.

Quality of relationship

● Strong	● Cordial	○ Weak

COMMUNITY

Accountable for relationship: Corporate affairs

Link to strategy

Link to risk 2 3 7

Nature of engagement

We engage openly and respectfully at multiple levels through formal and informal platforms to deliver sustainable benefits for the mine communities that grant our social licence to operate.

Key issues	Response
Legitimacy of individuals or groups that engage (or want to engage) with Anglo American Platinum on behalf of mining communities ●	We continue to engage with interested and affected parties, organised structures and individuals. Engaging with communities is critical as part of our Anglo American social way 3.0 and specific engagement plans are in place at all sites. In addition, we have field workers who engage with individual families to ensure information is not only given to representatives in the structures. We are working with municipalities to develop structures that would be widely accepted by communities and drive development in line with agreed plans.
Resettling the remaining 28 households in the old Motlhotlo Village in the Mogalakwena mining right ○	Out of the 61 households that were remaining in Mothlotlo in 2019, 32 have resettled to Ext. 14 and 28 are remaining in Mothlotlo. The 28 remaining households are broken down as follows: – 15 households are part of the Communal Property Association (CPA)/Richard Spoor Group (direct engagements with CPA and one-on-one engagements with households and prefer resettling to Mokopane Ext. 14) – 13 households are part of the breakaway group – Nine Phakgadi group (facilitated engagements through group legal and Concentric Alliance and prefer to resettle to Ga-Sekhaolelo Village) – Four Masubelele households (one-on-one engagements with households and prefer resettling to Mokopane Ext. 14/Rooibokfontein).
Grave resettlement for the Der Brochen project ●	Engagements with the affected next-of-kin are underway. To date, we have reached agreement with some of the families, and obtained consent to resettle their family graves. Engagements with the remaining next-of-kin will continue to reach agreement and obtain consent. In the event the remaining families do not provide consent to resettle their family graves, these will be conserved in situ and managed by implementing the site's cultural heritage management plan.
DNA and carbon-14 dating of skeletal remains discovered at Der Brochen/Mototolo complex ●	Skeletal remains were exposed in 2008 during construction activities for Richmond Road. Subsequently, the Mawela and Makanyane families claimed lineage to these remains, and the necessary engagements have taken place. We have appointed appropriate specialists to engage the families to undertake the requested DNA and carbon-14 testing. To date, the families have (in conjunction with the company and appointed specialists) inspected the remains at the Irish House Museum in Polokwane, and recorded the family genealogies. Ongoing engagements with these stakeholders are planned for 2022 until the matter is closed out by way of scientific tests and agreement on the way forward.
Grave resettlements at Mogalakwena ●	We initiated various grave resettlement processes across the Mogalakwena surface lease area. In total, we identified 1,285 graves for resettlement. Engagements with next-of-kin are underway to register individual graves and obtain consent for the proposed resettlement. To date, we have obtained consent to resettle 480 graves across the various processes. Engagements will continue through 2022 to reach agreement with next-of-kin.
Demands for employment and procurement opportunities around all operations ○	Continued engagement with affected parties and contractors to ensure local employment and procurement are prioritised and other jobs are created outside of mining to reduce dependency on the mine. Support to local suppliers through Anglo Zimele has increased, with more local business receiving business support, training and mentoring.

COMMUNITY (continued)

Accountable for relationship: Corporate affairs

Link to strategy | Link to risk 2 3 7

Key issues	Response
Inadequate municipal water supply to Mapela communities ●	The Hall Core Water Mapela project was initiated in 2018 to supply water to communities in Mapela. In 2020, to aid communities facing the impacts of Covid-19, six villages were added to the project. We envisage that more villages will be added in future.
Engagement with faith-based leaders ●	The interfaith initiative began in 2016, because we believe interfaith leaders can be the nucleus for development, moral regeneration and conflict resolution. The programme has been successfully rolled out at all sites and has contributed to reducing gender-based violence and other social issues.
Community communication ●	As part of the WeCare programme, we undertook extensive radio campaigns in South Africa and Zimbabwe to educate mine communities and create awareness of Covid-19. We also published community newspapers throughout the year. These included information on Covid-19 and our WeCare campaign, as well as the positive impact we have in mine communities. They also created awareness of supply-chain and employment opportunities; educated communities on grievance procedures and highlighted supporting campaigns such as our work in communities to combat gender-based violence.

Outlook

By clarifying and formalising internal processes, with full accountability and continual monitoring, we aim to build trust with community stakeholders and drive mutually desired outcomes.

NGOs

Accountable for relationship: Corporate affairs

Nature of engagement

Ad-hoc engagement to respond fully and timeously to specific issues or reports.

Link to strategy | Link to risk 2 7

Key issues ●	Response
Historically, unconstructive and often adversarial relationships with mining communities. More recently, we have worked closely with certain NGOs, resulting in collaboration and productive engagements.	Our comprehensive NGO engagement strategy has formalised, resetting the relationship between our company and some NGOs. We continue to implement this strategy and pursue in-depth conversations with national and international NGOs, recognising their important and growing influence in the mining sector in South Africa and the world. They play a role in analysing and advocating for policy decisions, holding mining companies and government accountable and partnering with communities and other NGOs on the doorstep of many operational sites on issues that include environmental, economic, social, labour and sustainability. Pursuing transparent and collaborative engagements, a number of formal and open replies were prepared in response to NGO and interest-group queries and reports. In addition, numerous meetings were held with identified NGOs to discuss key issues, leveraging on specialist skills and competency. Honest and transparent dialogue with affected NGOs enabled greater collaboration and unity in delivering sustainable and meaningful socio-economic and environmental performance.

Outlook

Transparent and responsive engagement, principally on request and through individual interaction, is resetting our relationships with these influential stakeholders.

For more detailed information, please refer to our ESG report.

MEDIA

Accountable for relationship: Corporate affairs

Link to strategy

Link to risk 2 7

Nature of engagement

Ad-hoc, open and timely engagement on pertinent issues is supplemented by regular engagement on diverse platforms.

Key issues ●	Response
Community concerns at operations	We received a number of media queries related to community complaints or protests from our mining and processing operations in South Africa during the year. The nature of these complaints largely focused on insufficient local employment and procurement opportunities, and issues about the ongoing resettlement of Mothlotlo. In addition to responding to media queries and providing communications support to our stakeholder engagement teams, we published newspaper supplements to provide education and awareness of our supply-chain processes. We supported the supply-chain team by hosting workshops to educate community members on processes, and used our community newspapers and other channels to create awareness of job scams and appropriate channels for job advertisements and applications. We also continue to proactively communicate on our progress in increasing local procurement. We are committed to continuous improvement in line with our purpose of re-imagining mining to improve people's lives. In 2021, the total social investment spend was R1.3 billion, which included Covid-19 support initiatives, social and labour plans and corporate social investment spend in South Africa.

Outlook

We are improving our responsiveness and level of disclosure to build trusted relationships.

Quality of relationship

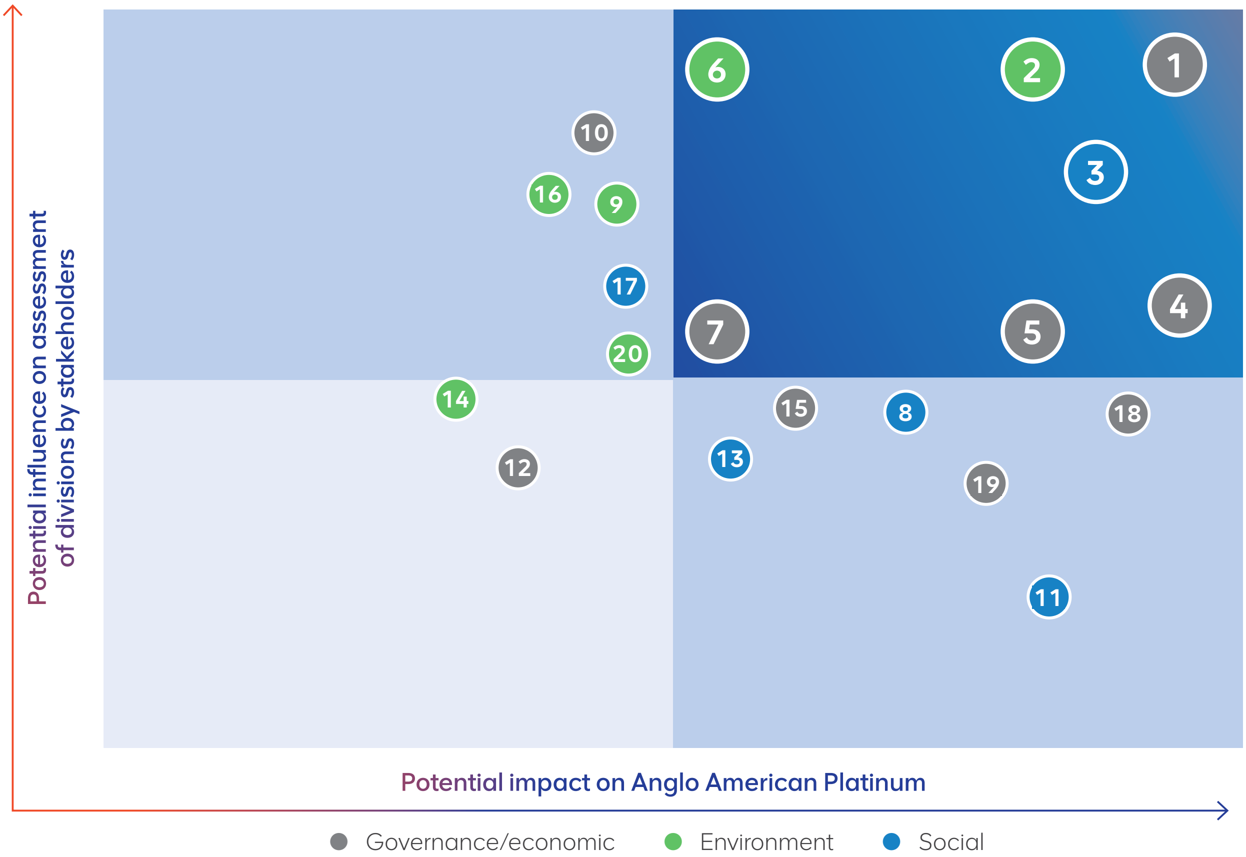
● Strong	● Cordial	○ Weak

Material risks and opportunities

Our ability to create shared value and sustain it is central to how the business is managed and the theme of our integrated reporting. Our established materiality assessment and prioritisation process aims to ensure that pertinent societal, environmental and economic issues that constitute risks and opportunities for value creation are identified and discussed.

Our strategic objectives are affected by matters that substantively affect our ability to create shared value over the short, medium and long term – our success will be measured by how well we manage immediate issues while retaining our focus on longer-term goals. Our material issues are detailed in our ESG report. In this report, we focus on the materiality process, links to risk management and our top seven issues.

Over 20 material issues distilled to top issues below, prioritised in the high-impact/high-influence quadrant



Seven primary material issues themes

1 Demand for PGM – economic
2 Climate change and decarbonisation – environment
3 Socio-economic environment – social
4 Asset integrity – economic
5 Regulatory environment – social
6 Responsible producer and responsible business – ethics/social
7 Technology, innovation and future ways of work – economic

Other material aspects and trends

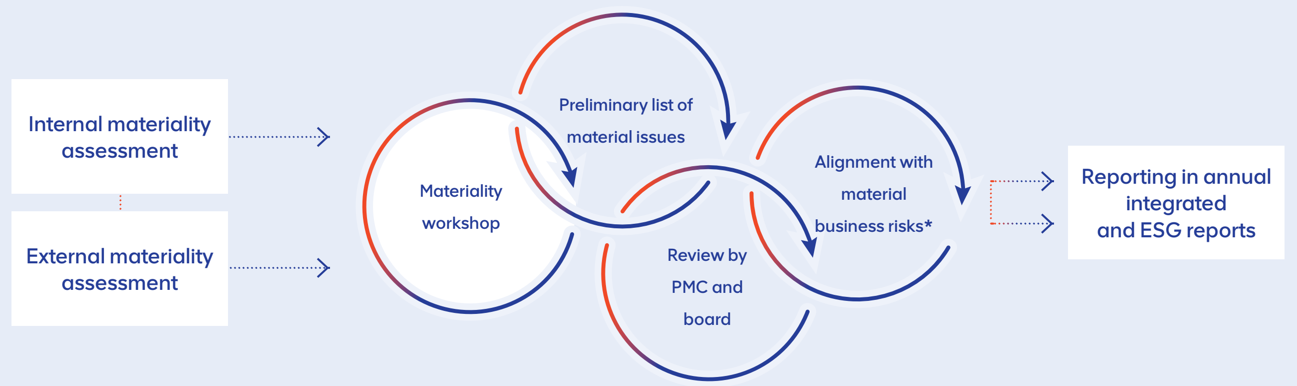
8 Resettlement legacy issues
9 Tailings storage facilities
10 ACP potential failure
11 Loss of skilled employees
12 Cost of Covid-19
13 Employee wellness
14 Physical impact of climate change
15 Increased royalties and taxes
16 Water management
17 Fair wages
18 Business ethics
19 Geopolitical uncertainty
20 Product stewardship

Identifying, evaluating and prioritising material risks

Integrated reporting is built on the materiality assessment process. Our well-established process identifies societal, environmental and economic issues that present risks and opportunities and affect shared value creation. We follow a four-step process in our materiality assessment framework, aligned with the AA1000 AccountAbility principles (2018):

- Internal materiality: desktop assessment
- External materiality: interviews with selected external stakeholders and scanning the external environment
- Materiality workshop
- Review and approval of key material issues by PMC and the Anglo American Platinum board.

Insight from each of these steps is integrated into the materiality process, resulting in the prioritised top material issues.



* See page 76 for links between material and integrated risk management processes (demonstrating IIRC completeness principle).

Impact of Covid-19

Covid-19 was again the most prevalent event in 2021, cutting across different material issue themes. Anglo American Platinum has been very broad in the way in which material issues and related matters have been identified and, as a result, a new issue dealing with technology, innovation and future ways of work has been identified. The impact of Covid-19, however, has illustrated the importance of how these are ranked in future. The pandemic has brought certain issues to the fore, with an increased focus on health and safety for employees and communities alike, heightened concern about business continuity, managing the effects of supply-chain disruption, and the accelerated shift to a digital, low-carbon economy.

Stakeholder engagement on material issues

The external specialist engaged with representatives from key external stakeholders to identify the issues they believe are most material to Anglo American Platinum. The relevant matters fed into the prioritisation and review steps described above and ultimately into the final list of material issues.

Material aspects are fully covered by the integrated risk management (IRM) process

Materiality top issues

1 Demand for PGMs (linked to electrification of drivetrain)	2 Climate change and decarbonisation	3 Socio-economic environment	4 Asset integrity (restore integrity of assets)	5 Regulatory environment	6 Responsible producer and responsible business	7 Technology, innovation and future ways of work

Alignment to IRM executive risk report

Covered under risk 14	Identified as a risk for consideration	Covered in risks 8 and 13	Covered under risk 6 and 16	Covered under risk 19	Covered under risk 24	Considered as a strategic initiative
Future demand and supply of PGMs		Social unrest and socio-economic-political instability/unrest	Political and regulatory compliance. Also included as an opportunity after the 2020 board risk workshop	Political and regulatory compliance	Fraud and corruption	

Links between materiality and integrated risk management (IRM) processes (demonstrating IIRC completeness principle)

	Materiality process	IRM process
Objective	The objective is to identify key sustainability issues that are material to Anglo American Platinum. Identifying materiality is a fundamental component of the integrated and sustainability reporting process.	The IRM framework ensures the effective governance of operational and strategic risks. Risks are defined as situations or actions with the potential to threaten our ability to deliver on our strategic priorities and, ultimately, to create value.
Methodology adopted	Follows AA1000 AccountAbility principles (2018), considered the most widely applied global stakeholder engagement standard, supporting organisations in their efforts to assess, design and implement an integrated approach to stakeholder engagement, and to communicate fairly and accurately with stakeholders and the public.	The risk management process is aligned with ISO 31000 international risk management standards and King IV requirements. The process of identifying risks and opportunities is embedded so that it becomes part of everything we do to achieve our business objectives.
Process followed	Four-step materiality assessment framework: – Internal materiality: desktop assessment – External materiality: interviews with selected external stakeholders and scan of external environment – Materiality workshop – Review and approval of key material issues by PMC and the board.	The assessment of strategic, operational and project-related risks follows five well-defined processes: – Identifying risk – Analysing risks and control – Determining management action – Reporting and monitoring – Follows a bottom-up and top-down approach.
Frequency	Annual – specifically linked to preparation of integrated annual report.	Ongoing
Strategic focus	The materiality process is consistent with our strategic priorities, which are delivered in a safe, values-driven and socially responsible way.	A view of key forward-looking risks that threaten the ability of the organisation to achieve its strategic objectives.

Our approach to risk and opportunity management

Group risk framework

In an evolving risk environment, filled with technological changes and new global challenges, identifying and managing risks and opportunities is critical to our business. Anglo American Platinum's integrated risk management framework ensures the effective governance of operational and strategic risks. We define risks as situations or actions with the potential to threaten our ability to deliver on our strategic priorities and, ultimately, to create value. Our risk management process is aligned with ISO 31000 international risk management standards and King IV requirements.

Our strategy is developed in response to risks and opportunities to the business

Risks can arise from events outside our control or from operational matters. Each of the risks described on the following pages can affect our ability to deliver our strategy. Accordingly, our process examines the risk response to our overall strategy and the ability to execute our strategic initiatives:

Catastrophic risks

We also face certain risks that we deem catastrophic. This is a risk or series of related risks potentially generating financial, operational and/or reputational impacts of such significance that they force an unplanned, fundamental change to our strategy, the way we operate or our financial viability. Accordingly, catastrophic risks are treated with the highest priority.

The following catastrophic risks have been identified, and all relevant technical standards are in place to provide minimum criteria for managing these risks. Monitoring, inspections and training and awareness programmes are provided by technical experts.

Fall-of-ground	Explosion and fire	Slope failure
Transportation	Integrity of tailings storage facilities	Asset structural failure

Risk appetite and tolerance

The concept of risk appetite guides our risk management activities. It enables the PMC and board to establish a baseline level of risk the company is willing to accept and evaluates the likelihood and impact of certain threats. We look at risk appetites from the context of severity of consequences should the risk materialise, any relevant internal or external factors influencing the risk, and the status of management actions to mitigate the risk. Risk tolerance refers to the amount of risk Anglo American Platinum is able to withstand. Both are core considerations in determining our strategy. Risks that are approaching the limit of risk appetite attract specific management actions, to ensure the risk is managed within defined appetite limits.

Our journey in risk appetite maturity

Using risk management as a tool to address uncertainties, applying the risk appetite methodology in 2021 showed that all risks can be considered within our risk appetite as defined. Similarly, all risks are considered to be within Anglo American Platinum's tolerance limits. Our review evaluated data from the operational risk assurance programme and, where control weaknesses were identified, these were addressed through management actions, comprising immediate interventions supported by long-term plans to ensure all risks remain within appetite. Ongoing work is closing any identified control gaps.

Opportunities

As part of our risk management process and in line with King IV requirements, we have considered available opportunities. An opportunity is a set of exploitable circumstances with an uncertain outcome that requires committing resources and involves exposure to risk. The opportunities identified demonstrate the value that our initiatives and strategies could yield to the growth of our company. Our business model (page 42) and market review (page 50) elaborate on how we leverage opportunities to ultimately create value.

Opportunities	FutureSmart Mining, digital effectiveness	Mogalakwena and Der Brochen expansion	PGMs to form part of new world commodities	Diversified markets	Future of work and organisational effectiveness
Description	Anglo American Platinum is committed to digitally transform mining through the pervasive adoption of technologies, new ways of working and developing people's technology skills to ensure global competitiveness and sustainability through collaborative partnerships.	Both growth projects are being considered to meet our strategic objectives and create value in time.	Venture capital fund (AP Ventures) dedicated to investing in technological innovation across PGMs. Initiatives in the jewellery (via PGI) and investment (via World Platinum Investment Council) sectors have created new partnerships and launched products.	Identify applications suited to future themes such as urbanisation and electrification, green/hydrogen economy, clean/alternative energy, medicine, transport and electronics.	Organisational culture, agile labour management, a modernised organisation and future-fit employee relations.

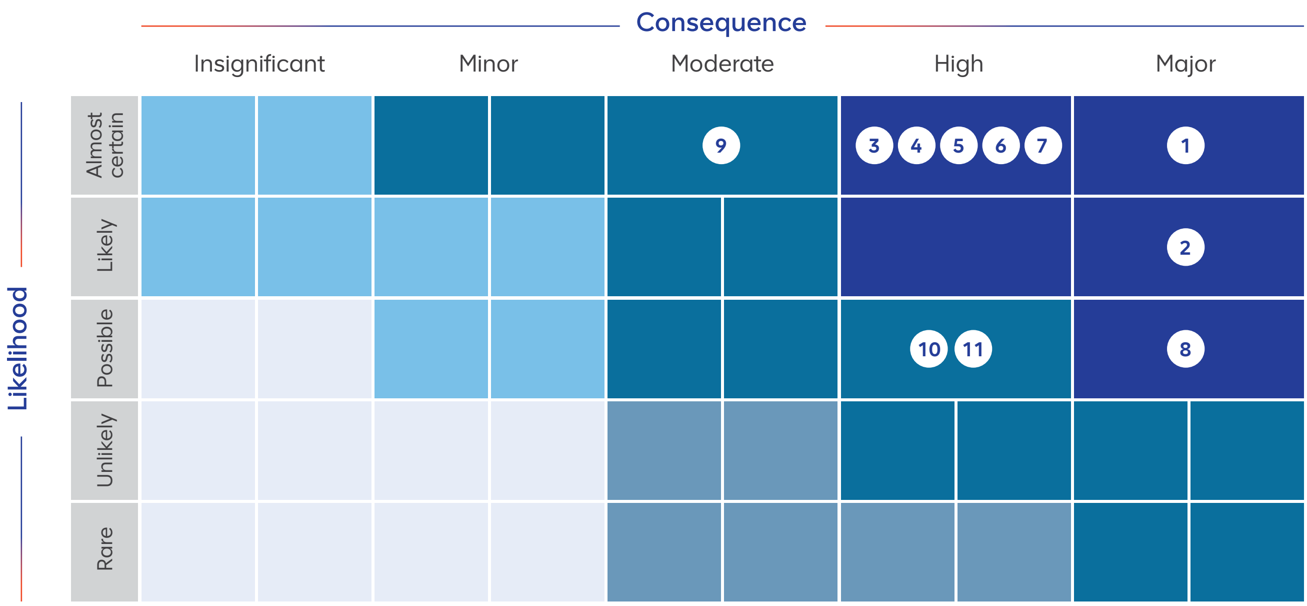
Principal risks

We define a principal risk as a risk or combination of risks that would threaten the business model, future performance, solvency or liquidity of Anglo American Platinum.

In addition, we are exposed to other risks related to health, political and regulatory compliance, labour unrest, water infrastructure, fraud and corruption, workforce strength, supply-chain disruptions, as well as allegations of discrimination and harassment. These risks are subject to our normal procedures to identify, implement and oversee appropriate mitigating actions, supported by internal audits to provide assurance on the status of controls or mitigating actions.

Principal risks

The heat map positions below reflect residual risks.



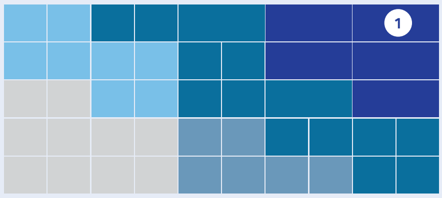
1. Global health pandemic
2. Social licence to operate
3. Employee safety
4. Macro-economic uncertainty, creating price and exchange-rate volatility
5. Prolonged disruption in downstream production including dependency on single converter at ACP
6. Infrastructure (power)
7. Socio-economic political instability/unrest
8. Future demand and supply of PGMs
9. Information security
10. Failure to deliver the full potential of operating assets
11. Failure to invest to secure and grow our leadership position

1 GLOBAL HEALTH PANDEMIC

RISK: 1 2021 | 1 2020

Risk description

Recurring waves of Covid-19 infections, coupled with further concerns on the ability of the public healthcare system to manage potential volume increases the health risk. Although there is adequate vaccine supply, vaccine hesitancy presents a challenge that could cause a surge in infections. In addition, new variants may lead to further waves of infection. An increase in the spread of the virus can impact the workforce, translating to potential operational disruptions and possible loss of employees (particularly those with critical skills).



Strategy impact and link

Risk owner: executive head: asset strategy and reliability, safety and health

Root cause	Potential impacts	Mitigation
– Non-adherence to social-distance protocols and mitigation controls – Vaccine hesitancy – New variants.	– Permanent disability or loss of life – Absenteeism and/or stress – Loss of production – Financial liability arising from claims from mineworkers (civil liability claim) – Mental wellbeing (burnout due to added pressure).	– DMRE codes of practice – Anglo American Platinum Covid-19 protocols and associated controls – Vaccine roll-out and workplace dashboard as part of the WeCare programme.

Risk appetite and tolerance

- Currently within risk appetite, but potential to exceed it
- Within tolerance.

Potential impact on capitals

- Safety and health
- Socio-political
- People
- Production
- Financial.

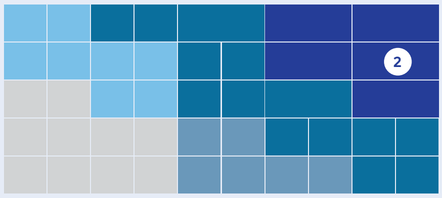
Chronic diseases, mental health issues, readiness of public healthcare and company health services.

2 SOCIAL LICENCE TO OPERATE

RISK: 2 2021 2 2020

Risk description

If local communities and wider society actively oppose the existence of our operations, our ability to implement and conduct our activities could be threatened. There are rising levels of dissatisfaction among communities and wider society on social delivery, unresolved legacy issues, and less than expected benefit from mining.



Strategy impact and link

Risk owner: executive head: corporate affairs

Root cause

- Dissatisfaction among communities on social delivery, community perception of transformation, employment and procurement activities
- Environmental impact ie dust, noise, pollution, reduced resources (water/land)
- Use of trust money by communities
- Poor service delivery of local municipalities and other government departments to communities
- Less-than-expected benefit from mining
- Trust relationship between communities and Anglo American Platinum due to previous legacy issues
- Poor engagement between traditional leaders and communities
- High unemployment
- Lack of adequate skills set for jobs and procurement opportunities
- Society's, NGOs' expectations as information scrutiny increases
- Cultural heritage issues.

Potential impacts

- Reduced levels of trust between mine and communities
- Community over reliance on mines for economic and other benefits
- Potential negative human-rights impacts on communities during protests
- Loss of production and possible damage to assets
- Negative reputational consequences
- Threats of violence and physical harm made to site team members
- Lawlessness due to third party influence.

Mitigation

- Implementing social strategy: collaborative regional development approach, social risk and impact management, increased community and employee ownership, community participation model
- Compliance to the Anglo American social way 3.0
- Strategic engagement with communities, local government, traditional leaders, NGOs and broader society
- Effective grievance mechanisms
- Initiate and implement remediation plans for resettled communities
- Complete resettlement and initiate livelihoods restoration programmes
- Empower municipalities, traditional leaders and interfaith leaders
- Sustainable livelihood strategy
- Mine economic diversification
- Deliver on social and labour plan 3 commitments
- Deliver on sustainable mining plan.

Risk appetite and tolerance

- Currently within risk appetite, but potential to exceed it
- Within tolerance.

Potential impact on capitals

- Safety and health
- Socio-political
- Financial.

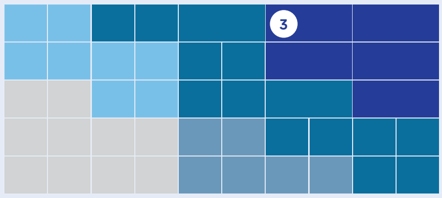
Production and financial impact of incidents, operational impact due to resettlements and relocation of graves.

3 EMPLOYEE SAFETY

RISK: 3 2021 3 2020

Risk description

Failure to deliver a sustained improvement in safety performance. Senior management continue to treat safety risk management as a top priority. The number and nature of high-potential incidents (HPIs) and increased number of incidents related to not adhering to the basic safety rules and standards is evident, indicating that significant work remains.



Strategy impact and link **Risk owner:** executive head: corporate affairs

Root cause	Potential impacts	Mitigation
– Inconsistent application of safety rules and hazard identification including non-compliance to critical controls – Exposure to major safety-related issues: material handling, fall-of-ground, transport, moving machinery, working at heights, isolation, control of energy.	– Loss of life – Workplace injuries – Safety-motivated stoppages by regulators – Threats to our licence to operate.	– Implementing safety management system standards, fatal-risk standards and safety golden rules, supported by robust risk management and risk assurance processes – Creating a leadership approach and culture conducive to innovation and improved safety performance. Enhance people development, using KPI-based reward and recognition to drive behaviours – Move up the hierarchy of controls through innovation and engineering capability – Relentless focus on safety improvement and safety risk management by executive management – Elimination-of-fatalities programme – Process safety management.

Risk appetite and tolerance

- Currently within risk appetite, but potential to exceed it
- Within tolerance.

Potential impact on capitals

- Safety and health
- Production
- Financial.

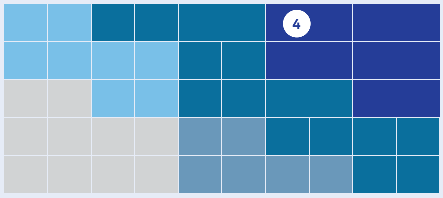
Renewed focus on risk training which triggers instances when work should stop.

4 MACRO-ECONOMIC UNCERTAINTY, CREATING PRICE AND EXCHANGE-RATE VOLATILITY

RISK: 4 2021 4 2020

Risk description

Macro-economic uncertainty creating price and exchange-rate volatility impacting cash flow, profitability and return on capital employed (ROCE).



Strategy impact and link

Risk owner: finance director

Root cause

- Global economic environment could impact the price for PGMs
- Current political factors could impact exchange rate
- Slower-than-expected growth in emerging economies
- Covid-19 impact and subsequent waves of infections/new variants.

Potential impacts

- Fluctuating levels of cash flow, profitability and ROCE
- Reduced ability to exploit future growth/value-enhancing initiatives.

Mitigation

- Strategy to position company in H1 of cost curve, ensuring sustainable return
- Asset strategy and targeted AISC (all-in sustaining cost)
- Integrated planning process
- Regular updates of economic analysis and commodity price assumptions to management
- Continued focus on operational improvements, cost control, disciplined capital allocation and cash generation.

Risk appetite and tolerance

- Currently within risk appetite, but potential to exceed it
- Within tolerance.

Potential impact on capitals

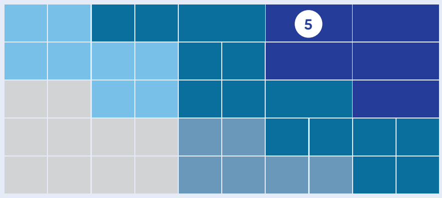
- Production
- Cost
- Financial.

Slow economic recovery in the next two to three years is expected. Current fluctuations in the rand/dollar exchange rate, current geo-political tension and metal pricing leading to financial uncertainty. Cost increases due to operational practices, workforces, production and potential inflation heighten macro-economic risk.

5 PROLONGED DISRUPTION IN DOWNSTREAM PRODUCTION INCLUDING DEPENDENCY ON SINGLE CONVERTER AT ACP

RISK: 5 2021 5 2020

Risk description



Exposure to any catastrophic risk might lead to prolonged disruption/downtime on the single process streams (ACP, Magnetic Concentrate (MC) plant, Base Metals Refinery (BMR) and Precious Metals Refinery (PMR)), potentially impacting the company's ability to achieve its objectives and possibly leading to significant revenue loss.

Our smelters use either of the largely identical converters at the ACP phase A or phase B for operational flexibility and as back-up. An explosion event at ACP phase A in 2020 resulted in prolonged downtime and a declaration of force majeure due to water leaks in the back-up unit, phase B.

Strategy impact and link

Risk owner: executive head: asset strategy and reliability, safety and health; executive head: processing

Root cause

- Original design of processing downstream operations as a single line with no redundancy
- In the prior year, explosion and leaks brought the operation to a halt
- Unavailability of a stand-by converter, leaving smelting operations exposed in the short term
- Few alternative processing facilities of scale and size required by company available in the market.

Potential impacts

- Complete downstream production shutdown for extended period, as ACP feeds MC plant which in turn feeds Base Metals Refinery (BMR) and Precious Metals Refinery (PMR)
- Magnitude (of disruption) to catch up potential production loss might not be feasible
- Revenue loss
- Non-delivery of commitments to clients might lead to financial losses.

Mitigation

- Proper and safe operation of assets in line with requirements of technical documents and group standards
- Elevated levels of condition monitoring by metallurgical team
- Operating model roll-out
- Business interruption insurance
- Business continuity management
- ACP phase A repair is complete and includes replacing the crucible and damaged high-pressure panel sections
- Closure of phase B unit for full rebuild to ensure an ongoing safe operating environment, protect employees and the integrity of the plant.

Risk appetite and tolerance

- Currently within risk appetite, but potential to exceed it
- Within tolerance.

Potential impact on capitals

- Safety and health
- Environment
- Production
- Cost
- Financial.

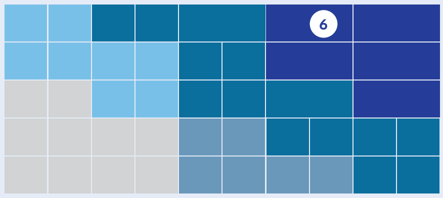
Phase A was rebuilt and commissioned in December 2020. Phase B rebuild was completed and taken into production during February 2022. Maintenance to decommissioned phase A scheduled in Q2/Q3 of 2022.

6 INFRASTRUCTURE (POWER)

RISK: 6 2021 6 2020

Risk description

The current financial state and ability of Eskom to sustainably supply power poses a risk to Anglo American Platinum.



Strategy impact and link

Risk owners: executive head: asset strategy and reliability, safety and health; executive head: processing

Root cause

- Dependency on Eskom
- Eskom requires funding for generation upgrades, new plants
- Poor management of Eskom business and slow roll-out of management restructuring to cut cost
- Eskom coal-supply contracts (security of supply concern)
- Poor maintenance quality by Eskom
- Risk of Covid-19 on maintenance and project delivery
- New-build power stations not performing to design specifications
- La Nina phenomenon and wet-weather impact on coal reserves
- Retaining and attracting key skilled personnel at Eskom.

Potential impacts

- Unplanned and short-notice electricity supply outages, leading to loss of production due to energy curtailment requirement. Impact varies depending on production profile at the time of load curtailment request
- Safety implications, particularly for underground mines and process activities
- Above-inflations future cost increases, placing business viability at risk
- Eskom is at risk of breaching environmental emission limits which could affect licence.

Mitigation

- Load curtailment procedures
- Detailed emergency plans and procedures for short-notice electricity supply outages and curtailment needs
- Participation in Energy Intensive User Group
- Actively interface with maintenance teams
- Develop business improvement projects for energy reduction and efficiency improvements at operations (energy intensity)
- Develop large-scale solar photovoltaic projects for our sites, together with Anglo American regional energy study to provide 24/7 renewable energy across southern African operations.

Risk appetite and tolerance

- Currently within risk appetite, but potential to exceed it
- Within tolerance.

Potential impact on capitals

- Production
- Cost
- Financial.

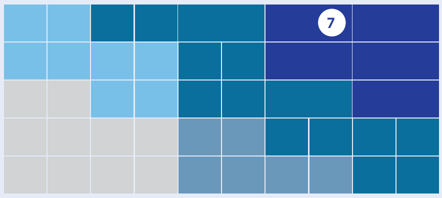
We welcome Eskom's intention to decarbonise the grid and the positive policy changes in increasing the own-use generation threshold to 100MW. These changes, coupled with the government energy procurement programme, are likely to reduce instances of loadshedding and result in greener energy solutions. Green energy solutions will in turn improve our economic competitiveness, mitigate climate change, deliver material benefits to society and, equally important, give Eskom time to get its plants to acceptable performance standards.

7 SOCIO-ECONOMIC POLITICAL INSTABILITY/UNREST (previously Covid-19 loss of livelihood and social unrest)

RISK: 7 2021 | 8 2020

Risk description

One of the key themes in South Africa is the significant and growing unemployment (particularly among the youth at 64.4%), which is exacerbated by Covid-19 impact on jobs and loss of livelihoods in other sectors of the economy. As risks become more interconnected and unpredictable, this may have a direct impact on our operations and the company as a whole since, if not controlled, they could result in widespread anarchy and disruptions in areas close to our operations.



Strategy impact and link

Risk owner: executive head: corporate affairs

Root cause

- Combination of poverty, inequality and unemployment
- Community socio-economic and political instability
- Community expectations for local procurement
- Job losses and losses of heads of households and/or breadwinners
- Over-extension by law enforcement in dealing with unrest/non-compliance to Covid-19 protocols
- Local authority service delivery failure.

Potential impacts

- Disruption of operational activities
- Weakened cash flow, profitability and ROCE
- Loss of investor confidence
- Criminality associated with procurement opportunities
- Threats of violence and physical harm to site team members.

Mitigation

Various initiatives in place, some comprising joint campaigns between protection services, social performance and operational site management

Protection services

- Community threat analysis
- Community monitoring and information gathering
- Community vulnerability analysis
- Protection services' rules of engagement
- Asset vulnerability analysis.

Social performance and sustainability (incorporating business environment stability)

- Socio-economic and development strategy and plan
- Formal community grievance, issue and incident mechanism
- Stakeholder engagement schedule
- Sustainable livelihood strategy
- Sustainable mining plan – thriving communities initiatives.

Supply chain

- Local supplier database
- Local procurement policies and procedures
- Supplier development initiatives
- Ring-fencing procurement opportunities for local businesses.

Additional interventions by the Minerals Council to address safety and security concerns include advocating for a dedicated mining police taskforce.

Risk appetite and tolerance

- Currently within risk appetite, but potential to exceed it
- Within tolerance.

Potential impact on capitals

- Safety and health
- Socio-political
- Production
- Cost
- Financial.

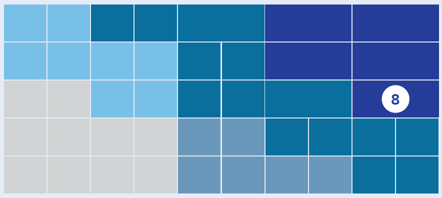
The July 2021 unrest in South Africa provided further evidence that significant security incidents can flare up with little warning and present challenges to security teams in safeguarding operations and ensuring business continuity.

8 FUTURE DEMAND AND SUPPLY OF PGMs

RISK: 8 2021 7 2020

Risk description

Future demand for PGMs is at risk from potentially slower growth in combustion-engine vehicle manufacturing, technological developments resulting in battery-electric vehicles competing with hydrogen fuel-cell electric vehicles, and suppressed jewellery sales, although some upside potential also exists.



Strategy impact and link

Risk owners: executive heads: market and product development and marketing, PGMs

Root cause

- Battery-electric vehicle adoption substituting internal combustion engine and threatening/ delaying fuel-cell electric vehicle adoption market
- Price sensitivity of individual commodities and price substitution
- Changes to consumer preference and environmental legislation impacting diesel motor vehicle demand
- Suppressed or negative jewellery demand
- Secondary PGM supply from recycling
- Potential limited increase of primary supply from competitors (exacerbating demand/supply imbalance)
- Future technological developments that may significantly lower barriers to entry in PGM mining industry.

Potential impacts

- Weakened levels of cash flow, profitability and ROCE
- Loss of investor confidence
- Loss of customer confidence in capacity of supply (eg rhodium and iridium).

Mitigation

- Develop and sustain markets for PGMs by investing in:
  - Platinum jewellery development (India and China) via Platinum Guild International (PGI) and continuous engagement with local jewellers and fabricators
  - Stimulating platinum investment demand through World Platinum Investment Council (WPIC)
  - Supporting technologies that use or facilitate the use of PGMs (venture capital) (AP Ventures)
  - Developing new applications for PGMs through lab-stage research and development
  - Creating favourable legislative and policy environments for PGM-bearing technologies by engaging in global policy and advocacy activities
  - Increased focus on rhodium and palladium
- Identify future trends through market intelligence
- Leasing and trading activities with PGMs
- Strategy to position company in H1 of cost curve, ensuring sustainable return
- Asset strategy and targeted AISC (all-in sustaining cost)
- Investigating commercial, ie business case, and relevant technical aspects of recycling.

Risk appetite and tolerance

- Currently within risk appetite, but potential to exceed it
- Within tolerance.

Potential impact on capitals

- Production
- Cost
- Financial.

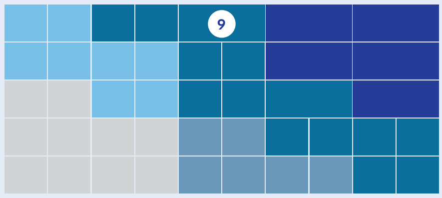
Concerns on product substitution as prices for palladium and rhodium are rising. Short-term demand and supply concerns due to Covid-19. However, we view this as a longer-term threat to the business and various initiatives are underway to mitigate this risk.

9 INFORMATION SECURITY

RISK: 9 2021 9 2020

Risk description

Failing to sufficiently protect the data and information of certain initiatives or knowledge holders from leakage or attack.



Strategy impact and link

Risk owner: finance director

Root cause	Potential impacts	Mitigation
– Increased capabilities of hackers/attackers – Rise in cyber incidents (eg phishing, spoofing and hacking attempts) – Non-adherence to group information security policy.	– Loss of critical and/or sensitive data – Reputational damage – Safety impacts (through loss of control of operating systems, particularly process systems) – Financial losses – Regulatory fines.	– Extending technical controls and existing capabilities to include monitoring high-risk assets and advanced network monitoring technologies – Implementing augmented detection capabilities – Security campaigns to create awareness.

Risk appetite and tolerance

- Within risk appetite, high consequence rating requires close monitoring
- Within tolerance.

Potential impact on capitals

- Production
- Cost
- Financial.

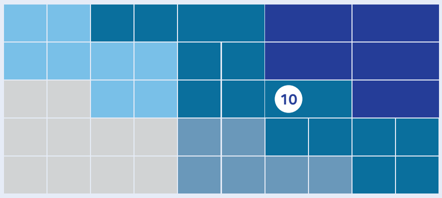
Mitigating actions – including physical controls and the programme to improve employee awareness – have reduced the number of incidents and likelihood of successful attacks.

10 FAILURE TO DELIVER THE FULL POTENTIAL OF OPERATING ASSETS

RISK: 10 2021 10 2020

Risk description

Failure to deliver the full potential of operating assets due to non-delivery of productivity targets, and delays in operating model implementation at operations.



Strategy impact and link

Risk owner: executive heads: process; technical and operational excellence

Root cause

- Delays in operating model implementation
- Delays with technology adoption
- Failure in making Amandelbult investable again and Modikwa alternatives
- Failure to maintain critical plant, machinery and infrastructure
- Not meeting P101 programme deliverables, which also has the potential to derail other initiatives
- Cost control not at adequate level
- Capital expenditure not aligned to plans.

Potential impacts

- Not meeting productivity targets
- Loss of production and revenue
- Inability to deliver required levels of cash flow, profitability targets
- Cost control not at adequate level.

Mitigation

- Continuous focus on reducing operating costs and working capital
- Optimise supply-chain contracts and delivery of materials and commodities
- Deliver value by rolling out operating model at Amandelbult and processing plants
- Continue debottlenecking on-mine and processing
- Modernisation and accelerating technology adoption and opportunities
- Continue with research and development of cutting technology, extra low profile (XLP) and ultra low profile (ULP)
- Continue with organisational development and transformation
- Digitisation and asset reliability optimisation of real-time equipment
- P101 programme to achieve and then exceed benchmark performance for key value drivers at operations.

Risk appetite and tolerance

- Within risk appetite, high consequence rating requires close monitoring
- Within tolerance.

Potential impact on capitals

- Production
- Cost
- Financial.

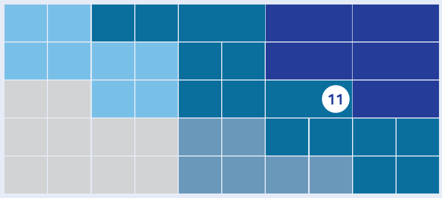
The impact of new Covid-19 variants may lead to further waves of infection, affecting labour productivity, as well as PGMs produced and refined.

11 FAILURE TO INVEST TO SECURE AND GROW OUR LEADERSHIP POSITION

RISK: 11 2021 11 2020

Risk description

Failure to ensure efficient investments and effective execution of value-accretive projects on time and within budget.



Strategy impact and link **Risk owner:** executive head: projects

Root cause

- Worsening socio-economic environment impacting projects
- Long-term strategic inconsistency (company/business unit)
- Uncertainty on PGM demand fundamentals
- Potential major purchase-of-concentrate exit in 2022
- Lack of enabling infrastructure to support expansion
- Political will to effect immediate change (investment in South Africa).

Potential impacts

- Negative cost-curve impact due to projects not coming online
- Loss of potential revenue in profit pool
- Investment not aligned to commodity upcycles
- Stakeholders losing confidence in board
- Loss of critical mass/ economy of scale
- Negative socio-economic (not delivering on our goals).

Mitigation

- Focus remains on advancing appropriate capital projects and completing project studies to retain flexibility on project delivery
- Portfolio management strategy revised and optimised
- Rigorous selection processes applied to capital allocation
- Rigorous selection processes applied to stay-in-business capital allocation
- Adequate study work completed for investment opportunities.

Risk appetite and tolerance

- Within risk appetite, high consequence rating requires close monitoring
- Within tolerance.

Potential impact on capitals

- Production
- Cost
- Financial.

Unique opportunities exist to improve cash-flow generation and returns through increased processing of higher-margin mined production from Mogalakwena and Der Brochen.

Performance

Strong performance reflects commodity prices, but more importantly, progress on strategic priorities

Key disclosures in this section

Financial review

The company delivered a record financial performance in 2021, with increased earnings and returns.

Craig Miller
Finance director

Record headline earnings of	Net cash of	Dividend payout ratio	Return on capital employed of
R79 billion	R49 billion	100%	183%
up 160% from 2020	from R18.7 billion in 2020	of FY21 headline earnings, equivalent to R80 billion or R300 per share	on strong earnings

Overview

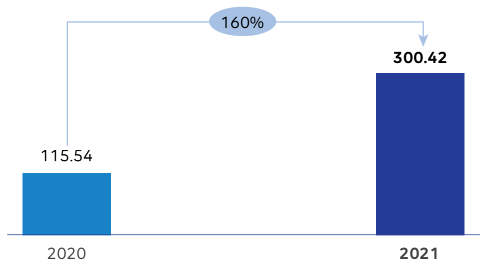
Anglo American Platinum delivered a record financial performance in 2021, driven by higher PGM prices and higher sales volumes, resulting in higher margins and returns. The US dollar PGM basket price increased by 36%, with the rand basket price increasing by 22% to R40,511 per PGM ounce (2020: R33,320 per PGM ounce) on the back of a stronger rand. The increased profitability and strong free cash flow generated enabled significant shareholder returns in 2021.

Delivering higher refined PGM ounces and, therefore, sales volumes, as a result of the stable processing performance resulted in a 161% increase in EBITDA to R108.4 billion (2020: R41.6 billion). The mining EBITDA margin increased to 65% (2020: 55%), driven by higher commodity prices for all metals and solid operational performance.

Headline earnings increased by 160% to R79.0 billion, equating to headline earnings per share (HEPS) of 30,042 cents (2020: 11,554 cents). The increase was mainly driven by higher profitability, partially offset by 180% incremental taxes for the year of R29.3 billion (2020: R10.5 billion). The company's balance sheet remains in a strong position, with net cash of R49.1 billion, after paying dividends of R55.7 billion and R34.8 billion in taxes and royalties.

For a more comprehensive account of our financial position and performance, this review should be read with the annual financial statements for 2021 at www.angloamericanplatinum.com.

Headline earnings per share
(Rand per share)



Financial performance

Key financial indicators underpinning our operating performance in the past year were:

	2021 Rbn	2020 Rbn	% change
Net revenue	214.6	107.8	99
Cost of sales	109.5	68.0	61
Adjusted EBITDA	108.4	41.6	161
Mining EBITDA margin (%)	65	55	10pp
Headline earnings	79.0	30.3	160
Sustainable capital excluding capitalised waste stripping	7.7	5.2	48
Net cash	49.1	18.7	163
ROCE (%)	183	72	111pp

Revenue

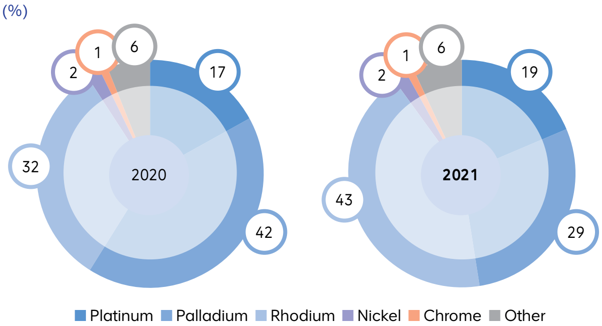
Net revenue increased by 99% to R214.6 billion (2020: R107.8 billion) due to the 22% increase in the rand basket price to R40,511/PGM ounce (2020: R33,320/PGM ounce). The average US dollar sales price achieved on all PGMs improved: rhodium was up 85% and platinum was up 23%.

In addition, sales volumes (excluding third-party metals) increased by 82% owing to higher refined production as a result of improved performance and the ability to draw down the build-up in work-in-progress inventory. Sales volumes from third-party purchases decreased by 400,000 PGM ounces to 771,000 PGM ounces, as sales in the prior period were higher than normal to mitigate supply disruption to customers following the temporary closure of the ACP.

Revenue by metal

	2021 Rbn	2020 Rbn	% change
PGM (5E+Au)	202.3	89.6	126
Platinum	37.9	17.3	119
Palladium	56.8	33.1	71
Rhodium	92.9	32.8	183
Other PGMs	14.7	6.4	129
Nickel	5.9	3.4	75
Chrome	1.3	1.3	(1)
Other	2.6	0.7	305
Net revenue excluding trading and tolling	**212.1**	95.0	123
Trading and tolling	2.5	12.8	(80)
Net revenue	**214.6**	107.8	99

Revenue per metal
(%)

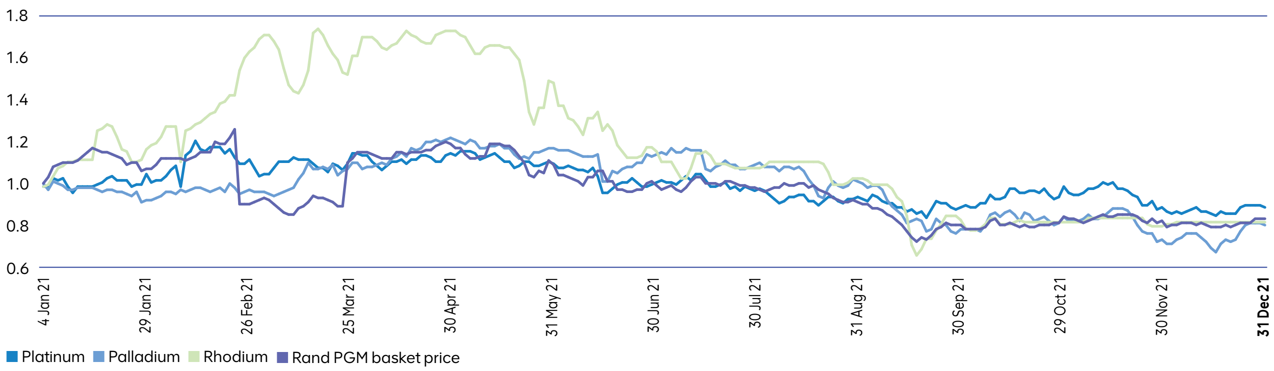


Total metal sold

Total metal sold		2021	2020	% change
Platinum	000 oz	**2,367**	1,195	98
Palladium	000 oz	**1,589**	903	76
Rhodium	000 oz	**324**	188	72
PGM (5E+Au)	000 oz	**5,214**	2,869	82
Nickel	t	**21,552**	15,165	42
Chrome sold	t	**739,775**	786,174	(6)
Average market price achieved – excluding trading				
Platinum	US$/oz	**1,083**	880	23
Palladium	US$/oz	**2,439**	2,214	10
Rhodium	US$/oz	**19,613**	10,628	85
PGM (5E+Au)	US$/oz	**2,640**	1,897	39
Nickel	US$/t	**18,472**	14,250	30
Chrome	US$/t	**122**	107	14
PGM basket price	US$/oz	**2,761**	2,035	36
Average exchange rate	R/US$	**14.71**	16.34	(10)
PGM basket price	R/oz	**40,511**	33,320	22

Metal price movement

Indexed metal price (4 January 2021 = 1)



Costs

Cost of sales increased 61% from R68 billion in 2020 to R109.5 billion, driven by increased mining and processing costs, royalties and higher purchase-of-concentrate costs. This was partially offset by a decrease in third-party purchasing and other trading activities owing to lower supply-risk management purchases in 2021.

The unit cost of production per PGM ounce rose by 9% to R12,831 per PGM ounce (2020: R11,739). This was despite 13% higher mining production compared to 2020. The increase is due to higher input cost inflation of 14% attributable to annual increases, including labour of 7%, electricity of 14% and steel of 47%.

On-mine costs (mines and concentrators) increased 17% to R33 billion. This was due to higher mining activity compared to the prior year as well as higher input cost inflation of 14%. The increases are mainly a result of steel prices impacting consumable stores cost. Processing costs rose 23% to R12.0 billion, due to significantly higher throughput, higher base metal production and above-CPI cost increases from key input commodities such as caustic soda.

Costs associated with the purchase of concentrate increased to R45.8 billion from R35.9 billion because of higher prices and higher volumes. Metal leasing costs decreased to R0.3 billion from R11.2 billion because of lower levels of trading activity.

Cost of sales analysis

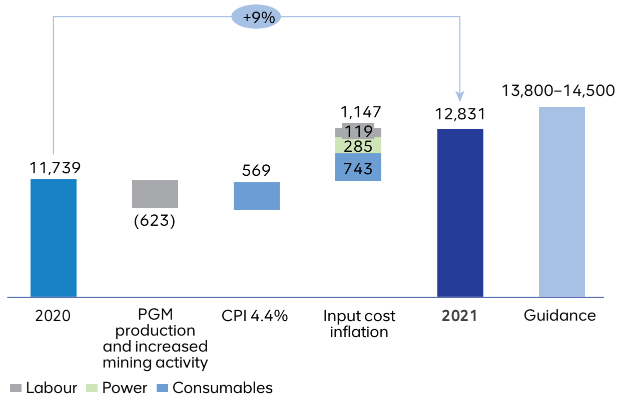
	2021 Rbn	2020 Rbn	% change
On-mine	**33.0**	28.1	17
Processing	**12.0**	9.7	23
Smelting	**6.7**	5.2	29
Treatment and refining	**5.3**	4.5	17
Movement in metal inventories	**6.6**	(22.1)	130
Movement in ore stockpiles	**0.3**	(0.5)	153
Purchase of concentrate	**45.8**	35.9	27
Trading activities	**0.3**	11.2	(97)
Other costs	**4.6**	3.1	52
Royalties and carbon tax	**6.9**	2.6	164
Cost of sales	**109.5**	68.0	61

The all-in sustaining cost for own-mines was US$1,012/PGM ounce sold (2020: US$1,289) compared to an achieved price of US$2,680/PGM ounce.

Unit cost guidance for 2022 is R13,800–R14,500 per PGM ounce, an increase of between 8%–13% over 2021, owing to the anticipated continuation of rising input costs from labour, electricity, oil, and other consumables.

Unit cost

(R/PGM ounce produced)



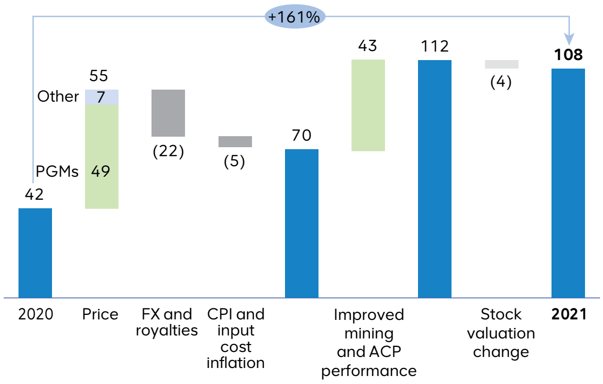
Earnings before interest, taxation, depreciation and amortisation (EBITDA)

EBITDA increased to R108.4 billion (2020: R41.6 billion). This was mainly attributable to higher US dollar PGM prices, contributing R55.4 billion. Improved mining and process performance contributed R42.5 billion. These were partially offset by higher cost increases, R1.7 billion from a higher CPI and R3.3 billion from higher input cost inflation. The stronger rand/dollar exchange rate and higher royalties also collectively reduced EBITDA by R22.2 billion.

The company reassessed and amended its metal inventory valuation model as a result of recent and prolonged trends in the price environment for its products and the return to normalised inventory levels. The impact of this change resulted in a reduction in the value of inventory of R6.1 billion, offset by the valuation of iridium and ruthenium as by-products of R2.2 billion. The net effect resulted in a R3.9 billion decrease in EBITDA.

The company's EBITDA margin achieved was 51% (2020: 43%), made up of own-mining operations margin of 65% (2020: 55%), joint operations of 67% (2020: 60%), purchase-of-concentrate of 22% (2020: 22%) and tolling of 35% (2020: 25%).

EBITDA
(Rbn)



Capital expenditure

Total capital expenditure for 2021 was R13.6 billion, including capitalised waste stripping of R3.0 billion. This largely comprised stay-in-business (SIB) capital of R7.3 billion, which was within market guidance of R7.0 billion–R7.5 billion, breakthrough projects of R2.0 billion, growth capital of R0.8 billion and life-extension capital of R0.4 billion.

SIB expenditure for the year was incurred mainly for the rebuilds at Waterval smelter and the ACP phase B, Mogalakwena heavy mining equipment (HME), building the Mareesburg tailings dam at Mototolo and capital maintenance programmes at the smelter operations to maintain asset integrity.

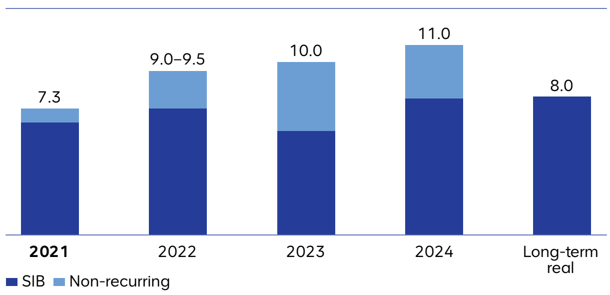
Project capital of R0.4 billion was incurred on development of the Tumela 15E mechanised dropdown and the replacement project at Der Brochen, which should extend the life-of-mine to continue to supply c.240,000 tonnes of ore per month, or around 250,000 PGM ounces per annum.

Breakthrough project capital of R2 billion was incurred on the modernisation of Amandelbult, Coarse Particle Rejection (CPR) and Rustenburg base metals copper debottlenecking. Mogalakwena technology breakthrough (CPR and Mogalakwena bulk-ore sorting pilot scheme). R0.3 billion was spent on growth studies for the future of Mogalakwena feasibility studies.

Looking ahead, Anglo American Platinum has an enhanced focus on ensuring asset reliability and stability and embedding a continuous maintenance cycle and strategy. In line with this focus, over the next three years the company expects to see an increase in stay-in-business (SIB) capital. SIB capital expenditure in 2022 is expected to increase to c.R9.0 billion–9.5 billion, while 2023 and 2024 capital expenditure is anticipated to be R10.0 billion and R11.0 billion. The 2022 SIB capital expenditure increases will be driven by replacing end-of-life HME at Mogalakwena, the Polokwane smelter furnace rebuild, the SO_2-abatement plant construction at Waterval, and a rebuild of the slag-cleaning furnace at the Waterval smelters, which should be completed in H2 2022.

Feasibility studies will continue to inform the future of Mogalakwena, which will be completed in 2022 and go to the board for evaluation and approval later in the year.

Capital expenditure
(Rbn)

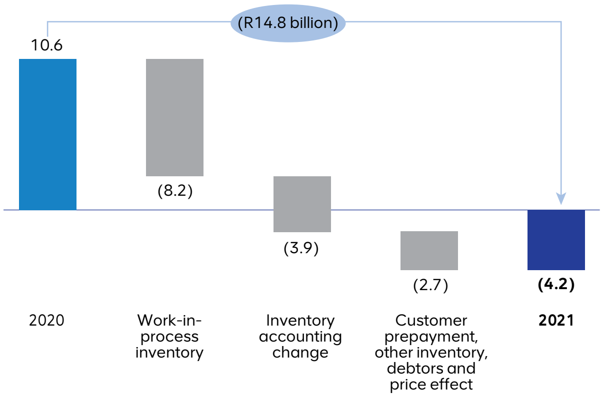


Working capital

Net trade working capital at 31 December 2021 was negative R4.2 billion (negative 10 days), a R14.8 billion decrease from R10.6 billion at 31 December 2020 (58 days). The net decrease was mainly attributable to lower inventory as a result of a decrease in work-in-progress inventory of R8.2 billion, due to higher refined production and an increase in customer prepayment of R7.7 billion as a consequence of higher prices. This was offset by the restocking of finished goods and the effect of higher metal prices of R4.3 billion and higher trade receivables of R0.7 billion. The change in inventory valuation methodology reduced working capital by R6.1 billion, though this was partly offset by the valuation of iridium and ruthenium as by-products of R2.2 billion.

Other working capital of negative R3.5 billion was R5.1 billion lower than 31 December 2020, largely owing to the ACP insurance receivable and higher financial asset related to borrowed metal in the prior period.

Trade working capital
(Rbn)



	2021 Rbn	Days	2020 Rbn	Days
Metals and consumables	**36.3**	115	43.9	131
Ore stockpiles	**2.4**	6	2.6	8
Trade receivables	**1.9**	3	1.3	4
Trade payables	**(18.6)**	(59)	(18.6)	(43)
Customer prepayment	**(26.2)**	(76)	(18.5)	(41)
Trade working capital	**(4.2)**	(10)	10.6	58
Other receivables	**4.3**	6	7.5	22
Other payables	**(7.8)**	(26)	(5.9)	(13)
Total working capital	**(7.7)**	(19)	12.3	67

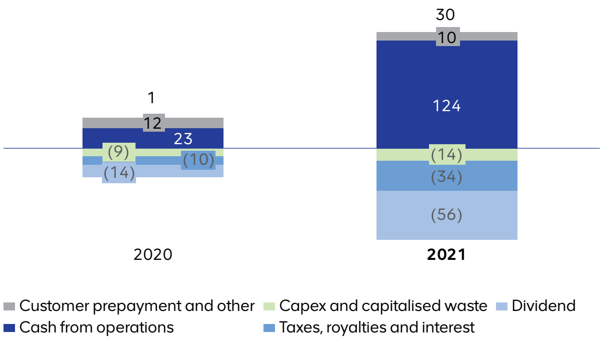
Net cash and liquidity

Anglo American Platinum ended the period in a net cash position of R49.1 billion compared with a net cash position of R18.7 billion at the end of 2020, an increase to R30.4 billion. The company generated cash of R123.8 billion, while an increase in the value of the customer prepayment added R7.7 billion. During the year, the company received deferred consideration payments, net of acquisitions, funding for associates and minor investments of R1.3 billion. In total, these positive cash flows were used to fund capital expenditure and capitalised waste stripping of R13.6 billion; pay taxation and royalties of R34.8 billion; and pay dividends to shareholders of R55.7 billion (in respect of H2 2020 and H1 2021).

Excluding the current value of the customer prepayment of R26.2 billion, the company is in a net cash position of R22.9 billion (net cash of R0.1 billion in 2020).

The customer prepayment represents a payment in advance for metal to be delivered in six months' time. An amount is received monthly on a rolling six-month basis over six years of the contract ending in March 2023. In January 2022, Anglo American Platinum entered into an agreement with the counterparty extending the term of the contract until 2027.

Net cash evolution
(Rbn)



Liquidity headroom, excluding the customer prepayment, is at R44.3 billion, comprising both undrawn committed facilities of R20.8 billion and cash of R23.5 billion. Anglo American Platinum is comfortably within its debt covenants.

Investor relations activity and share price

The company has positioned itself as a diversified precious metals mining company generating value for stakeholders through its full value-chain proposition from mine to market.

The investor relations team engages with the market to enhance corporate value through effective communication of its revised strategic objectives, operational and financial performance, and its environmental, social and governance (ESG) performance. Engaging with the market includes key stakeholders such as buy-side and sell-side analysts, institutional investors and potential investors. Interacting and communicating with the market has been key to ensure an understanding of the impact of Covid-19 on operational performance, as well as the rebuild of the ACP and its operational and financial impact.

Investor and analyst sentiment towards the company recovered following the strong ACP performance, leading to record refined production of over 5.1 million PGM ounces (from own production). Coupled with strong pricing, this led to a record financial performance in the review period. As a result, the company continues to achieve a premium valuation relative to PGM peers, as the market views Anglo American Platinum as having high-quality assets, strong capital discipline and was able to mitigate the financial impacts of the build-in work-in-progress inventory due to a strong balance sheet. The share price increased from R1,443 per share on 31 December 2020 to R1,816 per share on 31 December 2021. Including dividends paid during the period, the total shareholder return in 2021 was 41%.

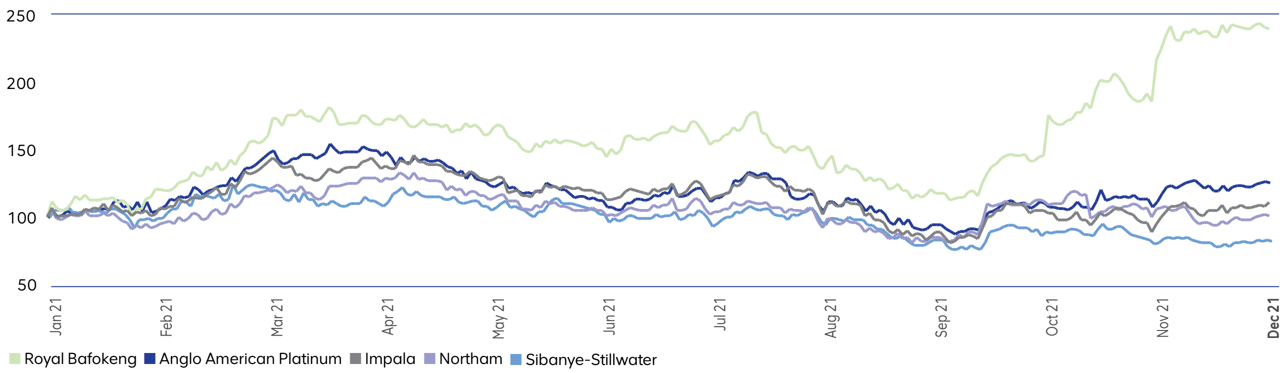
The investor relations team manages communication through specific reporting periods, such as annual and interim results presentations, as well as quarterly production updates, operational announcements, trading updates and any material information on the company through JSE SENS announcements. Roadshows and attending specialist conferences facilitate further engagement with key stakeholders, focused on emerging-market and resource specialist fund managers.

The shareholder base comprises both domestic and foreign institutional investors, individuals, pension and provident funds, hedge funds, banks, nominee and finance companies, trust funds and insurance companies. The shareholding of Anglo American South Africa Investments Proprietary Limited was 78.78% (2020: 78.91%). Excluding ownership by the parent company, the geographical split of the shareholder base has evolved over recent years from predominantly South African to a growing investor base from the UK, Europe and North America.

Any significant concerns raised by a shareholder on the company are communicated to investor relations, PMC and the board. The board receives a briefing at each quarterly meeting from investor relations, communicating feedback on the performance of the share price, and sentiment from institutional shareholders and other engagements.

Share price versus peers (last 12 months)

(1 January 2021 to 31 December 2021)



Dividends

The company dividend policy targets a pay-out ratio of 40% of headline earnings. In line with our disciplined capital-allocation framework, supported by the strong balance sheet, improvement in refined production in 2021, continuation of relatively strong PGM prices and the ability of the company to withstand downside price risk and operational challenges, the board has declared a second half cash dividend of R33.2 billion, or R125 per share, to our shareholders. This brings the aggregate 2021 dividend to R79.6 billion, or R300 per share, equivalent to a 100% pay-out on full-year 2021 headline earnings. The dividend applies to all shareholders on the register on 11 March 2022 and is payable on 14 March 2022.

Significant accounting matters

Change in estimate – inventory valuation

The group reassessed and amended its metal inventory valuation model as a result of recent significant and prolonged increases in PGM prices.

Purchase-of-concentrate (POC) cost which was previously estimated using a 12-month rolling average purchase cost was changed to a six-month rolling average cost. The change to a six-month rolling average cost better reflects the cost of POC stock-on-hand in price environments with significant and prolonged changes. This change in estimate had the most significant impact on the stock valuation at 31 December 2021.

In addition, the estimate of the allocation of costs to 3E (platinum, palladium and rhodium) metals was changed from using each metals' contribution to total revenue to using production volumes. This change will result in a more consistent year on year allocation of costs to the 3E metals and removes volatility in the allocation of costs to 3E metals in periods of significant changes in prices of any of the 3E metals.

Since May 2021, the PGM prices, in particular rhodium, have been on a downward trend resulting in a lower POC cost per metal on a six-month rolling average basis compared to a 12-month rolling basis. The on-mine cost per ounce allocated to rhodium using production volumes is lower than the cost per ounce using the contribution to total revenue. These two changes in metal inventory estimates, together with other less significant changes in estimates, had the effect of decreasing the value of metal inventory as disclosed in the financial statements at 31 December 2021 by R6.1 billion.

Change in estimate — classification of products

Iridium and ruthenium used to be measured at a nominal value of R1 per ounce as these were classified as waste products. Due to changes in PGM prices, demand and trading conditions, management changed the classification of iridium and ruthenium to by-products from 1 January 2021.

The resulting value of inventory as at 31 December 2021 attributable to these metals is R2.2 billion.

Change in accounting policy – presentation of revenue

The group has amended its accounting policy for certain physically settled contracts relating to the purchase and sale of refined metals produced by third parties. These contracts are entered into and managed collectively to generate a trading margin as part of the group's marketing function and are accounted for as derivatives prior to settlement as they meet the definition of net settlement as defined in IFRS 9 *Financial Instruments*. Due to the continued growth of the group's trading activities, presentation of the margin arising on these transactions on a net basis will provide more relevant information about the impact of these activities on the group's financial performance. This change has no impact on the statement of financial position, statement of changes in equity, statement of cash flows or earnings per share. Revenue and cost of sales for the year ended 31 December 2021 are both R27 billion lower than would have been reported under the group's previous accounting policy.

Key factors that will affect future financial results

Financial outlook

Unit cost guidance for 2022 will be R13,800–R14,500 per PGM ounce. Total capital expenditure guidance for 2022, excluding capitalised waste stripping, is expected to be between R15 billion and R15.5 billion. Capitalised waste-stripping guidance is R3 billion.

The board has committed to paying a sustainable dividend based on a payout ratio of 40% of normalised headline earnings at each reporting period.

The financial information on which the guidance is based has not been reviewed or reported on by the company's auditors.

Craig Miller

Craig Miller
Finance director

Johannesburg
17 February 2022

Summarised consolidated statement of financial position

as at 31 December 2021

	2021 Rm	2020 Rm
ASSETS		
Non-current assets	**77,481**	68,176
Property, plant and equipment	**52,167**	46,139
Capital work-in-progress	**14,319**	10,989
Other financial assets	**6,468**	7,716
Investment in associates and joint ventures	**1,963**	908
Inventories	**1,147**	1,147
Investments held by environmental trusts	**967**	829
Goodwill	**397**	397
Deferred taxation	**53**	51
Current assets	**102,668**	76,201
Cash and cash equivalents	**51,483**	19,991
Inventories	**37,569**	45,370
Other financial assets	**7,766**	5,207
Trade and other receivables	**3,024**	2,339
Other assets	**2,431**	3,146
Taxation	**395**	148
Total assets	**180,149**	144,377
EQUITY AND LIABILITIES		
Share capital and reserves		
Share capital	**26**	26
Share premium	**22,782**	22,604
Retained earnings	**74,942**	51,711
Foreign currency translation reserve	**3,399**	2,687
Remeasurements of equity investments irrevocably designated at fair value through other comprehensive income (FVTOCI)	**1,064**	1,322
Non-controlling interests	**137**	184
Shareholders' equity	**102,350**	78,534
Non-current liabilities	**21,331**	19,110
Deferred taxation	**15,648**	13,141
Other financial liabilities	**2,943**	3,536
Environmental obligations	**2,318**	1,824
Lease liabilities	**330**	377
Borrowings	**81**	209
Employee benefits	**11**	23
Current liabilities	**56,468**	46,733
Other liabilities	**28,240**	20,270
Trade and other payables	**25,110**	23,260
Other financial liabilities	**2,697**	1,943
Taxation	**160**	923
Lease liabilities	**151**	210
Borrowings	**50**	47
Share-based payment provision	**30**	50
Provisions	**30**	30
Total equity and liabilities	**180,149**	144,377

Corporate transactions

- Union disposal deferred consideration of R1.1 billion was received during the year
- Rustenburg disposal deferred consideration of R2.3 billion was received during the year
- Mototolo acquisition deferred consideration of R1.7 billion paid during the year.

Operations

- Net trade working capital at 31 December 2021 of negative R4.2 billion (equivalent to negative 10 days) compared to R10.6 billion at 31 December 2020 (58 days). The net decrease was mainly attributable to lower inventory as a result of a decrease in work-in-progress inventory of R8.2 billion, due to higher refined production and other initiatives to reduce work-in-progress inventory, and an increase in customer prepayment of R7.7 billion as a result of higher prices.

Environmental

- Total rehabilitation and decommissioning provision was R2.3 billion at the end of 2021.

Summarised consolidated statement of comprehensive income

for the year ended 31 December 2021

	2021 Rm	2020 Rm
Gross revenue[1]	**214,580**	107,785
Commissions paid	**(12)**	(14)
Net revenue[1]	**214,568**	107,771
Cost of sales[1]	**(109,456)**	(68,048)
Gross profit	**105,112**	39,723
Fair value measurements of financial assets and liabilities and investments in environmental trusts	**4,494**	3,780
Other income	**2,447**	2,051
Share of profit from equity-accounted entities	**952**	340
Finance income	**713**	513
Dividends received	**14**	47
Impairment and scrapping of property, plant and equipment	**(27)**	(476)
Provision for expected credit losses	**(125)**	(128)
Finance costs	**(357)**	(448)
Market development and promotional expenditure	**(966)**	(871)
Other expenditure	**(3,946)**	(3,673)
Profit before taxation	**108,311**	40,858
Taxation	**(29,290)**	(10,455)
Profit for the year	**79,021**	30,403
Other comprehensive income, post-tax	**454**	1,233
Items that may be reclassified subsequently to profit or loss	**712**	235
Foreign exchange translation gains	**712**	235
Items that will not be reclassified subsequently to profit or loss	**(258)**	998
Net (losses)/gains on equity investments at FVTOCI	**(355)**	1,175
Tax effects	**97**	(177)
Total comprehensive income for the year	**79,475**	31,636
Profit attributed to:		
Owners of the company	**78,978**	30,342
Non-controlling interests	**43**	61
	79,021	30,403
Total comprehensive income attributed to:		
Owners of the company	**79,432**	31,575
Non-controlling interests	**43**	61
	79,475	31,636
Earnings per share		
Earnings per ordinary share (cents)		
– Basic	**30,023**	11,553
– Diluted	**29,976**	11,519
Headline earnings	**79,026**	30,346

[1] Restated.

Financial

- Gross revenue rose 99% due to a 36% higher US dollar basket price of US$2,761 per PGM ounce sold and higher sales from trading activities
- Headline earnings up 160%
- Changes in inventory estimates of R3.9 billion reduced gross profit by 4%
- Fair value measurements of other financial assets and liabilities increased by 19% mainly due to deferred consideration remeasurements
- Share of profit from equity accounted entities rose 180% due to increases in profits from AP ventures
- Movements in FVTOCI mainly due to fair value adjustments on investments held by Anglo Platinum Marketing Limited.

Manufactured

- Cost of sales rose 61%, driven by increased mining and processing costs, higher royalties and higher purchase-of-concentrate costs
- Unit cost up 9% year on year due to annual increases including labour of 7%, electricity of 14%, and steel of 47%, as well as impact of a higher ore stockpile
- The all-in sustaining unit cost for own-mines was US$1,012 per PGM ounce sold versus an achieved price of US$2,680.

Human

- Total labour makes up 24% of costs.

Social

- Social investment, community development and empowerment spend of R2 billion in 2021. These costs are included in cost of sales.

Summarised consolidated statement of changes in equity

for the year ended 31 December 2021

	Share capital Rm	Share premium Rm	Retained earnings Rm	Foreign currency translation reserve (FCTR) Rm	Remeasurements of equity investments irrevocably designated at FVTOCI Rm	Non-controlling interests Rm	Total Rm
Total equity at 1 January 2020	27	22,691	35,039	2,452	441	192	60,842
Profit for the year			30,342			61	30,403
Other comprehensive income for the year				235	998		1,233
Total comprehensive income for the year			30,342	235	998	61	31,636
Deferred taxation charged directly to equity			(3)				(3)
Cash distributions to non-controlling interests						(69)	(69)
Shares acquired in terms of the BSP and ESOP – treated as treasury shares	(—)*	(310)					(310)
Shares vested in terms of the BSP	—*	223	(223)				—
Equity-settled share-based compensation			211				211
Shares forfeited to cover tax expense on vesting			(10)				(10)
Dividends paid			(13,779)				(13,779)
Transfer of reserve on disposal of investments			117		(117)		—
Shares repurchased	(1)						(1)
Retirement benefit			17				17
Balance at 31 December 2020	26	22,604	51,711	2,687	1,322	184	78,534
Profit for the year			**78,978**			**43**	**79,021**
Other comprehensive income for the year				**712**	**(258)**		**454**
Total comprehensive income for the year			**78,978**	**712**	**(258)**	**43**	**79,475**
Deferred taxation charged to equity			**(24)**				**(24)**
Dividends paid**			**(55,718)**				**(55,718)**
Retirement benefit			**(7)**				**(7)**
Cash distributions to non-controlling interests						**(90)**	**(90)**
Shares acquired in terms of the BSP and ESOP – treated as treasury shares	**(—)***	**(12)**					**(12)**
Shares vested in terms of the BSP	**—***	**190**	**(190)**				**—**
Equity-settled share-based compensation			**213**				**213**
Shares forfeited to cover tax expense on vesting			**(21)**				**(21)**
Balance at 31 December 2021	**26**	**22,782**	**74,942**	**3,399**	**1,064**	**137**	**102,350**

	Per share (R)	Rm
* Less than R500,000.		
** Dividends paid.		
Final 2020	35.35	9,362
Interim 2021	175.00	46,356
		55,718

– Total shares in issue were 265,292,206 (2020: 265,292,206), treasury shares held were 735,020 (2020: 1,185,745) and Alchemy shares were 1,400,685 (2020: 1,400,685).

Summarised consolidated statement of cash flows

for the year ended 31 December 2021

	2021 Rm	2020 Rm
Cash flows from operating activities		
Cash receipts from customers	213,909	137,369
Cash paid to suppliers and employees	(89,286)	(105,938)
Cash generated from operations	124,623	31,431
Taxation paid	(27,902)	(7,941)
Interest paid (net of interest capitalised)	(235)	(290)
Net cash from operating activities	96,486	23,200
Cash flows used in investing activities		
Purchase of property, plant and equipment (includes interest capitalised)	(13,631)	(9,471)
Deferred consideration receipts	3,495	3,348
Interest received	698	508
Dividend received from AP Ventures	141	—
Proceeds from sale of plant and equipment	128	43
Dividends received	31	55
Growth in environmental trusts	15	5
Proceeds from loan repayments by ARM Mining Consortium Limited	8	107
Proceeds from partial disposal of shares held in Ballard Power Systems Inc.	—	158
Proceeds from disposal of RA Gilbert	—	3
Purchase of Anglo American plc shares for the BSP	(3)	(2)
Additions to investment in associates	(19)	(55)
Other advances	(66)	(13)
Shareholder funding capitalised to investment in associates	(105)	(82)
Advances made to Plateau Resources Proprietary Limited	(110)	(85)
Investments in joint ventures	(152)	(90)
Additions to FVTOCI investments	(266)	(6)
Net cash used in investing activities	(9,836)	(5,577)
Cash flows used in financing activities		
Dividends paid	(55,718)	(13,779)
Deferred consideration payments	(1,710)	(598)
Repayment of lease obligation	(156)	(122)
Repayment of borrowings	(125)	(66)
Cash distributions to non-controlling interests	(90)	(69)
Purchase of treasury shares for the BSP and ESOP	(12)	(310)
Repurchase of shares	—	(1)
Net cash used in financing activities	(57,811)	(14,945)
Net increase in cash and cash equivalents	28,839	2,678
Cash and cash equivalents at beginning of year	19,991	18,546
Foreign exchange differences on cash and cash equivalents	2,653	(1,227)
Decrease in cash and cash equivalents due to RA Gilbert disposal	—	(6)
Cash and cash equivalents at end of year	51,483	19,991

Mining and concentrating operations review

Managed mines – Mogalakwena

Mogalakwena Mine is 30km north-west of the town of Mokopane in Limpopo province and operates under a mining right covering 372km^2. Current infrastructure comprises five open-pits (Sandsloot, Zwartfontein, Mogalakwena south, central and north). The mining method is truck-and-shovel, and current operating pit depths vary from 0m–280m.

Ore is milled at the on-mine north and south concentrators as well as Messina Mine's Baobab concentrator to produce PGMs and base metal-bearing concentrate.

Mogalakwena strategy

Mogalakwena
- A world-class polymetallic orebody, positioned to deliver maximum value.

Maximise value from our core
- Resource development plan and optimal mine plan
- Operational efficiencies (page 105)
- Expanding concentrator capacity
- Downstream processing.

Go beyond resilience, thrive through change
- Technology and innovation.

A leader in ESG
- Communities – creating trusting relationships and valued partnerships.

Key features in 2021

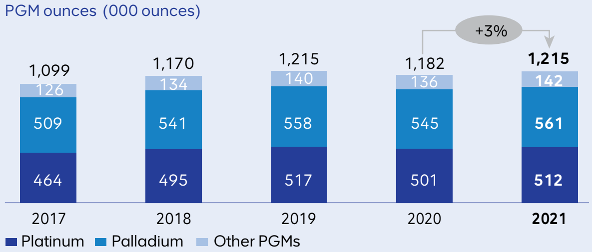
14.3 million
fatality-free shifts (over 10 years)

PGM production up
3%

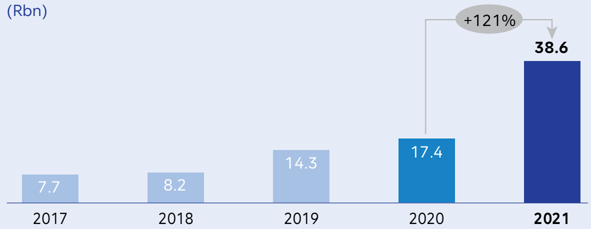
Increased EBITDA by
121% to R38.6bn

Economic free cash flow increased to
R32.7bn

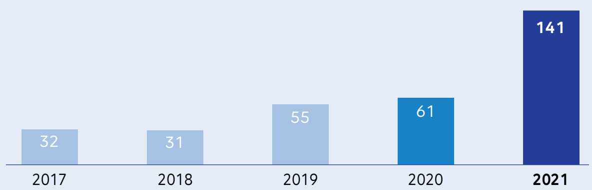
Production
PGM ounces (000 ounces)



Adjusted EBITDA
(Rbn)



Return on capital employed
(%)



Mogalakwena (managed – 100% owned)		2021	2020
Fatalities	Number	–	–
TRCFR	Rate/million hrs	0.48	0.94
GHG intensity	(CO_2(e)/tonne milled)	0.075	0.074
GHG emissions, CO_2 equivalents	1,000 tonnes	1,059.97	995.39
Energy intensity (GJ/tonnes production)	(GJ/tonne milled)	0.397	0.380
Energy use	Gigajoules	5,633,376	5,147,186
L4–5 environmental incidents	Number	0	0
Hazardous waste to landfill	Tonnes	0	956.78
Potable water	1,000m^3	0	0
Potable water intensities	(m^3/tonne milled)	–	–
Social investment	Rm	81.0	93.0
Total PGM production	000 oz	1,214.6	1,181.6
Net sales revenue	Rm	56,001	28,317
Adjusted EBITDA	Rm	38,612	17,447
Adjusted EBITDA margin	%	69	62
ROCE	%	141	61
Attributable economic free cash flow	Rm	32,652	10,806
Attributable cash flow	Rm	31,212	10,117
On-mine cost/tonne milled	R/tonne	567	499
Cash operating cost/PGM ounce produced	R/PGM oz	10,266	8,569
All-in sustaining costs/PGM ounce sold	US$/PGM oz	866	1,118

Mineral Resources inclusive of Ore Reserves

Platreef **3,338.4Mt ▷ 268.1 4E Moz**

Includes Measured Resource stockpile of **63.1Mt ▷ 3.3 4E Moz**

Mogalakwena Mine – general pit view.

Managed mines – Mogalakwena continued

Material risks – operation-specific risks cascade up to the company risk register in a disciplined, robust process

1 Land security and resettlement in time for cutbacks	2 Global supply chain backlog impacting equipment late deliveries	3 Socio-economic situation in surrounding community on unemployment
Risk description Failure to resettle surrounding communities to secure land for continued mining requirements (dumping) as well as keeping communities outside the blast zone radius has potential to stop mining activities leading to excessive loss of revenue.	**Risk description** Delays in delivery of mining equipment such as additional drills negatively affect drilling capacity.	**Risk description** Disruption of mining activities by host communities when their employment and other development expectations are not met by the mine.
Key mitigations – Involvement of social performance (SP) in mine planning (to know and plan for mining cutbacks in advance) – Continuous engagement with communities and local government – Resettlement action plans.	**Key mitigations** – Major maintenance intervention of drill rigs such as DML 295 has been deferred to Q3/Q4; however, normal maintenance continues – Production KPIs increased (availability and utilisation percentages) – End-of-life retirement of machines is postponed pending arrival of new equipment – Measures being explored • To obtain equipment that is no longer in use from Venetia mine subject to physical condition • Procuring equipment from the supplier competitor that has shorter lead times • Exploring equipment rental options.	**Key mitigations** – Corporate social investment (CSI) and social and labour plans (SLP) focus on creating opportunities and growing local supplier footprint – Municipal capacity support programmes – Sustainable livelihood strategy – Formal community grievance, issue and incident investigation and feedback mechanism including: • Community issue management procedure setting the requirements for recording, handling, classification and escalation of reported community issues. Provides for corrective action, monitoring and review as well as recording and close out. • Community engagement and development governance policy • Effective management and close-out of community issues – Social incident management plan.

Safety

Mogalakwena has operated fatality-free for the past ten years. The mine also recorded its best TRCFR of 0.48 in 2021, a 49% improvement on 2020 with the number of injuries reducing from 14 to 8. These results reflect the positive impact of implementing a revised safety, health and environment (SHE) strategy, SHE way management system framework and focus on reporting and learning from high-potential incidents.

Performance

Mogalakwena increased PGM production by 3% to 1,214,600 PGM ounces (2020: 1,181,600 PGM ounces). Total tonnes mined increased by 7%, highlighting increased efficiencies due to P101 initiatives.

However, due to changes in the mine plan as a result of geological and geotechnical considerations, higher amounts of waste tonnes were mined relative to ore tonnes. This caused the strip ratio to increase to 6.3 (2020: 4.8). Total tonnes milled increased by 5%, as ore stockpiles supplemented mined ore tonnes. However, this was offset by a 3% decrease in 4E built-up head grade as grades normalised to 3.23 g/t (2020: 3.32 g/t).

Cash operating costs rose 23% to R12.5 billion (2020: R10.1 billion) due to increased input cost inflation. Consumables increased around 17%, driven by the steep rise in prices of steel, fuel, chemicals and explosives. Electricity costs rose 15%, while labour costs were up 7%.

Cash operating costs per PGM ounce (metal-in-concentrate) increased 20% to R10,266 (2020: R8,569) due to higher costs.

The mine delivered an adjusted EBITDA margin of 69% (2020: 62%) and return on capital employed (ROCE) rose to 141% from 61%, supported by stronger metal prices and increased sales volumes on the prior year.

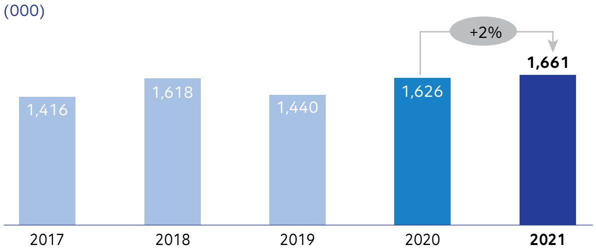
During the year, Mogalakwena Mine invested R0.8 billion in operating and capital expenditure which included commissioning the full-scale bulk-ore sorting plant which has started pilot testing, coarse particle rejection, and development of the hydrogen-powered fuel-cell mining haul-truck (2020: R0.5 billion). The bulk-ore sorter at Mogalakwena north concentrator was successfully commissioned in 2021 and pilot testing work is fully operational. Rejection rates of >5% have been achieved. It is earmarked to reject more than 10% of low-value material, upgrading the feed grade downstream.

The coarse particle rejection plant is under construction and commissioning is expected to be completed during Q2 2022. A three-month demonstration is set to conclude in the third quarter of 2022, after which the unit will be switched over to full-time production. It is expected that the unit will increase Mogalakwena north concentrator's production capacity by over 8%. A study is underway to define work required upstream to fully utilise this increased production capacity.

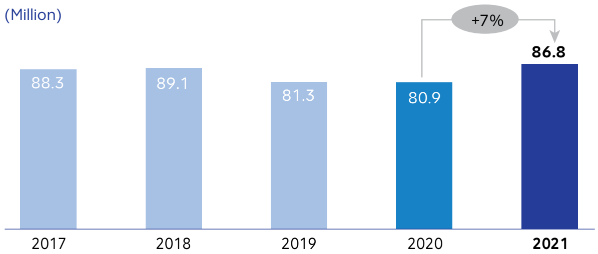
During the year, the mine and concentrators achieved an asset strategy and reliability (AS&R) maturity rank of competence by embedding systems that ensure sustained asset performance.

Operational KPIs/drivers

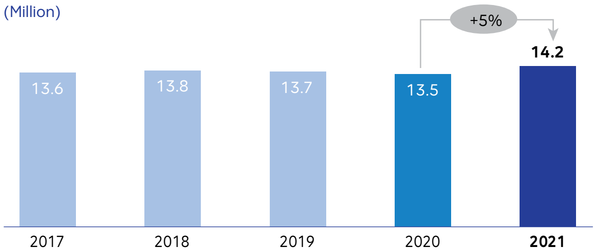
Metres drilled
(000)



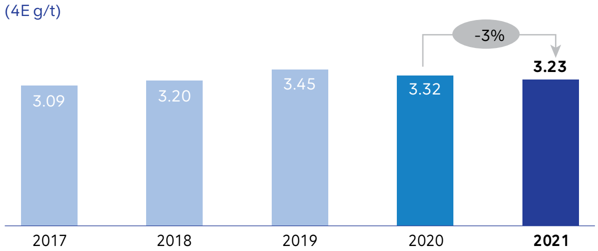
Total tonnes mined
(Million)



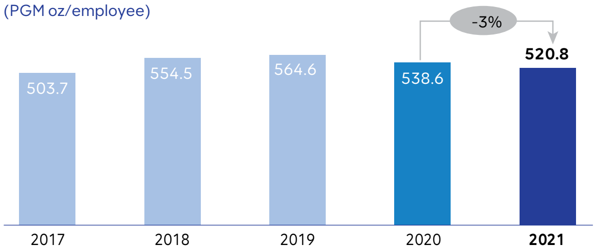
Tonnes milled
(Million)



Built-up head grade
(4E g/t)



Annual productivity
(PGM oz/employee)



Capital expenditure

Total capital expenditure (excluding capitalised waste-stripping and after allocating off-mine smelting and refining capital) rose to R5 billion in 2021. Stay-in-business capital expenditure was R3.6 billion (2020: R2.3 billion) and project capital expenditure increased to R1.4 billion (2020: R690 million). This was due to higher capital maintenance costs, increased spend on tailings dams and purchases of heavy mining equipment.

Capitalised waste-stripping rose to R3 billion in 2021 (R2.5 billion in 2020) after a 13% increase in capitalised waste tonnes mined to expose fresh ore.

In 2022, Mogalakwena is expected to produce around 1.1 million PGM ounces, with some 476,000 platinum ounces. This lower output reflects an expected lower 4E built-up head grade and the closure of south concentrator for one month for critical maintenance. The closure will coincide with the first full Polokwane smelter rebuild in the second half of 2022 since its commissioning.

Managed mines – Amandelbult

The Amandelbult complex is in Limpopo, between the towns of Northam and Thabazimbi, on the North-western Limb of the Bushveld Complex. It operates under a mining right covering 141km².

The complex has two mines (Tumela and Dishaba) and three concentrators with two chrome plants. The current working mine infrastructure has five vertical and seven decline shaft systems to transport rock, people and material, mining on the Merensky and UG2 Reef horizons. The layout is a combination of conventional scattered-breast mining with strike pillars, mechanised mining areas and open pits. The operating depth for current workings runs from surface to 1.3km below surface.

Amandelbult strategy

Amandelbult
- Fast-track modernisation and mechanisation.

Maximise value from our core
- Operational efficiencies (page 109)
- Modernisation
- Mechanisation.

Go beyond resilience, thrive through change
- AS&R
- Technology and innovation.

A leader in ESG
- Creating trusting relationships and valued partnerships.

Key features in 2021

0 fatalities
after one in 2020

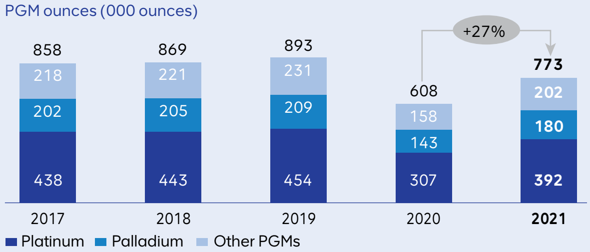
27% increase
in PGM ounces

Production from chrome plant up
12%
yielding 883,900 tonnes of chrome concentrate

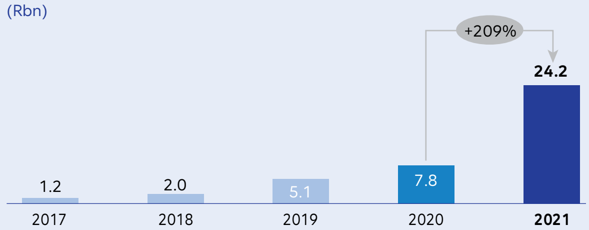
Economic free cash flow increased by
401%
to R24 billion

EBITDA rose to
R24.2 billion
leading to higher EBITDA margin of 58%

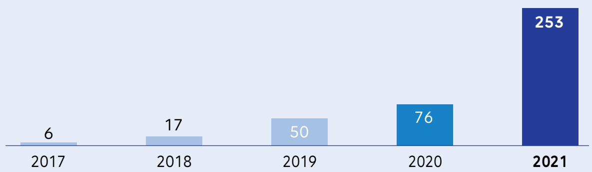
Production
PGM ounces (000 ounces)



Adjusted EBITDA
(Rbn)



Return on capital employed
(%)



Amandelbult (managed – 100% owned)		2021	2020
Fatalities	Number	–	1.00
TRCFR	Rate/million hrs	4.07	3.40
GHG intensity	(CO_2(e)/tonne milled)	0.152	0.177
GHG emissions, CO_2 equivalents	1,000 tonnes	899.12	797.93
Energy intensity (GJ/tonnes production)	(GJ/tonne milled)	0.552	0.645
Energy use	Gigajoules	3,268,987	2,913,121
L4–5 environmental incidents	Number	0	0
Hazardous waste to landfill	Tonnes	4.36	0
Potable water	1,000m^3	3,713.52	4,294.04
Potable water intensities	(m^3/tonne milled)	0.627	0.951
Social investment	Rm	27.0	45.0
Total PGM production	000 oz	773.2	608.1
Net sales revenue	Rm	41,662	18,248
Adjusted EBITDA	Rm	24,151	7,809
Adjusted EBITDA margin	%	58	43
ROCE	%	253	76
Attributable economic free cash flow	Rm	24,022	4,797
Attributable cash flow	Rm	23,177	4,182
On-mine cost/tonne milled	R/tonne	1,986	2,109
Cash operating cost/PGM ounce produced	R/PGM oz	16,665	16,979
All-in sustaining costs/PGM ounce sold	US$/PGM oz	1,213	1,499

Mineral Resources inclusive of Ore Reserves

UG2 Reef **365.1Mt ▷ 64.2 4E Moz**

Merensky Reef **158.3Mt ▷ 34.9 4E Moz**

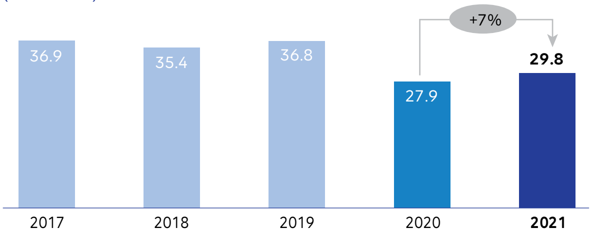
Amandelbult Concentrators.

Managed mines – Amandelbult continued

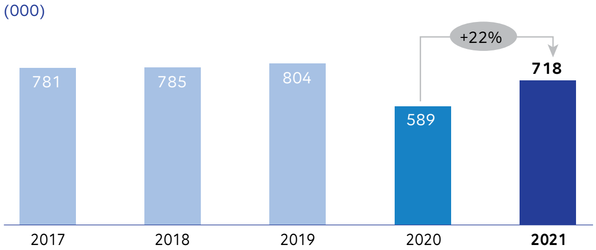
Material risks – operation-specific risks cascade up to the company risk register in a disciplined, robust process

1 15e drop-down (DD) ramp-up	2 Closure of 16W shaft	3 Social unrest
Risk description Successful development of stable and sustainable modernised and mechanised operations through proof of narrow reef equipment.	**Risk description** Exposure of operations to disruption due to closure of operations in 16W shaft.	**Risk description** Operational disruption impacting safety and production performance due to social unrest, driven by community expectations on employment and procurement opportunities. These have intensified as a result of the societal impact of the Covid-19 pandemic.
Key mitigations – Detailed operational plans to validate equipment functionality in operational environment – Supplier engagement programmes to enable performance-based contracts and equipment supply agreements.	**Key mitigations** – Stakeholder engagement management plan – Reskilling and redeployment – Zimele social economic development programme – Voluntary separation opportunity management.	**Key mitigations** – Continuous engagement with communities and local government – CSI and SLP focus on creating opportunities and growing local supplier footprint – Covid-19 relief initiatives in local communities – Municipal empowerment support programmes – Formal community grievance, issue and incident mechanism – Sustainable livelihood strategy – Sustainable mining plan – thriving communities interventions.

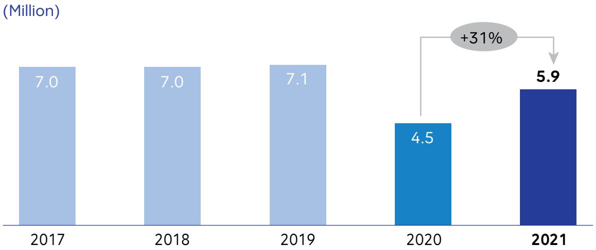
Total development
(000 metres)



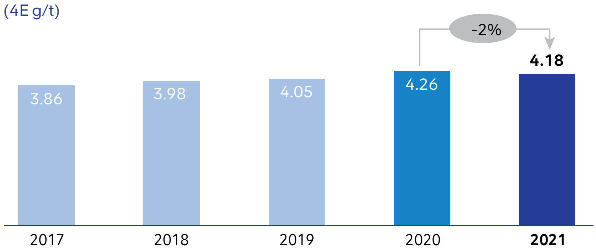
Square metres
(000)

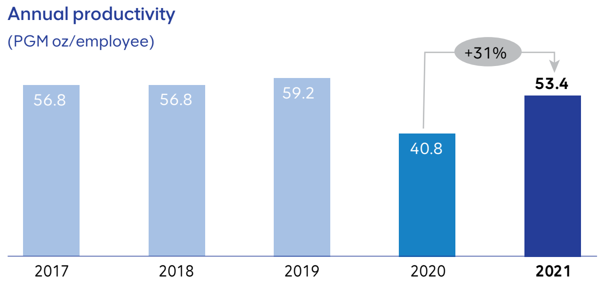


Tonnes milled
(Million)



Built-up head grade
(4E g/t)





Safety
Amandelbult Mine was fatality-free for 2021, while Tumela mine achieved seven million fatality-free shifts. Disappointingly, the TRCFR regressed 20% to 4.07 (2020: 3.40) as the number of injuries recorded rose to 130 from 97 (2020). Management continuously prioritises safety, with a number of campaigns and safety initiatives throughout the year to maintain the focus on safe production across all areas of the operation.

Amandelbult reached several safety milestones during the year:
- Amandelbult complex: 4.1 million fatality-free shifts
- Tumela mine: 7.1 million fatality-free shifts
- Dishaba mine: 1.5 million fatality-free shifts
- Amandelbult central services: 4.2 million fatality-free shifts
- Amandelbult concentrator: 6.9 million fatality-free shifts.

Performance
PGM production increased 27% to 773,200 ounces (2020: 608,100 ounces). The increase was largely due to an increase in underground mining performance, which led to a 31% increase in concentrator throughput. Production partially recovered following the impact of Covid-19 in 2020, as well as the benefits of implementing the turnaround plan, which focused largely on adherence and execution of operational plans in place, as well as benefits attributable to the modernisation roll-out. Amandelbult also saw an increase in surface ore tonnes milled, which is lower-grade material; this resulted in a lower overall 4E built-up head grade of 4.18g/t (2020: 4.26g/t).

Chrome production, despite being affected by the force majeure event at Richards Bay harbour, increased 12% to 883,900 tonnes of chrome concentrate on a 100% basis (2020: 785,800 tonnes). Our share of production was 74% of total volume, or 654,100 tonnes.

Amandelbult delivered an EBITDA margin of 58% (2020: 43%). ROCE more than trebled to 253%, driven by higher rand metal prices and PGM ounces sold.

Cash operating costs rose 25% to R12.9 billion (2020: R10.3 billion), reflecting variable operational costs incurred from higher output and input cost inflation increases. Cash operating costs per PGM ounce decreased 2% to R16,665 (2020: R16,979).

Amandelbult invested R162 million in modernisation over the year, focused on three pillars:
- Eliminating fall-of-ground incidents
- Closing out the mining cycle
- Removing scrapers and face winches from stope faces.

Amandelbult's transition from conventional to modernised mining involves implementing technology such as rock-stop nets and lights, in-stope rock-movement monitoring, improved drilling solution for face-drilling technology and anchor support, and scraper winch proximity-detection devices. Additional benefits include timberless stopes and sustaining cycle-mining production scheduling. The new technology and cycle-mining methodology will ensure safe, capable and stable mining.

Asset strategy and reliability (AS&R)
The mine has made significant progress with its AS&R roll-out and retained ISO 5500 certification during the year. Compressor 8, which previously contributed to significant production losses, has shown ongoing benchmark performance – achieving one year without unplanned stoppages affecting production.

The Merensky plant structural renewal programme is well underway, while the mine shafts integrity assessment results are showing acceptable compliance to technical standards. The electrical renewal programme continues as planned.

On the innovation front, the AS&R team at Amandelbult has introduced technology to enhance workplace safety and efficiency for scraper winches by deploying the winch-proximity product, and underground rail-bound equipment by introducing pedestrian-detection systems and video safety analytics for chairlift installations.

Capital expenditure
Total capital expenditure (after allocating off-mine smelting and refining capital) increased to R1.6 billion in 2021 (2020: R1.2 billion). Stay-in-business capital expenditure was R744 million and project capital was R857 million (2020: R550 million and R636 million, respectively). The main increase is due to P101 capital spend at the concentrator (2020: R36 million and R179 million, respectively) and allocated process stay-in-business capital (smelting and refining) (2020: R201 million and R372 million, respectively). The high-values concentrator P101 capital projects are the Amandelbult U1 scavenger bank upgrade (R119 million), comminution and classification (R44 million) and chrome plant debottlenecking (R24 million).

Outlook
Production from Amandelbult in 2022 is expected to be similar to 2021 due to infrastructure closures in Tumela mine's upper section being partly offset by production from new areas.

Managed mines – Mototolo

Situated in Limpopo, Mototolo Mine is 30km west of the town of Burgersfort in the Eastern Limb of the Bushveld Complex and operates under a mining right covering 96.28km². Current infrastructure comprises two decline shafts, Lebowa and Borwa, a concentrator with an associated tailings facility and the Der Brochen Project.

Mototolo is fully mechanised and extracts the UG2 horizon some 450m below surface using bord-and-pillar mining methods.

Mototolo strategy

Mototolo/Der Brochen
- Investing in development of Der Brochen to extend Mototolo life-of-mine.

Maximise value from our core
- Operational efficiencies
- Concentrator debottlenecking
- Der Brochen decline development.

A leader in ESG
- Communities
- Mareesburg tailings storage facility.

Key features in 2021

Fatality free
since 2011

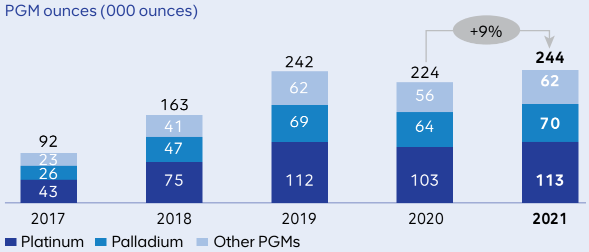
Mototolo reached
6 million
fatality-free shifts at end-December 2021

9% increase
in PGM ounces

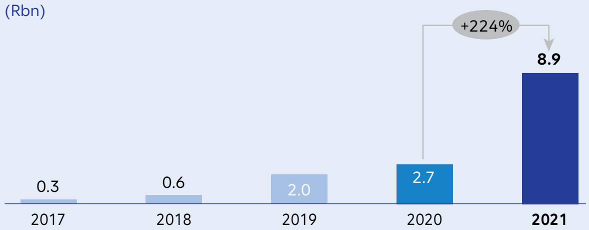
Economic free cash flow of
R8.4 billion
in 2021

EBITDA rose to
R8.9 billion
increasing EBITDA margin to 67%

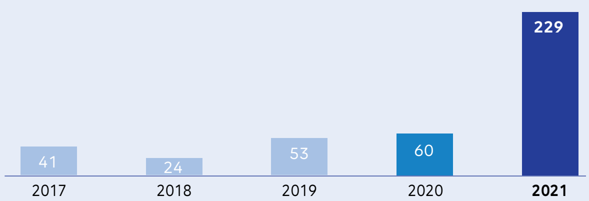
Production
PGM ounces (000 ounces)



Adjusted EBITDA
(Rbn)



Return on capital employed
(%)



Mototolo Platinum Mine (managed – 100% owned)		2021	2020
Fatalities	Number	–	–
TRCFR	Rate/million hrs	1.78	1.45
GHG intensity	(CO_2(e)/tonne milled)	0.075	0.077
GHG emissions, CO_2 equivalents	1,000 tonnes	189.68	159.64
Energy intensity (GJ/tonnes production)	(GJ/tonne milled)	0.280	0.282
Energy use	Gigajoules	707,126	587,999
L4–5 environmental incidents	Number	0	0
Hazardous waste to landfill	Tonnes	14.7	96.32
Potable water	1,000m³	0	0
Potable water intensities	(m³/tonne milled)	–	–
Social investment	Rm	13.0	6.0
Total PGM production	000 oz	244.4	223.6
Net sales revenue	Rm	13,290	5,348
Adjusted EBITDA	Rm	8,873	2,740
Adjusted EBITDA margin	%	67	51
ROCE	%	229	60
Attributable economic free cash flow	Rm	8,388	1,608
Attributable cash flow	Rm	8,296	1,532
On-mine cost/tonne milled	R/tonne	1,142	1,122
Cash operating cost/PGM ounce produced	R/PGM oz	13,651	11,947
All-in sustaining costs/PGM ounce sold	US$/PGM oz	1,062	1,428

Mineral Resources inclusive of Ore Reserves

Merensky Reef **172.4Mt ▷ 25.4 4E Moz**

UG2 Reef **401.5Mt ▷ 51.3 4E Moz**

Mototolo Mine and Der Brochen project are now reported as a consolidated operation. The Der Brochen Mineral Resources are transferred for both the Merensky and UG2 Reefs.

Material risks – operation-specific risks cascade up to the company risk register in a disciplined, robust process

1 Social, civil and political unrest	2 Supply of critical resources	3 Underground ground control
Risk description Social, civil and political unrest resulting in disruption of operational activity.	**Risk description** Global supply chain backlog resulting in late equipment deliveries – supply of critical equipment and materials, hazardous spares and general equipment to the operation at lower standard and in non-compliance to operation specification.	**Risk description** Fall-of-ground.
Key mitigations – Engage and ringfence training opportunities in our zones of influence – Formal community grievance, issue and incident mechanism – Stakeholder engagement plan – Business continuity management plan – Protection services response plan – Emergency response plan.	**Key mitigations** – Quality control standard – Maintenance – Critical spare girth gear – Critical spares inventory – Standardisation – Supply chain management – Inventory management procedure – Additional approved supplier list of equipment and spares – Quality control process and resources.	**Key mitigations** – Ground supported to standard – Workplace inspected, made safe and declared safe – Barricades and exclusion zones – Engineered ground support design – Engineered underground excavation design – Drill and blast and cutting sequence to mine plan.

Managed mines – Mototolo continued

Safety

Mototolo has been fatality-free since 2011. However, TRCFR regressed to 1.78 in 2021 from 1.45 in 2020 as the number of injuries sustained rose to eight from five. The measuring footprint was also expanded in 2021 to include Mareesburg and Der Brochen in the statistics. Continuous enhancements to safety systems and safety engagement with employees remain priorities to reduce the number of injuries.

Performance

Mototolo successfully completed the concentrator debottlenecking project in 2021 at a capital cost of R0.8 billion. This increased monthly milling rates from 210,000 tonnes to 240,000 tonnes which, once successfully stabilised, will enable the consistent delivery of additional production.

Mototolo's PGM production increased 9% to 244,400 ounces (2020: 223,600 ounces) as production returned to normalised levels post-Covid-19 shutdowns in 2020. This increase in production was supported by the concentrator debottlenecking which created additional milling capacity during the year. The mine continues to record a decline in its 4E built-up head grade, with a grade of 3.14g/t down 6% from 2020 as it traverses some particularly difficult areas. Community unrest and instability in the region around the Mototolo operations resulted in the loss of around 30 production shifts during the year.

Cash operating costs rose 25% to R3.3 billion on increased mining input cost inflationary pressures, particularly consumables, electricity and labour as well as higher production. Substantial costs were also incurred on secondary support owing to challenging ground conditions throughout the year.
Cash operating costs per PGM ounce rose 14% to R13,651 (2020: R11,947), reflecting cost increases noted above.

Mototolo increased economic free cash flow to R8.4 billion (2020: R1.6 billion), with an EBITDA margin of 67% and ROCE of 229% (2020: 51% and 60% respectively).

Technology

Mototolo is implementing the MN 330 hard rock cutting project which is focused on mechanising hard rock mining through continuous hard rock cutting, combined with pulping and hydro-hoisting.

Mototolo Borwa shaft has been allocated as a validation site for the narrow tabular hard rock cutting project. The project is scheduled to be implemented in one of the sections with steeper reef inclinations.

Cutting is scheduled to start in September 2022 and will be completed in March 2025. The cutting project has the potential to unlock opportunities in mechanising existing operations by introducing continuous hard rock cutting, which includes piping and hydro-hoisting, to realise processing savings from bypassing the primary milling stage.

Capital expenditure

Total capital expenditure (after allocating off-mine smelting and refining capital) decreased to R644 million from R687 million in 2020. Stay-in-business capital expenditure was R552 million, while project capital expenditure was R92 million (2020: R671 million and R76 million respectively).

Outlook

Total PGM production from Mototolo in 2022 is expected to be between 250,000 and 275,000 PGM ounces.

The board approved the Mototolo/Der Brochen life-extension project for a capital amount of R4 billion in December 2021. This project aligns with our strategic priority of maximising value from our core portfolio of assets by using existing Mototolo infrastructure and enabling mining to extend into the Der Brochen Mineral Resources. This will extend the life of the asset beyond 30 years.

The fully mechanised Der Brochen 240ktpm project will bring into operation a new shaft to progressively complement production from Mototolo's Borwa and Lebowa shafts.

Key milestones for 2022/2023 will be completing the box-cut and start of decline sinking in second-quarter 2023. The 2019 water use licence (WULA) and environmental management programme (EMPR) were approved in November 2021.

Mototolo Concentrator – Floatation Cells.

Managed mines – Unki Platinum Mine – Zimbabwe

Unki Mines (Private) Limited's operations are on the Great Dyke in Zimbabwe, 60km south-east of the town of Gweru. Unki is a mechanised, trackless, bord-and-pillar underground mine. A twin-decline shaft system provides access to underground workings for people and material, as well as ore conveyance. Both shafts remain 2,822m from the portal on surface.

Currently there are 17 mining sections, with five additional sections planned for 2022. The equipped sections have strike belts for transferring ore directly to the main incline shaft conveyor. Run-of-mine ore is processed at the 210,000tpm concentrator plant on-site. The recent debottlenecking exercise on the concentrator increased capacity from 179,000tpm to treat up to 210,000tpm.

Unki strategy

Unki

– Debottleneck plant and long-term optionality.

Maximise value from our core

– Operational efficiencies
– Concentrator debottlenecking.

A leader in ESG

– Improved water efficiency
– Communities.

Key features in 2021

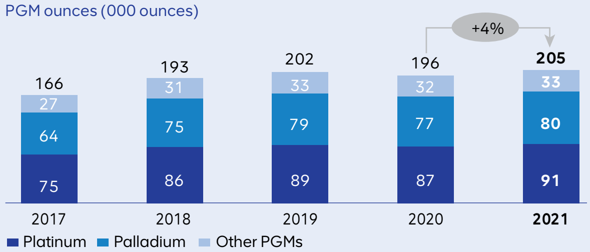
Fatality free
for 10 years

4% increase
in PGM ounces

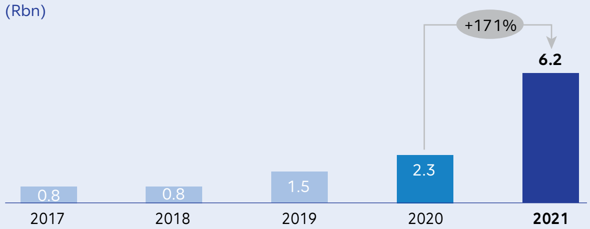
Economic free cash flow increased by
347%
to R5.5 billion

EBITDA increased to
R6.2 billion
lifting EBITDA margin to 62%

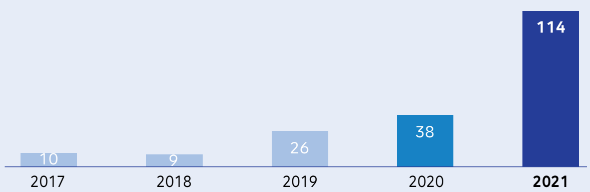
Production
PGM ounces (000 ounces)



Adjusted EBITDA
(Rbn)



Return on capital employed
(%)



Managed mines – Unki Platinum Mine – Zimbabwe continued

Unki Platinum Mine (managed – 100% owned)		2021	2020
Fatalities	Number	–	–
TRCFR	Rate/million hrs	1.7	1.65
GHG intensity	(CO_2(e)/tonne milled)	0.054	0.055
GHG emissions, CO_2 equivalents	1,000 tonnes	113.45	107.37
Energy intensity (GJ/tonnes production)	(GJ/tonne milled)	0.376	0.375
Energy use	Gigajoules	785,229.52	734,000.43
L4–5 environmental incidents	Number	0	0
Hazardous waste to landfill	Tonnes	0	28.63
Potable water	1,000m^3	0	0
Potable water intensities	(m^3/tonne milled)	–	–
Social investment	Rm	11.0	6.0
Total PGM production	000 oz	204.6	196.1
Net sales revenue	Rm	10,008	4,963
Adjusted EBITDA	Rm	6,204	2,291
Adjusted EBITDA margin	%	62	46
ROCE	%	114	38
Attributable economic free cash flow	Rm	5,531	1,236
Attributable cash flow	Rm	5,005	1,045
On-mine cost/tonne milled	R/tonne	990	969
Cash operating cost/PGM ounce produced	R/PGM oz	13,392	12,198
All-in sustaining costs/PGM ounce sold	US$/PGM oz	1,007	1,443

Mineral Resources inclusive of Ore Reserves

MSZ **209.6Mt ▷ 27.9 4E Moz**

Unki main complex.

Material risks – operation-specific risks cascade up to the company risk register in a disciplined, robust process

1 Currency risk	2 Electricity supply	2 Safety performance
Risk description Continued weakening of local currency exchange rate against major currencies (US$/ZAR) and difficulty in converting local currency to foreign currency to meet business requirements.	**Risk description** Unavailability of reliable and secure power to meet operational requirements causing operational downtime and lost production.	**Risk description** Harm to people, and disruption to operations as a result of a fall-of-ground, road traffic accident, trackless mobile equipment, poor ventilation, underground fire or other unwanted safety events.
Key mitigations – Continued engagement with authorities to secure sustainable exchange-rate policy – Implement value-preservation strategies for local currency balances – Ongoing monitoring of Zimbabwean economic environment and developing appropriate response plans.	**Key mitigations** – Exploring feasibility for developing photovoltaic plant – Regular engagement with local electricity utility.	**Key mitigations** – Implementing safety management system standards, fatal-risk standards and safety golden rules, supported by robust risk management and risk assurance processes – Introduced innovation and engineering controls to mitigate risks (e.g. PDS/VDS, DPM filters, automated drilling and support, Advanced Driver Assistance System introduced on surface fleet).

Safety

Unki has been fatality-free for 10 years. Unki reported nine recordable injuries which consisted of eight recordable cases that were reported in 2021 and one injury that occurred at the Unki infrastructure section.

Performance

Total PGM production at Unki increased by 4% to 204,600 PGM ounces (2020: 196,100 PGM ounces). Tonnes milled increased by 7% year on year following the recovery of operations from the impact of Covid-19 in 2020 and the successful commissioning of the concentrator debottlenecking project, which has increased concentrator capacity from c.179,000 tonnes per month to approximately 210,000 tonnes per month in Q4 2021 and should lead to an annual PGM production of around 250,000 PGM ounces. This was partially offset by a 2% reduction in 4E built-up head grade from 3.58g/t to 3.52g/t.

The mine delivered an adjusted EBITDA margin of 62% (2020: 46%) and ROCE of 114% (2020: 38%) flowing from higher metal prices and increased sales volumes.

US dollar cash operating costs were 28% higher at US$185 million due to higher input cost inflationary increases on consumables, transport and electricity.

Rand-denominated costs benefited from the strengthening of the rand against the US dollar, with the rand gaining 10% to average the year at R14.71 per dollar compared to R16.34 in 2020. Consequently rand-denominated cash operating costs only increased by 15% to R2.7 billion, with cash operating costs per PGM ounce rising 10% to R13,392.

The mine incurred capital expenditure of R18 million as part of its digitisation programme in 2021 (2020: R26 million). This included installing underground wi-fi infrastructure and a fleet data-management system to track analytics on primary production equipment. This will enhance real-time data analysis, improve short-interval control and overall equipment effectiveness.

Spend on asset reliability and sustainability was R21 million.

Capital expenditure

Total capital expenditure (after off-mine smelting and refining capital) increased to R1,070 million from R579 million in 2020. Stay-in-business capital expenditure was R545 million, while project capital expenditure was R525 million (2020: R388 million and R191 million, respectively). Project capital related to spend on the debottlenecking project of R436 million in 2021 of the total R665 million. The project is intended to deliver an annual PGM production of around 250,000 PGM ounces.

Outlook

Total PGM production from Unki in 2022 is expected to be around 250,000 ounces.

Managed mines – Modikwa

Modikwa is an independently managed, equal joint operation between ARM Mining Consortium and Anglo American Platinum in Limpopo, 25km west of the town of Burgersfort. It forms part of the Eastern Limb of the Bushveld Complex and operates under a mining right of 140km².

Current infrastructure comprises three primary decline shafts, three adits on Onverwacht Hill and a concentrator with mainstream inert grinding (MIG) plant. It is a hybrid mine using conventional breast stoping with strike pillars, supported by trackless development and ore clearance. It extracts UG2 Reef from surface to 450m below surface.

Modikwa strategy

Restructure cost base and optimise infrastructure

- Increase milling through improved underground feed by continuously developing declines
- Finalise integrated ventilation strategy to support planned expansion
- Began mining Merensky ore in Q3 2021.

Unlocking chrome potential

- Ramp-up of chrome recovery plant, first production in Q4 2021 produced 17,500 tonnes.

Key features in 2021

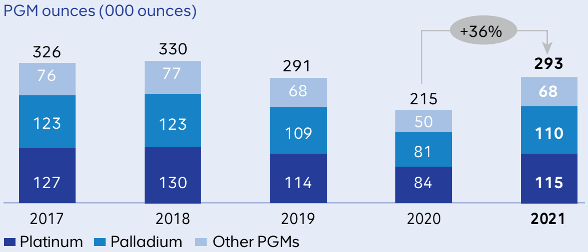
Zero fatalities

36%
increase in total PGM production

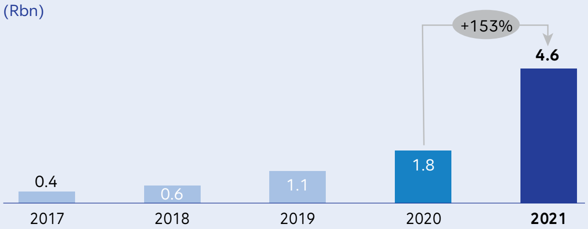
EBITDA increased to
R4.6 billion
leading to EBITDA margin of 63%

Economic free cash flow increased to
R4.5 billion

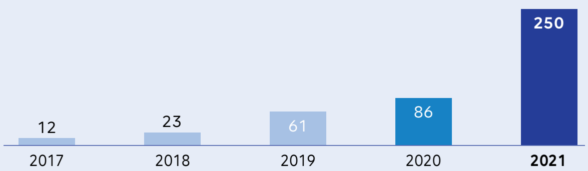
Production
PGM ounces (000 ounces)



Adjusted EBITDA
(Rbn)



Return on capital employed
(%)



Modikwa Platinum Mine (non-managed – 50% owned)		2021	2020
Fatalities	Number	0	2
TRCFR	Rate/million hrs	7.23	8.22
Total PGM production	000 oz	293	215
Net sales revenue	Rm	7,285	3,156
Adjusted EBITDA	Rm	4,566	1,807
EBITDA margin	%	63	57
ROCE	%	250	86
Attributable economic free cash flow	Rm	4,497	1,154
Attributable cash flow	Rm	4,404	1,019
On-mine cost/tonne milled	R/tonne	1,656	1,914
Cash operating cost/PGM ounce produced	R/PGM oz	14,578	16,080
All-in sustaining costs/PGM ounce sold	US$/PGM oz	1,130	1,362

Mineral Resources inclusive of Ore Reserves*

Merensky Reef **213.9Mt ▷ 19.8 4E Moz**

UG2 Reef **264.1Mt ▷ 50.9 4E Moz**

JV partner

ARM Mining Consortium Limited **50%**

* Mineral Resource estimates are reported on a 100% basis.

Underground at Modikwa platinum mine.

Managed mines – Modikwa continued

Material risks – operation-specific risks cascade up to the company risk register in a disciplined, robust process

1 Safety performance	2 Mining flexibility	3 Covid-19
Risk description Deterioration in the safety performance that could result in consequences related to harm to people, and disruption to operations.	**Risk description** Limited mining flexibility due to failure to achieve primary development, limiting available throughput for processing capability, increasing unit cost and threatening return on capital employed.	**Risk description** Ongoing pandemic likely cause ongoing business disruption since employees who test positive, and those termed close contacts, must isolate and are unavailable to operations during this time.
Key mitigations – Safety turnaround strategy in place, focusing on deadly hazards and priority unwanted events (winch, ventilation and fall-of-ground).	**Key mitigations** – Controls introduced to increase immediate stopable Ore Reserves generation that include condition monitoring of equipment, increased development, contractor monitoring, short-interval controls and improved maintenance practices – Planning to develop strategy to build up sufficient immediately available Ore Reserves by December 2022.	**Key mitigations** – Vaccination programme, with 93% of employees fully vaccinated – Adhering to medical guidelines on distancing, hygiene, personal protective equipment – Detection programmes looking at self-monitoring and symptom screening – Covid-19 testing programme – Improved preparedness and response plans.

Safety
Zero loss-of-life incidents were recorded at Modikwa for 2021. This follows the implementation of a SHE turnaround strategy focused on three key themes:
- Elimination of fatalities
- Culture of safe behaviour
- Health and environment.

Certain positive trends are observable: Modikwa achieved 1 million fatal-free shifts in August 2021. The TRCFR improved 12% to 7.23 (2020: 8.22), as the mine continues working on improving the safety performance.

Performance
Attributable PGM production, including 146,400 ounces purchased from the joint operation (JO) partner, increased 36% to some 293,000 ounces. Platinum production was up 36% at 115,000 ounces as operations returned to normalised production levels following national lockdowns in 2020.

The Modikwa chrome plant was successfully commissioned in Q4 2021 at a total capital cost of R443 million and produced 17,500 tonnes.

Increased production volumes resulted in our share of Modikwa's cash operating costs rising to R2.1 billion from R1.7 billion in 2020. Unit costs, however, declined 9% to R14,578 per PGM ounce due to higher throughput.

The mine delivered an adjusted EBITDA margin of 63% and ROCE of 250% (2020: 57% and 86%, respectively), driven by higher rand metal prices and PGM ounces sold.

Capital expenditure
Our attributable capital expenditure (after allocating off-mine smelting and refining capital) increased 33% to R386 million in 2021 (2020: R291 million). Stay-in-business capital expenditure was R292 million, and project capital was R94 million (2020: R157 million and R134 million respectively).

Outlook
Total PGM production from Modikwa in 2022 is expected to be around 300,000 PGM ounces, including some 126,000 platinum ounces.

Kroondal Platinum Mine

Kroondal is a 50:50 pooling-and-sharing agreement between Sibanye-Stillwater and Rustenburg Platinum Mines. It is managed by Sibanye-Stillwater and lies in the North West province, some 10km outside the town of Rustenburg and up-dip of Rustenburg Platinum Mines. Kroondal forms part of the South-western Limb of the Bushveld Complex and operates under a mining right covering 22km^2. Current infrastructure comprises five decline shafts and two concentrators.

Kroondal is a partly mechanised bord-and-pillar operation, mining UG2 Reef exclusively up to a depth of 450m below surface.

Kroondal strategy

Shaft and labour rationalisation

- Life extended by mining into adjacent Sibanye Rustenburg Platinum Mines (SRPM), a subsidiary of Sibanye-Stillwater, ground and exit of pool-and-share agreement by Anglo American Platinum in early 2024.

Key features in 2021

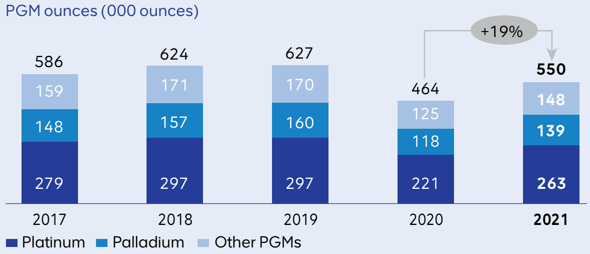
Two fatalities

19%
increase in total PGM production

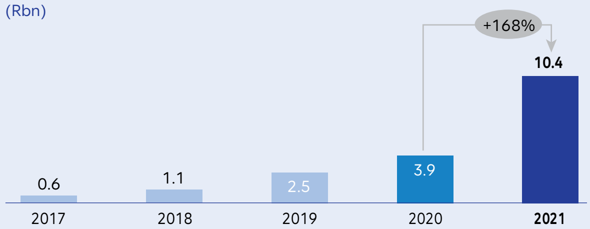
Economic free cash flow increased to
R10.4 billion

EBITDA increased to
R10.4 billion
leading to EBITDA margin of 69%

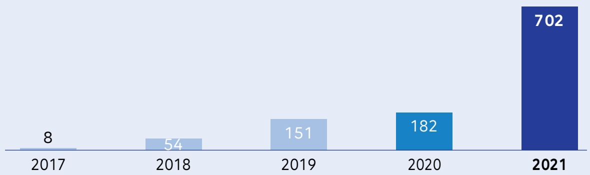
Production
PGM ounces (000 ounces)



Adjusted EBITDA
(Rbn)



Return on capital employed
(%)



Kroondal Platinum Mine continued

Kroondal Platinum Mine (non-managed – 50% owned)		2021	2020
Fatalities	Number	2	1
TRCFR	Rate/million hrs	5.25	8.02
Total PGM production	000 oz	550	464
Net sales revenue	Rm	15,088	6,267
Adjusted EBITDA	Rm	10,360	3,870
EBITDA margin	%	69	62
ROCE	%	702	182
Attributable economic free cash flow	Rm	10,446	2,869
Attributable cash flow	Rm	10,440	2,867
On-mine cost/tonne milled	R/tonne	1,345	1,333
Cash operating cost/PGM ounce produced	R/PGM oz	12,199	11,556
All-in sustaining costs/PGM ounce sold	US$/PGM oz	916	1,158

Mineral Resources inclusive of Ore Reserves*

UG2 Reef **30.2Mt ▷ 3.1 4E Moz**

JV partner

Sibanye-Stillwater **50%**

* Includes Siphumelele 3 shaft (Kroondal extension area, 100% owned by Anglo American Platinum) Mineral Resources of 18.9Mt 1.9 4E Moz. Mineral Resource estimates are reported on a 100% basis.

Material risks

1 Safety performance	2 Social unrest	3 Covid-19 pandemic
Risk description Deterioration in safety performance that could result in consequences related to harm to people, and disruption to operations.	**Risk description** Some mining shafts are on municipal land, very close to informal settlements. Operations are at risk from community disruptions should service-delivery protests against the local municipality materialise.	**Risk description** Ongoing pandemic is likely to cause ongoing business disruption since employees who test positive, and those termed close contacts, must isolate and are unavailable to operations during this time.
Key mitigations – Ongoing monitoring of progress against SHE strategy – Increased knowledge-sharing and collaboration.	**Key mitigations** – Continuous engagement with communities and local government and authorities – Corporate social investment (CSI) and social and labour plans (SLP).	**Key mitigations** – Sibanye-Stillwater is aiming for a mandatory vaccination policy by first quarter 2022 – Ongoing implementation of protocols to minimise Covid-19 risks at the operations including screening, social distancing, hygiene, personal protective equipment.

Safety

Regrettably, Kroondal recorded two fatalities in 2021. The first occurred on 13 October at Simunye shaft when a bolter spotter was run over by a load-haul-dump vehicle. The second incident occurred on 27 October at Kwezi shaft when a pipe track and ventilation (PTV) worker was struck by a fall-of-ground during early-entry examination.

In response, Kroondal mine initiated a five-day global shutdown to address safety challenges. In addition, it will continue to monitor progress against its SHE strategy.

Overall safety performance did improve in 2021, with the TRCFR ending at 5.25, down 35% from 8.02 in 2020, and the number of injuries reducing to 76 from 115.

Performance

PGM production (including purchased production) in 2021 increased 19% to 550,200 ounces (2020: 464,200) as operations returned to normalised production levels after Covid-induced disruptions in 2020. Operational performance was hampered by several challenges, which included difficult geological ground conditions at Bambanani and Kwezi shafts. The shear zone at Bambanani shaft prompted stopping the central decline and relocating new declines on either side of the shear zone. At Kwezi shaft, the geologically faulted ground forced a reduction in bord widths. At both shafts, extensive additional secondary support has been implemented in the production and development sections, resulting in reduced production and development rates as well as increased costs.

Safety stoppages after the two fatalities, and slow start-up at the beginning of 2021 due to the second pandemic wave, also impacted production. The delayed ramp-down and closure of Simunye shaft from Q3 2021 to Q3 2022 and the start of Klipfontein opencast mining in Q4 helped mitigate these losses.

Our share of Kroondal's costs rose R579 million to R3.4 billion. Unit costs rose 6% to R12,199 per PGM ounce (2020: R11,556).

The mine delivered an adjusted EBITDA of 69% (2020: 62%) and ROCE of 702% (2020: 182%), supported by higher PGM metal prices and increased sales volumes.

Capital expenditure

Our attributable capital expenditure (after allocating off-mine smelting and refining capital), increased to R364 million in 2021 from R223 million in 2020. This was largely allocated to replacing ageing trackless mobile machinery (TMM) equipment to sustain production.

Outlook

Total PGM production from Kroondal in 2022 is expected to be between 480,000 and 500,000 ounces as Simunye shaft reaches the end of life.

Post-year-end, Anglo American Platinum concluded an agreement to dispose of its interest in the pool-and-share agreement to Sibanye-Stillwater.

Joint operations and associates on care and maintenance

Marikana Platinum Mine

Marikana is a 50:50 pooling-and-sharing agreement between Sibanye-Stillwater and Rustenburg Platinum Mines. It is managed by Sibanye-Stillwater and falls in North West province, 12km outside the town of Rustenburg. It forms part of the South-western Limb of the Bushveld Complex and operates under a mining right of 33km². Mine infrastructure, comprising four decline shafts and a concentrator, was placed on care and maintenance in 2012 on depleted mineable Ore Reserves, high operating costs and a decreasing commodity price. The open pit was mined out and closed in 2011.

Marikana Platinum Mine (non-managed 50% owned)

Mineral Resources inclusive of Ore Reserves*

UG2 Reef **39.8Mt ▷ 4.4 4E Moz**

JO partner

Sibanye-Stillwater **50%**

Post-year-end, Anglo American Platinum concluded an agreement to dispose of its interest in the pool-and-share agreement to Sibanye-Stillwater.

* Mineral Resource estimates are reported on a 100% basis.

Bokoni Platinum Mine

Bokoni is a 51:49 JV between Atlatsa and Rustenburg Platinum Mines. The mine is in Limpopo, 80km south-east of the town of Polokwane. It forms part of the North-eastern Limb of the Bushveld Complex and operates under a mining right covering 147km².

Current mining infrastructure, comprising two decline shafts (Middelpunt Hill and Brakfontein) and two concentrators, was placed on care and maintenance in 2017. The older vertical and UM2 shafts were closed in 2015. The opencast operation was terminated in December 2016 and rehabilitation began in January 2017.

In December 2021, Anglo American Platinum announced the signing of an agreement to sell Bokoni to African Rainbow Minerals (page 133).

Bokoni Platinum Mine (non-managed 49% owned)

Mineral Resources inclusive of Ore Reserves*

Merensky Reef **346.4Mt ▷ 55.1 4E Moz**

UG2 Reef **465.5Mt ▷ 98.2 4E Moz**

JO partner

Atlatsa Resources **51%**

* Mineral Resource estimates are reported on a 100% basis.

Process review

The process division comprises our smelting, converting and refining operations. Our primary smelting furnaces are at Polokwane, Swartklip (Mortimer), Rustenburg (Waterval) and Shurugwi (Unki), while the converting (ACP), base metals refining (RBMR) and precious metals refining (PMR) operations are in Rustenburg.

The division receives PGM concentrates from own mines, joint operations and third-party companies, and refines these to final base metal and precious metal products.

Key features

Zero
fatalities

3%
decrease in TRCFR

PMR
Owned refined PGM production rose 89% to 5.1 million oz

Safety

The process operations SHE strategy remains focused on process safety and operational risk management.

Smelting operations improved their TRCFR by 15% while PMR significantly improved their TRCFR to 1.10 from 2.96 in 2020.

Unfortunately the combined process TRCFR decreased by 3% to 2.38 in the review period, mainly due to the safety performance at RBMR whereby TRCFR regressed 62% in 2021.

Performance

Refined PGM production from operations (mined and purchases of concentrate, excluding toll-treated metal) increased by 89% to 5,138,400 PGM ounces. Refined platinum production rose by 100% to 2,399,900 ounces and refined palladium production increased by 80% to 1,627,500 ounces.

The increase in refined production was due to a strong performance from the ACP phase A unit following its rebuild and recommissioning in November 2020. At the ACP, performance increased to an average of 650 tonnes per day for 2021, compared with 535 tonnes per day in 2019 (a period unaffected by temporary closures and repairs to the ACP). This was due to an increase in availability and stability, leading to greater throughput.

As a result, the majority of built-up work-in-progress inventory has been processed and refined and we remain on track to refine the remaining built-up work-in-progress inventory in 2022. The ACP phase B unit repairs were completed in January 2022, and the unit will be recommissioned in Q1 2022.

Total refined PGM production, including tolling, increased by 81% to a record 5,812,200 PGM ounces. Toll-refining volumes, on a 4E basis, amounted to 673,800 ounces (2020: 503,500 ounces).

Cash operating costs rose 30% to R10.3 billion (2020: R7.9 billion) on higher volumes and inflationary increases, especially for chemicals and electricity. The effects of Covid-19 on supply chains, as well as logistical issues of importing goods into South Africa, saw several chemical items almost trebling in price.

Unit costs for the processing division decreased 27% to R1,787 per PGM ounce (2020: R2,462 per PGM ounce) on higher volumes processed.

Capital expenditure

Stay-in-business capital expenditure rose 65% to R3.2 billion, with 84% allocated to projects in our smelting operations. The major expenditure was to re-establish the integrity of our processing assets through ramped-up maintenance and furnace rebuilds, including ACP phase B.

Strategic developments

We have a solid portfolio of asset optimisation (P101) and growth projects, along with organisational improvement.

We progressed on our P101 studies and projects that will improve throughput, recovery, efficiency, safety or sustainability (ie water efficiency).

- Our BMR copper contact reactor feasibility study was approved and execution is underway, with completion planned for Q2 2023
- PMR iridium and rhodium sidestream site-wide process recovery projects are showing encouraging results
- The Waterval smelter slag-cleaning furnace 1 (SCF1) rebuild/redesign and BMR copper debottlenecking P101 projects were affected by Covid-19 disruptions to fabrication and construction, deferring completion dates to Q1 2022 and Q1 2023 respectively.

Our South African smelting operations and RBMR completed phase 1 of our asset strategy and reliability (AS&R) condition monitoring, total fluids management systems and asset tactics development initiatives in 2021. These projects support our asset management framework that enables safe, stable and capable performance to maximise runtime and drive cost efficiencies. Phase 2, covering the rest of our critical assets, began in Q2 2021 and is planned to be complete in Q2 2022.

We successfully piloted an in-house downtime-delay management system at our smelter and this is being rolled out across our operations. We went live with our work execution platform at our South African smelters. These initiatives support our asset management framework and operating model for improved asset stability. We also completed predictive maintenance at our South African smelters and BMR. This is one of the Voxel ecosystem products underpinning FutureSmart Mining that supports asset-health predictive analytics to reduce maintenance spend, reduce unplanned failures and improve operational safety.

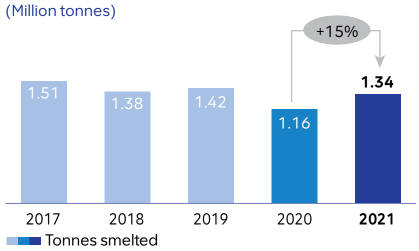
We concluded several digitisation initiatives at various process operations that included:

- Virtual reality training
- Matte tap thermal cameras
- Lance acoustic movement sensors
- Ingot-tracking technology
- Safety video analytics pilot.

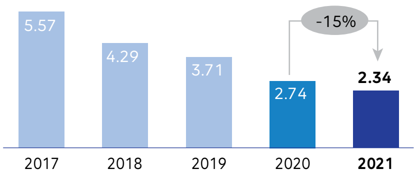
Smelters		2021	2020
Fatalities	Number	0	0
TRCFR	Rate/million hrs	2.34	2.74
GHG intensity	(CO_2(e)/tonne production)	1,167	1,153
GHG emissions, CO_2 equivalents	1,000 tonnes	1,530.66	1,282.79
Energy intensity (GJ/tonnes production)	(GJ/tonne production)	4,699	4,656
Energy use	Gigajoules	6,161,460	5,181,569
L4–5 environmental incidents	Number	0	0
Hazardous waste to landfill	Tonnes	3.36	94.16
Potable water	1,000m^3	848.24	782.65
Potable water intensities	(m^3/tonne production)	0.647	0.703
ACP furnace feed tonnes	kt	239	128
Tonnes smelted	Mt	1.34	1.16
Cash operating cost/tonne smelted	R/tonne	4,308	3,837

The primary smelters treat PGM concentrates received from the wholly owned, joint operations and third-party mines to produce furnace matte which is transferred to ACP for further treatment. ACP upgrades furnace matte by removing iron and sulfur to produce a PGM-rich converter matte that is slow-cooled before being dispatched to the Base Metal Refinery for further processing. The converting process produces sulfur dioxide gas that is captured and treated at the ACP acid plant, producing sulphuric acid.

Tonnes smelted
(Million tonnes)



TRCFR
(Per million hours)



Material risks – smelters: operation-specific risks cascade up to the company risk register in a disciplined, robust process

1 ACP integrity and reliability	2 Molten material	3 Sulfur dioxide
Risk description Management of explosion and loss of containment risk in converter operations, integrity and reliability.	**Risk description** Containment and management of operational processes for molten material are a key aspect of risk management in smelting operations.	**Risk description** Management of sulfur dioxide levels within industry acceptable levels to mitigate exposure and impacts.
Mitigating actions Full rebuild of both converters, together with full hazard and operability studies (HAZOPs) of critical process areas in collaboration with the process safety management programme.	**Mitigating actions** Scheduled rebuilds of primary smelters to preserve integrity of refractory and copper components, upgrade and automation of tapping equipment and definition of operating limits and conditioning monitoring.	**Mitigating actions** Commissioning a new abatement plant at our Polokwane smelter and extensive maintenance programme in 2021 to maintain the integrity of our ACP abatement plant.

Safety and health

Our safety-improvement strategy is focused on our work preparation and work environment. We analyse and learn from leading indicators as well as high-potential incidents and hazards, eliminating low-frequency/high-impact events (process safety management programme focusing on key operational areas and equipment), and emphasis on the role of leadership in driving our safety culture.

Smelting operations recorded 17 injuries for the year, up six injuries from 2020. However, the combined TRCFR for all smelting operations improved 15% to 2.34 in 2021.

Production

Smelted volumes increased 15% in 2021 to 1.34Mt while furnace matte tonnes processed through ACP rose 87% to 239,000 tonnes. Converter matte production increased 77% to 64,000 tonnes.

The increase in production reflects a strong performance from the primary furnaces as well as the ACP phase A unit after its rebuild and recommissioning in 2020. Higher availability and stability of the ACP phase A unit contributed to higher throughput achieved.

AS&R

We made good progress on our asset strategy and reliability tactics by implementing the operating model towards the end of 2021. We also completed phase 1 and began phase 2 of our asset tactics, condition monitoring and total fluid management programme. Primary furnace rebuilds and maintenance plans are well defined, with two rebuilds completed in 2021 and the full rebuild of the slag-cleaning furnace initiated in the third quarter. Rebuild of our ACP phase B unit has been completed, despite some Covid-19 supply delays.

Costs

Total cash operating costs rose 29% to R5.8 billion. Cash operating cost per tonne of concentrate smelted was 12% higher at R4,308 (2020: R3,837). This was mainly due to increased production volumes at the smelting operations as well as ACP, electricity consumption and the increased focus on asset maintenance tactics. Other key increases relate to higher insurance premiums and transport costs.

Capital expenditure

Total capital expenditure rose to R2.9 billion from R1.7 billion in 2020. Construction of the ACP phase B unit began in 2021 with operational readiness and switch-over scheduled for Q1 2022. Phase B capital spend in 2021 totalled R568 million, with further close-out capital of R62 million projected for 2022. Other key projects in the review period included the slag-cleaning furnace rebuild at Waterval smelter (R402 million, in progress), furnace 1 and furnace 2 rebuilds at Waterval (R72 million and R146 million respectively), and ACP tower plant refurbishment (R272 million).

Developments

Feasibility studies for debottlenecking the ACP and a second slag-cleaning furnace are well advanced and expected to be complete in Q1 2023. These projects support downstream treatment of the expected Mogalakwena growth volumes and release further value from converter slag and slag tailings inventory. The ACP debottlenecking aims to enable higher capacity and better stability through an increased feed matte buffer and increased availability while providing environmental benefits.

Expanding converting capacity beyond the current capacity is the subject of a prefeasibility A study, where two alternative options are being assessed for a separate phase C converting operation. The study is expected to be complete by Q1 2022.

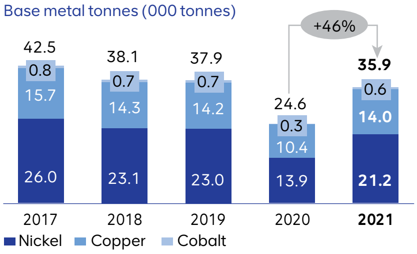
The slag-cleaning furnace 1 rebuild and redesign project began in August 2021 and is planned to be completed in second-quarter 2022. The enhanced design allows increased converter slag throughput, unlocking further value. The prefeasibility study for the second slag-cleaning furnace considers various cost-effective short, medium and long-term treatment options.

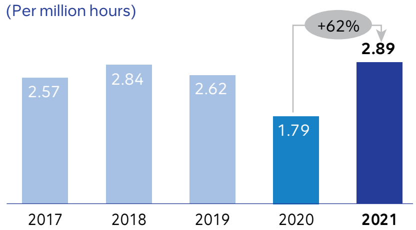
Outlook

In 2022, we will commission and operate the ACP phase B unit while undertaking maintenance work on phase A. We have scheduled the full rebuild of our Polokwane furnace and have a well-developed stay-in-business capital programme focusing on our Waterval complex asset reliability and sustainability.

Rustenburg Base Metal Refinery (RBMR)		2021	2020
Fatalities	Number	0	0
TRCFR	Rate/million hrs	2.89	1.79
GHG intensity	(CO_2(e)/tonne production)	12,632	15,972
GHG emissions, CO_2 equivalents	1,000 tonnes	401.14	323.31
Energy intensity (GJ/tonnes production)	(GJ/tonne production)	80,214	104,149
Energy use	Gigajoules	2,547,277	2,108,179
L4–5 environmental incidents	Number	0	0
Hazardous waste to landfill	Tonnes	0	2.74
Potable water	1,000m^3	1,193.3	886.36
Potable water intensities	(m^3/tonne production)	37,577	43,788
Base metal production	kt	31.3	20.0
Cash costs/base metal tonne	R/tonne	93,968	112,586

RBMR performs bulk separation of precious metals from base metals using milling and magnetic separation at the magnetic concentrator plant. The PGM-rich magnetic fraction is upgraded in a three-stage leaching process to produce a final concentrate, fed to the PMR. The non-magnetic fraction is treated at BMR to produce base metal products – nickel and copper cathode, cobalt sulphate and a sodium sulphate by-product.





Material risks – Rustenburg Base Metals Refinery (RBMR): operation-specific risks cascade up to the company risk register in a disciplined, robust process

1 Ageing plant infrastructure	2 Bulk-chemicals storage and cobalt plant areas	3 Lifting activities with mobile crane and equipment
Risk description Ageing plant infrastructure causing utility interruptions remains a risk to the stability and capability of the refinery.	**Risk description** Loss of containment of chemicals storage infrastructure and cobalt plant integrity due to ageing infrastructure.	**Risk description** Loss of control of lifting equipment (mobile cranes) and loads remains a risk due to the number of lifting operations undertaken.
Mitigating actions The interim risk is being addressed through the capital replacement programme. Long-term roadmaps are in place to modernise the asset, bring in alternative energy sources, reduce water intensity and automate production.	**Mitigating actions** The capital project for relocating the bulk-chemicals storage area is well advanced, with environmental authorisation secured. Studies are underway to relocate the cobalt sulfate crystalliser. The old areas will be rehabilitated after successful relocation.	**Mitigating actions** Learnings from incidents in 2021 resulted in identifying and implementing additional controls to ensure quality planning and intensified oversight of lifting operations.

Safety and health
RBMR recorded 12 injuries for the year, from six in 2020. The TRCFR regressed 62% to 2.89 in 2021 from 1.79 in 2020.

A 100-days rapid result safety improvement plan was initiated in October 2021, focused on material risks and their critical controls. The focus on monitoring leading indicators has also been intensified, with an increase in reported high-potential hazards indicating greater safety awareness.

Production
Converter matte receipts were 77% higher than 2020 while base metal production increased 57%. The operation continued to make progress on raw-material efficiency improvements, targeting base metal throughput, recovery and final metal quality. Full-year nickel production for 2021 at 20,811 tonnes was up 55% on 2020.

AS&R
RBMR is progressing well in implementing the asset management framework. The 2018 baseline assessment showed a maturity rating of 2.1. In the 2021 assessment, the maturity rating improved 61% to 3.4. The five-year plan is targeted at achieving a maturity rating of 4.0 by end of 2022.

Costs
Cash operating costs rose to R2.9 billion in 2021. The 31% increase in absolute costs mainly reflects related costs for increased production, annual inflation and additional maintenance costs. Electricity costs rose 15%, while labour cost were up 7%. Higher volume reduced cash operating cost per base metal tonne by 17% to R93,968, compared to R112,586 in 2020.

Capital expenditure
Stay-in-business capital expenditure increased 54% to R379 million, focused on replacing critical plant and equipment to ensure operational stability.

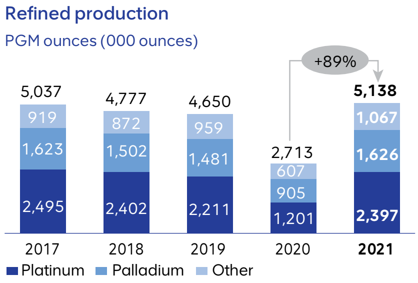
P101 project capital rose to R386 million in 2021 (2020: R230 million). This includes the copper debottlenecking project with a first-of-its-kind autoclave that is expected to increase copper recovery from 70% to 90%. The approved project budget of R937 million will require additional funding to cover pandemic-related impacts and new process changes that ensure the integrity of this very complex process circuit while achieving maximum recovery. The project is scheduled to be completed in Q4 2023.

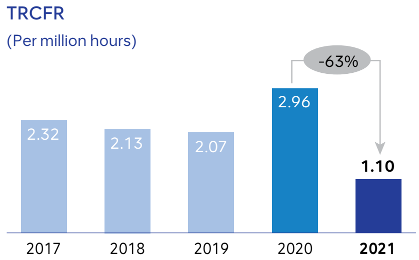
Developments
We also made progress on several other studies, including the BMR copper-based selenium/tellurium removal and low nickel in sodium sulfate that moved from feasibility to execution. These are forecast to be completed in Q2 and Q3 2023.

Outlook
RBMR will continue to operate normally in 2022. Opportunities identified to improve throughput and operational efficiency while optimising costs will be implemented through the application of our operating model principles and asset management strategies during 2022.

Precious Metals Refinery (PMR)		2021	2020
Fatalities	Number	0	0
TRCFR	Rate/million hrs	1.10	2.96
GHG intensity	(CO_2(e)/tonne production)	0.009	0.014
GHG emissions, CO_2 equivalents	1,000 tonnes	49.44	43.34
Energy intensity (GJ/tonnes production)	(GJ/tonne production)	0.031	0.051
Energy use	Gigajoules	171,582	152,066
L4–5 environmental incidents	Number	0	0
Hazardous waste to landfill	Tonnes	0	10.2
Potable water	1,000m^3	177.21	113.21
Potable water intensities	(m^3/tonne production)	0.032	0.038
PGM production excluding tolling	Moz	5,138.4	2,713.1
Cash costs/Pt ounce	R/oz	466	673

PMR receives final concentrate from the magnetic concentrator plant at RBMR, which is refined into various high-purity PGMs and semi-refined gold to meet market requirements.





Material risks – Precious Metals Refinery (PMR): operation-specific risks cascade up to the company risk register in a disciplined, robust process

1 Platinum salt sensitivity and rhodium salt sensitivity (PSS, RSS)	2 Pressurised equipment	3 Containment of hazardous chemicals
Risk description Health risks to employees are exposure to platinum and rhodium salt sensitivity.	**Risk description** Over-pressure or failure of equipment due to high working pressure.	**Risk description** Correct handling and storage of hazardous chemicals to prevent any uncontrolled release that may lead to employee and environmental exposure.
Mitigating actions Implementing world-class occupational and environmental exposure-control standards and practices in the workplace with regular monitoring of changes in the work environment and personnel.	**Mitigating actions** Identification of process safety and operational controls to eliminate over-pressure of equipment forms part of the ongoing process safety management programme.	**Mitigating actions** In 2021, PMR instituted a programme to eliminate spillages or gas releases. All incidents were elevated to high-potential incidents to ensure the correct level of focus on their elimination. Significant reductions were achieved in the second half of 2021.

Safety and health

TRCFR improved significantly to 1.10 in 2021 (2020: 2.96) and PMR recorded only two injuries for the year. Reported cases of RSS, PSS and skin prick positive (SPP) remained at zero.

Production

The refinery operated steadily, with work-in-process inventory well managed. Total refined PGM production (including toll-refined production) increased 81% to 5.8 million ounces (2020: 3.2 million ounces) in line with the respective ratios received in the feed. Higher refined production reflects a strong performance from the process division in effectively executing the ounces-release plan post the ACP event in 2020. Owned refined PGM production of 5.1 million ounces rose 89% from 2020.

Product quality

Platinum, palladium and rhodium purity continued to meet market specifications. PMR maintained 99.99% purity for platinum and palladium, and 99.98% purity for rhodium for the review period, achieving high customer-satisfaction levels.

AS&R

Condition monitoring has been implemented on strategic equipment, together with asset tactics, to ensure more preventative maintenance is executed to improve asset reliability and availability.

Costs

PMR's cash operating costs increased by 26% to R1.3 billion. This was on higher volumes as well as above-CPI increases for key input commodities such as electricity and chemicals, as well as labour costs. Cash operating costs per PGM ounce improved by 31% from 2020 (R231 vs R335) due to higher volumes.

Capital expenditure

Stay-in-business capital expenditure rose 19% to R104 million (2020: R87 million) for projects to ensure the ongoing integrity of the asset and business continuity. P101 capital of R14 million (2020: Rnil) reflects feasibility costs for the osmium project. The osmium sponge project offers the opportunity to market a saleable product, alleviating the occupational health challenges associated with handling and storing the intermediate salts.

Developments

We improved our iridium and rhodium site-wide process recoveries and the feasibility study of the osmium sponge project is underway.

Outlook

The 2022 production guidance for owned PGMs is 4.2–4.6 million ounces. This is lower than the previous 2020 guidance of 4.7–5.1 million ounces given the significant outperformance in processing work-in-progress inventory in 2021.

Sustainable mining plan summary

Aligned with our strategic commitment to be a leader in ESG, the sustainable mining plan (SMP) ensures our sustainability initiatives are effectively focused, coordinated and supported across all our operations.

Tailored to group, business-unit and local priorities in five-year plans for each mine and process operation, the SMP:
- Drives performance through stretch goals
- Encourages collaboration on regional development
- Ensures adherence to key minimum requirements (critical foundations) in ESG practice.

In each of these areas, we are enhancing sustainability performance and prospects by integrating technology, innovation and digitalisation. Technology integration has the potential to deliver step-change results across the mining value chain, scaling safety, environmental and social benefits while reinforcing the ethical credentials of our products.

Our plan has three global sustainability pillars, with three stretch goals under each one.

Our sustainable mining plan

Environment	Social	Governance
Healthy environment	**Thriving communities**	**Trusted corporate leader**
Climate change Biodiversity Water usage	Education Health and wellbeing Livelihoods	Accountability Policy advocacy Ethical value chains

Collaborative regional development

Our innovative partnerships model to catalyse independent, scalable and sustainable economic development in regions around our operations – the objective being to improve lives by creating truly thriving communities that endure and prosper well beyond the life of the mine.

Our five-year local plans

We have tailored five-year local plans for each of our sites to address the unique changes across our operations. We have aligned each of our global sustainability pillars and stretch goals.

Our critical foundations

The common requirements we have put in place to ensure we are operating all aspects of our business responsibly.

Leadership and culture	Zero harm	Human rights	Inclusion and diversity	Group standards and processes	Compliance with legal requirements

Ore Reserves and Mineral Resources review

General statement

The Ore Reserves and Mineral Resources report is issued annually to inform stakeholders, shareholders and potential investors of the mineral assets held by Anglo American Platinum Limited. This section of the integrated annual report should be read in conjunction with the full Ore Reserves and Mineral Resources report which, together with this report , is published annually and available on the company website at www.angloamerican.com

Our method of reporting Ore Reserves and Mineral Resources is in accordance with the principles and guidelines for public reporting of the South African Code for Reporting of Exploration Results, Mineral Resources and Mineral Reserves (the SAMREC Code, 2016), the South African Code for Reporting of Mineral Asset Valuation (SAMVAL Code, 2016) and section 12.13 of the Listings Requirements of the Johannesburg Stock Exchange (JSE).

Ore Reserves and Mineral Resources terminology appearing in this report follows the definitions of the SAMREC Code. Ore Reserves in the context of this report has the same meaning as Mineral Reserves as defined by the Code. Estimates (tonnes and content) for individual operations and summaries quoted in this report are on a 100% basis.

Ore Reserve and Mineral Resource estimates are quoted in this report as at 31 December 2021.

Group highlights

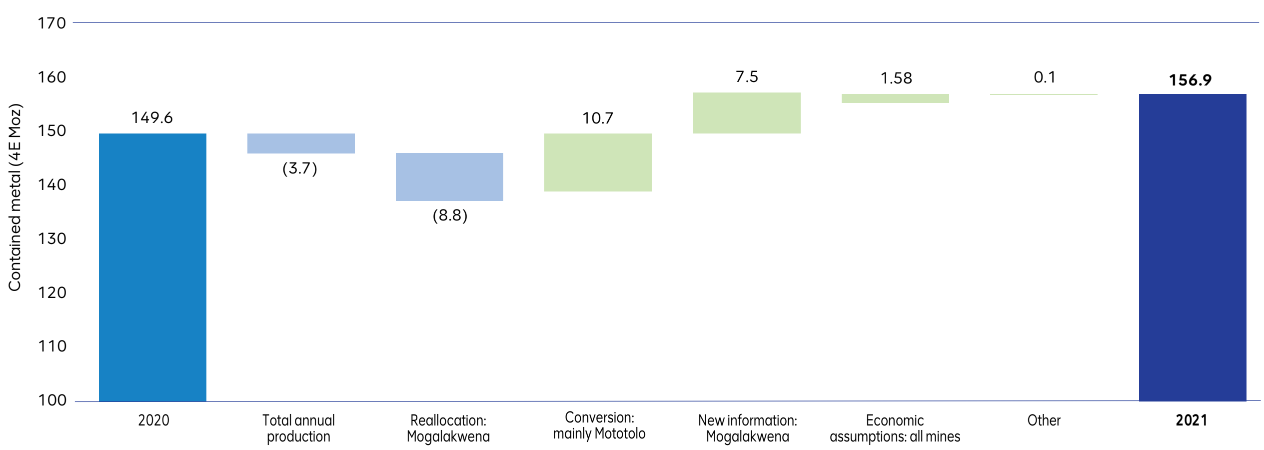
Ore Reserves

Salient features: year-on-year changes

The combined South African and Zimbabwean Ore Reserves increased by 4.9% from 149.6 4E Moz to 156.9 4E Moz in the review period. This was primarily due to the conversion of Mineral Resources to Ore Reserves in the Der Brochen south project at Mototolo complex and updated geological and Mineral Resource models as well as improved economic assumptions at Mogalakwena. The gains from the new information at Mogalakwena were partially offset by the reallocation of Ore Reserves to Mineral Resources due to a revised life-of-mine pit design.

Anglo American Platinum Merensky, UG2,Platreef and Main Sulphide Zone (MSZ) total Ore Reserves – South Africa and Zimbabwe

2020–2021 reconciliation (4E Moz)



Ore Reserves reflect the total Proved and Probable Ore Reserves.

Details of the individual operations that contributed to the total Ore Reserves reconciliation are stated per reef and mine in the full Ore Reserves and Mineral Resources report.

Group highlights continued

Ore Reserves

Mototolo

At Mototolo complex, the conversion of UG2 Reef Mineral Resources to Ore Reserves in the Der Brochen south project area resulted in a substantial increase of the Ore Reserves footprint (+10.5 4E Moz) and the life-of-mine to beyond 30 years (16 years in 2020). Improved economic assumptions and reduced operational costs resulted in the conversion of the uneconomic tails from 2020 to Ore Reserves (+0.4 4E Moz) in 2021.

Mogalakwena

At Mogalakwena, the Platreef Ore Reserve 4E ounces decreased slightly (-0.3 4E Moz), because of a revised life-of-mine pit design (to improve accessibility to lower benches) (-8.8 4E Moz) and production (-1.6 4E Moz). The extent of the decrease was mostly offset by the inclusion of additional ore resulting from updated geological and Mineral Resource models within the life-of mine pit shell (+7.5 4E Moz) and improved economic assumptions (+2.1 4E Moz).

The combination of basket metal prices and the exchange rate used to optimise the Mogalakwena pit is based on long-term forecasts in a balanced supply/demand scenario. Mining costs are escalated in real terms to account for anticipated mining inflation, increasing mining depth and haul distance.

Amandelbult

At Amandelbult Dishaba and Tumela, mine-design changes, Modifying Factors changes and tail cuts resulted in the reallocation of UG2 Reef Ore Reserves to Mineral Resources, resulting in a combined 1.7 4E Moz decrease. At Dishaba in particular, Merensky Reef Ore Reserves decreased by 0.5 4E Moz due to further economic tail cuts at year 2049 of the life-of-mine.

Unki

There was a minor increase in Ore Reserves at Unki (+0.4 4E Moz) due to conversion of the upper and southern sections of the mine as well as the additional on-reef development in the life-of-mine footprint area.

Modikwa

The UG2 Reef Ore Reserve 4E ounces at Modikwa decreased (-0.5 4E Moz) due to geological model changes, economic tail-cuts and production.

Sibanye-Stillwater JOs

Ore Reserves at Kroondal and Siphumelele 3 joint operations decreased primarily due to annual production.

Recent developments

Mototolo complex: Der Brochen south feasibility study approval

As noted, the Mototolo complex Der Brochen south project feasibility study has been approved by the Anglo American Platinum board. The development of the project leverages the existing Mototolo infrastructure as well as establishment of new infrastructure, enabling mining to extend into the adjacent Der Brochen Mineral Resources. The project increases UG2 Reef Ore Reserves by 10.5 4E Moz (2.9 4E Moz: 2020 to 13.5 4E Moz: 2021) and extends life-of-mine beyond 30 years (from 16 years in 2020).

The mining of the UG2 Reef orebody will utilise the same bord-and-pillar extraction method as Mototolo Mine, and will be a fully mechanised operation, positioned in the bottom half of the primary PGM producer cost curve. The project includes development of a new shaft to replace the depleting Mototolo Ore Reserves (Lebowa and Borwa shafts), maintaining the 240,000 tonnes per month mining rate. With the completion of the concentrator debottlenecking project in Q3 2021, production from Mototolo complex is expected to be maintained at around 250,000 PGM ounces per year. The approval of the project supports the company's strategic priority of maximising value from its core portfolio of assets, investing capital into this life-extension project which is expected to generate value and strong returns. The execution of the project will begin in Q1 2022.

The royalty agreement that Anglo American Platinum has with Two Rivers Platinum Mine to access mining areas adjacent to the current Thorncliffe farm boundary from the Lebowa shaft is still in place. The royalty area ore and production are not reflected in this report as the SAMREC Code stipulates that only Ore Reserves and Mineral Resources which are fully permitted can be declared.

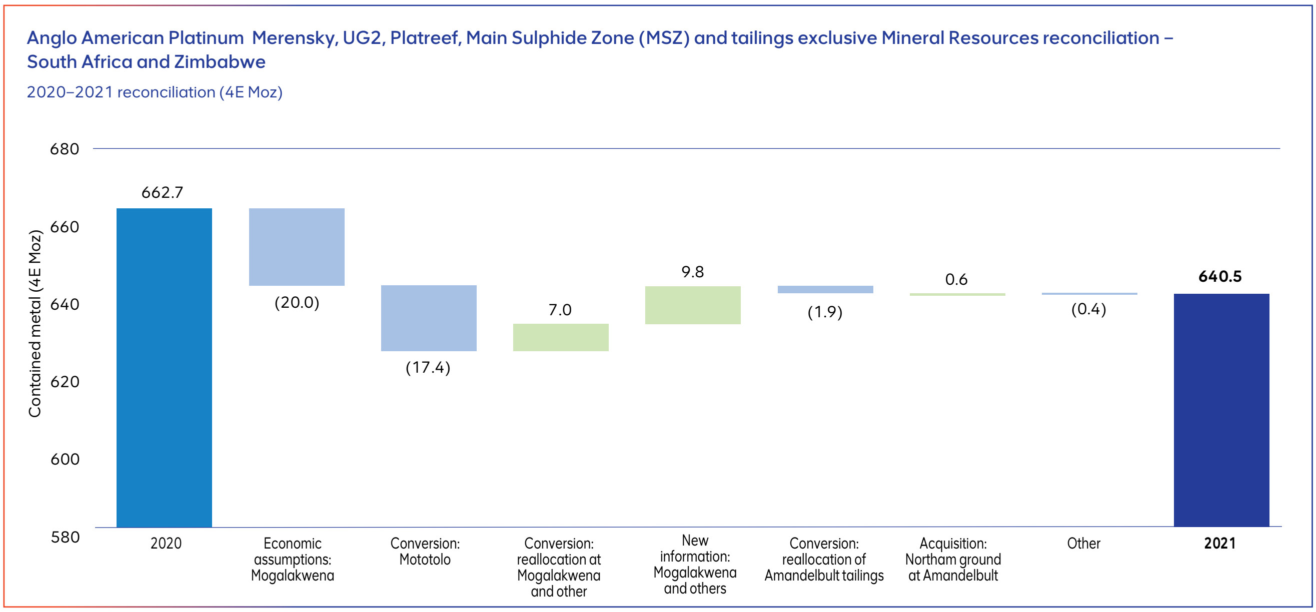
Mineral Resources

Salient features: year-on-year changes

The combined South African and Zimbabwean Mineral Resources, exclusive of Ore Reserves, decreased by 3.4% from 662.7 4E Moz to 640.5 4E Moz in the review period.

This was primarily due to:
- The reallocation of Mineral Resources to Mineralisation at Mogalakwena following reasonable prospects of eventual economic extraction assessments (-20.0 4E Moz)
- Conversion of Mineral Resources to Ore Reserves in the Der Brochen south project area at Mototolo (-17.4 4E Moz)
- The reallocation of tailings Mineral Resources to Mineralisation after the reactivation of the storage facility for deposition at Amandelbult (-1.9 4E Moz).

The effects of the updated geological and Mineral Resources models at Mogalakwena (+10.2 4E Moz), reallocation of Ore Reserves and to Mineral Resources due to a revised life-of-mine pit design at Mogalakwena (+6.7 4E Moz), and acquisition of the block of ground from Northam Platinum at Amandelbult (+0.6 4E Moz) reduced the extent of the overall decrease in exclusive Mineral Resources.



Mineral Resources reflect the total Measured, Indicated and Inferred Mineral Resources.

Details of the individual operations that contributed to the total exclusive Mineral Resources reconciliation are stated per reef and mine in the full Ore Reserves and Mineral Resources report.

Recent developments

Sale of Bokoni Mine

Anglo American Platinum and Atlatsa Resources Corporation have entered into a sale and purchase agreement (SPA) to dispose of Bokoni Mine to African Rainbow Minerals (ARM). Anglo American Platinum holds a 49% interest and Atlatsa holds a 51% interest of Bokoni Mine, which has been on care and maintenance since 2017. The transaction is expected to be concluded in 2022, subject to consent in terms of section 11 for the disposal of a controlling interest in Bokoni Mine to the new owners by the Department of Mineral Resources and Energy (DMRE); and approvals by the relevant competition authorities.

The sale is expected to decrease the total exclusive Mineral Resources by 23.9% from 640.5 4E Moz to 487.2 4E Moz (-153.3 4E Moz), based on the 2021 declaration:
- - 55.1 4E Moz Merensky Reef (100% basis)
- -98.2 4E Moz UG2 Reef (100% basis)

Conclusion of the acquisition of ground from Northam Platinum

To conclude the 2016 transaction, a section 102 application to amend the Amandelbult Mining Right by extending the current Mining Right area to include the block of ground from Northam Platinum has been approved by DMRE and notarially executed on 25 November 2021. Mineral Resources and boundary pillars are adjusted accordingly. The block has contributed the following Mineral Resources to the complex:
- +0.3 4E Moz Merensky Reef (100% basis)
- +0.3 4E Moz UG2 Reef (100% basis).

The status of the Sibanye-Stillwater joint operations

In January 2022, Anglo American Platinum entered into transaction agreements for the sale of its 50% interests in the Kroondal and Marikana pool-and-share agreements (the PSAs) to Sibanye-Stillwater. The transaction is subject to regulatory approvals, including section 11 consent for the transfer of the Mining Right and approvals by the competition authorities, as well as the delivery of 1.3 4E Moz of metal-in-concentrate by the Kroondal and Marikana PSA (100% basis).

Changes In Ore Reserves and Mineral Resources for 2021

Summary of Ore Reserve and Mineral Resource estimates

The summary estimates are reported on a 100% basis. Details of the individual operations' estimates that contributed to this summary as well as reconciliations are stated per reef and mine in the full Ore Reserves and Mineral Resources report (on a 100% basis).

Classification	2021 Tonnes Mt	2021 Grade 4E g/t	2021 Contained metal 4E Moz	2020 Tonnes Mt	2020 Grade 4E g/t	2020 Contained metal 4E Moz
Proved Ore Reserves	1,037.2	3.06	102.1	937.4	3.07	92.6
Probable Ore Reserves	468.6	3.26	49.2	535.9	2.99	51.5
Ore Reserves – South Africa	1,505.8	3.13	151.3	1,473.4	3.05	144.1
Proved Ore Reserves	30.3	3.27	3.2	24.3	3.33	2.6
Probable Ore Reserves	22.8	3.33	2.4	26.7	3.28	2.8
Ore Reserves – Zimbabwe (Unki)	53.1	3.30	5.6	51.0	3.30	5.4
Ore Reserves – South Africa and Zimbabwe	1,559.0	3.13	156.9	1,524.4	3.05	149.6
Measured exclusive Resources	918.6	4.70	138.8	1,048.6	4.58	154.3
Indicated exclusive Resources	2,322.8	3.37	251.4	2,235.0	3.42	246.0
Inferred exclusive Resources	1,653.8	4.31	229.3	1,823.4	4.08	239.1
Mineral Resources exclusive of Ore Reserves[1] – South Africa	4,895.2	3.94	619.5	5,107.0	3.89	639.5
Measured exclusive Resources	6.7	4.11	0.9	7.5	4.09	1.0
Indicated exclusive Resources	114.5	4.33	15.9	110.8	4.29	15.3
Inferred exclusive Resources	31.7	4.04	4.1	38.6	4.07	5.0
Mineral Resources exclusive of Ore Reserves[1] – Zimbabwe (Unki)	152.8	4.26	20.9	156.9	4.23	21.3
Mineral Resources exclusive of Ore Reserves[1] – South Africa and Zimbabwe	5,048.0	3.95	640.5	5,264.0	3.90	660.8
Measured inclusive Resources	2,043.2	3.97	261.0	2,052.3	3.99	263.5
Indicated inclusive Resources	2,748.2	3.42	301.8	2,718.5	3.41	298.0
Inferred inclusive Resources	1,653.8	4.31	229.3	1,823.4	4.08	239.1
Mineral Resources inclusive of Ore Reserves[2] – South Africa	6,445.1	3.83	792.2	6,594.2	3.78	800.6
Measured inclusive Resources	39.7	3.86	4.9	34.5	3.97	4.4
Indicated inclusive Resources	138.2	4.25	18.9	139.1	4.21	18.8
Inferred inclusive Resources	31.7	4.04	4.1	38.6	4.07	5.0
Mineral Resources inclusive of Ore Reserves[2] – Zimbabwe (Unki)	209.6	4.15	27.9	212.2	4.15	28.3
Mineral Resources inclusive of Ore Reserves[2] – South Africa and Zimbabwe	6,654.8	3.84	820.1	6,806.4	3.79	828.9
Measured exclusive Resources	—	—	—	63.0	0.79	1.6
Indicated exclusive Resources	—	—	—	8.1	0.82	0.2
Inferred exclusive Resources	—	—	—	1.2	0.91	0.0
Mineral Resources exclusive of Ore Reserves[1] – South Africa tailings	—	—	—	72.3	0.80	1.9
Measured inclusive Resources	—	—	—	63.0	0.79	1.6
Indicated inclusive Resources	—	—	—	8.1	0.82	0.2
Inferred inclusive Resources	—	—	—	1.2	0.91	0.0
Mineral Resources inclusive of Ore Reserves[2] – South Africa tailings	—	—	—	72.3	0.80	1.9

The combined Ore Reserves and Mineral Resources summaries represented: Platreef, UG2 and Merensky Reefs (South Africa) and Main Sulphide Zone – MSZ (Zimbabwe).

Tonnage is reported as dry metric tonnes, and Ore Reserves reported as run-of-mine (ROM) tonnes.

Rounding of figures may result in computational discrepancies.

Mineral Resources are quoted after appropriate geological losses are applied.

Mineral Resources exclusive of Ore Reserves and scheduled Mineral Resources converted to Ore Reserves are not additive because of modifying factors being applied in the conversion from Mineral Resources to Ore Reserves.

Due to the uncertainty that may be attached to some Inferred Mineral Resources, it cannot be assumed that all or part of an Inferred Mineral Resource will necessarily be upgraded to an Indicated or Measured Resource after continued exploration.

[1] Exclusive Resources: Mineral Resources exclusive of the portion converted to Ore Reserves.

[2] Inclusive Resources: Mineral Resources inclusive of the portion converted to Ore Reserves.

Internal controls

Well-established processes and protocols ensure reliable Ore Reserves and Mineral Resources reporting, as stipulated in the Anglo American plc group Ore Reserves and Mineral Resources reporting policy adopted by Anglo American Platinum. In line with internal review and audit schedules, as well as improvement initiatives, existing processes and reviews encompass:

Methodology

- Formal sign-off of the geological structure and geological discount factors; drill-hole and sample databases; and the Mineral Resource classifications
- A Mineral Resource classification scorecard for consistent and robust classification statements
- Various single and multiple disciplinary reviews in the framework of the business-planning process
- Mine design and scheduling for consistent Ore Reserve reporting, which considers the company's business plan and economic tail management process
- Further refinement of the basic resource equation (BRE), an internal reconciliation of Mineral Resources for the various business plans and investment centres
- The annual multi-stage internal and external reviews and sign-off of Ore Reserves and Mineral Resources statements
- Internal controls for financial reporting audits that review internal control measures in place for reporting Ore Reserves and Mineral Resources.

Information communicated

- Ore Reserve and Mineral Resource waterfall charts indicating year-on-year changes
- Prill split and base-metal grade distribution of the Mineral Resources inclusive of Ore Reserves
- Spatial distribution of the Ore Reserve and Mineral Resource classifications
- Reporting Mineral Resources, inclusive of Ore Reserves.

Ore Reserves and Mineral Resources management database

- Web-based data capture of all Ore Reserves and Mineral Resources estimates, reconciliations and other relevant information in the Anglo American Ore Reserves and Mineral Resources reporting system (ARR)
- Integration with Anglo American plc's group Mineral Resource and Ore Reserve reporting management systems
- Internal database audit, approvals and formal sign-off.

Assurance – external reviews

Anglo American Platinum operations are subject to a comprehensive three-year programme of external/third-party reviews aimed at providing assurance in respect of Ore Reserve and Mineral Resource estimates and reconciliations. The independent reviews are executed to ensure that our standards and procedures are aligned with world best practice and include both process and numerical estimate reviews. The reviews are conducted by suitably qualified Competent Persons and as suggested in the Anglo American reporting guidelines.

To comply with the Anglo American Platinum three-year external review and audit schedule, the following detailed audits of data gathering, data transformation and reporting of Ore Reserves and Mineral Resources processes were carried out in 2021:

- Mototolo complex – Snowden Optiro Mining Consultants
- Unki Mine – The MSA Group.

Mogalakwena side wall at sunset.

The scope of work for external reviews requires a site visit and as such, external reviewers at Mototolo conducted a site visit. The MSA external consultants were, however, unable to travel to Unki Mine in Zimbabwe due to regional/international Covid-19 travel restrictions. The review had to be conducted as desktop review, with online interaction between all the stakeholders involved in the audit.

External audits summary

It is both auditors' opinions that the Ore Reserves and Mineral Resources have been estimated using reasonable assumptions and techniques for the style of Mineralisation and mining methods at Unki and Mototolo mines. The Mineral Resources and Mineral Reserves have been prepared by suitably qualified and experienced Competent Persons who were assisted by various experts from the individual mines, Anglo American Platinum and Anglo American plc. The estimations and inputs are guided by comprehensive procedures and governed by standards that are assured by stringent internal audit and review processes. No significant or material items were identified during the audits and major risks that could impact on the reported Mineral Resources and Ore Reserves are well understood, with appropriate mitigation measures in place.

Continuous improvement of items identified and detailed in the full audit reports will be addressed in the following Ore Reserves and Mineral Resources estimation and reporting cycle(s). Assurance letters for the auditors' summary of findings are on pages 99 and 100 of the Ore Reserves and Mineral Resources report.

Risk

Anglo American Platinum's integrated risk management framework ensures the effective governance of operational and strategic risks. The risk management process is aligned with ISO 31000 international risk management standards and King IV requirements. Risks are defined as situations or actions with the potential to threaten our ability to deliver on our strategic priorities and, ultimately, to create value. The approach to risk management is guided by risk appetite, enables the platinum management committee (PMC) and the board to establish a baseline level of risk the company is willing to accept and evaluates the likelihood and impact of certain threats. Risk appetite is assessed from the context of severity of consequences should the risk materialise, any relevant internal or external factors influencing the risk, and the status of management actions to mitigate the risk. Risk tolerance refers to the amount of risk Anglo American Platinum is able to withstand. We have also considered opportunities as part of our risk management process, aligned with King IV requirements. Anglo American Platinum's principal risks are outlined on pages 74–89 of this report.

The relevant geosciences and mine planning departments follow risk management processes outlined in the Anglo American Platinum integrated risk management framework. This is done to systematically evaluate, mitigate and subsequently reduce risks relevant to the Ore Reserves and Mineral Resources estimation and reporting.

It is generally recognised that Ore Reserve and Mineral Resource estimations are based on projections that may vary as new information becomes available. In addition to geological uncertainty, such changes can be impacted specifically if assumptions, Modifying Factors and market conditions change materially. Since the parameters associated with these considerations vary with time, the conversion of Mineral Resources to Ore Reserves may also change over time. For example, mining costs (capital and operating), exchange rates and metal prices may have significant impacts on converting Mineral Resources to Ore Reserves and reallocating Ore Reserves to Mineral Resources in cases where there is a reversal in the economics of a project or area. The assumptions, Modifying Factors and market conditions therefore represent areas of potential risk. In addition, security of Mineral Right tenure or corporate activity could have a material impact on the future mineral asset inventory.

Covid-19 pandemic remained the most prevalent event in 2021 and was identified as the highest-ranking risk for Anglo American Platinum. The impact of Covid-19 cuts across different stages of the mining value chain and affects employees as well as mine communities. The pandemic has brought certain issues to the fore, with an increased focus on health and safety for employees and communities alike, a heightened concern on business continuity, realising the effects of supply-chain disruption across the mining value chain, and the accelerated shift to a digital, low-carbon economy.

However, Covid-19 has had no direct impact on the declaration of Ore Reserves and Mineral Resources except for its effect on the timelines/pace of extracting our mineral assets.

For more detail on our approach to risk and opportunity management see the relevant sections in this report.

Environmental, social and governance (ESG)

Globally, organisations are moving towards greater disclosure on ESG information, due to increased stakeholder and shareholder interest in ESG-related criteria. ESG considerations are important inputs in determining reasonable prospects of eventual economic extraction (RPEEE) and Modifying Factors for estimating and reporting Ore Reserves and Mineral Resources. Items related to environmental, social and governance aspects outlined in table 1 of the SAMREC Code (2016) are incorporated into our Ore Reserves and Mineral Resources estimation processes, to ensure compliance, and inform all stakeholders and investors.

ESG strategic focus

Anglo American Platinum has integrated ESG into the company strategy. The company aims to become a leader in ESG by achieving our environment and social impact aspirations as the core of our strategy and way of working. We believe that ESG offers significant value, and we will invest meaningfully to achieve shared value for our stakeholders.

For more details see the Ore Reserves and Mineral Resources report and the ESG report.

Competence and responsibility

In line with the SAMREC Code and the Listings Requirements of the JSE, Competent Persons have been appointed to work on, and assume responsibility for the Ore Reserve and Mineral Resource statements for all operations and projects. The lead Competent Persons with overall responsibility for the Anglo American Platinum 2021 Ore Reserves and Mineral Resource report are Kavita Mohanlal and Andrew Smith.

They have provided written confirmation that information disclosed in terms of this report is compliant with the SAMREC Code (2016) including table 1 and, where applicable, the relevant JSE section 12 Listings Requirements (section 12.13). They can confirm that the information may be published in the form and context in which it was intended. They are permanent employees of the technical and sustainability group function (T&S) within Anglo American plc.

Competent Persons for the individual operations are listed in the relevant operations' sections of the Ore Reserves and Mineral Resources report. All Competent Persons have sufficient relevant experience in the type of deposit and activity for which they have taken responsibility. Details of the Competent Persons are also available on written request from the company secretary.

	Competent Persons	Title	RPO	Membership number	Relevant experience
Mineral Resources	Kavita Mohanlal	Principal: Mineral Resource estimation	SACNASP, PrNatSci	400003/05	18 years
Ore Reserves	Andrew Smith	Lead: Ore Reserves	SAIMM member	702955	32 years

Kavita Mohanlal has BSc (hons) and MSc Mineral Resources management qualifications from the University of the Witwatersrand and has 18 years' relevant mineral industry experience across precious metals operations. In this period, she has held various technical positions within Anglo American Platinum and Anglo American plc. She is a professional natural scientist member of The South African Council of Natural Scientific Professions (SACNASP). SACNASP is based at The Innovation Hub, Enterprise Building Suite L4, 1 Mark Shuttleworth Street, Lynnwood, Pretoria 0087, Gauteng, South Africa.

Andrew Smith has a BEng (mining engineering) qualification from the University of Nottingham (UK) and has 32 years' relevant mineral industry experience across precious metals operations. In this period, he has held technical, managerial, and executive positions at Anglo American Platinum and Anglo American plc. He is a fellow with the Southern Africa Institute of Mining and Metallurgy. SAIMM is based at The Mineral Council South Africa, 5 Hollard Street, Marshalltown, Johannesburg 2001, Gauteng, South Africa.

Kavita Mohanlal
Principal: Mineral Resources estimation
SACNASP, PrNatSci: 400003/05

Anglo American plc
144 Oxford Road, Rosebank, Melrose
South Africa

17 February 2022

Andrew Smith
Lead: Ore Reserves
SAIMM, member: 702966, ECSA

Anglo American plc
17 Oxford Charterhouse Street, London, EC1N6SA
United Kingdom

17 February 2022

Company information

Key information for shareholders and contact details

Key disclosures in this section

Analysis of shareholders

Analysis of shareholders

An analysis of the share register at year end showed the following:

Ordinary shares

	2021		2020	
	Number of shareholders	% of issued capital	Number of shareholders	% of issued capital
Size of shareholding				
1–1,000	15,004	0.53	12,508	0.49
1,001–10,000	1,260	1.62	1,191	1.52
10,001–100,000	390	4.49	410	4.50
100,001–1,000,000	66	6.61	73	7.04
1,000,001– and over	10	86.75	11	86.45
	16,730	100.00	14,193	100.00
Category of shareholder				
Bank, nominee and finance companies	556	10.20	555	9.84
Companies	512	78.90	372	79.10
Individuals	12,405	0.70	10,505	0.65
Insurance companies	189	0.60	192	1.02
Pension and provident funds	600	5.90	585	5.75
Trust funds and investment companies	2,297	3.60	1,845	3.56
Other corporate bodies	171	0.10	139	0.07
	16,730	100.00	14,193	100.00
Shareholder spread				
Public shareholders	16,720	21.15	14,182	20.97
Non-public shareholders	10	78.85	11	79.03
Directors and associates	3	0.01	5	0.03
Persons interested, directly or indirectly, in 10% or more	1	78.56	1	78.56
Subsidiaries	6	0.28	5	0.44
	16,730	100.00	14,193	100.00

Major shareholder

According to the company's share register at year end, the following shareholders held shares equal to or in excess of 5% of the issued ordinary share capital of the company:

	Number of shares	%	Number of shares	%
Anglo American South Africa Investments Proprietary Limited[1]	208,417,151	78.78	208,417,151	78.91

[1] The percentage shareholding is based on total shares in issue less treasury shares held by the group.

Geographical analysis of shareholders

Resident shareholders held 239,395,179 shares (90.24%) (2020: 240,444,619) and non-resident shareholders held 25,897,027 shares (9.76%) (2020: 24,847,587) of the company's issued ordinary share capital of 265,292,206 shares at 31 December 2021 (2020: 265,292,206).

The treasury shares of 735,020 (2020: 1,185,745) held in terms of the Bonus Share Plan and other schemes, has been included in the shareholder analysis. The shareholder details above include the shares issued by the company in respect of the community economic empowerment transaction.

Shareholders' diary

Financial year end	31 December
Annual general meeting	12 May 2022 at 10:00
Reports	
Announcement of interim results	25 July 2022
Integrated annual report for the full year to 31 December 2021	March
Suite of annual reports	March
Dividends	
Dividend for H2 2021 declared	21 February 2022
Last date to trade for 2021 dividend	8 March 2022
Share trading ex-dividend from	9 March 2022
Record date	11 March 2022
Payment date	14 March 2022

Administration

Directors

Executive directors

N Viljoen (chief executive officer)
CW Miller (finance director)

Independent non-executive directors

RJ Dixon
T Leoka
NP Mageza
NT Moholi
D Naidoo
JM Vice

Non-executive directors

M Cutifani (Australian)
NB Mbazima (Zambian)
N Fakude
A Michaud-Ahmed (British)

Company secretary

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

Financial, administrative, technical advisers

Anglo Corporate Services South Africa Proprietary Limited

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

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2196

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2132

Telephone +27 (0) 11 373 6111

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Registrar

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Auditor

PricewaterhouseCoopers Inc.
PwC Towers
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Fraud line – yourvoice

Anonymous whistleblower facility 087 232 5426 (South Africa)
www.yourvoice.angloamerican.com

Human resources-related queries

Job opportunities: www.angloamericanplatinum.com/careers/job-opportunities

Bursaries email: bursaries@angloplat.com

Career information: www.angloamericanplatinum.com/careers

Anglo American Platinum Limited
Incorporated in the Republic of South Africa
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Registration number: 1946/022452/06
JSE code: AMS – ISIN: ZAE000013181

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