



Sustainability report 2022

PLATINUM





Front cover: Launch of the nuGen Hydrogen-powered mine haul truck at Mogalakwena mine

Our reporting suite

Integrated report



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.

Sustainability report



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.

Governance report



Targets stakeholders that are interested in our governance practices (investors, ESG rating agencies, employees, regulators, suppliers and members of society)
Disclosure of governance-related aspects, The information disclosed demonstrates how Anglo American Platinum does conducts itself according to sound governance practices and the highest standards of ethics, integrity, transparency and accountability. It contains our King IV application and disclosure.

Annual financial statements



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.

Ore Reserves and Mineral Resources report



Targets stakeholders, shareholders and potential investors of our mineral assets
Updated estimates and reconciliation of Ore Reserve and Mineral Resource statements for all assets in line with the SAMREC Code (2016) and section 12,13 of the JSE Listings Requirements and signed by the Competent Persons.

Contents

Re- imagining mining to improve people's lives

This is an interactive report, with navigation at the top of each page to assist usability.

The following icons indicate where additional information may be found:



For more information, visit:

www.angloamericanplatinum.com/investors/annual-reporting



Refers to other pages in this report



Supporting documentation on the website:

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



ESG data tables are available on our website
Case studies as referenced

FutureSmart Mining™
– owned by Anglo American plc
nuGen™ – owned by Anglo American plc

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Our reporting is guided by our materiality assessment. These icons indicate:



PMI – Priority material issue



MI – Material issue

Benchmarks – Supplementary information

GRI	JSE guidelines
SASB	Glossary of terms
TCFD	ICMM

Key ESG data – Excel data sheet

Welcome to our 2022 sustainability report

About this report

In this annual report we aim to provide comprehensive disclosure to assist our stakeholders in understanding **our approach** to environment, social and governance (ESG) issues and insight on our sustainability strategy, ambitions and targets. These are guided by our **sustainable mining plan** and a strong focus on **materiality** – the issues most important to the company and to our stakeholders.

In our **business model**, we illustrate how we create, preserve or erode value through the lens of the six capitals link.

For our business model, please see our integrated annual report.

We detail our progress during the year and some of the challenges we faced, as well as our focus areas for 2023 and beyond. We recognise that monitoring, measuring and reporting on key sustainability metrics and our progress against targets is important. This is illustrated throughout the report, supported by detailed **ESG data sheets** on our website.

We also provide links to case studies that demonstrate what we are doing and how we work.

We have adopted and aligned our report with best practice principles, guidelines, frameworks and benchmarks, including the JSE sustainability disclosure guidance, published in June 2022.

Principles, guidelines, frameworks and benchmarks

Our reporting is guided and informed by the following:



A full content index on disclosures is available on our website.

While we have reported on the performance of our managed operations, we have included references and data for our non-managed Anglo American Platinum operations where relevant. For further disclosure on these operations, refer to:

- Modikwa – African Rainbow Minerals (www.arm.co.za)

Case studies

This report will give our stakeholders insight into our approach, our ambitions, our policies and strategies and our performance.

We would also like to illustrate how we do things through case studies. Readers will find the case studies – linked to this throughout this report, with a clickable list of these below:

- CircuLab Literacy project to promote learning and recycling
- Comprehensive blast-on-mesh coverage to be introduced at Dishaba
- Scraper winch proximity detection system introduced at Amandelbult
- Mental health in employees' hands
- 'Enabling you' – a programme to promote the inclusion of people with disabilities
- Getting to grips with GBV
- Enabling you – independent human rights due diligence at Unki Mine
- Hydrogen valley – creating new engines of economic activity through hydrogen
- nuGen haul truck unveiled at Mogalakwena
- Hydraulic dewatered stacking to be introduced at Mogalakwena
- Two-year TSF site-characterisation project underway
- Significant rehabilitation progress at Amandelbult
- Lantana eradication project
- Tree relocation at Der Brochen
- Supporting anti-poaching and wildlife conservation in Kruger National Park
- Constructing new effluent water storage and treatment facilities for our Rustenburg operations
- Partnership to deliver an integrated potable and bulk raw-water solution
- Predictive environmental monitoring
- Implementing air quality offset projects
- How Anglo American Platinum and Mr Price are jump-starting youth employment
- Alchemy Trusts directly benefit communities
- New welfare centre changing residents' lives in Mozambique
- Tlhabane Health Centre gets a major revamp
- Zimele supports Bahlaping Mash Trading
- New crèche and hall for relocated community at Motlotlo
- Anglo American Platinum's third ESOP – Thobo to share benefits with 20,000 employees.

Feedback

We value and encourage questions and feedback from stakeholders: sustainability@angloamerican.com.

Assurance

Financial and sustainability aspects of our 2022 suite of reports are independently assured. The external assurer's report on sustainability assurance is on [page 124](#).

Our purpose and strategy

Our purpose:

We re-imagine mining to improve people's lives.

What this means:

At Anglo American Platinum, this means:

Accelerating our world towards a cleaner, greener, healthier tomorrow

We believe PGMs can accelerate our world towards a cleaner, greener, healthier tomorrow – supporting the development of critical technologies to support climate mitigation.

Our metals already play an essential role in daily life: in healthcare products and equipment; vehicle components that reduce harmful gas emissions; jewellery; smartphones; and wind turbines.

The list of potential uses for our metals is growing, from hydrogen-fuelled vehicles and keeping food fresh for longer to more innovative healthcare solutions and lower-energy computing. We are leading the way in stimulating new markets and leveraging capabilities by investing in innovative applications for our metals across the globe towards a better future for all.

Transforming the mining value chain through safe, responsible production

While finding ways to make the world a better place through our metals, we ensure their sourcing and processing is done in a safe, responsible and sustainable way.

We focus on exploring the full potential of our mining and processing operations, ensuring we use the resources entrusted to us with care, while delivering strong economic returns for our stakeholders.

In the workplace, we want all our people to feel and be at their best. By building a purpose-led culture, guided by our values, and enabling high-performing teams, we are building the foundations to protect our colleagues' safety while increasing the productivity and the sustainability of our business. We drive efficiency to maximise value from our core assets by working to deliver a world-class performance, using innovative and sustainable methods through FutureSmart Mining.

We are working on going beyond resilience to thrive through change, building an agile business that is able to respond safely to opportunities and challenges.

To achieve this, we are enabling our people to align their thinking and approaches to their work, adapting our systems and reworking organisational and role structures to be fit for the future.

Creating enduring value and sustainable economic development

The result of all this work is our high-quality products. These enable us to create enduring value and invest in sustainable economic development, benefiting our stakeholders and wider society in South Africa and Zimbabwe.

We believe the people of our host countries should benefit from the rich natural resources we mine, and the economic activity flowing from our operations. We are committed to this responsibility and work to stimulate infrastructure development, enable social process and drive economic growth in these countries. We are responsible for extracting maximum value from the metals we mine and we measure our success through the impact on the environment and broader society.

One of our key priorities is to become a global leader in environmental, social and governance (ESG) industry performance.

We have therefore set ambitious targets to reduce our environmental footprint and collaborate with our host communities and other stakeholders to develop more sustainable and healthier futures around our operations by improving access to employment, education and business opportunities.

Our work is underpinned by our values – safety, collaboration, innovation, care and respect, integrity and accountability – which we apply to our people, their families, local communities, our customers and other stakeholders and to the world at large. This way, we believe we can better connect the resources in the group to the people who need and value them, and make this better future a reality.

We focus on the delivery of four core strategic priorities, inspired by our purpose:

A leader in ESG

We want to become a leader in ESG by undertaking work to protect and sustain a healthy environment, working collaboratively and listening openly to ensure the community groups around us are thriving, and taking action to become a trusted corporate leader for all stakeholders. We measure the success of our business through the lens of ESG.

Go beyond resilience, thrive through change

We strive to create an agile business that is always responsive to opportunities or disruptions that emerge. This means protecting our colleagues and operating at our best day in, day out. We always remain resilient, reliable, stable, and capable despite challenges and change.

Maximise value from our core

We always maximise value from our core of competitive mining and processing assets, supporting and enabling progress.

Stimulate new markets and leverage new capabilities

Adjacent value-chain activities may include participation in attractive profit pools and where appropriate, meaningful socio-economic development opportunities.

Sustainability performance at a glance

0
fatalities at
managed operation
(2021: 1*)

2.34
TRCFR**
(2021: 2.60)

0.773
GJ/tonne milled
energy intensity
(2021: 0.841 GJ/tonne milled)

4.09 Mt CO₂(e)
net GHG emissions
(Scope 1 and 2 emissions)
(2021: 4.52 Mt CO₂e)

0.25
m³/tonne milled
potable water intensity
(2021: 0.27 m³/tonne milled)

R6.56 billion
host community***
spend
(2021: R5.3 billion)

0
level 4 and 5
environmental incidents
(2021: 0)

R962 million
social investment through CSI,
SLPs and community dividends
(2021: R1.3 billion)

* Restated.

** TRCFR refers to the total recordable case frequency rate.

***Host community spend includes CAPEX.

ESG ratings and rankings

Anglo American Platinum has continued to demonstrate leading ESG performance in 2022, with our strong management of environmental, social and governance issues reflected in global rankings by leading agencies:

 MSCI ESG RATINGS MSCI: Our ESG rating was upgraded to A category from BBB. Notable changes were: board changes resulted in an independent director majority and an absence of 'over-boarded' directors	 ISS maintained our Prime status, demonstrating a very high level of transparency and high relative ESG performance	 Sustainalytics: our overall ESG ranking improved in 2022, entrenching the company as a very strong ESG performer among our international peers in the precious metals sector	 Our S&P Global ESG score improved from 68 in 2021 to 72 in 2022, ranking in the 96th decile and demonstrating our commitment to improving our ESG performance. We have been included in the S&P Global Yearbook	 FTSE Russell ranked Anglo American Platinum highly among the top 5 sub-sector peers with an overall ESG score of 4.5, environmental score of 3.9, social score of 4.7 and governance score of 5.0
 FTSE/JSE Responsible Investment Index: we remained a constituent of the top 30 index	 Maintained inclusion in Bloomberg Gender-Equality Index in 2022	 IRMA 75 certification was achieved by Unki Mine, demonstrating a high level of responsible mining. IRMA audits were conducted at Amandelbult and Mototolo mines	 CDP: climate disclosure: ranked at A- water security ranked as B level	 LPPM certification was maintained

Progress against our targets: 2022

Our progress against our sustainable mining plan goals is tracked quarterly and reported on annually. The overall compliance to the sustainable mining plan across was assessed at 97% which was linked to remuneration (see IR, [page 22](#)).

Progress against our SMP targets

Healthy environment

Global stretch goal: Climate change

Vision

To operate carbon-neutral mines

SMP target in 2022

- Reduce GHG emissions by 10% relative to business-as-usual projection
- Reduce energy consumption by 8% relative to business-as-usual projection
- Creating a roadmap focusing on energy and GHG reduction programmes to achieve the 2030 targets.

SMP compliance in 2022

- Focus on completion of project plan, review of projects to enable setting of 2025, 2028 and 2030 targets
- Year end energy usage was 18.85 million GJ vs the plan of 20.64 million GJ (-9%)
- Year end energy intensity was 6% better than plan
- Year end GHG intensity was 9% below plan
- Year end CO₂ emissions were 4.088 Mt CO₂(e) versus the plan of 4.599 million tonnes CO₂(e).

Achieved **96%** overall SMP compliance for 2022.

2030

- Reduce net GHG emissions by 30% (2016 baseline)
- Improve energy efficiency by 30% (2016 baseline).

2040

Reach carbon neutrality.

Global stretch goal: Biodiversity

Vision

To deliver net positive impact (NPI) across the company by implementing the mitigation hierarchy and investing in biodiversity stewardship.

SMP target in 2022

- NPI methodology, biodiversity value assessment and site-specific indicators in place at sites in high-risk environments
- An established biodiversity framework that supports processes, and has the capacity and resources in place to rigorously apply mitigation hierarchy across the mining life cycle
- Formalise partnerships to support NPI, which are aligned with existing regional and national biodiversity stewardship initiatives.

Global stretch goal: Biodiversity continued

SMP compliance in 2022

The following has been completed as per the 2022 work plan aligned to the Biodiversity Management programme:

- Biodiversity and Ecosystem Service Baseline Assessment
- Biomonitoring programmes
- Impact assessment and mitigation planning
- Draft offset strategy and management plan
- Engaged SANParks on a conservation partnership (Bat Hawks) – will lead to offset.

Achieved **96%** overall SMP compliance for 2022.

2030

Deliver NPI on biodiversity across Anglo American Platinum.

Global stretch goal: Water

Vision

To operate waterless mines in water-scarce catchments.

SMP target in 2022

- Reduce withdrawal of freshwater by 3.9% to 26.5 ML/d (on a three-year rolling average)
- Increase water efficiency (as per ICMM definition) to 65.5% (excluding smelters)
- No level 3 or greater water incidents.

SMP compliance in 2022

- Reduced freshwater withdrawal with 7.2% to 25.6 ML/d from three year rolling average 2019 – 2021 baseline
- Improved water efficiency of 68.9% (above stretch goal target of 66.5%), as per ICMM definition, excluding the smelters. Water efficiency rose from 72% in 2021 to 77.62% in 2022 (including smelters).

Achieved **98%** overall SMP compliance for 2022.

2030

Reduce withdrawal of fresh water by 50% (Anglo American global target).

Thriving communities

Global stretch goal: Health and wellbeing

Vision

For relevant SDG3 targets, for health to be achieved in our host communities.

SMP target in 2022

Baseline established and strategies in place at every site to achieve the SDG3 health targets.

SMP compliance in 2022

- SDG3 priorities and clinic catchments for phase one identified
- Priority programmes interventions identified per site area for 2022 implementation.

Achieved **100%** overall SMP compliance for 2022.

2030

SDG3 targets for health to be achieved in our host communities.

Global stretch goal: Education

Vision

For all children in host communities to have access to excellent education and training.

SMP target in 2022

Baselines and strategies in place at every site to achieve targets.

SMP compliance in 2022

- Baselines and strategies in place at every site.

Achieved **97%** overall SMP compliance for 2022.

2030

Schools in host communities to perform in the top 20% of state schools nationally.



Achieved



Not achieved



In progress

Progress against our targets: 2022 continued

Progress against our SMP targets

Thriving communities continued

Global stretch goal: Livelihoods

Vision

Shared, sustainable prosperity in host communities.

SMP target in 2022

- 1.5 jobs supported for every job on-site by 2022
- Site baseline and strategies in place.

SMP compliance in 2022

- There have been efforts from various parts of the business that resulted in the target of 1.5 off site jobs for every one person employed on site being achieved for the year
- A strategy was also developed during the year which will be used to drive our attention towards the 2025 targets.

Achieved **93%** overall SMP compliance for 2022.

2030

Five jobs created/supported off-site for every job on-site.

Trusted corporate leader

Global stretch goal: Accountability

Vision

To transform relationships between mines and communities, as well as wider society.

SMP target in 2022

Local accountability

- Establish participatory accountability forums at every mine site.

National and international accountability

- Buy-in from relevant governments and civil society to take part in national stakeholder accountability forums
- General agreement on benchmarks/indexes and responsibilities that can be monitored year on year, including SDGs
- Ongoing engagement with internal SDG Technical Working Group.

SMP compliance in 2022

Local accountability

- Work is underway with external stakeholders to define pathways to achieve targets

National accountability

- National accountability compliance measured at a group level.

Local Accountability

- achieved **97%** overall SMP compliance for 2022.
- Strengthening of site's local accessibility mechanisms



2030

- Establish multiple levels of open and accountable dialogue leading to greater mutual trust
- Widespread recognition of benefits that responsible mining can bring and a more consensual working relationship between Anglo American and society.

Trusted corporate leader continued

Global stretch goal: Ethical value chain

Vision

To be part of a value chain that supports and reinforces positive human rights and sustainability outcomes.

SMP target in 2022

Mine certification

- 50% of operations to undergo third-party audits against recognised responsible mine certification systems.

Responsible sourcing

- Responsible sourcing standard fully implemented
- Advocate for development of a common responsible sourcing standard for the mining industry.

SMP compliance in 2022

- 75% of Anglo American Platinum mines have completed their IRMA stage 2 audits.

Responsible sourcing

- Responsible sourcing standard fully implemented across all operations
- We engaged with MINCOSA through 2022 and have launched a Human Rights Framework for the industry. The next planned work is to work towards a standard.

Achieved **100%** overall SMP compliance.

2025

All operations to undergo third-party audits against recognised responsible mine certification systems.

Global stretch goal: Policy advocacy

Vision

Take the lead on issues that affect our business in a way that is collaborative and aimed at society's wider goals.

SMP target in 2022

- Finalise group and BU/country policy advocacy action plans in support of key sustainability issues
- Provide scholarship and training opportunities for policy-makers in regions in which we operate.

SMP compliance in 2022

Compliance measured at a group level.

2030

- External recognition of our leadership on policy advocacy
- Strong levels of engagement in policy debates.



Achieved



Not achieved



In progress



Anglo American Platinum is building the Mampa access bridge in Mampa village in Burgersfort, Limpopo

Leadership

Sustainability is an integral part of our business, with our intent to be a leader in ESG foremost among our four core strategic priorities.

Ultimately, oversight of sustainability and our ESG performance is provided by the board, assisted by the social, ethics and transformation (SET) and safety and sustainable development (S&SD) committees. A detailed account of governance may be found in our governance report, with a discussion on our sustainability governance structure on page 14.

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Signing by Norman Mbazima, chairman of Anglo American Platinum's board at the phase 2 launch of Anglo American's education programme held at Sci-Bono Discovery Centre, Johannesburg

Message from SET and S&SD committee chairs



Thabi Leoka
SET committee
Chairperson



Dorian Emmett
S&SD committee
Chairperson

It is with great pleasure that we present the 2022 sustainability report to stakeholders, on behalf of the board, the social, ethics and transformation (SET) committee and the safety and sustainable development (S&SD) committee.

This report provides an account of how Anglo American Platinum has sought to embed sustainability, and the advancement of environmental, social and governance (ESG) matters in the business, as well as a balanced assessment of our performance. Where we have excelled, we would like our stakeholders to be aware of this. Equally, where we have not met our own expectations and those of others, or where we have faced both expected and unanticipated challenges, we spell this out too.

We trust our stakeholders will consider and engage with this report. Where they have questions or comments, we welcome these at sustainability@angloamerican.com

Safety, health and wellbeing remain our priorities

In assessing the sustainability performance, challenges and achievements of Anglo American Platinum, occupational health and safety is our first value. We are highly conscious of the fact that we are yet to achieve our zero-harm target. We still have a way to go, and it is imperative that we attain this goal.

Despite material progress in preventing fatalities, applying process safety methodologies as well as sound risk management processes, and a massive reduction in injury rates, we are always conscious that this can change quickly. We simply cannot let up on our focus.

Message from SET and S&SD committee chairs continued

Underground mining, in particular, carries inherent hazards. Two issues require our continued attention as we strive for world-class safety performance. Firstly, while we have made marked progress in addressing critical risks, with support of a wide range of stakeholders, it remains clear that we need to continue to prioritise technical innovation. Secondly, we realise that lower levels of absenteeism and turnover contribute to maintaining the more stable, experienced and highly motivated teams so critical to achieving the safety outcomes we strive for.

The Covid-19 era has drawn attention to the broader issue of employee wellbeing, including mental health. We are devoting more resources and focus on understanding and supporting employee wellbeing beyond occupational health, recognising that wellbeing and mental health have great relevance for safety mindsets.

We are working hard on improving employee housing, but still have not reached the stage where we can be entirely comfortable that all employees are living in conditions that ensure their health and wellness. With many employees opting for living-out allowances, and uncertainty about living conditions of contractors, we cannot be sure that employees are sufficiently rested and nourished to be healthy and focused on safety. An extensive survey of housing conditions of employees and contractors is being undertaken. The aim is for our housing policy to increase confidence that they all reside in circumstances that allow them to be fully rested and healthy when they arrive at work.

In the health sphere, while we have made excellent progress on noise-induced hearing loss and dust management, we still have a way to go to reach our ambition to achieve zero harm. Progress on handling diesel particulate matter has been most satisfactory.

The success of our tuberculosis programme is reflected in the steady reduction in the number of TB deaths among employees to zero in 2022, versus 61 in 2012. In addition to comprehensive screening and treatment, this owes much to our 20-year HIV/Aids antiretroviral treatment programme and reform of the hostel system.

Resetting community relationships

Good relationships with our communities are fundamental to our business success. We acknowledge that the company has not always been entirely effective in the ways it engaged with those communities. We have introduced a more communicative and consultative approach based on a clear set of standards that we hope will improve and reset those relationships. Our standard states that engagements must be dialogue-based, proactive, strategic, clear and direct, inclusive, ongoing and aligned to our values.

We also understand the importance of broader engagement with civil society, including building on the 'courageous conversations' spearheaded by religious leaders, in which Anglo American Platinum played a leading role.

This new approach to community relations found a particular focus on resettlement of residents to allow the expanded mining operations at Mogalakwena. We made good progress during the year. We need to properly understand and acknowledge the deep roots families have in particular geographical locations in certain communities and, where there has been inadequate consultation or where we have not satisfactorily met our obligations, we need to remedy that.

We are seeking to re-imagine mining by improving people's lives. To do this, communities must be empowered to walk with us through every process that affects them.

Tailings management

Recent tailings-dam disasters in Brazil and South Africa's Jagersfontein dam collapse in 2022 have brought home the significant risk all mining companies face in this sphere. Our company is strictly applying and going beyond the Global Industry Standard on Tailings Management (GISTM) launched in 2020. GISTM was developed by the International Council on Mining and Metals (ICMM) and independent experts with the active participation of Anglo American and its group companies. We are on track to meet our commitments under this standard.

Diversity, equity and inclusion

It is important for Anglo American Platinum that young people and women participate in mining, especially those who have historically been excluded. Although employment positions in mining operations have traditionally been predominantly occupied by men, the changing nature of work opens further opportunities for women to play a role in the field.

The company aims for women to account for at least 33% of senior and top leadership positions, and the balanced inclusion of employees at all levels, including people living with disabilities, and the LGBT+ community by 2023. We have developed effective recruitment, talent-management and skills-development processes across the business to ensure we meet our goal.

To guarantee that we have a diverse talent pool with future-fit skills to tap into, we educate young people in mine host communities up to university. This approach enables local youth to join the company when they finish their studies and ensures that students have the skills we require.

Message from SET and S&SD committee chairs continued

With regard to gender-based violence (GBV) at our operations, we have established platforms that focus on the issue. These include a GBV advisory panel, GBV reference groups and the union task force, which forms part of our GBV prevention structures.

While we are pleased with the improvement in reporting GBV cases, we recognise that there is more to be done.

We are reviewing our transformation structures from operational to corporate levels, to ensure the governance model reflects line-manager ownership and accountability.

Climate change and, energy and water security

Decarbonisation and the pathway to carbon neutrality of our operations has received much attention, with a number of initiatives starting to bear fruit. We are intent on optimising opportunities for our products to support a greener, cleaner, more sustainable world. Simultaneously, we aim to considerably reduce our energy consumption and intensity by increasing our use of renewable energy. We have committed (against a 2016 baseline) to a 30% improvement in energy efficiency by 2030; a 30% reduction in GHG emissions by 2030 and to be carbon neutral by 2040 (scope 1 and 2); and a 50% reduction in scope 3 emissions by 2040.

In 2022, we reported significant progress, including the launch of nuGen, the world's first hydrogen fuel-cell-powered haul truck; as well as progress with our hydrogen and solar initiatives.

 **Climate change and energy:** For more information on our climate change, decarbonisation and energy initiatives.

Energy security remains a critical concern for our operations. While we hope progress will continue to be made in rehabilitating Eskom's generating capacity after years of mismanagement, we can afford to wait for this. Water security is also a challenge due to failing infrastructure and electricity interruption. We have significant initiatives underway to address both issues, supported by the application of FutureSmart Mining technologies, and group business optimisation initiatives, such as P101.

We are conscious of our responsibility to our communities in building climate change resilience – this includes the need to ensure a just energy transition, our role in developing the hydrogen economy, and in supporting the bulk provision of water.

In conclusion

Overall, we believe we have made significant progress in a number of areas. Equally, we are aware that we cannot become complacent.

Despite a general acknowledgment on the part of broader society that minerals are critical to technological progress and global wellbeing, perceptions of the industry are still not positive.

It is therefore imperative that we effectively communicate our beneficial sustainability work and positive impacts achieved. Even more important is that stakeholders are able to experience personally the positive contribution of mining in their lives — this is a priority for our company.

Developments in the areas of occupational safety, our zero waste to landfill non-mineral waste strategy, decarbonisation progress, new approaches to community relations, water management, addressing GBV and tailings management are among the areas that, we believe, make our operations today hardly recognisable from what they were even a decade ago.

We assure stakeholders that this work will continue and even be intensified.

Approval of report

As mandated by the board, we acknowledge our collective responsibility for ensuring the integrity of the sustainability report, and have applied our collective minds to its preparation and presentation. In our opinion, the 2022 sustainability report is aligned with accepted global benchmarks for sustainability reporting, addressing all material matters to offer a balanced view of our sustainable development strategy and how it relates to the company's ability to address impacts on society, the environment and the economy in the short, medium and long term.

Thabi Leoka

*Chair
SET committee*

Dorian Emmett

*Chair
S&SD committee*

16 February 2023

Q&A with Natascha Viljoen, CEO



Natascha Viljoen

Chief executive officer

In this interview with our CEO Natascha Viljoen, we explore what ESG means to the business and the business case for sustainability, some achievements during the year, some disappointments, and thoughts on the way forward.



One of the most notable additions to the materiality assessment undertaken this year was identification of 'the value of ESG' as a material issue. Can you explain what this means?

This is an issue we have to deal with in conversations with a broad range of stakeholders, but especially shareholders. And while most, if not all, are factoring ESG and ESG risk into their assessments, they are also asking a very direct question: What is the value of ESG in terms of ROI or net present value?



Our approach to materiality and material issues: For more on the value of ESG as a material issue.

The concept of ESG is bound by a number of principles:

- We access an orebody that belongs to the people of the countries in which we operate, South Africa and Zimbabwe
- We invest on behalf of shareholders, and this includes employee and community shareholders
- And we are only able to achieve our objectives through the exceptional people who work for us.

So, at the heart of ESG is how we ensure that we extract maximum value from that orebody because, if we get it wrong, then each of those three groups suffers losses (generally considered to be value erosion). But if we get it right, we create value.

Another key question we have to answer is how we assess the cost of extracting and processing our commodities, in terms of direct costs as well as taking into account the cost to society and the environment. Some of these elements can be given a direct tangible NPV but, in many cases, they cannot.

If we are wasteful in how we extract our metals, this has an effect on taxes we pay, on the positive impacts we can make, and on the sustainability of our business. Moreover, we need to be able to account for the impact of our operations on surrounding communities and on the environment. Our vision is ambitious — to have a net positive impact.

With ESG, there are certainly costs involved for which there are no immediate tangible benefits. For example, our R1.5 billion investment in the SO₂ abatement plant at Polokwane smelter will not have an NPV as measured by standard accounting methods. But, if you analyse it further, you will see significant benefits in environmental compliance, improving air quality for our employees and communities, and something as simple as equipment maintenance (because the environment will be protected from damage that acid in the environment would cause had we not invested in abatement technology).

There are trade-offs to be made: being an ESG leader will mean more investment, and calculating a clear financial return is complex, particularly in the short term. In this, as with many things in mining, we need to take a long-term view.



Anglo American Platinum has made substantial progress this year towards achieving its climate ambitions, with the nuGen vehicle and solar installation being two examples. How important is it to see these ambitions through, and how confident are you of being able to do that? Your ambitions certainly seem to go beyond the remit of the company, especially as we talk about the hydrogen economy – would you say this is a national imperative?

Our climate ambitions include a focus on energy and water efficiency. In the first instance, we are aiming to reduce our consumption and improve our efficiencies. In the second, we need to convert as much power as we can from carbon-intensive use to renewables, which of course relates to reducing our reliance both on Eskom power and diesel energy.

For the hydrogen-powered trucks, we have a clear roll-out plan with capital allocated to fully convert our Mogalakwena fleet by the end of the decade.



nuGen haul truck unveiled at Mogalakwena: See case study in the climate change section.

Q&A with Natascha Viljoen, CEO continued

A transition from reliance on Eskom power is not only about converting to renewables, it is also to ensure our own reliable energy source. Without this, we cannot operate optimally and sustainably.

Over and above the 100MW solar power project at Mogalakwena, the Anglo American group has announced a 3-5GW project, in which Anglo American Platinum will be the largest beneficiary. Of the first 600MW delivered between 2024 and 2026, we will receive around 74%. This means that, by 2026, we could convert 30% of our electrical power consumption into renewables, well ahead of our target date of 2030. These are shovel-ready, very well-developed solar and wind projects ready to be rolled out, with storage available close to our Mototolo Mine.

However, we are not naïve about real challenges we need to overcome to meet the ambitious 2030 target. These include issues of land access, social acceptance of the work we will be doing on community doorsteps, linking to the grid and general socio-economic and socio-political challenges in the country.

For society more broadly, hydrogen must be part of the solution. When we talk about mobility, electric vehicles cannot be the entire solution. For 200 years, economic growth has been based on energy derived from fossil fuels. We now want to replace it with renewables in 20-30 years. We need to be very conscious of the interdependencies that we need to consider. That is why hydrogen is so exciting.

Our progress on hydrogen demonstrates its real place next to electric vehicles. It is far less mineral- and metal-intensive than a battery, for example. Recycling is very easy. In fact, overall, it is a much greener solution. People often raise issues of cost and energy efficiency. But, with the subsidies currently available in Europe and the US, the cost has come down, and will continue to do so. It is now a matter of infrastructure and technology deployment, because the necessary technologies exist.

The hydrogen economy can be implemented on a national scale and benefit the South African economy. Ensuring a just transition is critically important, but I think there is much more potential for a just transition with reliable, cheap energy sources.

The socio-economic context that we operate in – South Africa and Zimbabwe – has rated as one of the most material issues for the business. What do you think the company can do to navigate this? Can you play an active role – nationally or locally – or is this something you just have to work around?



We cannot resolve socio-political issues. But simply navigating them is also not adequate. I believe we need to be catalysts for change and demonstrate leadership.

To illustrate: Mototolo Mine, one of our smaller mines, employs 5,000 people including contractors. We now want to extend life-of-asset by ten years by starting a fairly shallow underground mine. We are spending R3.5 billion to secure those 5,000 jobs for ten more years. Considering the multiplier effect, that affects the livelihoods of around 50,000 people.

But this will benefit a very small proportion of unemployed people in the area for a limited time. We must also consider where the potential lies to create — through our social and labour plan initiatives, our supply chain and Zimele — jobs that do not depend on mining.



Zimele: For insight on how we create economic opportunity, see section on our supply chain, especially Zimele.

Another important part of what we do – directly and through industry bodies – is making a material difference in resolving issues of national importance. Not having infrastructure working effectively – power, roads, water – has a significant impact on business. So, as a business, we must be involved in those areas too – working with Eskom, with Transnet. As example, we are collaborating with other companies to maintain roads serving our operations and communities, which are in a very poor state.

Another area where we are making a significant contribution is on the Olifants River Water Resources Development Project, in a collaboration between mining companies and the public sector. I am particularly excited about this initiative. Anglo American Platinum took the lead in this R25 billion bulk-water project – running all the way through the Sekhukune region into

Limpopo. We are also working with the Limpopo premier, for example, through my role as co-chair of his technical task team for infrastructure development.

This is the kind of influencing and supportive role we can play as a responsible mining company, especially in seeking to drive economic development into very poor communities.

You have spoken in the past about your effort to reset relationships with communities. Do you have a view on whether this is possible, and the progress you are making? Can you point to any particular successes or challenges?



I would be reluctant to answer this question directly. I think we have seen some successes, but we only can make a claim of success when this has been confirmed by our communities.

When I became CEO in 2020, I realised very soon that our community relationships needed work. Put simply, there was a huge trust deficit — partly of our own making, but also within the context of a broader lack of trust between mining companies and their communities, and even further than that, between mining communities and local and national government.

In resetting relationships, we have had to learn not to be arrogant, and how to engage with communities. Importantly, we had to remedy some of the commitments made to communities over many years that had not been met, for whatever reason. At Mogalakwena alone, we started with a list of about 1,000 items that we had committed to but not closed out with our communities.

We think that, by the end of 2022, we had resolved those 1,000 items. Again, I would only say we have completed these tasks successfully when the community tells me we have.

Still, there are glimmers of hope that we are starting to make progress.

Also at Mogalakwena, at the beginning of 2022, we had less than three months of dumping space available. But instead of proceeding with plans to expand the relevant waste-rock dump immediately, we drew a line in the sand and said that we will bear the very significant

Q&A with Natascha Viljoen, CEO continued

costs of continuing with more distant dumping and ensure we had proper community consent to construct the new facility. This confirms a very different approach, approved by our board. Now, we have managed to get full next-of-kin consent for grave relocations, something we would have thought impossible to do in the past.

The next big test will be that we need to move the Seritarita Secondary School. Our ability to relocate that school with community consent will be another signal that tells me how much progress we have made.

Resettlement: For further information on our approach to resettlement.

Safety and health continues to be at the forefront of almost every discussion we have in mining. Can you comment on progress in the company, and what it will take to reach zero harm? It seems you are shifting as a company to a holistic approach to wellbeing, including mental health. Is this unique, or something all companies are doing? Is there something that will get you to that next level of zero harm?



There is no magic wand for health and safety, not while we work with human beings with all their complexity and diversity. This will always take a lot of leadership energy.

The best possible way to achieve zero harm is to get people out of harm's way, out of mining workplaces entirely, and base them in air-conditioned control rooms. In our part of the world, of course, we have the challenge of the impact that would have on jobs.

I think the progress we have made is evident in our ability to prevent fatal accidents. But this is not something I will ever become overconfident about; I am just grateful we are making progress and that we were fatality-free in 2022.

Sadly, Boitshepo 'Julian' Sesinyi died on 1 April 2022 from a complication while recovering at a rehabilitation clinic after sustaining a serious spinal injury in a slip-and-fall incident at the ACP processing facility on 23 November 2021. Since the accident

took place in 2021, this fatality has been accounted for in that year, and our performance for 2021 has been restated in line with reporting protocols.

We can see our progress when we consider we have not had a fall-of-ground fatality for three years. Minerals Council members had zero for the first six months of 2022. It is extraordinary to be able to say that. Some of this success is due to technology and planning, and particular safety measures like rock netting and blast-on-mesh. These technological advances are making a difference but, again, they do not represent a magic bullet.

Our approach to Covid-19 highlights the need to take a holistic approach and has, for example, steered our focus on the importance of mental health in the workplace. Many colleagues have extended families and more economic challenges today than before the pandemic. People have to worry about so many things, that it is understandable it may be difficult to be fully mindful about work and safety when they step into the workplace. And that is why we need to pay more attention to the entire person at work.



Diversity, equity and inclusion has become an important agenda item in boardrooms across the globe. What is your track record on this, and what is your vision for diversity, equity and inclusion?

We are definitely making progress. Whether that progress is fast enough is the question we need to ask.

In our company, in our society and in the world we live in, there is more tolerance of diversity than in the past, whether this is in respect of race, gender or sexual orientation. But that is not the same as fully embracing diversity and the value it brings. There are obstacles, some cultural for example, that we need to content with. And the tragic spectre of gender-based violence remains.

We are doing much meaningful work in these areas, and making progress from tolerance to full acceptance. When we achieve acceptance, we will begin to see huge momentum in our ability to deal with change. When I look at Amandelbult, where we have more women in senior roles, we see improvements in areas like safety in ways that show the value that can be derived from full acceptance

of diversity. We just need to achieve that threshold. But overcoming the cultural, systemic and process barriers is going to take time. And so it is a deep cultural programme that we need to drive.

I am particularly pleased that we are now having conversations about gender-based violence (GBV) at all levels of the business. We have set up an advisory panel comprising 10 diverse, senior leaders, and it has been established to provide thought leadership on preventing and responding to incidents of GBV. Panel members have visited operations and have been confronted with accounts of women facing abusive situations, sometimes on a daily basis. While our response measures are victim-centred, we are also considering how to deal with perpetrators, knowing that they too are sometimes part of a broken community. Our Living with Dignity hubs will play a key role in dealing with all aspects of GBV and, we believe, make a very real difference to women at work and in our communities.

Culture in Action: For more information on how we are addressing GBV.



Looking ahead, what would you say are some of the major opportunities and challenges?

Our responsibility – which is both an opportunity and a challenge – is to be the best business we possibly can be: optimising the extraction and processing of our metals in a responsible manner, while caring for our employees and our communities.

As a company, we are uniquely positioned to be part of, and to deliver, the low-carbon future the world needs. Not many companies can say that, and I think that positions us in a very special place. More than that, it enables us to truly be an ESG leader, and demonstrate the value of ESG today and tomorrow.

Natascha Viljoen
CEO

16 February 2023

Sustainability governance

Sustainability governance is integrated into our business at all levels. Oversight is provided by the board, assisted by the social, ethics and transformation (SET) and safety and sustainable development (S&SD) committees.

Accountability

Primary responsibility for implementing sustainability commitments rests with the platinum management committee (PMC), led by the CEO. She is also involved in advocacy on sustainability issues. The executives with designated functional responsibility for sustainability and climate change are the executive head: corporate affairs and sustainable impact, executive head: asset strategy, safety, health and environment, and executive head: projects.

At the mine and process operation level, general managers are responsible for developing and monitoring implementation of five-year sustainable mining plans, which are tracked monthly.

Our leadership is supported by teams of practitioners and professionals. The corporate head of sustainability impact reports to the executive head: corporate affairs and sustainable impact, providing guidance on overall integration in line with global best practice and ensuring the requisite coordination.

Rewarding performance

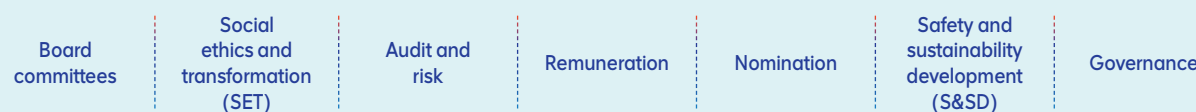
Sustainability performance is a significant component of our remuneration system. A short-term incentive (STI) applies to executive directors, prescribed officers, management and corporate employees. Safety, health and environmental performance accounts for up to 20% of the STI, with critical tasks (including sustainable mining plan) contributing a further 30% to the condition weightings. Penalty metrics are applied for fatalities. Long-term incentive plan (LTIP) performance weightings are calculated over a three-year vesting period and include energy efficiency, CO₂ emissions, water, social sustainability and transformation issues.



Integrated report: page 22 for links between ESG and board, and executive remuneration; Governance report for full remuneration report.

Our sustainability governance structure

Board of directors



The board and its committees oversee the development and execution and sustainability-related strategies. While each committee contributes to the overall sustainability focus, key roles are performed by the SET committee, which has oversight of sustainability matters such as transformation (refer to the governance report, [page 54](#)), and the S&SD committee (refer to the governance report, [page 56](#)) which has oversight of operational safety, health and environment. Trusted corporate leader ([page 109](#)).

Platinum management committee (PMC)



Our executive leadership team has primary responsibility for managing sustainable matters. Our strategic commitment to be a leader in ESG drives implementation of our sustainable mining plan, which is monitored by the PMC.

Mining/process operations

Mining/process general managers are responsible for developing and monitoring implementation of tailored five-year plans in a flexible and integrated response to group business unit and local priorities.

Corporate teams

Responsible for establishing sustainability-related standards and guidelines, providing shared services to all regions and monitoring regional and site performance.

Site teams

Focus on operational safety as well as integration of and compliance with our sustainability standards and regulations.

The value of PGMs, now and tomorrow

The market for PGMs

Platinum group metals (PGMs) have long helped to reduce motor-vehicle carbon emissions through their use in catalytic converters.

They will continue playing that role for some time, although probably at declining levels as the proportion of battery-electric vehicles (BEVs) on the road rises. At the same time, however, PGMs will play an increasingly significant part in the transition to cleaner forms of energy and mobility.

Factors affecting PGM demand

In 2022, a strong second half recovery means there was a 7% increase in light-vehicle production. This translated to a 2% automotive increase in PGM demand, as BEV's continued to take share in the light-duty sector. This trend is set to continue, through the rapid expansion of BEV's has led to growing pressures on raw materials.

Looking to 2023 for automotive production, while supply-chain issues have not completely gone away (such as the chips shortage), we believe production constraints will continue to ease. The need to rebuild inventories is also likely to exert a positive influence.

High energy costs and rising interest rates, however, are all headwinds for consumers. While we do not believe they will be enough to see production volumes fall, they will limit growth.

Our initial forecast for 2023 is a 4% increase in light-vehicle production, or 85 million vehicles. This is still 10% below the 2018 peak. With another 3% forecast rise in the battery-electric vehicles share, this means PGM automotive demand will rise by a modest 2%.

Shifting to a low-carbon world

The low-carbon transition is an opportunity to drive the development of cleaner technologies, create new industries and employment, and continue to improve people's lives.

Platinum acts as an effective and durable catalyst in hydrogen-powered fuel-cell electric vehicles (FCEVs). All FCEVs use a type of fuel cell known as the polymer electrolyte membrane (PEM). This low-temperature, quick-start cell runs off pure hydrogen and uses platinum at its core, with the FCEV itself emitting only water from its tailpipe.

Platinum-based fuel cells are more cost effective, cleaner and more reliable than alternatives (like diesel generators).

Fuel-cell mini-grid electrification technology is an attractive, cost-competitive alternative to grid electrification in remote areas and could accelerate access to electricity. Electricity in homes and schools improves the quality of education, and the ability to pump water for irrigation facilitates and farming.



Platinum in jewellery and as an investment

Platinum is also widely used in jewellery owing to its purity, strength, resistance to fading and ability to hold precious stones securely.

 **Integrated annual report:** For a detailed review of the PGM market in 2022.



The value of PGMs, now and tomorrow continued

A leading refiner and supplier of PGMs

We take great pride in our track record as a leading and trusted producer and supplier of PGMs.

Leading producer: We are one of the world's leading primary producers of PGMs, mining, refining and marketing for over 90 years with an excellent understanding of the industry and our customers' businesses.

Quality products: We provide quality PGMs products with an exceptional purity of platinum and palladium and bespoke specifications to fit our customers' exacting needs.

First-in-class logistics: We have a 'first-in-class' logistics platform and global distribution network, efficiently supplying PGMs across the world from a diverse and optimised supply base.

Security of supply: We provide consistent and industry-leading security of supply through robust, reliable and flexible proven processes, making sure customers the globe over, receive the right specification in the right place, at the right time, even in the most testing environments.

Growing demand today, for tomorrow

We believe in the huge potential of our metals, and therefore stimulate new markets through our market development activities. Our aims are to boost existing demand and leverage new capabilities to capture value through our adjacent value-chain initiatives.

Developing diversified markets for PGMs

A core pillar of our strategy is to nurture market demand for our metals. We undertake this by actively broadening the number of applications that use our metals, contributing to innovation and development in key global trends (such as emission-free transport, decarbonisation and clean energy production), and pursuing as-yet undiscovered capabilities and opportunities.

We take a holistic approach to driving PGMs demand by:

- Finding and nurturing ideas that can become viable propositions
- Supporting commercialisation of the strongest propositions
- Engineering growth through collaboration for scale in emerging and existing treatments.

Through our market development activities, we are helping to create a cleaner, greener, healthier tomorrow.



The value of PGMs, now and tomorrow continued

PGM opportunities

These are some of our ongoing market development workstreams:

SECTOR	PGMs for green transition			PGMs for modern life		PGMs for wealth & growth
OPPORTUNITY AREA	 Hydrogen and mobility			 Low loss computing	 FoodTech	 Jewellery
	 Carbon neutral feedstocks			 MedTech	 Waste and pollution control	 Investment
	 Battery and storage					

Participating in value-chain adjacencies

We are continually seeking to improve our value proposition to our customers and society by adapting our product mix, driving deep collaboration with our customers, and leveraging our trading platform by broadening our product base.

We are creating brand value over and above the value of our products, and enhancing our offering through superior market insight.

The increasing focus on traceability, transparency and responsibility is driving both new pressures and opportunities in our value chain.

We recognise that our future customers will prioritise more bespoke services and products, particularly those that support the achievement of climate commitments. These new opportunities are also likely to open up new markets and present employment opportunities for our communities and the broader South African economy.

We have started by using our market insight, logistics capabilities, and other companies' processing assets to establish a metals services business that is tailored to our customers' needs. We proactively investigate the viability of enhancing our processes to ensure security of supply, and to offer price optionality, price risk management solutions, and fixed prices. At the same time, we are committed to doing this sustainably and in a socially responsible manner.

Our role in the circular economy

The world's economic growth aspirations are outpacing global resource supply. Analysis shows that total demand for resources is expected to reach 130 billion tonnes by 2050, up from 50 billion tonnes in 2014, and an overuse of the earth's total capacity by more than 400%. In addition, 2.5 billion new consumers are forecast to join the middle class by 2030, doubling in just over a decade and a half.

Society's response cannot be to stop improving peoples' lives. Rather, as a society, and as a business, we need to adopt the precept of a circular economy, which decouples economic activity from the consumption of finite resources while creating shared economic, environmental and social benefits.

The circular economy is a systems-solution framework that tackles global challenges like climate change, biodiversity loss, waste and pollution. It is based on three principles, driven by deliberate design:

- To eliminate waste and pollution
- To circulate products and materials (at their highest value)
- To regenerate nature.

It is underpinned by a transition to renewable energy and materials. (Source: Ellen MacArthur Foundation)

From linear to circular economy

To integrate our business within a circular economy, we need to reuse, redesign, share, repair, refurbish, remanufacture and recycle; we must consume fewer resources and use them for longer. In doing so, we will transform from a linear business model, built on the principles of 'take, make and dispose', into models that are regenerative by design.

This shift will have a fundamental impact on our approach to mining and processing, including:

- Working towards more efficient operations, and addressing the value lost through the by-products of business processes across energy, emissions, water and waste
- Developing new products and services, and re-thinking the design, life cycle, and end-of-life stage of a product or service to optimise use and close the loop
- Changing ecosystem dynamics by collaborating and partnering with public and private-sector peers to create an enabling environment for collective transformation.

The circular economy and mining

As circularity grows in prominence on the global agenda, our stakeholders are looking for changes in how we mine, process and use our products:

- Customers are increasingly demanding sustainable, ethically sourced commodities in their products
- Investors, with the support of ratings agencies, require companies to adopt sound ESG principles, to report regularly and transparently, and have even created specific circular-economy funds
- Regulators are placing greater pressures on companies for reporting and compliance, with extended producer responsibility (ie assuming responsibility for the post-consumer phase of certain goods) becoming a reality
- Host governments are calling for greater responsibility and accountability in our emissions and footprints, as well as the way in which we collaborate with them and communities in delivering lasting social and environmental benefits
- Employees are drawn to companies that are responsible and display leadership on ESG issues
- Communities are more even demanding in conferring a social licence to operate, considering a broad range of social and environmental issues.

Together, these factors are changing demand patterns for our metals. In response to policy, regulatory and societal changes, we are seeing a behavioural shift in the automotive industry, which remains the single-biggest demand sector for PGMs, accounting for around 75% of all PGM demand.

While the circular economy is not yet a universal strategic priority, global miners are developing stronger circular-economy positions, focusing on operational efficiencies and partnerships, with a growing number of market-facing initiatives underway. Importantly, circular-economy initiatives have moved beyond conserving and optimising resource use to creating or extending economic value by capitalising on recoveries from existing waste streams, such as waste metals and minerals, offgases and waste heat.

Recycling of platinum – illustration of expected platinum metal flows in 2022 showing recycling loops



Our role in the circular economy continued

Recycling PGMs

PGMs have long enjoyed a circular economy, as only a small proportion of mined PGMs get consumed in use or discarded after it. PGMs in most applications, such as autocatalysts, are recycled and reused many times, with zero or only small losses. Critically, primary and secondary production (recycling) of PGMs are complementary and mutually dependent; primary production is vital as secondary production on its own cannot meet market demand. For platinum since 2000, there has been a near fourfold increase in 'open-loop' secondary supply from less than 500 000 ounces to over 1.6 million ounces in 2022, while 'closed loop' recycling is many times larger, as indicated in the diagram on the previous page. Palladium and rhodium are similar.

Our response to circular economy drivers

The energy transition and circular economy will undoubtedly change market dynamics for PGMs, with a number of significant opportunities identified by our market development team. These could result in several million ounces of incremental demand per year.

 **The value of PGMs, now and tomorrow:** For further information on our market development initiatives.

Four strategic initiatives embedded in our purpose – FutureSmart Mining, neutral mining – are aligned with the circular economy:

- P101, mine rehabilitation and regeneration, and carbon-Our FutureSmart Mining programme is delivering step-change innovations in technology, digitisation and sustainability to transform the future footprint of mining across the value chain
- P101, our transformational asset productivity programme, is eliminating wasted capacity across our assets and processes, continually pushing beyond benchmark performance, for example in bulk ore sorting and coarse particle rejection
- Through our land-rehabilitation work, including topsoil cultivation and water reuse, we are prioritising the repurposing and regeneration of end-of-life mines as part of a broader remit to support our local communities
- Our ongoing initiatives on carbon-neutral mining support a greener, cleaner, more sustainable world; reduce our energy consumption and intensity; and increase our use of renewable energy.

Two other critical initiatives are zero waste to landfill (ZW2L) and the Circulab innovation drive.

All our managed operations achieved ZW2L in 2020 by ensuring all waste included in scope is reused, recycled, composted, or sent for energy recovery. The journey towards ZW2L began with a commitment in 2013 and was underpinned by a progressive shift in our approach to waste management.

The programme has prevented many types of waste from going to landfill, including scrap metal, plastic, paper, cardboard, empty paint tins, glass, fuel, fluorescent tubes and bulbs, as well as construction materials, such as electronic scrap and cables. Waste streams such as food packaging and mixed waste are used in refuse-derived fuel (RDF) facilities, while building rubble is used as a resource at the Klinkerstene waste management facility.

 **Materials stewardship and managing waste:** For further information on ZW2L.

In 2021, we introduced a Circulab innovation drive across the company that encourages all employees to submit innovative ideas centrally. These are evaluated and assessed by a technical panel for viability and further support and funding to develop a concept. Successful programmes have included changes to product packaging and reusing waste heat.

More than minimising waste and recycling

For Anglo American Platinum, integrating the circular economy into our business model is about more than minimising waste and increasing recycling. It entails a strategic focus on the commercial differentiation of our assets and products that requires, in turn, investing in new capabilities and innovations, including new partnerships, customer-centricity, and technology. Behavioural shifts in the automotive industry will alter our future markets, but our market development initiatives have the potential to add significant incremental demand over time, bringing greater resilience to the PGM basket of metals we mine.



Creating value for our stakeholders

Employees

Our employees are the heart of our business. Their safety, health and wellbeing are vital to us. We believe that creating a supportive, diverse and inclusive culture is important, and that we have a responsibility to train, equip and empower our employees if we are to continue being a high-performing, competitive business.

Key outcomes: 2022

- **Zero fatalities at managed operations**
- **21,724 employees** and **4,285 contractors** employed
- **5.21%** employee turnover (excluding VSPs)
- **R16,595 million** paid in wages and benefits
- **R1,189 million** spent on training and development
- **28%** women in management.

Unions

Our representative unions are trusted partners and elected representatives of our employees. We consult with them on significant strategic issues affecting their members, and collaborate on many matters of mutual interest.

Key outcomes: 2022

- **93%** of employees unionised
- **No days lost to strike action**
- **Five-year** wage settlement achieved
- **New ESOP** launched.

Communities

We want to deliver lasting, positive benefits to communities during the life of our mining operations and well beyond that. We aim to engage with communities frequently and transparently, and truly hear their concerns.

Key outcomes: 2022

- Social investment spend was R962 million across corporate social investment (CSI), SLP and Alchemy initiatives (2021: R1,286 million). Our CSI spend was R276 million (2021: R699 million) and SLP spend was R304 million (2021: R206 million). SLP and CSI spend in South Africa was R552 million (2021: R894 million) and in Zimbabwe R28 million (2021: R11 million). Dividends paid out for community shareholdings in Atomatic and Alchemy totalled R382 million (2021: R381 million).
- **R580 million** spent on community development (**44%** on education, **11%** on health, **25%** on livelihoods)
 - **29 level 3** community grievances lodged; **zero level 4 or 5** grievances.

Our customers

We recognise that our customers want assurance that they are sourcing responsible materials. We are targeting all of our mining operations to be audited against recognised responsible mining certification systems by 2025 and all of our operations have either been assessed by IRMA, or have begun the process.

Key outcomes: 2022

- **R1,342 million** invested in market development and promotional expenditure
- **75%** of operations that have conducted IRMA audits.

Investors

Our investors provide the capital that enables our business to thrive and grow. We recognise that investors include a very broad range of entities, including pension funds, communities and employees, and that ultimately, they want consistent, reliable returns. We are very cognisant that investors increasingly want us to account for our relationship with and impact on society and the environment.

Key outcomes: 2022

- **R54,601 million** dividends paid to shareholders
- **62%** dividend payout ratio
- **R16,896 million** capital expenditure.

Government

We recognise that the government is the custodian of the orebodies we mine, and that we must account for and deliver returns.

Key outcomes: 2022

- **R17,616 million** paid in taxes
- **R4,906 million** paid in royalties.

Our suppliers

We are committed to create and sustain an inclusive supply chain and, where possible, procure goods and services locally. We apply the principles of responsible sourcing and, where necessary, support our suppliers in achieving the standards we have set for ourselves.

Key outcomes: 2022

- Zimele enterprise and supplier development (ESD) programme
- **2 599 verified** jobs supported
 - **36** loans funded for 36 participants, valued at **R55 million**.
- Inclusive procurement
- **18%** of total procurement sourced from host communities
 - **73%** of goods procured from BEE-compliant companies
 - **97%** of services procured from BEE-compliant companies.

The environment

We have a duty to act as responsible stewards of the environment in which we operate, to minimise our impacts and footprint and, where possible, to make a net positive contribution.

Key outcomes: 2022

- **10%** reduction in GHG emissions
- **R149 million** in environmental expenditure
- **Zero level 4 or 5** environmental incidents; **one level 3** environmental incident.

Technology and innovation

Anglo American Platinum has committed to transforming the mining value chain through safe, responsible production. We are re-imagining the way we mine and produce our metals – to solve the challenges of safety, our use of land, energy and water – through operational excellence, industry-leading productivity and innovative technologies.

FutureSmart Mining is transforming the nature of mining to render it safer, smarter and its future more sustainable; a combination of broad, innovative thinking, enabling technologies and collaborative partnerships.

Facilitating breakthrough, advancement and innovation

Our innovation and data-driven operational process is designed to enable us to identify high-value breakthrough opportunities to improve the way that we – and the world – mine the metals and resources we need. From implementing new concentrators that use less water, improve efficiency and are safer for our colleagues, to mechanising and automating procedures to remove colleagues from harm to enabling more precise mining that reduces our footprint, the FutureSmart Mining programme keeps us looking ahead, investing in large scale innovative technologies and advancements.

Here are some examples of areas in which we are working.



Addressing challenges around water usage

Mining has traditionally been a highly water-dependent industry, a fact made more challenging as our operations are often in water-scarce areas. This challenge has been exacerbated by the effects of climate change. Our objective is to reduce water consumption, reuse and recycle water and ensure there are no water losses on site. Our ultimate goal is to operate water-neutral mines.

Our work in this area has been focused on how we can reduce fresh water use on-site through recycling initiatives and technology advances that help us mine more precisely. Increasing the use of recycled wastewater and improving technology to prevent water wastage reduces our dependence on freshwater. It also reduces the impact of our operations on the supply of freshwater to surrounding communities.

We continue to develop new technologies and equipment on mine sites that use less water, such as building new concentrators that require less water; coarse particle recovery technologies and hydraulic dewatered stacking of our TSFs to minimise water use. We also increasingly use treated effluent water and wastewater wherever possible.



Water stewardship: For more information on our journey to the waterless mine.



Improving air quality

Ensuring we understand and control the dust and gas emissions at our operations is essential to prevent adverse impacts on the environment and host communities. We also ensure we meet current legislative requirements and believe we are well placed to meet future requirements too.

We have real-time ambient monitoring networks in Rustenburg, Polokwane and around our Mortimer smelter. These stations measure sulphur dioxide and particulate matter in line with regulatory requirements and best practices. They also provide an indication of ambient air quality, so that we can constantly monitor pollutant levels. We have established an air-quality incident investigation protocol to ensure that, should an incident occur, we can minimise the impact on our communities.

To enhance these efforts, we are investing in technology to advance our predictive modelling capability and in new plant equipment to ensure compliance with more stringent emission limits.

We have built an SO₂ abatement plant at Polokwane, and are building a similar one at Mortimer smelter with Waterval smelter to follow. These plants are state of the art and use innovative technology to capture SO₂ gas from the furnace and convert it to sulphuric acid.



Air quality: For further information on our efforts to reduce emissions.

Technology and innovation continued



Mary Itumeleng Letsatsi – Dishaba Control Room Operator at Amandelbult Mine

Ensuring safe, fatality- and injury-free operations every day

As part of our holistic approach to safety, we use technology to separate people from harm. The industry has seen major leaps in the technology available to re-engineer the workplace and automate risky processes to reduce human exposure to harsh conditions and risk.



Zero harm: For further information on our pursuit of zero harm.

Defining a new future for Amandelbult

The future of Amandelbult initiative defines a roadmap to modernisation and mechanisation to improve safety, eliminate fatalities, reduce environmental impact and improve efficiencies on-site. The programme is transitioning Amandelbult from purely conventional mining methods to a hybrid mining method, with a suite of modern equipment and continuous operations, designing the new Amandelbult for safe, stable and capable operations. This project also needs to drive Amandelbult into the lower half of the cost curve to ensure sustainability of the operation in downside scenarios.

To transform Amandelbult into a mechanised mine, there are six focused workstreams:

- Modernisation of operations as we mechanise conventional mining processes
- Mechanised mining of new areas, where mining studies and projects will transform Amandelbult into a mechanised complex
- Transformational programme involving operational readiness and change management
- Concentrator projects, including studies and projects to support the life-of-asset plan
- Sustainable infrastructure and spatial planning to support current operations, future projects and post life-of-asset activities
- Integrated socio management, considering human resources, procurement and social initiatives to enable Amandelbult's local communities to participate in the mine's future.

Scraper winch proximity detection system introduced

- We recently introduced the scraper winch proximity detection system at Amandelbult to mitigate the risk of winch-related incidents. The technology uses a tracking device and magnetic sensor to intercept potential human contact with the scraper rope. This is an industry 'game changer' as far as enabling detection, communication and lock-out of the scraper winch at a remote location.

Comprehensive blast-on-mesh coverage to be introduced at Dishaba

- During 2022, blast-on-mesh was rolled out to Tumela upper mine and will continue during 2023 at Dishaba Mine, and other identified areas, in an effort to mitigate one of our priority unwanted events. The implementation of blast-on-mesh significantly reduces the area that the crew needs to declare safe at the start of a shift, minimising the risk associated with entry examination and providing a permanent real cover where rock drill operators will be working.



Delivering the future of Mogalakwena for long-term sustainable growth

Mogalakwena is the world's most significant PGM operation with a long life.

FutureSmart Mining is enabling us to develop and deploy technology that targets operational improvements as well as strategic challenges facing the mining industry, eg using hydrogen to replace the reliance on diesel trucks.

We have also made good progress with plans to build a solar PV plant, which would limit our reliance on grid energy, supporting our target of becoming carbon neutral by 2040.

The way forward

Our investment in technology and innovation has the potential to deliver safety, environmental and social benefits, while reinforcing the ethical credentials of our products.

Although modernisation and mechanisation are a competitive advantage, our 2022 risk assessment found that technology development is hampered by skills limitations. While it is important to ensure our employees have the necessary technology-related skills, we balance the changes we introduce with job security, given South Africa's high unemployment rate.

The mining industry has made significant technological progress in the past 10 years. The pace of this progress is accelerating as new mining and processing techniques, technology, digitisation, and artificial intelligence open up opportunities for the industry to be safer, more efficient and targeted, and more environmentally and socially sustainable.

Strategy

Our ambition is to be a leader in the mining industry on ESG.

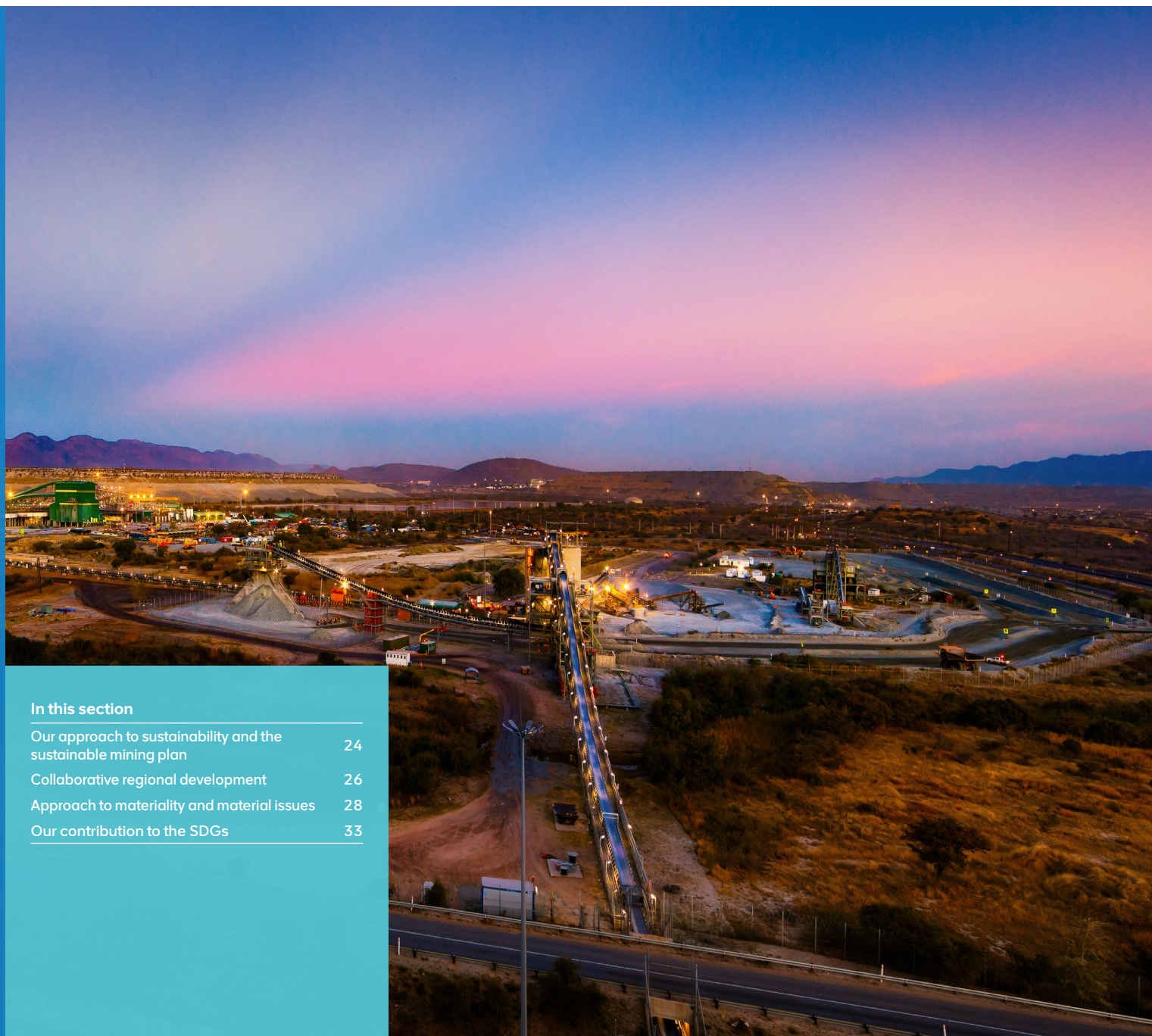
Our sustainable mining plan sets out our commitment to stretch goals – driving sustainability outcomes through technology, digitalisation and our innovative approach to sustainable economic development. This is underpinned by our commitment to collaborative regional development.

To achieve our strategic objectives, we are fully implementing the three pillars of our sustainable mining plan by:

- Maintaining a healthy environment by creating waterless, carbon-neutral mines and delivering positive biodiversity outcomes
- Enabling thriving communities by improving their health, quality of education, and access to employment and other opportunities
- Developing trust as a corporate leader and providing ethical value chains and improved accountabilities to our stakeholders.

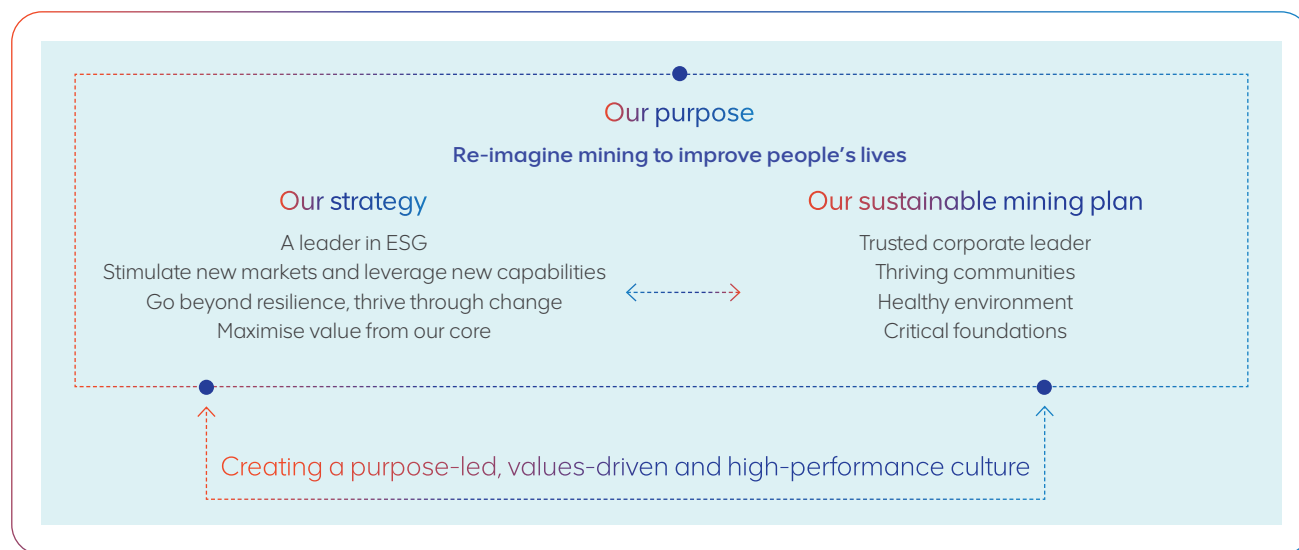
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Our approach to sustainability and the sustainable mining plan

Anglo American Platinum has successfully integrated sustainability in its strategy. Sustainability thinking is now evident in virtually every part of our business. It informs the strategic priorities for our business as well as the established systems and procedures that make responsible operations possible. It is present in purpose-led commitments and targets across all functional areas that help to inform our actions and decision-making in relation to governance, society, and the environment.



Through our FutureSmart Mining programme, we support and leverage the connectedness and intrinsic links between technology, digitisation and many of our sustainability outcomes. 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 sustainable mining plan (SMP) embodies our strategic commitment to be a leader in ESG, and ensures our sustainability

initiatives are effectively focused, coordinated and supported across all our operations.

Our five-year plan for each of our mining and process operations:

- Drives performance through timed and measured stretch goals
- Encourages collaboration on regional development
- Ensures adherence to key minimum requirements (critical foundations) in ESG practice.



Lene Burger, Metallurgy graduate at Mogalakwena mine

Our approach to sustainability and the sustainable mining plan continued

Our plan has three global sustainability pillars, with three stretch goals beneath each one.

Our sustainable mining plan



Environment Healthy environment

– Pursue carbon-neutrality



Climate change, biodiversity, water



Social Thriving communities

– Co-create sustainable community livelihoods



Education, health and wellbeing, livelihoods



Governance Trusted corporate leader

– Embed ESG at the centre of our strategy



Accountability, policy advocacy, ethical value chains

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

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.

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 sustainability pillars – **healthy environment, thriving communities** and **trusted corporate leader** – each include three stretch goals aligned to the UN's SDGs with targets to 2030 or beyond. They are deliberately ambitious and designed to challenge us to lead and innovate to deliver growth.

Our **critical foundations** form the common and essential minimum requirements that underpin responsible production. These policies and standards are informed by our leadership in technical innovation and learnings in ESG practice. Compliance is driven through our local five-year plans.

For mine host regions we seek long-term, sustainable development. Aligned with our global stretch goals, progress must continue far beyond the life of a mine. Effective partnerships are integral to this approach, and we work with community representatives, faith groups, businesses, government, academics and NGOs to achieve common goals. We also collaborate with our mining peers, pooling resources to drive socio-economic development at greater scale.

Collaborative regional development

Material issue



Material issue

- Socio-economic and political context

SDGs



What we are doing

Exxaro and Zutari), non-government organisations (World Vision South Africa), research organisations such as the Centre for Scientific and Industrial Research (CSIR), Industrial Development Corporation of South Africa (IDC), Mine Water Coordinating Body, and the Limpopo provincial government. The Impact Catalyst is focused on economic development, health, education, social empowerment, the environment, and supporting municipal and provincial governments to upskill and improve service delivery.

In 2022, we initiated a number of programmes and onboarded more partners which were able to provide funding for some projects.



Impact Catalyst [www.impactcatalyst.co.za/]: For information on our contribution to the work of the Impact Catalyst.

Active programmes include:

- Community-orientated primary healthcare in Limpopo, such as home-based care programmes to support job creation, and improving community health and wellbeing
- Mpumalanga winter-wheat pilot
- Rustenburg fresh produce market in North West (an investment of R 34 million) aimed at creating some 1,000 jobs, enabling fresh produce buyers to access the market and sellers to provide affordable produce to consumers
- Providing ICT in schools and communities (an investment of R72 million) to bridge the digital divide through ICT interventions for the future of work
- Setting up biomass hubs in Limpopo
- Building new early childhood development centres
- Setting up a community-owned integrated game hub in Limpopo
- Assisting with the establishment of SMMEs
- Contributing to enterprise development
- Capacity development and infrastructure support to municipalities to enable service delivery.

Focus for 2023 and beyond

- Increase the number of beneficiaries and jobs created
- Grow annual turnover and contracted project pipeline
- Expand partnerships and funding members.

At a glance

- Five-year plans developed for each site to address developmental challenges
- Social progress index adopted for future reporting
- Spatial analyses and assessments of development potential for agriculture, tourism and other opportunities completed for each region
- R72 million allocated to Impact Catalyst projects.

Introduction

Successful local economic development (LED) requires a conducive and enabling environment. To facilitate this for our mine communities, we are committed to developing multistakeholder and cross-sectoral partnerships at a regional level. These partnerships are designed to strengthen regional economic development by building and diversifying the economy beyond reliance on the mining value chain.

We call this collaborative regional development (CRD), and it is at the heart of our approach to socio-economic development (SED).

As an integral part of our SMP and in line with our purpose, CRD is a partnership-based model designed to act as a catalyst for scalable and sustainable regional development around our operations.

In Limpopo, we continued to implement several initiatives with our partners to build and increase capacity in social and economic development, education, health and the environment. For example, we are funding integrated development planning with all-stakeholder input and investment elements for local and regional municipalities. Following a request from the Limpopo Office of the Premier, we are supporting the review of the Limpopo Spatial Development Framework (LSDF), which aids the development and integration of policy directives from national and provincial levels of government geographically.

In 2022, we sought to make the collaboration partnership a national movement, based on positive results from the initial experience in Limpopo. We also worked to sign up as many corporate partners as possible to ensure we can allocate funding efficiently to deliver in collaboration with our stakeholders in government and local communities. In 2022, the Industrial Development Corporation (IDC), through the Social Empowerment Fund, approved a grant proposal to support socio-economic activities, which will provide for the employment of 202 youths within the Mooihoek and Armoede resettled communities, located near Mogalakwena.

Spatial analyses have been completed for each region, as well as assessments of the development potential for agriculture, tourism and other opportunities. Feasibility studies are underway to assess options and synergies to leverage efforts.

Through multistakeholder forums, we build strategic partnerships and institutional capacity, develop plans, secure funding, and implement sustainable development models that can realise opportunities.

The Impact Catalyst

An important multistakeholder forum we were instrumental in establishing is the Impact Catalyst. This is voluntary collaborative platform established by the private sector (Anglo American,

Approach to materiality and material issues

Each year, we assess and analyse the material sustainability issues that matter most to our business and to our stakeholders. In 2022, we engaged an independent third party to assist the process.

Importantly, in 2022, we also applied a double-materiality lens. This considered the most significant issues that may have an impact from an enterprise risk management and value creation perspective, and the impact of our activities and actions on the planet and our stakeholders.

Our stakeholders include our employees, shareholders, business partners, customers and suppliers, host communities and governments, as well as our industry and trade associations, and broader civil society. This double-materiality approach allows us to align both to the requirements of the integrated reporting framework and SASB standards, as well as the GRI.

 **Stakeholder engagement:** See our integrated report for key stakeholders' issues in FY22, and [page 42](#) of the integrated report for details on engagement.



Our four-stage materiality-assessment process is illustrated below:



Approach to materiality and material issues continued

During the materiality process, 69 issues were identified and reduced into a shortlist of 20 issues. These were assessed and, through a final engagement with PMC, the top 16 issues were identified. These are illustrated in our materiality matrix.

These 16 material issues were further refined into eight prioritised material issues (top eight) and eight materials issues.

Double materiality

We recognise that our materiality-assessment process is a point-in-time view of the landscape and relevant material issues. We consider emerging issues and those that might have an impact on the company and our stakeholders in the longer term, some of which might arise quickly and will not always be anticipated.

We seek to adopt a double-materiality approach to materiality, and will continue to consider key issues and integrate internal and external scans.

A number of year-on-year changes were noted:

- Asset integrity and ACP potential failure were identified as material issues in 2021 but not included in 2022 as we now have an available standby converter. Whether our ability to continue driving operational performance remains a top issue for 2022 will depend on strong asset performance and reliability
- Technology, innovation and future ways of work, the regulatory environment, and being a responsible producer and business were not specifically noted in our material issues for 2022. However, aspects of these issues are embedded into matters identified in the current year's process
- The following were newly identified in our top eight material issues for 2022, indicating the company's evolving operating context and environment: inflationary pressures, supply-chain management, and crime and corruption.

The results of this process have guided our board, executive and key management personnel on matters most material to our business and our stakeholders. They have also informed the content of this report and our other stakeholder communications processes, as well as the key performance indicators (KPIs) that are assured.



Material issues

Priority material issues

1. Skilled workforce
2. Energy transition and security of supply
3. Supply chain
4. Socio-economic and political context
5. Geopolitical
6. Resettlement and relocation
7. Market development
8. Operational performance

Material issues

9. Inflationary pressures
10. Crime and corruption
11. Value of ESG
12. Access to water
13. Building climate change resilience
14. Tailings management
15. Inclusion and diversity
16. Health and safety

Approach to materiality and material issues continued

Material issues

This table provides context on all 16 material issues identified by PMC, including their potential impact on enterprise value (creation, erosion and preservation), and the potential impact on our planet and stakeholders through environmental, social, governance (ESG) and economic or financial lenses.

The issue	Timeframe	Potential impact on enterprise value (creation, erosion and preservation)	Potential impact on our planet and stakeholders	Our response
Environmental				
 Energy transition and security: Investing in renewable energy to enhance energy security and contribute to decarbonisation journey.	  	Value erosion if we cannot access and develop energy at the right price. Value creation in adopting self-generation and investing in renewables.	Reduced consumption of grid electricity frees generation capacity for society. Potential for communities to share benefits of renewable energy investments and access to energy. Contributing to decarbonisation.	Climate change – page 64
 Building climate change resilience: Embedding climate change resilience in our business to address potential impact on operations of physical climate risks (acute weather events such as droughts and floods), rising temperatures and accelerating loss of biodiversity.	  	Physical impacts of climate change could lead to higher operational costs and disrupted production, hence value erosion. Value creation and preservation are possible if we identify opportunities to address physical impacts of climate change that can also support decarbonisation or other social commitments.	Improving resilience to, and adaptation of, certain climate change responses, especially interlinked impacts on food security and health.	Climate change – page 69
 Tailings management: Ensuring the integrity of our TSFs, complying with local and international standards and requirements, and building trust with surrounding communities on our tailings management.	  	Any failures or incidents at our TSFs could have negative impacts, including on our reputation, with additional costs to remediate or address impacts. Innovation in tailings management could conserve natural resources.	Depending on the zone of influence and related impacts, any failures or incidents could result in loss of life or injury, damage to property and environmental contamination.	Managing mineral waste – page 72
 Access to water: Ensuring our operations have the right quantity and quality of water on which they depend, and being mindful of the demand for water resources by other stakeholders.	 	Lack of water to operate can impact production and increase costs, ie value erosion. Effective water stewardship can reduce costs.	Competition for scarce water resources with other stakeholders.	Water stewardship – page 80



Short term



Medium term



Long term

Approach to materiality and material issues continued

The issue	Timeframe	Potential impact on enterprise value (creation, erosion and preservation)	Potential impact on our planet and stakeholders	Our response
Social				
 Skilled workforce: Continuing to attract, retain and develop the right skills to deliver our business strategy.	  	Value creation if we can access and develop the right skills and talent to deliver on our plans, but value erosion if we cannot.	Opportunities for skills development, reskilling and participating in new opportunities.	Attracting, retaining and developing talent – page 51
 Resettlement and relocation: Delivering resettlement processes that lead to enhanced livelihoods and maintaining good community relationships, as well as achieving compensation and application of rights processes in line with commitments.	  	Delays to relocation could impact production. Higher costs for resettlement could erode value. Potential for reputational harm.	Enhanced livelihoods if resettlement is successful.	Resettlement and access to land – page 107
 Socio-economic and political context: Navigating our highly complex operating context, exacerbated by high levels of unemployment, infrastructure and service-delivery challenges, and limited municipal and institutional capacity.	 	Value destruction if we cannot achieve more stable operating contexts, address socio-economic challenges and maintain stable relationships. Value creation if we are able to navigate this successfully.	Impacts tied to violence and insecurity.	Collaborative regional development – page 26 Socio-economic impact – page 99
 Diversity and inclusion: Ensuring a diverse workforce and inclusive workplace for all, one that is representative of our operating context.	  	Value creation and preservation if we can achieve a more diverse and inclusive workplace.	Opportunities for participation by under-represented stakeholders.	Supporting inclusion, diversity and transformation – page 56
 Health and safety: Delivering on our zero-harm promise to employees and communities.	 	Value creation and preservation if we achieve zero harm. Value erosion through loss of life and illness, as well as reputational harm.	Loss of life or injury, or illness.	Zero harm: Focus on safety – page 38 Focus on health and occupational health – page 44



Short term



Medium term



Long term

Approach to materiality and material issues continued

The issue	Timeframe	Potential impact on enterprise value (creation, erosion and preservation)	Potential impact on our planet and stakeholders	Our response
Governance				
Geopolitical: Navigating uncertainties and volatility, and reframing global markets, relationships, regional blocks and national positions.	 	Value erosion if this leads to higher costs to do business.	Potential repercussions on our value chain and communities if it affects our ability to operate.	Constructive public policy engagement – page 111
Crime and corruption: Ensuring adherence to the highest ethical standards and business practices, and addressing risks of corruption and coercion.	 	Value erosion tied to the financial liability associated with illegal mining and increased costs to manage crime.	Impacts on security and wellbeing of communities.	Assuring ethical value chains – page 116 Enhancing cyber security – page 122
Economic/financial				
Operational performance: Driving operational excellence (operating at the bottom of the cost curve) is essential to our ability to deliver shareholder return.	 	Value creation and preservation if we deliver continued value to shareholders.	Any impacts on our ability to operate or deliver expected production at the right costs could affect our medium and long-term plans for expansion.	Integrated report: – page 96
Market development: Identifying and creating opportunities to support market development and stimulate demand in new PGM uses.	 	Value erosion if this impacts our ability to generate high revenues and expected shareholder returns. Value creation if we are able to stimulate market demand for PGMs.	Lower commodity prices may impact our ability to expand our operations and invest in the future, which could lead to longer-term social impacts, as well as reduced contributions to fiscus. New market opportunities will enable continued operation and expansion which could support continued socio-economic development. The impacts of expanded operations or footprint on the environment and society need to be managed.	The value of PGMs – page 15 and integrated report, page 60



Short term



Medium term



Long term

Approach to materiality and material issues continued

The issue	Timeframe	Potential impact on enterprise value (creation, erosion and preservation)	Potential impact on our planet and stakeholders	Our response
Economic/financial continued				
 Inflationary pressures: Anticipating and navigating softening commodity prices, which could put pressure on our revenues and cause related ripple effects.	 	Value erosion if this impacts our ability to generate high revenues and expected shareholder returns.	Lower commodity prices may impact our ability to expand our operations and invest in the future, which could lead to longer-term social impacts, as well as reduced contributions to fiscus.	Integrated report, pages 49, 64, 73, 96
 Value creation from ESG: Balancing the cost of maintaining ESG/sustainability leadership and achieving our SMP with perceived value in the market and among stakeholders.	 	Value creation when we conduct our business in a responsible way, aligned with stakeholders' ESG expectations and supporting the role of PGMs in the global decarbonisation transition.	Stakeholders depending on our economic contributions might be impacted negatively, especially the communities in which we operate.	Throughout this sustainability report
 Supply chain: Managing and mitigating disruptions and ensuring resilience of both our operations and our response to changing demand in certain sectors. Global pressure on supply chains, tied to geopolitical uncertainty, energy challenges in Europe, as well as some ongoing Covid-19 impacts, may lead to production delays/higher costs of goods/reduced quality of supplies, as well as impacting demand.	  	Value creation and preservation in our ability to stimulate market demand for PGMs. Value erosion if costs of goods rise, and potentially affect demand for PGMs.	New market opportunities will enable continued operation and expansion, which can support ongoing socio-economic development. The impacts of expanded operations or footprint on the environment and society will need to be managed. Any impacts on our ability to operate or deliver expected production at the right cost could affect our medium to long-term plans for expansion.	Integrated report – page 49 Responsible sourcing – page 112 Inclusive supply chains – page 114



Short term



Medium term



Long term

Our contribution to the SDGs

Our contribution to the UN SDGs

The United Nations' Sustainable Development Goals (SDGs) articulate a vision for a transformed world in 2030 by addressing 17 goals and 169 targets spanning economic, social, environmental and governance categories. As a framework of shared action for people, prosperity, planet, peace and partnerships, the SDGs provide a valuable focus for our sustainability action and help to orient our impact on society and the environment.

SDGs inform our SMP

We developed our SMP with extensive analysis of sustainability opportunities and risks, including those presented in the SDGs. The pillars of our sustainable mining plan – healthy environment, thriving communities and trusted corporate leader – as well as the nine stretch goals are aligned to the SDGs, with a sharp focus on 13 of the 17 goals.

Disclosures

We track our impact by mapping our activities to the SDGs to determine how we are supporting these goals and to aid our accountability with external stakeholders. Anglo American Platinum has already made significant investments towards the SDGs through operational, community and supply chain activities. We are also making headway in integrating and aligning the metrics and KPIs that we track across the business.

In mapping our SDG footprint, we consider the direct and indirect impacts of our activities on the SDGs in terms of both financial and non-financial contributions. We also account for the cross-cutting nature of our impacts, which typically affect multiple SDGs.

Our SDG footprint based on 2021 data

Our focus has primarily been on prosperity and people-linked SDGs, given our economic footprint and the resultant employment and procurement linked to our operations, as well as the maturing and expanding focus on communities. Our focus on the SDGs, as evidenced through our expenditure, continues to ramp-up year on year.

Our tax contribution in 2021 was the basis for significant indirect improvements to SDG16 Peace, Justice and Strong Institutions and SDG17 Partnerships. A successful business is therefore

one that supports the country's development agenda and we are proud of how our success translates into taxes and therefore impacts.

Gender equality (SDG5) is one SDG that Anglo American is paying particular attention to. Our SDG mapping shows how investment is ramping up on this critical theme, but this investment will take time to reap the results we have identified in our Living with Dignity programme and campaigns at community level.

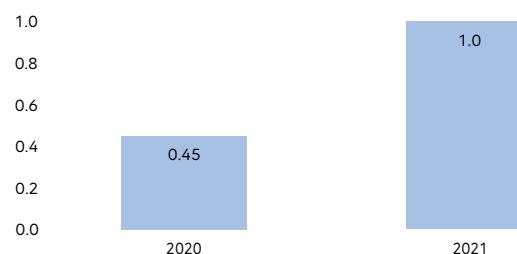
SDG accountability dialogues

Beyond measuring our SDG footprint, we use the global goals as a basis for engaging with stakeholders to improve accountability and trust engagements, supported by data, and to catalyse more unified action towards achieving the goals. These conversations bring together our key national, regional and local stakeholders and help us explore opportunities to collaborate, in line with SDG17 (Partnerships). Our fifth annual SDG accountability dialogue took place in November 2022, attended by 89 stakeholders, and centred on the theme of SDG16 Peace, Justice and Strong Institutions. Conversations focused on crucial business leadership qualities required to strengthen institutions in South Africa. Among the topics discussed by participants were the integration of sustainability strategy and governance, supply chain engagement, gender-based violence in communities, transparency, collaboration and partnerships, and community safety and access to justice.



For more information on how we support and incorporate the SDGs see: <https://southafrica.angloamerican.com/our-difference/sdg-alignment>.

Contribution to SDG5 (gender equality)
(R million)



Attendees rated the accountability dialogue as 8.2 out of 10 in an anonymous poll, which we conduct at each dialogue. This is the best rating yet, which we are proud of as we continue to deepen the accountability and relationship with stakeholders who are equally invested in development outcomes in South Africa. We were, however, challenged to find ways to extend the dialogue and engage in more robust debate around specific themes. Attendees provided useful input on themes revolving around collaboration and partnership for effective institutions in South Africa, how we can engage with our supply chain, community safety and GBV.



Critical foundations

Underpinning and guiding all that we do in our SMP are the critical foundations: These form common and minimum requirements for each of our operations and the business.

Material issues



Priority material issues

- Crime and corruption
- Skilled workforce
- Socio-economic and political context



Material issues

- Health and safety
- Resettlement and relocation
- Diversity and inclusion

SDGs



In this section

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Group standards and processes

Anglo American group standards and processes to which we adhere include our code of conduct, human rights policy and underlying standards, and responsible sourcing standards for suppliers, which are aligned with global initiatives such as the UN SDGs.

See the section on governance, compliance and management approach on [page 35](#).

Compliance with legal requirements

We comply with all applicable laws and regulations including tax compliance, and we do not use entities such as tax havens to reduce our tax obligations.

See the section on governance, compliance and management approach on [page 35](#) and the Tax section on [page 117](#).

Leadership and culture

We are a leader in an industry critical to all our futures. We foster a culture combining technological innovation with utmost consideration for our employees and everyone we interact with.

See the section on leadership and culture on [page 48](#).

Zero harm

Zero harm is always our primary objective. We are creating an environment where every employee feels confident enough to do the right thing by speaking out each time they encounter a situation they feel is potentially unsafe.

See the section on zero harm on [page 38](#).

Human rights

We respect the UNGPs and other international agreements recognising human rights. We work with governments at all levels and other authorities to ensure human rights are understood, protected and respected as we strive to improve lives and livelihoods in our host communities.

See the section on human rights on [page 59](#).

Inclusion and diversity

This is a business-critical issue for us. We believe we must draw from the widest possible talent pool, and especially ensure continuing higher female representation at all levels, if we are to enhance our performance and maintain a competitive advantage.

See the section on inclusion, diversity and transformation on [page 56](#).

Governance, compliance and management approach

Introduction

Executive leadership and primary responsibility for implementing sustainability commitments rest with the PMC, and Anglo American Platinum is committed to maintaining the highest standards.

At mine and operational level, general managers are responsible for developing and monitoring the implementation of five-year sustainable mining plans. Sustainability governance is integrated into our business at all levels.

Our social performance is managed and assessed in terms of Anglo American's social way 3.0 policy framework.

Safety, health and environmental matters are managed and assessed in terms of the Anglo American SHE way standard.

Social performance

Our social performance management encompasses the lifespan of an asset, from early and advanced exploration activities, to projects, mines and processing facilities in operation, care and maintenance or other suspension of activities, closure and post-closure.

Social way 3.0 underscores our human rights commitment and is underpinned by core social performance management principles based on international reference standards. It sets out our vision and principles for social performance, defines our system for social performance management, and provides a high-level overview of our requirements.

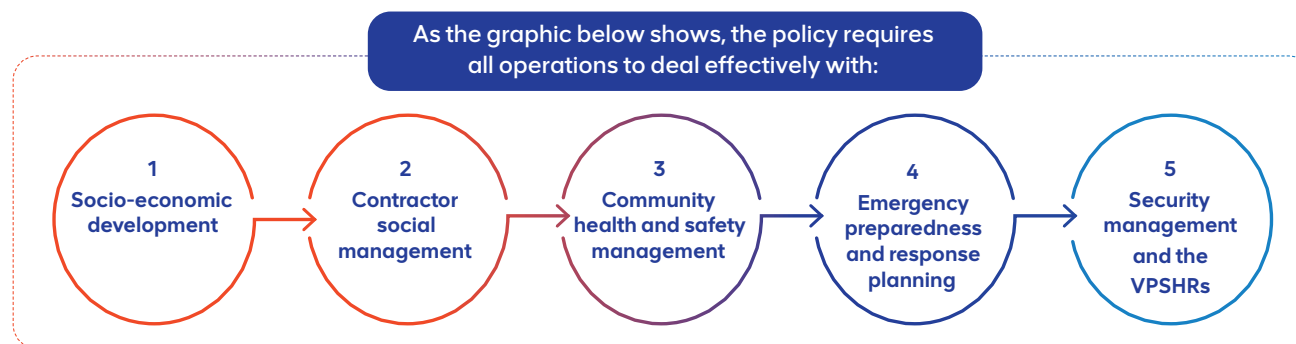
Social performance encompasses our interactions, activities and outcomes with respect to local communities and other local stakeholders in areas affected by our mining activities. It is not philanthropy for reputational purposes, nor is it focused solely on those activities required to satisfy legal or regulatory requirements.

Rather, it is essential for achieving our strategic business objectives, while ensuring that we avoid doing harm. It is about creating an environment in which communities impacted by our operations can prosper sustainably.

Its principles commit Anglo American Platinum, among others, to respect human rights, support the UN Guiding Principles on Business and Human Rights (UNGPs) and to apply the Voluntary Principles on Security and Human Rights (VPSHRs).

It requires that stakeholder engagement approaches be gender-sensitive, inclusive and designed to maximise effective participation of stakeholders, especially where these include vulnerable and disadvantaged groups.

The policy is supported by a toolkit and assurance framework.



Governance, compliance and management approach continued

The basis of our sustainable mining plan is an unwavering commitment to achieve excellence in safety, health and environmental (SHE) management. Our SHE policy applies to everyone in the company. SHE management is integrated into the life cycle of our activities for all managed operations, projects, exploration activities, offices and support activities, including how we work with our contractors and suppliers.

The main SHE principles are the zero mindset, no repeats and simple non-negotiable standards.

The policy is aligned to ISO 45001 and 14001 and to the relevant sections of ICMM measures and IRMA standards applicable to SHE issues. It is enabled through the SHE way standard and supports the group safety and sustainable development standards and technical standards.

The SHE way defines our SHE management system framework, and its intended outcomes include ensuring:

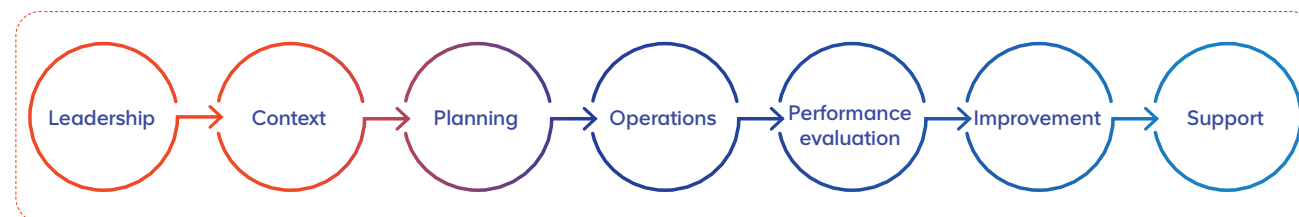
- Compliance with our SHE policy
- Fulfilling all of our SHE compliance obligations
- Appropriate control of SHE-related risks and opportunities
- Continual SHE performance improvements
- Achieving SHE objectives.

This policy sets out minimum expectations only.

Business or site management is responsible for the day-to-day implementation, oversight, monitoring and reporting of the SHE policy, related procedures, and group SHE policy standards, specifications and procedures.

All our primary operations (100%) are certified in terms of ISO 45001 (health and safety) and ISO 14001 (environmental management). A number of operations are also ISO 9001 certified (quality management).

The SHE way standard comprises seven elements:



Leadership

We encourage an attitude of leadership so that sustainability priorities are central and integrated into our activities, performance targets and objectives.

We want to create an environment where we are all empowered to make the correct decisions on SHE; where we are accountable for our actions, ready to learn and share new ideas; and where together we can keep improving SHE conditions for everyone. We want everyone to have the courage to speak up and stop work if they feel conditions are unsafe or unhealthy, or if they risk harm to the environment, communities or society.

Context

We set the boundaries for a fit-for-purpose SHE management system by understanding where, how, with and for whom we operate, and their SHE needs and expectations.

Planning

We set clear plans and objectives and deliver our commitment to SHE through continuous improvement. We plan effective service strategies that allow us to meet our SHE compliance obligations, manage SHE risks and opportunities, prepare for and respond to emergency situations, and take learnings from real and simulated events.

Operations

We integrate SHE requirements into all operational activities, including those undertaken by contractors. We manage changes proactively. We plan and initiate effective responses to emergencies.

Performance evaluation

We measure and evaluate our performance continuously and proactively. Our operations must continually measure and assess their SHE performance against the requirements of the SHE way, SHE objectives, and SHE-related risks and opportunities.

This includes understanding the performance of our value chain where these are within the scope of our SHE management system.

Improvement

We learn from what goes right, what goes wrong and what can be better. We investigate, plan and introduce improvements to deliver our FutureSmart Mining plan.

Support

We support the SHE way with the right people at the right place doing the right work in the right way. We engage with and include everyone in our SHE journey, expecting everyone to actively participate and contribute.

The SHE way elaborates on how each of these seven elements should be implemented.

Governance, compliance and management approach continued

Licences and permitting

Relevant authorities need to legally permit our operations to undertake various activities at every step of the mining process, from exploration to closure. These permits incorporate binding commitments and obligations that we must monitor to ensure we are compliant. This is crucial, as delays in acquiring permits or failing to comply with their conditions and commitments can have significant financial, operational, legal, health, safety and reputational risks. The aim of implementing proactive compliance monitoring and verification processes is not to find and flag non-compliances, but to ensure that non-compliances are prevented.

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

- Mineral and Petroleum Resources Development Act 2002 (MPRDA) – environmental management
- National Environmental Management Act 1998 (NEMA) – environmental impact assessments (EIAs), basic assessments (BA), waste management licence and air emission licence (AEL)
- National Water Act 1998 (NWA) – water use licences (WULs).

Anglo American Platinum has about 3,800 permits which link to about 23,000 conditions and commitments. Systems are in place to ensure compliance. This system is audited periodically by the company's internal audit function.

Monitoring compliance with permit conditions and commitments in the compliance management process is now administered through IsoMetrix which was deployed in Anglo American Platinum in December 2021. In general, the permitting IT tool includes permit administration, compliance assessment evaluation, action management, permit status management and notifications of renewals. In 2022, focus has been on ensuring data accuracy, enhancing the compliance performance dashboard reporting functionalities, and ensuring full use of the system.

All managed operations have water use licences (WULs). The table below elaborates on licence and permitting developments:

WULs approved in 2022

- Der Brochen WUL amendment
- Mototolo Mine WULA
- Polokwane metallurgical complex WUL amendment
- Amandelbult Fine Chrome Recovery.

WUL applications submitted and pending approval by the Department of Water and Sanitation (DWS)

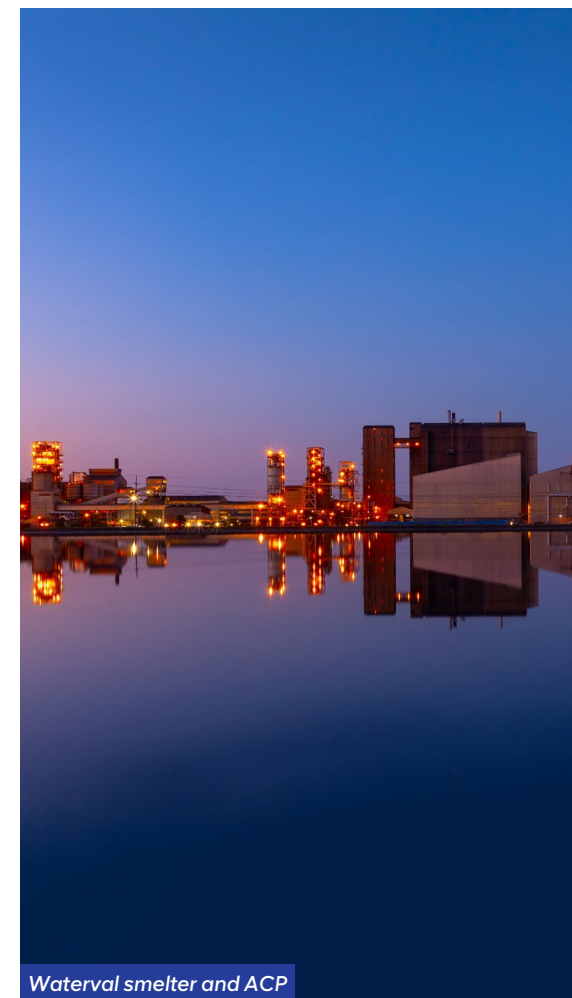
- PMR WUL application amendment
- Polokwane smelter WUL application amendment
- Mogalakwena WUL application amendment
- Amandelbult Bierspruit opencast WUL application.

In November 2021, Mogalakwena also applied for an amendment to the 2020 environmental management programme report (EMPR) to rectify the waste-rock dump heights. Engagement with the DMRE continues.

The company continues to be committed towards compliance with national air emission standards and continues to engage with the regulator in respect of meeting compliance targets. To demonstrate the company's commitment, it is noted that novel abatement technology has already been commissioned and installed, at Polokwane smelter, to meet compliance targets.

Compliance verification

Internal monitoring is conducted by a permitting team to verify our compliance to permit conditions and commitments throughout the year. Compliance levels are reported to management and action taken where non-conformances have been observed to rectify.



Waterval smelter and ACP

Zero harm

We remain resolute in our pursuit of zero harm, with an unwavering focus on eliminating fatalities by reducing (and ultimately eliminating injuries) from the workplace, mitigating any adverse effects on health and wellbeing.

Focus on safety

Material issue



Material issue

- Health and safety

SDGs



At a glance

- 10% reduction in injuries resulting in the lowest TRCFR in the history of the company year on year
- Increased focus on mental and physical wellness
- Continued application of innovation to create a safer working environment
- 11 years (8 million shifts) without fatality at Mototolo Mine, 11 years fatality-free at Unki Mine and 10 years fatality-free at Mogalakwena Mine.



For reference to safety definitions: Refer to the Glossary.

Introduction

The elimination of fatalities remains the highest priority in our business. As we mature, the elimination of fatalities has become a burning ambition in assuring a safe workplace.

We are mindful that any incident (actual or near-miss) may have a significant impact on our operational success, our relationships with stakeholders and our reputation.

We acknowledge that the company is responsible for the full and effective implementation of our safety management system. This requires compliance with all legal and other requirements on managing safety hazards, allocating appropriate resources and providing training, education, consultation and auditing. We work closely with our employees, unions, the regulators and other bodies, collaborating on safety and health. We seek to build a culture of collective responsibility, and fully recognise the right to refuse unsafe work.



Our ambition and targets

Our overarching ambition is zero harm.

We believe we can operate injury- and incident-free.

Our safety vision is underpinned by three principles:

- All injuries and incidents are preventable
- We should continuously learn from incidents, through a scenario-based approach to incident prevention
- Non-negotiable standards consistently and positively applied.

Our targets include:

- Zero fatalities
- An annual 15% reduction in the total recordable injury frequency rate (TRCFR).



Zero harm continued

Focus on safety continued

Our approach

We adopt an integrated approach to managing safety and health risks, enabled by cross-functional collaboration. This was particularly critical in managing the impacts of Covid-19.

Our policy is aligned to ISO 45001 and 14001 and to the relevant sections of ICM measures and IRMA standards applicable to SHE issues. It is enabled through the SHE way standard, supports the group safety, sustainable development standards and technical standards. The SHE way defines our SHE management system framework.

 **Governance, compliance and management approach:**
For further information on the SHE way.

Risk management is a foundational process that underpins the business and is built into our operating model. We do not focus only on managing safety outcomes. Rather, safety is the proactive part of everything we do, including managing our day-to-day work to achieve safe, productive outcomes for the company, for employees and for all other stakeholders. Our people need to be capable to identify and assess risk effectively.

Embedding a safe mindset is particularly important. We encourage a transition to safe lifestyles at home and at work, we aim to create a sustainable culture change in this way.

A great deal of work has been focused on improving safety in how we work, utilising smart technology development while using integrated data to guide our efforts.

Compliance

Safety and health are regulated in all jurisdictions where we operate.

Measuring our progress

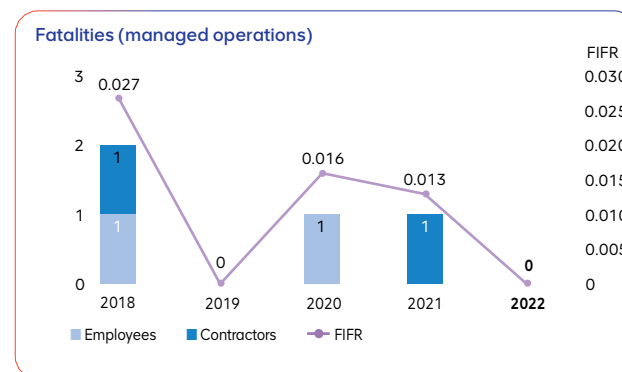
Fatalities

We did not experience any fatalities at our Anglo American Platinum managed operations attributed to 2022.

Sadly, Boitshepo 'Julian' Sesinyi died on 1 April 2022 from a complication while recovering at a rehabilitation clinic after sustaining a serious spinal injury in a slip-and-fall incident at the ACP processing facility on 23 November 2021. Since the accident took place in 2021, this fatality has been accounted for in that year, and our performance for 2021 has been restated in line with reporting protocols.

Regrettably, there was also a fatal accident at the independently managed Modikwa joint venture. On 10 June 2022, Phasoana Rheina Malatji, a construction crew member and employee of Redpath was fatally injured after being struck by a tyre from an underground mining vehicle.

All high-potential and serious incidents, including fatalities, at our operations (and our non-managed joint venture operations) are subject to rigorous investigation, including an independent investigation review by a multidisciplinary team. Learnings are shared across our operations and, where applicable, remedial actions taken to prevent similar incidents.



We provide long-term care for the families of all individuals who lose their lives at our operations. This includes financial assistance for dependant children (from preschool to tertiary level) and follow-up visits to families to monitor their wellbeing and, in the case of children, their school performance.

Injuries

There were 187 recordable injuries¹ in 2022 (2021: 193). This resulted in a TRCFR² of 2.34 (2021: 2.60), above our internal annual 15% reduction target of 2.13. We recorded a 10% reduction in injuries, **which is the lowest TRCFR in the history of the company**. Given the high number of projects — including rebuilds and shutdown of the smelters — contractor injuries, retention of supervision, our ability to stabilise and keep the workforce focused on safe work every day has been a challenge.

We recorded 156 lost-time injuries (LTIs) during the year (2021: 163). This resulted in a lost-time injury frequency rate (LTIFR³) of 1.95 (2021: 2.19).

In 2022, 43% of our injuries stemmed from slip-trip-and-fall and handling material and equipment. Falls of ground, winches and rigging, and rail-bound equipment remain key areas of focus in preventing and mitigating fatalities, through the application of critical control as part of our operational risk management focus.

¹ A recordable injury is any injury needing more than first-aid treatment.

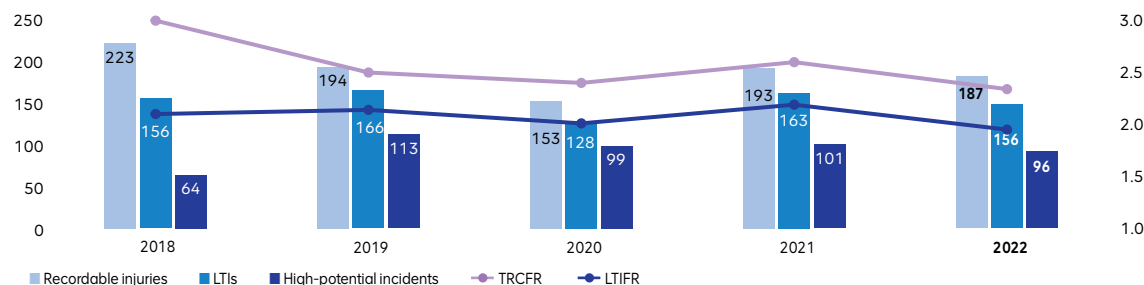
² TRCFR is the number of total recordable cases multiplied by 1 million, divided by total hours worked.

³ LTIFR is number of lost-time injuries multiplied by 1 million, divided by total hours worked.

Zero harm continued

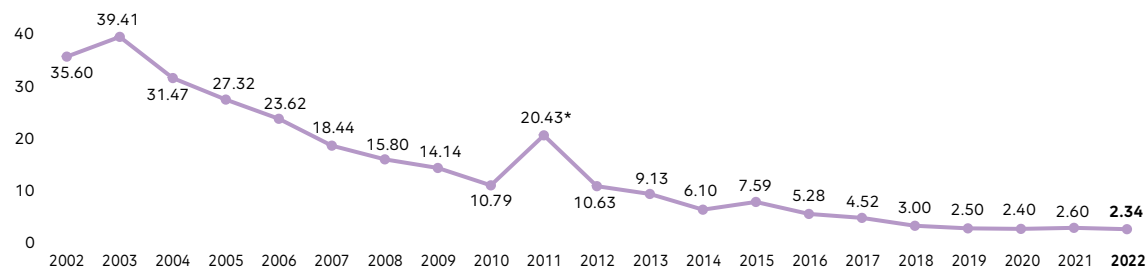
Focus on safety continued

Injuries and injury rates



The positive trend recorded in recent years reflects greater focus on formal risk management and the implementation of mitigation plans, as well as an increase in voluntarily stopping for safety matters to strengthen the elimination of fatalities and focus on injury reduction year on year.

TRCFR over the past 20 years



* 2011 spike attributed to a single incident where employees were sent for observation following potential exposure to gas. No employees suffered harm from the incident.



What we are doing

Our safety strategy is underpinned by five key levers:

- Leadership and accountability
- Eliminating fatalities
- Embedding a safety culture
- Operational risk management
- Learning from incidents.

We have also concentrated on improving mental and physical wellness. The pandemic's effect on mental health is evident in the increase in slips and lapses in judgement related to unsafe behaviour seen.

We have identified several focus areas for improvement:

- Better alignment with our contractor partners and providing them additional support
- Greater oversight by supervisors and line managers for all high-risk work
- Enabling employees to highlight areas that are potentially a safety risk and working with them to improve safety and discipline in the workplace
- Rapid response to concerns raised by our employees, contractors and other stakeholders
- Proactive identification and management of hazards to prevent incidents
- Prevention and mitigation of low-energy incidents to prevent high-potential incidents.

Our focus remains on deploying both proven and novel technologies to enhance safety. We are constantly searching for and introducing new technologies methods to improve safety and performance efficiency.

High-potential incidents

We recorded 96 high-potential incidents (HPIs) at our operations in 2022 (2021: 101). HPIs occur as a result of energy released due to unsafe acts, behaviours, non-compliance to safe work standards (practices) or critical control failures.

Zero harm continued

Focus on safety continued



Safety achievements

Noticeable safety achievement during the year include:

- **8 million fatality-free** shifts (11 years) at Mototolo Mine
- **4.8 million** fatality-free shifts at Unki Mine
- **17 million** fatality-free shifts at Mogalakwena Mine
- **8 million** fatality-free shifts at Tumela Mine
- **Amandelbult** > two years fatality free – first time in mine's history
- Lowest demonstrated **TRCFR performance** for Anglo American Platinum.

Safety stoppages

We received 60 safety-related regulatory stoppage instructions (Section 54) from the DMRE during the year (2021: 22), and 10 non-compliance (Section 55) notices (2021: 10). The increase in incidents is a result of renewed inspections by the DMRE which has decreased during the pandemic. All stoppages were restricted to the area where the issue was observed. However, no fines or directives were issued, as appropriate measures were taken to address the non-compliance.

We recorded 24 voluntary (proactive) stoppages (2021: 9). Under Section 23 of the Mine Health Safety Act (MHSA), employees have the right to leave any working place in circumstances that may pose a danger to their health or safety. In addition, we recorded 1470 safety stoppages (compliance interventions) during the year.

We encourage employees to always stop unsafe work or leave an unsafe workplace when they deem it unsafe to continue. Employees' right to withdraw from an unsafe activity or situation is mandatory.

Leadership and accountability

To embed positive safety leadership practices in our daily activities, we are implementing a framework that defines the practices expected of managers, supervisors and all employees. It emphasises their roles in strengthening our safety culture and sustaining improved safety performance. Extensive PMC engagement sessions have been held to onboard leaders and create an enabling environment for safety leadership practices aimed to strengthen both the work and management routines to ensure safe operational outcomes.

Enhancing frontline supervision is an ongoing focus. Our development programme ensures our supervisors have the required technical and risk management skills to manage people effectively and apply planned practices in the workplace. We offer performance management support and coaching to help address any challenges.

Eliminating fatalities

The group elimination-of-fatalities programme was initiated in 2018 to tackle systemic issues driving the underlying safety challenges we continue to face.

Aimed at ensuring no loss of life at our operations, the programme (together with ongoing operational risk assurance work) is structured around thematic workstreams to address identified risks and cultural factors affecting safety performance. These workstreams include safety organisational review, emergency response, fire risk management, surface traffic management, explosive management, culture, operational leadership excellence, reward and performance, training and education, critical control management, and contractor management.

In 2022, we followed a process aimed at sustaining the benefits of our elimination-of-fatalities programme, where workstreams had to complete a five-project closure process. Of 11 workstreams that started the programme, eight completed in 2022, and three in 2023.

Safety culture

We seek to drive culture change through ownership and shared accountability. In promoting our safety culture, we continue to entrench a commitment throughout the company to honour our life-saving rules.

These articulate a set of life-saving behaviours, and an understanding that if employees do not comply, consequence management through the accountability framework will apply.

We constantly reinforce that all work and tasks must be done safely and unsafe work can be stopped.

Reporting and learning from incidents

Encouraging the identification and reporting of HPIs remains a major focus in our strategy. We value the importance of improved reporting and learning from HPIs in heightening awareness of critical controls and promoting actions to improve their effectiveness.

Every month, our CEO chairs a video conference across our operations to review and learn from particularly significant HPIs and identify key actions to be implemented and tracked across our operations. We reviewed 22 safety HPIs during the year. Since the introduction of this initiative, we have broadened our awareness, transparency and willingness to learn from a wider audience.

Our approach centres on setting targets for improved learnings and associated action management and close-out. Part of our strategy in reducing repeats is to initiate business-unit learning for adoption where common learnings are relevant, through implementation and close-out.

We also encourage the reporting of high-potential hazards (HPHs), where we identify hazards that could lead to harm. HPH reporting and analysis has been introduced across our operations. In 2022, 535 HPHs have been reported, compared to 150 in 2021. Part of our safety strategy is driving HPH reporting, by documenting those instances, investigating the causes and mitigating them before they result in harm or loss through target-setting and monitoring, which is evident in the large year-on-year increase.

Operational risk management

We train employees to identify and address risks and specific hazards in their workplaces and to continuously identify substandard and high-risk conditions. We then rank workplaces based on observed risks. Management regularly visits workplaces with the highest risk ranking across our operations.

Zero harm continued

Focus on safety continued

Operational risk management compliance and maturity continue to improve. We have implemented minimum mandatory critical controls for each catastrophic risk. These are actively tracked through performance monitoring routines. A rigorous programme for monitoring critical-control management is fostering greater transparency and accountability while improving the levels of work executed to plan.

We are integrating **process safety management** into our operational risk management process. Process safety entails applying the same operational discipline seen in process industries to high-consequence and low-frequency mining and processing risks in our business to ensure hazards are identified, understood and controlled to prevent process-related accidents.

We engaged DSS+ in 2020 to support the process safety management initiative in the business, initially focusing on our process operations and expanding to our concentrators and mines. Formal implementation started in 2021 and will take three to five years to embed.

Insight

Already, significant work has been undertaken to integrate process safety into the Anglo American Platinum management framework.

Progress has been made to build our internal capacity through recruiting specialists, a focused communication strategy and development of technical training materials. Detailed studies, involving technical analyses with quantitative risk assessment tools, have been completed around converting, smelting and refining activities. Significant resources were invested into process safety Information around these operations to ensure the accuracy of drawings and the efficacy of automated safety and control strategies. In addition, specialist engineering work to prioritise critical safety equipment into the maintenance systems is well advanced. Additional focus areas will be added in 2023 to further embed process safety management in established work routines and to develop scope within the mining areas.

Technical innovation to create a safer working environment

We continue to lead the development and adoption of best-practice technologies to minimise and, where possible, eliminate the human behaviour that may result in fatalities.

- As part of our modernisation and mechanisation strategy, we are introducing mining technologies and methods to improve performance efficiency and safety. This will ultimately mean removing people from safety-risk exposure, while upskilling them in new technologies and approaches. For example, we are using electro-hydraulic drills as well as automated and continuous rock-cutting machines that safely extract targeted ore deep underground without the need for explosive blasting. We are also increasingly deploying remotely operated machinery, and increasing our reliance on sensing and data analytics
- Addressing transport and machinery risks remains a particular focus. We have implemented collision-avoidance systems which use vehicle and person proximity-detection systems and auto-braking across heavy mobile equipment and light vehicles at all operations. Onboard sensors monitor speed and close proximity to other machines or structures. If safe operating procedures are exceeded, the driver is sent an alarm to take appropriate action. If no action is taken, auto-braking is activated on the machinery, preventing a collision
- As underground scraper winches are one of our major hazards and responsible for priority unwanted events in underground mining, we have introduced scraper winch proximity detection at Amandelbult. This device detect employees entering a scraper path, which in turn result in the power to the scraper winch device immediately being cut. A further benefit is that enables better communication during scraper operations



Case study: Scraper winch proximity detection system introduced at Amandelbult

Underground scraper winches present a major hazard underground. The installation of proximity devices on scraper winches at Amandelbult will protect the safety of anyone entering a scraper winch path.

- To further alleviate falls-of-ground, another of our major hazards, we have started a rapid rollout of full aerial coverage with blast-on-mesh.



Case study: Comprehensive blast-on-mesh coverage to be introduced at Dishaba

Falls-of-ground present a priority unwanted event. After a number of underground trials of blast-on-mesh, this will be rolled out at the Dishaba and Tumela mines by the end of 2023.

- As part of our mobilisation and digitalisation initiatives, we are rolling out a range of wearable devices for safety-related applications. For example, digital wearables will progressively be used to create safety and hazard awareness. Potential future functions include fatigue-alert management, dangerous gas detection, and pedestrian and vehicle detection
- To enhance the safety of women in our operations and reduce instances of gender-based violence (GBV), at Amandelbult we have issued all female employees with a personal emergency wearable device which relies on wi-fi connectivity and can be used when the wearer is in distress in high-density and high-risk areas, both surface and underground, at Amandelbult.

Addressing fire risk

Addressing the risk of fire is another focus area. An example of using technology to improve safety is the installation of optic fibre cables on our conveyor belts. This enhances our ability to detect minute increases in temperature or vibration which allows us to pre-emptively identify and address the problem.

To date the key focus, in addition to conveyor belts, has been on upgrading our electrical room fire-detection and suppression systems. This started in 2022 and will continue through 2023. In 2022, the mobile fleet at Amandelbult opencast was equipped with fire system upgrades. In 2023, planning will start on upgrading fire pumps and wet systems. A dedicated programme to manage fire risk is underway to ensure full compliance to our own fire prevention.

Zero harm continued

Focus on safety continued

Insight

Contractor management focus

We have found that an area of improvement is the management of contractors, from a leadership and systems perspective, as well as training and culture.

There has been increased focus in onboarding contractors and their ongoing integration into how we operate. The contractor management end-to-end programme is a priority system in Anglo American Platinum. Its purpose is to design and implement an end-to-end integrated process for managing contractors across our sites.

The programme is made up of the contractor performance management framework, onboarding hubs and accelerators. It aims to reduce safety incidents and prevent fatalities by implementing the framework. The onboarding hubs will enable streamlined and efficient contractor on- and existing processes. The accelerators are defined as quick wins with the intention to have a sustainable impact in onboarding and safety.

Focus for 2023 and beyond

Focus areas to achieve fatality-free and injury-free operations include:

- Improve safety culture and performance
- Enhance safety leadership and behaviour, with a focus on continuing to empower employees to stop work when they feel unsafe
- Streamline contractor onboarding and management processes to integrate contractors with our culture
- Continue integrating process safety management into risk management processes
- Adopt and embed critical solutions from each elimination-of-fatalities workstream
- Drive mobility and digitisation as well as modernisation (which includes improving underground communication) to underpin safety interventions.



Rustenburg Base Metal's Refinery lab furnace

Zero harm continued

Focus on health and occupational health

Material issue



Material issue

- Health and safety

SDGs



At a glance

- No Covid-19 deaths in 2022
- 56.15% of employees and contractors fully vaccinated by year end
- R282 million spent on Covid-19 mitigation and medical preparedness
- Only 1 case of NIHL in 2022
- Launch of health heart index
- R64 million spent on community health support and infrastructure.

Introduction

Our pursuit of zero harm includes employee health and wellbeing, lifestyle management and mental health, and preventing occupational health illnesses.

In the first half of the year, we continued to dedicate significant attention and resources to addressing the pandemic and executing our Covid-19 vaccination programme. We also supported mine communities in infection prevention through our extensive education and vaccination programme, and in strengthening community response measures for those who became ill.

We recognise that employee safety, health and wellbeing are paramount to the functioning and success of our business. Health issues (including occupational health) may develop over a long period, and health surveillance and prevention measures are critical to our success.

Given the importance of employee health to the business, health performance has been included as a key performance indicator or KPI in management remuneration.



Our ambition and targets

Our overarching ambition is zero harm.

We believe we can operate injury- and incident-free.

Our goals are to:

- Mitigate the effects of workplace exposure to health hazards through proactive, risk-based surveillance and care programmes
- Ensure that, from 2022, no previously unexposed employees at Anglo American Platinum will suffer from the consequences of work-related exposures
- Exceed the 90:90:90 target for HIV management*
- Partner with governments and NGOs in effective community health initiatives wherever we have a presence.

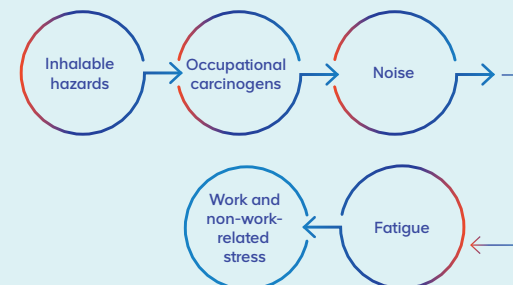
* The UNAIDS 90-90-90 strategy calls for 90% of HIV-infected individuals to be diagnosed by 2020, 90% of whom will be on antiretroviral therapy (ART), and 90% of whom will achieve sustained viral suppression.

Our approach

Our approach is to ensure a healthy and productive workforce by effectively managing occupational health risks, wellness, and identified community initiatives. As with safety, we adopt an integrated approach to health risks, with close cross-functional collaboration between medical surveillance, healthcare services and occupational hygiene initiatives.

To ensure the health of our employees, our primary focus is to eliminate health hazards in the workplace. Where that is not possible, we aim to reduce hazards to levels as low as reasonably practicable.

As the graphic below shows, our main occupational health risks include potential excessive exposure to:



Our policy is aligned to ISO 45001 and 14001 and to relevant sections of the ICMM and IRMA standards applicable to SHE issues. It is enabled through the SHE way standard and supports the group safety and sustainable development standards and technical standards. The SHE way defines our SHE management system framework.



Governance, compliance and management approach: For further information on the SHE way.

Compliance

Safety and health are regulated under the Mine Health and Safety Act (MHSA) in South Africa. Processing and refining operations fall under the Department of Employment and Labour and are regulated under the Occupational Health and Safety Act. Unki Mine's compliance is regulated under the Mines and Minerals Act, the National Social Security Authority Act and the Pneumoconiosis Act.

Measuring our progress

Covid-19

While the incidence of Covid-19 cases decreased significantly in 2022, we maintained our comprehensive response plan to protect the physical and mental health of our employees. None of our employees succumbed to Covid-19 in 2022, after 53 deaths in 2021.

Our vaccination programme has continued at four vaccination centres and, at the height of the pandemic, two satellite stations.

Zero harm continued

Focus on health and occupational health continued

By the end of 2022, we had vaccinated 32 950 employees (24 411 fully vaccinated), or around 56.15% of our workforce. We continue to offer and encourage booster vaccinations.

In 2022, we spent R281.6 million on Covid-19 mitigation and medical preparedness at our managed operations in South Africa and Zimbabwe (2021: R634 million).

Work stoppages

In 2022, there were no regulatory work stoppages or non-compliance notices issued for medical or health-related matters (2021: zero).



What we are doing

Our health strategy is underpinned by four levers:

- Occupational hygiene – controlling occupational exposure
- Occupational medicine, through comprehensive, ongoing surveillance and management
- Wellness, wellbeing and lifestyle management
- Support for community health.

Controlling occupational health exposure

Our programmes seek to manage the following airborne pollutant hazards: diesel particulate matter (DPM), fugitive emissions (primarily metallurgical dust, coal-tar pitch volatiles, nickel and sulphur dioxide or SO₂), soluble platinum and soluble rhodium. DPM is generated, along with a mixture of gases in exhaust emissions, by a variety of diesel-powered equipment used in underground mines.

While neither South Africa nor Zimbabwe specify DPM limits, we aspire to our own DPM limit of 0.1 mg/m³ elemental carbon. In 2022, 288 employees were potentially exposed to DPM levels above this limit (2021: 629), largely at Unki Mine.

Our DPM reduction programme, has included retrofitting exhaust systems with filtering devices that reduce harmful particulate matter by over 95%, optimising local exhaust ventilation flow and

personal exposure monitoring. By year end, these exhaust systems had been rolled out on all high-cycle diesel machines.

An innovation during the year has been the development of an internal hygiene dashboard that provides exposure oversight 24 hours a day and enables rapid response and mitigation. Being able to monitor real-time diesel exhaust emissions at Amandelbult, for example, is a significant step forward in our occupational hygiene management processes. This system needs very little maintenance and has demonstrated that DPMs can be monitored in real time and corrective action taken immediately when accepted exposure levels are exceeded.

A number of air-emissions projects were undertaken at our smelters and refineries during the year:

- Fugitive emissions may be present at some of our smelter operations, particularly due to ageing equipment and upset furnace conditions, as well as in crusher plants and furnace areas. To counter this, we have increased maintenance programmes to improve availability and effectiveness of current equipment, and initiated replacement programmes for ageing equipment. This has resulted in improvements in and around the furnace building and flash dryers in particular. Projects have also been initiated to further improve emission-handling equipment and tackle areas that to date have not had fugitive controls. We have increased the availability and efficiency of local extraction ventilation systems to address this, and exposure to fugitive emissions has been reduced to below the relevant occupational exposure limits
- Exposure to cobalt sulphate at the cobalt bagging facility of our base metal refinery was reduced to below the occupational exposure limit through engineering interventions that included commissioning a semi-automated bagging facility, optimising and improving the local extraction ventilation system and real-time monitoring of dust and in-duct velocity
- Repeated exposure to soluble platinum and soluble rhodium salts may cause respiratory and skin allergies. This is a potential risk in our precious metal refinery, and our exposure-reduction plan is aligned with the International Platinum Association (IPA) guidelines. No confirmed platinum salt sensitivity and rhodium salt sensitivity cases have been reported for the year. This is due mainly to draught and local extraction ventilation systems.

In line with the FutureSmart Mining strategy, the OIS flash project (digital hygiene monitoring) was initiated at Mortimer smelter to rapidly equip the operation with the best-practice real-time occupational hygiene measurement (namely in-field sensing) technology. This system enables effective monitoring of key occupational health and environmental parameters by visually displaying real-time performance metrics, as well as the status of their relevant critical controls. It uses real-time monitors and sensor equipment set up at various locations throughout Mortimer smelter.

Noise management and hearing conservation

Our focus is to control exposure to noise at source through engineering solutions, supported by ongoing monitoring, and to protect employees who work in environments where noise levels may exceed an eight-hour 85 decibel (dB(A)) limit.

In 2022, we recorded one new case of noise-induced hearing loss or NIHL (that is, +10% shift), compared to seven in 2021. The fluctuation in the number of NIHL cases from year to year reflects the latency period between exposure and noise-induced hearing loss.

All sites provide customised hearing-protection devices, with annual maintenance and fitments undertaken at occupational health clinics.

Managing fatigue

Managing fatigue remains a high priority, as fatigue can reduce alertness with significant safety consequences and negative impacts on wellbeing. Fatigue is also affected by people's lives and lifestyles outside of work.

We comply with the DMRE's mandatory code of practice on preventing fatigue in the workplace. All our sites conducted self-assessments against the requirements of the revised group fatigue management standard (issued in September 2021).

Zero harm continued

Focus on health and occupational health continued

Employee wellbeing

We have established wellness initiatives across our operations that cover HIV, tuberculosis (TB) and chronic diseases. Our contractors have access to our HIV and chronic disease-screening services. We also continue to focus on mental health, along with alcohol and drug abuse. Integral to our programme is educating people on preventing and managing chronic and lifestyle diseases.

Another innovation was launching a mental-health status 'check-in' through our employee app, Engage, which is being piloted at Mogalakwena. Employees who may be at mental-health risk are able to get immediate support.

Managing HIV/Aids and TB

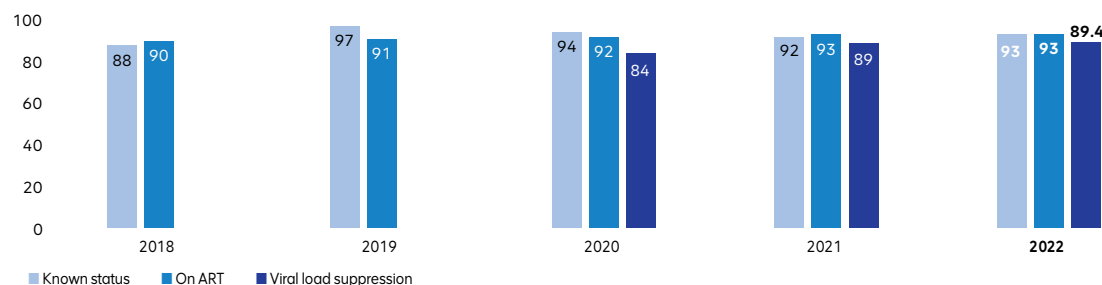
Covid-19 has exacerbated the risks presented by TB and HIV/Aids as people who have HIV or TB (or both) are considered more at risk of severe illness if they contract the virus.

In 2022, the estimated prevalence of HIV infection among our permanent employees was 20% (2021: 21%). We continue to pursue the UNAIDS 90:90:90 targets on HIV management. At the end of 2022:

- 93% of our permanent workforce knew their HIV status (2021: 93%)
- 93% of HIV-positive employees had taken up antiretroviral treatment (ART) (2021: 93%)
- 89.4% of known HIV-positive employees on ART had viral-load suppression (2021: 89%).

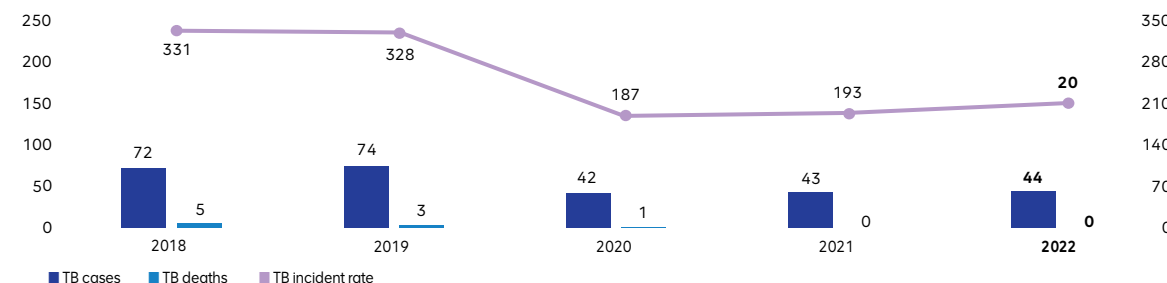
Accurately calculating this performance indicator remains challenging due to patient confidentiality and our reliance on medical service providers for information.

Progress towards UN 90:90:90 targets



In 2022, 44 new TB cases were reported (2021: 43) – split between pulmonary (80%) and extra-pulmonary (20%). There were no TB deaths recorded in 2022 (2021: zero). Our TB cases have decreased by 93% over the past decade. Our TB incidence rate of 209 per 100,000 people is significantly below the national average of 544 per 100,000 (2021 data).

TB cases/deaths



Managing chronic diseases and lifestyle management

We actively support employee wellness through our assistance programme services, wellness days and on-mine health-promotion activities.

All employees with chronic conditions are monitored regularly through our occupational health clinics to minimise associated risks. Based on our assessments in 2022, 21% of our workforce has hypertension and 5.3% has diabetes mellitus (2021: 21% hypertension; 5.3% diabetes mellitus).

Zero harm continued

Focus on health and occupational health continued

Absenteeism associated with ill health has an impact on the individual and the company, on their teams, and especially their collective ability to perform their duties safely. The total absenteeism rate (from injuries on duty, non-work-related injuries, and sickness or due to Covid-19 symptoms) was 19.8% at year end, compared to 20.5% in 2021.

Insight

Heart-health programme

In 2022, Anglo American Platinum and Anglo American launched the heart health score and lifestyle wellness assessment initiative to support employees in leading longer, healthier and more fulfilling lives. Central to this is a shift in focus to a more preventative health approach.

Reducing heart disease – the main cause of premature death – will help improve overall employee health and quality of life. The initiative focuses on chronic diseases like hypertension and diabetes.

Core to the initial roll-out was encouraging employees to have their regular company physical health checks, raising awareness of the risk of heart disease and offering advice on the behavioural changes required to reduce risk.

It enables employees to take personal accountability for understanding and managing their health and wellbeing. By year end, in just three months, 90% of employees had received their heart health score.

Investing in community health

In early 2022, our community health initiatives continued to focus on contributing meaningfully to mitigate the impact of the pandemic on lives and livelihoods. We encouraged and facilitated vaccinations and provided medical equipment.

Socio-economic assessments in local communities using the social way 3.0 toolkit include health considerations that form part of our social management plans.

Anglo American Platinum spent R64 million this year on health support and infrastructure (2021: R47 million). We continue to contribute to community health through specific services, including providing emergency medical services to respond to incidents outside mining premises, such as vehicle accidents on public roads, medical emergencies in the community, and community violence cases. Our facilities also focus on TB contact tracing.

Focus for 2023 and beyond

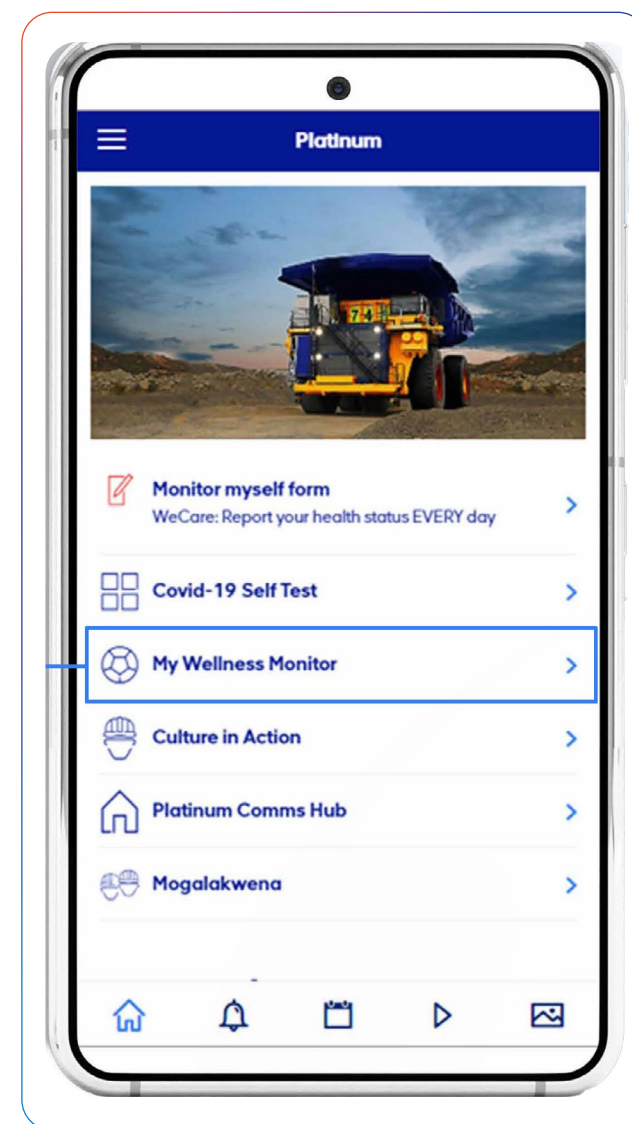
Looking ahead, we will continue to focus on:

- Workplace exposure through proactive risk-based surveillance and care programmes
- Supporting employee wellbeing
- An emphasis on lifestyle management and continued roll-out of the heart health initiative, and mental health app
- Partnering with governments and NGOs in effective community health initiatives.



Case study: Mental health in employees' hands

A new integrated wellness monitor within the employee app, Engage, provides support to employees in need of immediate mental health help, as well as ongoing support and education. The app is being piloted at Mogalakwena, and will be rolled out across the company in 2023.



Leadership and culture

Anglo American Platinum's business conduct is underpinned by a policy of fairness and integrity. This policy is guided by our values of safety, care and respect, integrity, accountability, collaboration and innovation.

This is not easily achieved. It takes constant effort at all levels of the organisation and at all operations, plants and offices. The range of topics that fall under the leadership and culture section of this report is designed to provide a view of these initiatives.

Culture in Action sets out the foundational features of the Anglo American Platinum culture: respect for all; fairness; and accountability, along with the programmes designed to embed these commitments:

- Business ethics explains the basis of operating with integrity, including the uncompromising systems in place to operationalise and monitor compliance
- Talent attraction, retention and development shows how our human resources management system focuses on developing and maintaining the capacities of our workforce and leaders to have the necessary skills and capabilities to drive business impact into the future in a manner consistent with our ethics and culture.



Mogalakwena – MTB Sandsloot

Ensuring business ethics and conduct

Material issue



Priority material issue
• Crime and corruption

SDG



At a glance

- 66% of identified employees completed business ethics training in 2022
- Encouraging improvement to tip-offs line – 312 reports in 2022; 31% of investigations closed.

Introduction

We apply our values to our employees, their families, our local communities, our customers and other stakeholders, as well as the world at large. We seek to associate with suppliers that share our values, and we expect our suppliers to conduct themselves with integrity and according to the highest standards of ethical conduct.

Integrity and high standards of ethical conduct are at the centre of our governance systems. Our code of conduct, business integrity policy and related procedures are available on our website and are accessible to all employees, contractors and stakeholders. The code of conduct is available in Spanish, English, simplified Chinese, Finnish and Portuguese.

Living up to the standards we set for ourselves is a key part of our business and our social licence to operate. Failing to do so puts our business and reputation at risk and could have dire legal consequences. Our emphasis on high ethical standards is intended to make us a trusted company, and a preferred commercial partner and employer.

Ethical value chains: For more information on how our business ethics are incorporated into our value chains.



Our ambition and targets

Our overarching ambition is that we conduct our business honestly, legally and responsibly. As a minimum, we comply with regulation, codes and policies that we have subscribed to, and in line with our code of conduct. We endeavour to ensure that all our employees, contractors and business partners do the same.

Management approach

Anglo American Platinum provides guidelines to help employees navigate ethical decisions and dilemmas, as well as code of conduct and business integrity training. Mandatory training takes place every two years. New employees also undergo awareness training on the code of conduct and business integrity, facilitated by human resources during induction.

The company's board oversees the ethics of the organisation in a way that supports establishing an ethical culture. The board requires all employees to share its commitment to high moral, ethical and legal standards and sound business principles and adherence to code is expected for continued employment. It sets the tone from the top and subscribes to and advocates for the ethical standards detailed in our code of conduct and business integrity policy.

The board seeks to lead by example in engaging with all stakeholders, its deliberations and decisions, and by monitoring ethical culture and compliance in the company. In addition to the approval and oversight of our code of conduct and business integrity policies, the board also has oversight of the delegation of authority, conflicts of interest and share-dealing policies, as well as the compliance framework policy through the governance committee.

Leadership and culture continued

Ensuring business ethics and conduct continued

The compliance function is supported by the compliance and ethics committee, which reports its activities and monitoring plan to the governance committee annually.

The compliance and ethics committee, chaired by the finance director and attended by executives and senior managers, convenes quarterly to review implementation of compliance and ethics programmes in the business. Its purpose is to assist the board and PMC in driving a culture of compliance that helps the company deliver its core strategic priorities in an ethical manner and continue to shape the business into one that is agile and future fit.

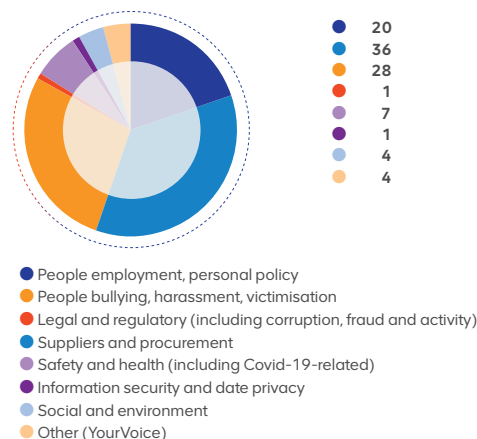
Compliance

The business and integrity unit is responsible for policy governance, compliance monitoring, training and awareness, compliance risk management and investigations.

The board's compliance and ethics committee reviews the implementation of related programmes including permitting safety and health, code of conduct and labour laws.

The board governs compliance with applicable laws, as well as adopted non-binding rules, codes and standards, in a way that supports the company's quest to be ethical and a good corporate citizen. Compliance with the Companies Act, JSE Listings Requirements, legislation for the mining industry, and the company's governance policies is tracked through internal monitoring and reporting systems and reviewed by internal and external audits.

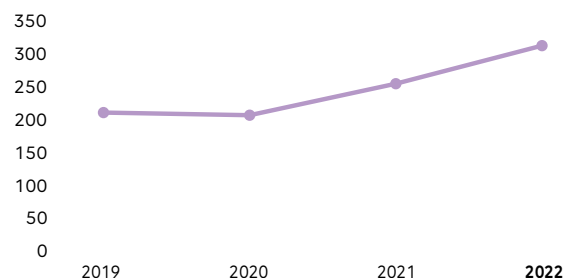
Types of breaches (%)



Measuring our progress

- In total, 2,790 people (66% of identified employees) completed business ethics training in 2022
- No sanctions, legal or otherwise, were imposed against Anglo American Platinum during the year
- Mechanisms for seeking advice and reporting concerns operated effectively. In 2022, 312 reports were recorded, a significant increase from 254 reports in 2021.

Reports



What we are doing

Onboarding employees on our values and code of conduct

The human resources department conducts awareness training as part of the process of onboarding new employees. Training includes awareness on the company values and code of conduct. Identified employees are also required to complete mandatory training, which normally occurs every two years. In 2022, identified employees with access to a computer or email (66% of identified employees) received business ethics and integrity training, which had been limited to managers in 2021. Training with contractors, third-party suppliers and non-managed operations are at varying stages of roll-out.

Combating corruption and unethical behaviour

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

All reports are received by the Anglo American business assurance services (ABAS) team. This team, which is independently managed, conducts most of the group's investigations and includes other investigators when necessary. ABAS also ensures investigators are independent.

The company has clear protocols for managing, investigating, prosecuting and disclosing whistleblowing reports. All concerns are recorded and assessed for investigation. If a contravention of our ethics policies is substantiated, disciplinary action or sanctions are taken. These may culminate in terminating employment or contractual relationships, as appropriate.

Of the 312 reports recorded during the year, 96 (31%) were closed by year end, that is, had been investigated and appropriate action taken. The balance remains under investigation.

Leadership and culture continued

Ensuring business ethics and conduct continued

Reports are tracked and monitored quarterly by the compliance and ethics committee. The outcomes of closed reports were as follows: dismissal (38); resignation (11); employee flagged for monitoring (22); final warning/counselling (16); measures or recommendations taken to address the reports (6); and recovery of funds or assets (3).

Key focus areas

In 2022, our ethics priority areas included monitoring reports, conducting investigations, and reviewing the outcomes of our whistleblowing platform, YourVoice. We also reviewed gifts, entertainment and conflict-of-interest disclosures on the platform.

With regards to policy governance, each department is obliged to review policies to ensure they remain relevant and appropriate.

We also focused on completing a compliance maturity assessment, a 2022 compliance plan, permitting compliance, a regulatory compliance universe (tool to formally present compliance management priorities to the board and management), and policy compliance and audit findings.

Our compliance programmes focused on business integrity, anti-tax evasion, antitrust and data privacy.

Focus for 2023 and beyond

Ongoing areas of focus include:

- Code of conduct and business integrity training
- Ensuring that reporting system continues to be accessible and responsive
- Training and continuous monitoring to ensure the business is aware of data privacy and intermediary risk management controls that need to be implemented
- Finalising the company's consolidated compliance reporting framework
- Ensuring our business integrity policy, which is in line with all applicable anticorruption and antibribery laws and conventions, remains up to date.

In 2023, we plan to enhance our compliance maturity by:

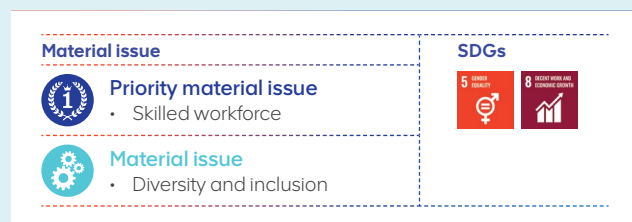
- Approving compliance mandate and policy
- Compiling a compliance manual comprising standards, procedures, templates and registers
- Updating our library of regulatory requirements
- Ensuring compliance risk management plans are in place and up to date.



Prosper Ngwerume and Kassiot Sibanda using a laser device underground for precision markups

Leadership and culture continued

Attracting, retaining and developing talent



At a glance

Our development approach includes the following overarching programmes:

- Talent loss of 7% in 2022, above our 5% target
- 97% of graduates joined the business, 91% are historically disadvantaged people and 54% are women
- R1,189 million invested in training and development, with each employee receiving on average 67 hours of training.

Introduction

Continuing to attract, retain and develop the right skills to deliver on our business strategy is critical to our success, as a business and our ability to deliver sustainable benefits to our stakeholders. Scarce and critical skills, in particular, are at a premium in our sector and the regions in which we operate.

Talent retention and attraction are especially challenging issues. We face industry-wide skills shortages which increase risk in both attracting and retaining talent. Access to young talent and retaining potential future leaders requires more agile and flexible ways of working.



Our ambition and targets

Our overarching ambition is to invest proactively in building internal talent capabilities, which will lead to dynamic and inclusive future succession pipelines. These, in turn, will ensure we have the right skills at the right time, delivering the right work.

To support this ambition, it is critical that our workforce and leaders have the necessary skills and capabilities to drive business impact into the future. This requires continual learning and development as a key enabler of business renewal and success, and the need to develop the skills and capabilities of our people to collectively achieve our strategic objectives and adapt to the demands of the future.

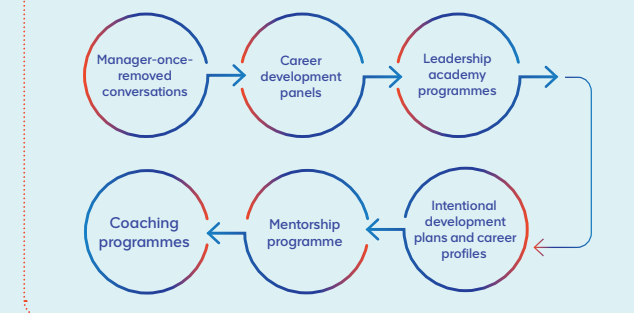
We have developed a number of targets, which are being monitored and managed, including:

- Promoting or advancing 25% of identified talent every year (employees are viewed as 'talent' where the individual shows potential to move to the next level of work)
- Talent losses should not exceed 5% of the talent population
- A focus on internal promotions versus external appointments, with the aim of a higher number of internal appointments
- Achieving representation of 31% women at senior management and above leadership positions; 50% of people recruited to our graduate programme should be women. We are exceeding the latter target in the total early talent category.

Management approach

To maximise employee retention while developing their capabilities, we consider their aspirations, the future needs of the business, as well as the growing expectations of our stakeholders. We are focused on the need to drive transformation, build an inclusive and diverse workplace, and meet the needs of a multigenerational workforce.

As the graphic below shows, our development approach includes the following overarching programmes:



In preparing for the future of work, we seek to source, place and develop the right talent, for the right role, and in a way that focuses on merit, fosters inclusion and diversity, and builds leadership capabilities. A particular focus is attracting and retaining female employees, as well as other historically disadvantaged South Africans who are, or would become, candidates for positions in senior management and above.

The board remuneration committee ensures that remuneration at Anglo American Platinum contributes substantially to retaining and attracting top talent. We endeavour to ensure that progressive and flexible remuneration decisions can be taken to mitigate against economic conditions and to collectively achieve strategic business objectives.

Leadership and culture continued

Attracting, retaining and developing talent continued

Measuring our progress

Talent retention

- This year, we exceeded 5% of talent losses, especially in technical disciplines measured at 7%
- We are exceeding our target that 50% of people recruited to our graduate programme should be women in the total early talent category. However, only 20-30% of people in engineering and mining training are women. More attention is being placed on reaching the target in these technical functions.

Training and development

- In 2022, we invested R1,189 million (2021: R831 million) in training and development for 21,633 employees (99% of workforce). Each employee received an average 67 hours of training (2021: 121 hours)
- We spent 9.2% of our wage bill on skills development (2021: 6.6%), against the 5% requirement of the MPRDA
- Of employees who participated in our training and development programmes, 20% were women (2021: 22%), and 84% were from designated groups (2021: 89%)
- In our leadership development programme, 59% were women (2021: 43%) and 76% from designated groups (2021: 71%)
- Early talent invested R8.8 on bursaries, scholarships, graduate development and learner support at our partner schools.



What we are doing

Attraction

Local talent recruitment

One focus of our work is local recruitment. We have partnered with three schools at each of our mining operations. We identify talent at those schools among learners from grade 10 onwards and work with them to make them ready to enter university. We then capacitate them with bursaries and scholarships, learnerships and any other resources to enable them to enter the organisation to become leaders one day.

Insight

YES programme

In 2021, we pledged to support the Youth Employment Services (YES) programme. This is a business-led collaboration with the Department of Trade, Industry and Competition (dtic) that provides 12 months of quality work experience and training to unemployed black youth (aged 18-35) to assist in boosting their employability and finding permanent positions.

We are also finalising a youth development and employment strategy, aligned to our participation in the YES programme. Currently, we identify and develop local youth talent and skills through our schools project. Implementing the YES programme across our operations offers the chance to further improve our local talent pipeline and support the development of thriving communities by creating livelihood pathways for local youth.

We started with a pilot YES initiative at Amandelbult. In June 2021, we recruited 720 youth to work in different economic sectors in the area. The programme ended in June 2022 and a second phase has been approved. In 2021 and 2022 we spent R33 million and R94 million.

Talent sourcing

This is a new initiative designed to close gaps in current succession pipelines, where internal talent will not have the correct capabilities to meet current business needs to fill critical roles immediately. In 2022, we developed an external talent pipeline, described as a talent network or external talent pool, which we can access for exploratory interviews with the aim of offering opportunities to drive inclusion and diversity targets.

Retention

Onboarding support

Another new initiative in 2022 is a far more structured programme of support for new joiners at Anglo American Platinum. The programme is aimed at creating a sense of belonging and an exceptional employee experience from day one. It includes providing a comprehensive overview of the organisation, necessary information around resources, their team and role, and offers a structured approach to assist with settling-in during the

first weeks and months. This is intended, in particular, to address the challenge of so-called quick quitting where people quit within the first six months of joining the company.

Manager-once-removed system enhanced

The manager-once-removed conversations were effectively introduced in 2022, with widespread training from PMC level to senior management leaders. It enables employees to engage with their reporting line manager who is two levels of work above the employee. Manager-once-removed conversations ensure that employees are aware of development needs identified by the manager and to align development to individual career aspirations. It creates an opportunity for managers to connect with talent, explore, align and provide feedback to realise their full potential within readiness timelines. The outcomes of these interactions are recorded on the talent system to create transparency in supporting intentional development of talent.

Development

Skills development

Our skills development programmes comply with legislative and regulatory requirements, including the mining charter and Skills Development Act. Our annual skills development plan is based on engagement with organised labour which participates in our employment equity and skills development committees. Training in technical and interpersonal skills is designed to equip employees with the skills required to work safely, efficiently and ethically, and refreshes those skills regularly.

Some training focuses on specific roles, competencies and experience levels, while all staff undergo certain training. There are stringent requirements for certain mining occupations, where annual training is mandated by government regulation. We comply with these requirements and carefully plan and monitor the training and accreditation of our staff. This helps keep our people safe and ensures the business has fulfilled its responsibilities in the event of an accident or incident.

Employee development

In addition to skills training, we provide multiple learning and development opportunities, including:

- Leadership development
- Youth development
- Learnerships
- Coaching and mentorship
- Career-progression planning.

Leadership and culture continued

Attracting, retaining and developing talent continued

Further training opportunities include role-aligned, nationally accredited competencies and qualifications, study assistance programmes and various e-learning (online) courses and modules. In addition to formal development programmes, workplace learning is viewed as the most effective approach to building capabilities through challenging experiences and assignments.

Modern training methods for work of the future

We recognise that classroom-based training is not always effective. At least 70% of training has to happen in the flow of work, and 20% must be in the form of coaching and mentorship. An increasing amount of training is computer-based, and through the use of virtual reality.

Initiative	Description	Aim	Impact	Number of people trained
Early talent	A well-structured bursary and graduate development programme, focused on ensuring a diverse pipeline of professionals into the business across all key disciplines.	Ensuring a healthy pipeline that proactively feeds professionally competent people. Ensuring development of a specialised and competent workforce.	The programme addresses one of South Africa's biggest socio-economic challenges – the lack of qualified engineers and technically competent people.	67 bursaries awarded, 79% of the awardees are historically disadvantaged people and 25% are women
Engineering learnerships	Learnership programmes help mitigate the skills shortage in engineering artisanal levels that the company requires.	Learnerships develop employee skills required to become artisans. They also support development of local communities, for a readily accessible pool of skills.	Developing employees supports skills retention at operations. Employment for local communities through post-schooling qualifications.	390
Skills programmes	Various skills programmes, comprising groups of unit standards that allow learners to become employable for a specific role and recognised by the Mining Qualifications Authority.	Giving learners the opportunity to participate in a skills development programme with national recognition.	Employees benefit from nationally recognised qualifications relevant to the industry that also create the opportunity for promotion.	810
Cadetships/ internships	Training individuals from local communities in skills for specific jobs to be employed immediately into permanent positions or later as needed.	Ensuring a pool of technically competent people from local communities who are immediately available to fill specific roles in the business on completing the programme.	Addresses the socio-economic issue of preparing youth for employment by providing experiential training in the mining and minerals processing industry.	258

Focus for 2023 and beyond

We continue to:

- Focus on closing our BBBEE skills development gaps
- Position Anglo American Platinum's employee value proposition, both internally and externally to the organisation
- Identify key roles to develop dynamic and healthy succession pipelines
- Focus on the intentional development of talent for critical and scarce roles
- Source and develop women and people with disabilities
- Upskill and reskill for our future of mining programme and, in particular, analyse the types of skills needed for the future as the nature of work changes
- Refine youth development and employment strategy.



Virtual reality training at Amandelbult Mine

Leadership and culture continued

Our Culture in Action

Material issues



Material issues

- Skilled workforce
- Operational performance

SDGs



At a glance

- Global Colleague survey (60% response rate) indicates felt impact of Culture in Action programme
- Successful activation of conversations about GBV
- GBV advisory panel appointed
- Living with Dignity hub established.

Introduction

We are guided by our purpose to re-imagine mining to improve people's lives. The work we do, the choices we make, and the way we behave with one another as a team are what will allow us to achieve our purpose.

Our strategy and our culture are intimately connected, together capturing the work that we need to do and how we need to do it to deliver on our purpose. Our desired culture is to be: purpose-led, values-driven and high performing.

We use the key principles in our Organisation and Operating Models to live our purpose, strategy and culture every day.

We use the expression Culture in Action deliberately to signify that culture is something that is active and can be influenced and worked on every day. Following several processes that enabled us to listen and learn from voices at all levels in the company, we identified three commitments to support the delivery of our purpose:

- Treating all colleagues with unconditional trust and respect
- Soliciting voices and creating a fair, curious and inclusive environment
- Living up to our commitments and creating positive accountability.

Embedded within our cultural aspirations are proper consideration for, physical and psychological safety, gender-based violence (GBV), racism, mental health, our core values more broadly and the work we do everyday.

Management approach

Our Culture in Action programme involves six categories of work:

- **Culture foundations:** Shaping central elements of culture in Anglo American Platinum
- **Employee journey:** Supporting all colleagues to build the skills and capabilities to live up to our culture and achieve our priorities

- **Systems and process design:** Designing and evolving our systems and processes to hardwire Culture in Action
- **Stakeholder relations:** Engaging and collaborating with stakeholders to build trusted relationships and enable a collective movement while driving common understanding, belief and focused action
- **Change Management:** Sustaining change by continuously listening and integrating insights with measurement along the way.
- **Organisation and role design**



Board visit to Mogalakwena Mine

Leadership and culture continued

Our Culture in Action continued

Measuring our progress

We monitor and measure felt impact. In late 2022, we participated in a Global Colleague Survey, and recorded a 60% response rate for Anglo American Platinum (2021: 41%). Particularly pleasing was the 84% response rate from frontline employees. A 50% or higher response rate is considered to be excellent. Overall our engagement score was 91%, with an employee net promoter score (eNPS) of +32. As a business we are aiming for an engagement score of >85%. An eNPS of more than 20 is regarded as strong.

The survey measured seven key metrics: employee engagement and recognition; accountability and prioritisation; employee development, physical and psychological safety, sustainability and ethical conduct; and resilience and adaptability change.



What we are doing

A strong focus in 2022 was the enhancement of our employee journey, with a focus on making sure that we access the voices of all of our colleagues. We started our leader-led approach with senior management. We held focus groups with approximately 200 colleagues across 8 sites.

Employee Journey 2022

- Delivered leadership summits in March, July, August, and November 2022
- Progressed with roll-out of Organisation Model application workshops, and trained 15 internal experts
- Began integration of Safety Leadership Practices and Supervisory Development Programme.

We paid attention to three specific culture foundations during the year: occupational safety, sustainability and GBV.

- **Occupational safety:** Safety is increasingly being integrated into our everyday work
- **Sustainability:** The sustainability work still needs more attention as we aspire to be a leader in sustainability
- **GBV:** Working on addressing GBV affecting our employees.

Culture foundations 2022

- Developed Anglo American Platinum Story
- Created GBV Stand and GM stand, engaged leadership, held focus groups across nine sites
- Defined Safety Strategy following input from Safety Summits and team sessions (to be finalised), held Global Safety Day and integrated safety and partner summit.

A particularly successful initiative, we believe, has been activating conversations about GBV at all levels of the business. An advisory panel comprising ten diverse, senior leaders has been established to provide thought leadership on preventing and responding to incidents of GBV. Panel members have visited operations and have been confronted with accounts of women facing abusive situations, sometimes on a daily basis.

An increasing number of reports of breaches being lodged, which is a positive development as we are creating a space where people now feel free to speak up about adverse experiences. Also encouraging is that senior leaders, including general managers of operations, have been taking firm stances on sexual harassment and GBV.

As part of this programme, we are establishing both preventative measures and response measures.

- Our response measures involve ensuring that the system we are creating is victim-centred, and facilitates a safe psychological space. In considering how to deal with perpetrators, we understand that some perpetrators are part of a broken community. Our work is therefore designed to prevent GBV taking place in these communities.
- We have also launched the Living with Dignity hub, which provided a holistic and victim-centric approach to the work. It collaborates with business units to transform policies, processes and procedures. While GBV response and prevention initiatives remain the responsibility of the business units, the hub will play a key role in uprooting GBV behaviour through efficient systems and processes.

There were 66 cases of sexual harassment and GBV in 2022. In 2022, there were three dismissed cases related to sexual harassment and sexual violation.



GBV: For a related discussion on GBV, see the section on inclusion and diversity.

Focus for 2023 and beyond

The momentum begun in 2022 needs to be continued, including:

- **Culture foundations:** Continued focus on GBV, safety, and implementation/compliance with the sustainable mining plan
- **Stakeholder relations:** Story expression and activation across all stakeholders
- **Employee journey:** Development of a strong employee value proposition. Continued activation of training, and delivery of continued leadership engagements
- **Change management:** measuring progress against our strategic priorities and learning from the insights in our global colleague survey
- **Systems and process design:** Refreshed approach to recognition and performance management
- **Organisation and role design:** Strategic workforce plan for Amandelbult and Mogalakwena developed and approved in alignment with implementation of future of mining plans; roll-out operational leadership excellence programme blueprint to all operations.

Supporting inclusion, diversity and transformation

Material issue



Priority material issue

- Skilled workforce



Material issue

- Diversity and inclusion

SDGs



At a glance

- Women account for 28.1% of senior and top leadership positions
- HDSAs represent 60.3% of senior positions and 50% of top positions
- Renewed focus on people with disabilities.

Introduction

We are creating a workplace that is inclusive and diverse, and that empowers every individual to bring their whole self to work. By cultivating an inclusive culture and promoting the recruitment and development of diverse talent and future-fit skills, we are building a capable and creative company that not only improves people's lives, but also harnesses the best talent.

In South Africa, our history requires that businesses aspire to employ a workforce that reflects the demographics of our country as closely as possible. This is necessary both to ensure that the country's historical legacy is overcome, and that the skills of the entire population are employed to the end of economic progress. The MPRDA, through the mining charter, and the Employment Equity Act are among the legislative instruments that guide these imperatives.

Management approach

Our integrated transformation framework and strategy embed the requirements of all relevant transformation legislation and align these with our business strategy and sustainable mining plan (SMP). Two of these pillars – equity and redress as well as inclusion and diversity – will be dealt with here. The other pillars – skills development, inclusive procurement, and socio-economic development – are reported elsewhere in the report.



Leadership and culture, responsible and inclusive supply chains and community development: For more information on skills development, inclusive procurement, and socio-economic development.

This work is cross-functional, and to achieve collaboration and mutual understanding we have set up various forums for engaging on these issues. Current forums include the employment equity and skills development committee, the housing forum, community development forums, the culture leadership team, a gender-based violence (GBV) advisory panel, GBV reference groups, the Culture in Action steering committee, and the union task force, which forms part of the GBV prevention and response structures.

Compliance

Ensuring compliance with the Employment Equity Act 1998, the BBBEE Act 2003, and section 28(2)c of the MPRDA is an important component of our transformation approach. Accountability for meeting the requirements of these different pieces of legislation is allocated to appropriate functions across the company. We conduct regular audits to identify risks and close gaps.



Our ambition and targets

Anglo American Platinum is committed to establishing and maintaining a diverse and inclusive workforce. In pursuing these goals, we are confident that we will meet and surpass all the transformational regulatory requirements that govern our business.

Among our targets, we aim to ensure that:

- Women account for 33% of senior and top leadership positions by 2023
- HDSAs to account for 60% of senior positions and 50% of top leadership positions by the end of 2023
- People with disabilities to make up 1.5% of the total workforce by the end of 2023 and 2% by 2025.

Measuring our progress

Employment equity

Our high-level targets are to achieve 90% of HDSAs in management by 2023. By the end of 2022, we had achieved 82.8% of HDSAs in management (2021: 82.0%) and 27.8% of women in management (2021: 27.7%).

At the end of 2022:

- HDSAs made up 89.7% of our workforce (2021: 87%), 89.9% of critical and core positions (2021: 89%), 82.8% of management positions (2021: 82%), and 50% of top management positions (2021: 50%)
- Women made up 21.9% of our workforce (2021: 23%), 20.1% of critical and core positions (2021: 19%), 27.8% of management (2021: 27.7%), and 37.5% of top management positions (2021: 37.5%)
- People with disabilities made up 0.4% of our workforce (2021: 0.4%), 0.4% of critical and core positions (2021: 0.4%), and 0.6% of management positions (2021: 0.05%).



Inclusivity and diversity event – Elevate 2022

Supporting inclusion, diversity and transformation continued

	2018 %	2019 %	2020 %	2021 %	2022 %
HDSAs in workforce	87.8	88.2	88.8	89.3	89.7
HDSAs in critical and core positions*	87.0	88.1	88.6	89.1	89.9
HDSAs in management*	77.6	78.4	79.9	82.0	82.8
HDSAs in top management**	37.5	37.5	50.0	50.0	50.0
HDSA in board***	30.8	27.3	41.7	50.0	50.0
Women in workforce	17.6	18.7	19.8	20.8	21.9
Women in critical and core positions*	15.2	17.4	18.5	19.0	20.1
Women in management*	23.8	24.3	25.2	27.7	27.8
Women in board***	15.4	18.2	33.3	41.7	41.6
Women in top management**	25.0	25.0	33.3	37.5	37.5

* Management: Top, senior, middle and junior management

** Top management: PMC level

*** Board members of Anglo American Platinum

We applied section 28(2)C of the MPRDA as a guideline.



What we are doing

We are building an inclusive and diverse workforce through targeted recruitment and development initiatives for historically disadvantaged people, women and people living with disabilities. We are driving progress by creating a representative talent and succession pipeline, rewarding good performers, developing skills and leadership capabilities, and providing opportunities for career advancement.

Our transformation strategy outlines five strategic action areas for 2021 to 2023, all of which are applicable to our pursuit of equity, diversity and inclusion.

Diverse workforce

In addition to our target that women will account for 33% of senior and top leadership positions by 2023, we want to see the balanced inclusion of employees at all levels of the organisation,

including persons living with disabilities, and the LGBT+ community. To do this, we have developed effective recruitment, talent management and skills development processes that promote inclusive and diverse practices, as well as a holistic approach to employee wellbeing.

Good progress has been made in promoting gender diversity, as well as the employment of people with disabilities. The launch of our Enabling Strategy will give us a more focused approach in relation to eradicating the barriers attitudinal, physical and organisational barriers, focusing on people with disabilities.

This work in the coming year will be led and directed by employees living with disabilities. They will play a key role in making Anglo American Platinum's culture more inclusive and barrier-free for persons with disabilities.

The LGBT+ community is gaining good momentum in different pockets of the business. There is opportunity for further improvement which will be an area of focus in 2023.

Our disability disclosure campaign to promote the recognition and awareness of differently abled people formed part of Anglo American Platinum's 2022 Sustainability Day. Interviews were conducted with people with disabilities across our operations in line with our Culture in Action commitment of 'Listening to all the voices with fairness and humility'. The purpose of these interviews was to gain insights into the barriers that exist for people with disabilities.



Case study: 'Enabling you' – a programme to promote the inclusion of people with disabilities.

Legislative requirements

While we strive to go beyond legislative compliance, we have improved performance on all key legislative elements, especially ownership, skills development, and enterprise and supplier development. We have also created broad awareness of the potential impact of missing targets.

Talent and recruitment initiatives have been put in place, resulting in an improvement in the representation of women across all occupational levels. There are initiatives to integrate the business transformation value chain and monitoring in line with our 2023 plans. More robust measures will need to be adopted to attract and retain the best talent, which entails a greater understanding of our current and available talent health across the broader group, and adopting best inclusion practices that will encourage women to take an interest in careers at Anglo American Platinum.

A deeper socialisation of the targets with all relevant stakeholders will be key to creating shared accountability. In addition, the employment equity policy and our internal employment equity constitution, have been reviewed and subjected to verification by the employment equity and skills committee and have been signed-off. The policy guidelines incorporate the fixed targets and guidelines in the new Employment Equity Amendment Bill.

Enabling environment

Our intention is to provide an enabling environment that supports the inclusion of historically disadvantaged people in critical and senior positions. In support of this, we have reviewed and built infrastructure that supports the inclusion of women, people living with disabilities, and the LGBT+ community. We also want to create an environment that is conducive and supportive of including women in core and critical roles. We have reviewed and developed policies that promote inclusion and diversity and protect the physical and psychological safety of our employees.

Supporting inclusion, diversity and transformation continued

As part of our goal to create physically and psychologically safe spaces, we are focusing on the policies and physical infrastructure that promotes inclusion of underrepresented groups.

The Mineral Council's seven foundational measures (as part of the industry's women in mining strategy) have been instrumental in guiding our work on creating an inclusive workplace for women, particularly at our operations. These measures adopt a holistic view of what an enabling environment for women should look like, and consider both physical and psychological safety.

Our GBV preventative work has been identified as a key measure in our Culture in Action drive required to create an environment that enables every employee to thrive.

In 2022, we undertook a deep listening and sensing diagnostic with selected employees to deeply understand GBV.



Case study: Getting to grips with GBV

Integrated system

Underpinning our strategy and approach has been the development, implementation and maintenance of an integrated system for addressing legislative requirements and central document management. This system is being made accessible to company leaders for them to be able to monitor performance, and to enable the analysis and prediction of performance against scorecards. The system is being tested prior to its roll-out (with training) in 2023.

Governance

We have spent time reviewing our employment equity and skills development structures from operational to corporate levels, ensuring that the governance model reflects line manager ownership and accountability. The central forum has been reviewed with the inclusion of line management representation to chair the committee. Our employment equity constitution has been reviewed to address identified gaps, and was finalised in December 2022, following input from union stakeholders.

We have established platforms that foster dialogue on inclusion and diversity related matters and have identified employee champions to facilitate the process. The conversations are focused on addressing GBV, bullying, harassment, victimisation and racism.

Focus for 2023 and beyond

We continue to:

- Increase the number of women in leadership positions to 33% by 2023
- Focus on all aspects of inclusion and diversity
- Develop GBV prevention innovations and solutions in relation to our GBV prevention project
- Hire more people living with disabilities and improve the experience of employees with disabilities. Create an environment that is physically and psychologically safe for people with disabilities, so they feel comfortable to disclose their disability status, allowing us to report accurately and monitor any disability pay gap or other areas of discrimination and levels of employment of people with disabilities by geography or business unit.



Mulalo Tshilowa and Dikeledi Komane having a conversation about Mogalakwena's zero waste to landfill programme

Upholding human rights



At a glance

- Continued reporting under VPSHRs. No incidents reported at Anglo American Platinum under the VPSHR in 2022
- In total, 193 incidents or complaints received through our grievance mechanisms – 37 related to human rights
- Annual Social and Human Rights Impact assessments (SHIRA) conducted at all operations.

Introduction

We respect human rights for all people and communities, uphold these in our operations, and actively promote them in our supply chain. Respect for human rights is a foundational element that needs to be continually addressed and delivered by our systems and processes. Any failure to respect human rights would carry serious risks to the company in terms of its ability to operate effectively and its reputation.



Our ambition and targets

Our commitment to respect human rights means that our primary goal is to avoid and prevent human rights transgressions. However, we also need to have an effective grievance mechanism that facilitates lodging grievances where they occur or are perceived to have occurred. All grievances lodged will be investigated and, if substantiated, remedied.

Management approach

Our policies and management systems align with the South African Constitution, the UN Global Compact, UN Guiding Principles on Business and Human Rights (UNGPs), the Voluntary Principles on Security and Human Rights (VPSHRs), and IFC performance standards. The Anglo American human rights policy underpins our approach, and the group's social way 3.0 provides the overarching management system.



Responsible and inclusive supply chains: For information on how we integrated human rights in our supply chain.

Our responsible sourcing standard for suppliers reflects our commitment to building ethical value chains free of modern slavery, while our IRMA standard and certification system drives best practice and accountability for human rights at our operations.

We actively engage and involve our stakeholders in assessing and addressing human rights impacts.

Compliance

Anglo American Platinum's compliance journey is underpinned by the social way, through which we ensure that policies and systems are in place in all sites to support effective engagement with affected communities, avoid or minimise adverse social impacts, and maximise development opportunities.

The social way is aligned with our purpose and sustainable mining plan, as well as evolving international best practice and standards.

- The social way takes a rights-based approach:
 - Stakeholder engagement must be open, meaningful, respectful and include vulnerable and disadvantaged groups
 - Site-level grievance processes must be legitimate, accessible, predictable, equitable, transparent, rights-compatible, based on engagement and dialogue, and require remediation as needed
- The social way includes processes for identifying, assessing, and addressing social and human rights impacts and risks
- It sets out the required mitigation hierarchy approach of assessing, seeking to avoid, minimising, mitigating, and then remediating potential negative impacts.

Measuring our progress

The VPSHRs have been used as an assessment tool for relevant potential human rights issues in security-related activities at our sites. Through site-based social and human rights impact and risk analysis (SHIRA), significant risks and impacts are highlighted and unwanted priority events are flagged.

Anglo American reports on adherence to the VPSHRs on behalf of the group. There were no incidents reported by Anglo American Platinum's operations in 2022.



Anglo American annual report for the Voluntary Principles on Security and Human Rights: 2021: <https://www.angloamerican.com/~media/Files/A/Anglo-American-Group-v5/PLC/sustainability/approach-and-policies/social/anglo-american-2021-voluntary-principles-report.pdf>

We have formal mechanisms at every site and corporate level through which stakeholders can anonymously report grievances, including alleged human rights grievances and violations. We ensure these mechanisms work well that our stakeholders feel comfortable and confident using them, and that they know their grievances will be taken seriously, and their concerns addressed and remedied.

Where we receive complaints on any potential human rights abuses, these are thoroughly investigated and dealt with accordingly.

In total, 193 incidents or complaints were reported during the year, 37 related specifically to human rights aspects.

Upholding human rights continued

Complaints or grievances reported

Site	Incidents	In progress	Closed*	Level 4–5	Level 3	Human rights linkage
Der Brochen	16	16	0	0	1	7
Mogalakwena	59	58	1	0	2	13
Amandelbult	49	27	22	0	11	7
Unki	14	0	14	0	0	5
Twickenham	32	32	0	0	13	2
Rustenburg	24	24	0	0	0	7
Polokwane	13	13	0	0	1	1

* Training is in progress to assist sites with closing grievances on the system.



What we are doing

During the year, we focused on engaging with NGOs on resettlement, SLPs, human rights, and other human rights-related matters. As part of the Mogalakwena resettling relationships project, we have also embarked on a two-pronged approach to enhance engagement with stakeholders like academia and civil society organisations more proactively.

We are establishing two multiparty engagement platforms:

- The first involves strengthening our relationships with civil society organisations including the Alternative Mining Indaba
- The second involves working on an ICMM-driven multiparty engagement platform with international NGOs, the Minerals Council, the Alternative Mining Indaba and other mining companies.

These platforms form part of our work to enhance NGO engagement and co-create a social compact with community stakeholders (and others) to improve how we address human rights and other issues.

We are integrating ongoing human rights due diligence into all relevant business processes, including risk and impact assessment, social management, and contractor management. We made progress in integrating the new SHIRA process into other risk management systems, including our operational risk management process, where priority unwanted events emanating from material community impacts are managed and monitored.

In 2022, the annual SHIRA was again conducted on all our operations. As part of this, deficiencies were identified, mitigation plans developed, and implementation progress tracked.

SHIRA assessments were also conducted on various projects, including cultural heritage, discovery and drilling projects, hydrogen projects, solar PV projects, VPSHRs and resettlement.

We continued to take considerable steps in addressing potential or actual human rights risks with directly affected stakeholders and the South African Human Rights Commission.

None of our operations are considered to be at risk in terms of child labour, forced or compulsory labour.

Focus for 2023 and beyond

- Continue to integrate group policies and processes into the business units and improving our human rights risk assessment processes
- Work on our IRMA compliance, improving methods to determine salient human rights issues, and accelerating actions taken to prevent, mitigate and/or remediate risks and impacts.



Case study: “Enabling you” – independent human rights due diligence at Unki Mine

Independent human rights due diligence at Unki Mine helps continue the process of embedding human rights due diligence systems that are fit for purpose, rigorous and mature.

Sustainable mining plan Pillars

Our sustainable mining plan includes the three global ESG pillars. It sets out our commitment to stretch goals, and drives our sustainability outcomes through technology, digitisation and an innovative approach to sustainable development.



Our approach to sustainability and the sustainable mining plan and progress against stretch targets is on pages 6 and 7.



Environment Healthy environment

– Pursue carbon-neutrality



Climate change, biodiversity, water



Social Thriving communities

– Co-create sustainable community livelihoods



Education, health and wellbeing, livelihoods



Governance Trusted corporate leader

– Embed ESG at the centre of our strategy



Accountability, policy advocacy, ethical value chains

Healthy environment

We are committed to being responsible stewards of the land at and around our operations, for the success and sustainability of our business, the environment and our stakeholders. We seek to minimise our environmental footprint through effective management and monitoring of our impacts while predicting and mitigating risks.

Our strategic response to the environmental challenges we face – as a company and an industry – is focused on regeneration, supported by effective water and energy management; reducing and minimising our emissions materials stewardship and integration into the circular economy; and premised on nature-based solutions and ecosystems. Our aim is net positive biodiversity impact.

Our approach is underpinned by legal compliance, best-practice policies, performance standards and business processes; investing in internal capacity, capability and technological innovation; and partnerships and collaboration with stakeholders.

Material issues



Priority material issues

- Energy transition and security
- Operational performance



Material issues

- Building climate change resilience
- Tailings management
- Access to water
- Health and safety
- Value creation from ESG

SDGs



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Healthy environment

Environmental management

SMP stretch goals, milestones and targets – environment



Climate change and energy

To operate carbon-neutral mines

2022: Energy intensity target: 0.824GJ/tonne milled
Net GHG emissions target: 4.60Mt CO₂(e)



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



2040: Carbon-neutrality across our operations



Water

To operate waterless mines in water-scarce catchments

2030: Reduce freshwater withdrawal with 22.7% (on a three year rolling average) against a 2019–2021 three year rolling average baseline
(Against 2015 baseline data) reduce withdrawal of fresh water by 50% (group target)



Biodiversity

To deliver net positive impact (NPI) across our operations by implementing the mitigation hierarchy and investing in biodiversity stewardship

2021: Draft site-specific biodiversity management plans, establish biodiversity and ecosystem services baseline



2022: Conduct impact assessments and mitigation planning, develop a draft biodiversity offset management plan and biomonitoring programme to feed into a biodiversity management plan



2023–2025: Indicators tracked against plan on quarterly, half-yearly or annual basis as per approved site plan



2030: Deliver NPI on biodiversity across all operations



Achieved



On track

Introduction

We support and require regulatory compliance across our business as a minimum, using our environmental management systems (EMS).



Our ambition and targets

Our environmental management systems guide our continuous improvement, and we continue to identify, develop and implement data-driven solutions to protect the environment.

Our aim is to ensure no repeats of environmental incidents.

Management approach

Our environmental policy forms part of the integrated safety, health and environmental (SHE) policy under the overarching Anglo American SHE policy. It supports the long-term sustainability of our business by ensuring we effectively manage resources, reduce our impact on the environment and local mine communities, and comply with legal requirements.



Governance, compliance and management approach: For details on the SHE way.

Measuring our progress

In 2022, we invested R149 million (2021: R168.9 million) in environment focused programmes and projects.

All managed operations (100%) have been certified against the ISO 14001:2015 environmental management standard, including Mototolo in 2022.

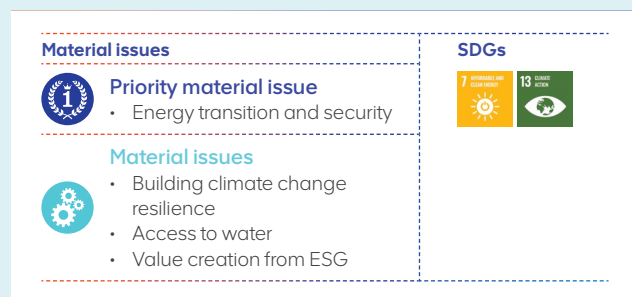
We did not record any level 4–5 environmental incidents during 2022, although we reported one level 3 incident (2021: one) with a moderate impact (but not being a repeat). There were eight level 2 incidents (2021: nine) in the minor impact category.

Focus areas in 2023 and beyond

In addition to maintaining ISO 14001 certification and avoiding any significant level 4–5 and repeat level 3 incidents, we continue to pursue excellence in environmental management through a variety of internal self-regulating measures such as inspections, as well as to introduce a step-change strategy to measure pro-active elements of environmental management to support compliance with environmental authorisations and other legal requirements.

Healthy environment continued

Climate change



At a glance

- Announced clear decarbonisation targets and pathway to carbon neutrality
- First climate change report published
- GHG emissions reduced by 10% in 2022, and energy intensity down by 8%
- Launch of nuGen haul truck at Mogalakwena
- Progress in establishing hydrogen valley
- Scenario analysis indicates that our profitability will be resilient to a 1.5°C pathway.

Introduction

We are committed to playing a significant and positive role in the global challenge of combating climate change, and in building resilience among our operations and communities to the impact of a rise in global temperatures. Our commitment to the just energy transition to achieve a low-carbon future is integral to our purpose.

Our challenge has two, inter-linked elements:

- to decarbonise our operations and our value chains in such a way that we minimise the negative consequences for our employees and other stakeholders while maximising the benefits; and
- to practise and advocate for responsible mining, so that the development of new mines and the production of the metals and minerals the world needs to transition, is done in such a way as to produce real, sustainable benefits for those communities closest to the developments.

Mine closure planning is both an important tool for us in thinking about transition and ensuring that the transition to post-mining is just.

We are reducing GHG emissions as a result of our activities by lowering our energy consumption and intensity, switching to low-emission fuels and increasing our use of renewable energy.

Through our position as a leading PGM producer, we have partnered with technology developers and are actively involved in developing infrastructure and the market for hydrogen. The PGMs we produce are set to play a wider role in a lower-carbon world. These metals are critical in enabling cleaner, greener and more sustainable energy production for society, thus facilitating global decarbonisation plans. Pursuing a lower carbon emission pathway helps us ensure that our sustainable environmental efforts benefit both current and future generations of our stakeholders.

We will continue to proactively manage any risks posed by climate change, including adhering and seeking to improve the content of regulations around tax liabilities. As we have embedded ESG into our capital allocation, we have developed a model for funding projects addressing our decarbonisation plans.

Energy security remains a critical concern for our operations. Both South Africa and Zimbabwe face ongoing energy-security threats and significant price increases. Our operations monitor the situation constantly and have put emergency preparedness plans, including protocols to minimise the impact from unplanned power outages and load-curtailment requests from the national power utilities.



Our ambition and targets

Our ambition is to play a leading role in the global just energy transition by:

- Optimising opportunities for our products to support a greener, cleaner, more sustainable world
- Reducing our energy consumption relative to our production forecast by improving our energy intensity and net GHG emissions
- Transitioning to low GHG emission fuels and increasing our use of renewable energy.

Our climate ambitions are:

Scope 1 and 2 emissions (against a 2016 baseline)

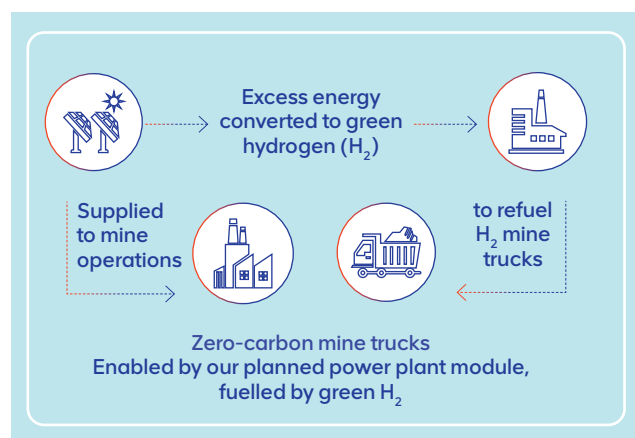
- 30% improvement in energy efficiency by 2030
- 30% reduction of GHG emissions by 2030
- To be carbon neutral by 2040 (Scope 1 and 2).

Scope 3 emissions (against a 2020 baseline)

- 50% reduction in scope 3 emissions by 2040 (Anglo American-wide target).

Healthy environment continued

Climate change continued



Our pathway to carbon-neutrality by 2040

CO₂ emissions reduction relative to 2016 baseline



CDP submission: For our annual submission to CDP.

Insight

Portfolio resilience to a 1.5°C world

We developed a range of scenarios, including a 1.5°C pathway, to anticipate potential transition impacts and inform our strategic choices. We disclose this in our 2022 Climate Change Report. We assessed the resilience of our portfolio to transition impacts across key dimensions financial strength and strategic robustness. We will update this assessment every two to three years. The scenario analysis indicated that our profitability will be resilient to a 1.5°C pathway.

Management approach

Climate science has demonstrated the need to decarbonise the global economy as quickly as possible aligned with the Paris Agreement to limit global warming to well below 2°C, preferably 1.5°C compared with pre-industrial levels. We are committed to playing our part by decarbonising our operations. We will provide PGMs produced from green energy that also plays a pivotal role in the world's transition to a low-carbon economy.

Insight

Partnering to create a regional renewable energy ecosystem in South Africa

Anglo American has partnered with EDF Renewables to form a new jointly owned company, Envusa Energy, to develop a regional renewable energy ecosystem (RREE) in South Africa. In March 2022, the two companies signed a memorandum of understanding to explore the ecosystem's development, designed to meet our operational power requirements in South Africa and support the resilience of the local electricity supply systems and the country's wider decarbonisation strategy. The RREE is also expected to catalyse economic activity in South Africa's renewable energy sector, supporting the country's broader just transition.

As part of the agreement, Envusa Energy will launch a pipeline of more than 600MW of wind and solar projects in 2023. These projects will displace approximately 2 million tonnes of CO₂(e) by 2025 – a significant first step towards developing an ecosystem that is expected to generate 3–5GW of renewable energy by 2030.

Our approach to climate change adheres to **Anglo American's climate change policy** and management approach. This includes building internal agility and resilience to climate change, understanding and responding to the risks and opportunities related to the carbon life cycle of our products, and developing and implementing collaborative solutions with our stakeholders and partners. The S&SD committee has responsibility for oversight over the company's management of climate change-related issues.

Our management systems, structures, governance and engagement processes ensure that climate change response is at the centre of all our business decisions. The responsibility for managing climate change is delegated throughout the organisation and the safety and sustainable development (S&SD) committee of the board assumes ultimate responsibility.

We recognise that we face a spectrum of risks from climate change: physical, regulatory, market, financial and legal.

Our principal climate-related risks are:

- Water supply security for our company and host communities
- Energy supply security and rising energy prices
- Carbon tax liability in South Africa.

Most notably, Anglo American Platinum has recognised the risk of catastrophic/extreme weather impact as a principal risk.



Further info: Integrated annual report: Principal risks.

Our risk management approach, including our quantitative scenario analysis, enables us to identify and manage both risks and opportunities, thus enabling implementation of our sustainable mining plan. We review our climate change risks monthly and annually. Our business assurance services are responsible for the overall monitoring and assurance of our risk management process.

We ensure that climate change risks and opportunities are embedded in investment design by incorporating internal carbon pricing into the selection of our projects portfolio, including considering alternative low-carbon energy sourcing and making the necessary adaptations to account for extreme weather and long-term climate change.

Our remuneration system considers performance in terms of energy efficiency, CO₂ emissions and water management. (Refer to the performance measures section in the integrated report on [page 22](#), and for executive remuneration in the governance report, [page 24](#))



Climate change report: For detailed information on our approach to climate change and our TCFD report.

Healthy environment continued

Climate change continued



Our pathway to carbon-neutrality by 2040

Achieving our target of carbon neutrality (scopes 1 and 2) by 2040 across our operations is a complex, multidimensional challenge. A detailed understanding of our current emission sources allows us to make decisions and deliver a pathway to carbon neutrality in conjunction with driving innovations through advanced technological integrations. The work that has been undertaken with the Carbon Trust provides us with the confident that our 2040 ambition aligns with a 1.5°C future. The capital that we have deployed to meet our carbon neutrality targets is aligned with the requirement to meet the goals of the Paris Agreement.

Scope 1 emissions

Deploying the group FutureSmart Mining programme across the portfolio is instrumental in reducing our scope 1 emissions through technology, including the displacement of diesel at our mines through innovative solutions, such as nuGen, the world's first hydrogen fuel-cell-powered haul truck.

Scope 2 emissions

To reduce our scope 2 emissions, we are investigating:

- Consuming less energy by applying FutureSmart Mining technologies.
- Deploying energy reduction applications, especially in ore processing, the most energy-intensive part of our business. We are applying business optimisation initiatives, such as P101, the group's transformational asset productivity programme, that builds on the stability provided by the operating model as well as new technologies and digitisation.
- Transitioning to renewable sources of electricity, given that scope 2 emissions (associated with electricity) are the largest contributor to GHG emissions in our business. We are participating in a group initiative, in partnership with EDF Renewables (EDFR), to develop a regional renewable energy ecosystem in South Africa. In October 2022, Anglo American announced the creation of a jointly-owned company with EDFR: Envusa Energy, set up to develop a renewable energy ecosystem to provide 24/7

renewable energy to Anglo American's operations by 2030. This significant project will contribute to the transformation of South Africa's energy profile and support the country's development goals.

- We are planning a phased shift to renewable electricity, beginning with a 100MW solar PV plant at Mogalakwena that equates to approximately 37% of its current electricity requirements.

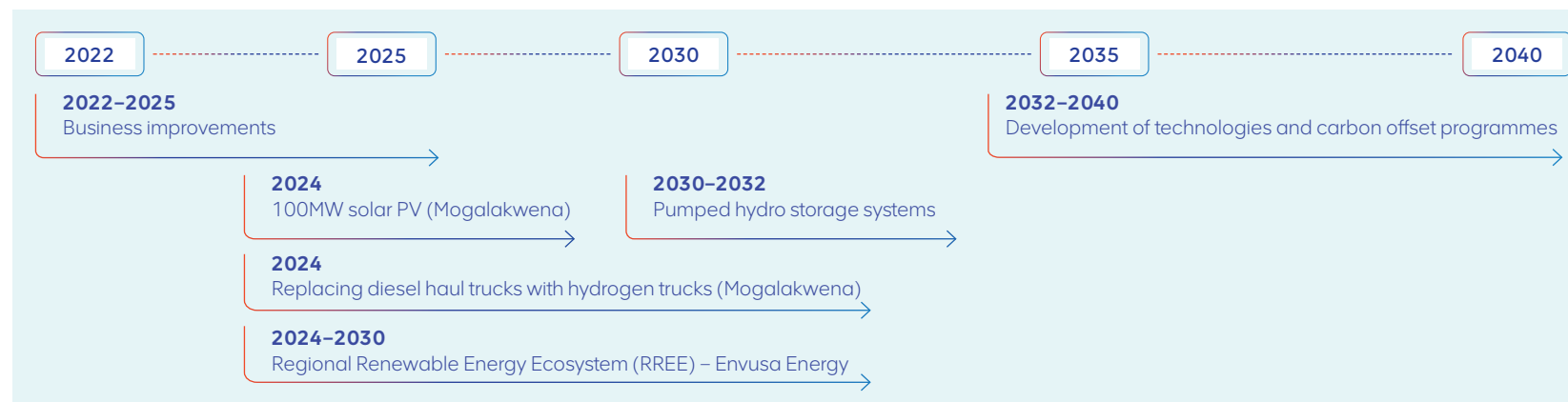
While our renewable energy usage is currently negligible, our plan is that 90% of our scope 2 emissions will be from renewable energy sources by 2030.



Renewable energy ecosystem: For more information on how we plan to decarbonise (scope 1 and 2 emissions).

Residual emission abatement

Our remaining scope 1 emissions from 2032 to 2040 of 0.33Mt CO₂(e) come from fossil fuel consumption in processing and other activities. We do not yet see a pathway to absolute zero for our scope 1 and 2 emissions – so, negative emissions will play a role to offset any residual emissions. We are developing our approach to negative emissions and recognise that what we do must be transparent, independently verifiable, and have real-world carbon impact. We will use the mitigation hierarchy as a guide: Avoid – Reduce – Substitute – Sequester – Offset, and likely favour self-managed carbon projects (otherwise known as insets) with a focus on nature-based solutions. However, following the agreements at COP26 and COP27 on Article 6, we expect the international market for voluntary carbon to develop quickly, and we are following closely that evolution, looking to build on the knowledge and experience we have developed trading carbon in compliance markets in Australia and the European Union. Our marketing business will enable us to participate in the key global emissions markets.



Healthy environment continued

Climate change continued

Compliance

We support the Task Force on Climate-related Financial Disclosures (TCFD) and published our first TCFD-aligned climate change report in November 2022.

In South Africa, our sites comply with requirements under national GHG emissions reporting regulations and the carbon tax statute. This includes a carbon tax for direct CO₂ emissions (scope 1) from the combustion of coal and other fossil fuels for the first phase of the scheme (1 June 2019 to 31 December 2022). Currently, 52% of our scope 1 emissions result from burning coal to generate heat and steam.

Our operations filed their carbon tax submissions for FY21 in July, paying a total of R13.3 million (2021: R10.2 million). Carbon tax paid excludes direct taxes paid on diesel and petrol, which are paid at the pump. The cumulative annual carbon tax liability for our operations is estimated at R11.7 million after applying allowances.

The second phase of South Africa's carbon tax regime will start in 2026, when the carbon tax rate will have larger annual increases to reach at least US\$30/t 2030. Without the execution of our decarbonisation strategy, this would have meant around a five-fold increase in carbon taxes from current levels. Given our decarbonisation plans we expect our annual carbon tax liabilities to be negligible.

In the second phase of South Africa's carbon tax regime from 2026 onwards, scope 2 emissions will be taxed and the carbon tax rate will have larger annual increases to reach at least US\$30/t by 2030. Without the execution of our decarbonisation programme, this would have meant around a five-fold increase in carbon taxes from current levels. Given our decarbonisation plans we expect our annual carbon tax liabilities to reduce over this period and become negligible once we achieve our net zero position.

Measuring our progress

We report our GHG emissions in line with the GHG Protocol:

- Scope 1: Direct operational emissions on-site
- Scope 2: Indirect emissions from purchasing electricity generated by Eskom for site use
- Scope 3: Indirect emissions that occur in our value chain.

Emissions	2022		2021	
	Mt CO ₂ (e)	% GHG emissions (scope 1 and 2)	Mt CO ₂ (e)	% GHG emissions (scope 1 and 2)
Scope 1	0.54	13	0.59	13
Scope 2	3.55	87	3.93	87
Scope 3	*	*	3.25	

* A process to calculate our 2022 scope 3 emissions will be undertaken. Calculated from scope 3 emission model.

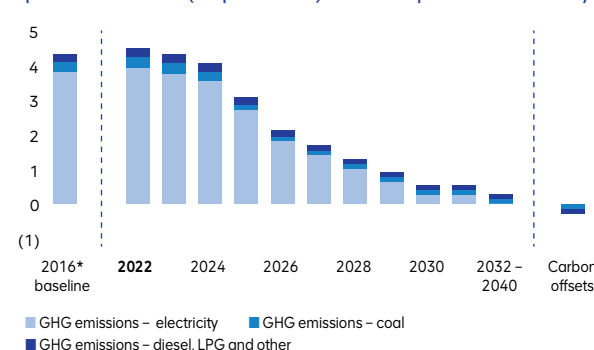
Energy

- Our total energy use in 2022 was 18.85 million GJ (2021: 20.82 million GJ), a decrease of 9.44% vs 2021
- Our energy-use intensity (per unit production) was 0.773 GJ/tonnes milled in 2022 (2021: 0.841 GJ tonnes milled), a decrease of 8.16%.

Emissions

- In line with our energy use, in 2022, we reported scope 1 and 2 emissions from our operations of 4.09Mt CO₂(e) (2021: 4.52Mt CO₂(e)). Around 87% of our GHG emissions (3.55Mt CO₂(e)) are associated with electricity consumption, with the balance of 13% (0.54Mt CO₂(e)) mostly from direct use of diesel and coal in mining and process operations
- This meant that our GHG emissions intensity (CO₂(e) tonnes/unit production) decreased by 8.32% to 0.168 CO₂(e)/t milled (2021: 0.183t CO₂(e)/t milled).

Operations emissions (scopes 1 and 2) – A roadmap to carbon-neutrality



* Performance measurements for the baseline year 2016, have been adjusted to exclude divested operations and include new acquisitions.



What we are doing

Energy efficiency to reduce emissions

We track our energy efficiency across all our locations. Our energy and CO₂ management (ECO2MAN) programme is integral to our understanding of our energy usage and GHG emissions, and has helped to drive reductions at an operational level since 2011. The programme continues to enable us to analyse our activities and identify operational levers for reducing energy consumption and GHG emissions, complementing our other initiatives.

Every site has a target based on the business unit roadmap to reduce energy intensity and GHG emissions. Performance is monitored through active dashboards that also incentivise participation in energy and GHG emissions-reduction activities.

In 2022, we completed our project planning for our energy intensity and decarbonisation roadmap, which is underpinned by detailed work at each sites. An important part of this work has been to develop a pipeline of projects with specific capital requirements at operating unit level and across the company, to achieve year-on-year targets. While our intention is that, as far as possible, energy-intensive projects provide quantifiable benefits, these benefits are not limited to cost reductions, but also production improvements and GHG emissions intensity reduction.

Key initiatives include

- Debottlenecking projects
- Energy evaluation of expansion projects
- Processing smelters' silicates
- Power tools upgrade to low energy-intensive technology.

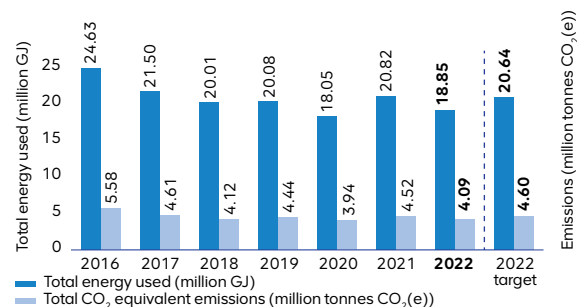
Integrated approach

We recognise the interlinkages between climate change, water and nature (ecosystems). Water security remains a principal risk related to climate change as we rely heavily on water for mining and processing activities and our sites operate in stressed catchment areas. We continue to consider climate change

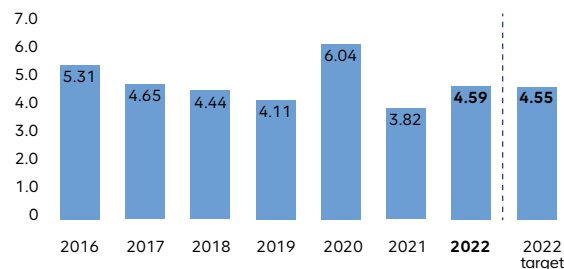
Healthy environment continued

Climate change continued

Energy consumption and GHG emissions



Energy intensity (PGM production)
GJ/PGM + Au ounce

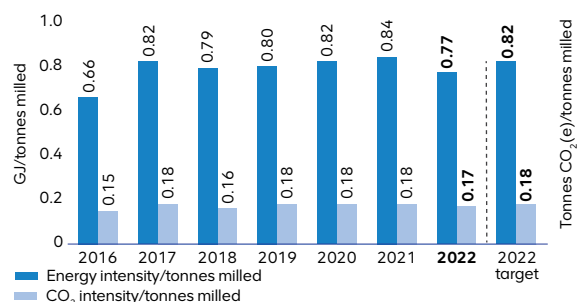


Insight

Working with our supply chain to reduce scope 3 emissions

The majority of our scope 3 emissions are from categories 1 (purchased goods and services) and 2 (capital goods). For targeted scope 3 engagement with large spend suppliers, we are deploying specialist tools to create a baseline of their emissions and to hold engagements with them on how to address these. Alongside our Responsible Sourcing Standard for Suppliers, which contains guidance and several requirements for suppliers on climate change and decarbonisation practices, we are working with the Carbon Trust to develop a supplier measurement tool. Once rolled out, the tool will capture current and future decarbonisation commitments from suppliers, and be used to identify opportunities for collaboration.

Energy consumption intensity and GHG emissions intensity



Scope 3 emissions

Our scope 3 emissions are largely outside our direct control. We are playing our part in mitigating the impact of our value chain emissions, and have aligned with the group's aim to achieve a 50% reduction in scope 3 emissions by 2040 against a 2020 baseline.

In 2022, we verified and reported on our scope 3 emissions. Our commitment to decarbonising our value chain includes reducing scope 3 emissions, with a focus on reducing category 1 emissions. Purchased goods and services and capital goods make up some 70% of total scope 3 emissions of around 3.25 million tonnes CO₂(e) (as modelled). We will be working with our supply chains to facilitate scope 3 decarbonisation, alongside our broader investigations into strategic and impactful decarbonisation options.

Our approach to procurement is:

- To request targeted scope 3 information and commitments from large-spend suppliers
- To engage on climate and environmental issues through our responsible sourcing programme.

Scope 3 emissions by category¹ (tCO₂(e))

Purchase goods and services	1,268,400
Capital goods	901,400
Fuel and energy-related activities	513,900
Up/downstream transport and distribution	70,200
Waste generated in operations	400
Business travel	1,000
Employee travel	27,400
Upstream leased assets	0
Processing of sold products	600
Use of sold products	108,500
End-of-life treatment of sold products	0
Downstream leased assets	0
Franchises	0
*Investments	355,600

scenarios in our water balances to assess potential implications for the business, so that we can adjust our water management strategies where this is required. In addition, we are embedding physical climate change modelling into our tailings management guidelines to ensure that our tailings approach is adaptive to changing climate conditions.

Physical climate risk will impact our communities. We have therefore adopted an integrated approach that harnesses the connectedness between water efficiency, managing biodiversity and achieving carbon neutrality.

Water stewardship: For more information on our approach to water management.

Managing biodiversity: For more information on our approach to managing biodiversity.

¹ Further descriptions on each category can be found in our scope 3 methodology report (<http://www.angloamericanplatinum.com/sustainability/environment/climate-change>).

* Investment – emissions attributed to the company's interests in other entities eg the Kroondal pooling and sharing agreement (non-managed operation).

Healthy environment continued

Climate change continued

Climate change resilience and transition

We expect climate change to affect the mining industry through risks and opportunities in two broad areas:

- **Physical impacts:** The potential impact on our operations and surrounding communities from acute extreme weather events and chronic shifts in climate patterns
- **Transition impacts:** The potential impact on demand for different products, given assumptions on regulatory, technological and behavioural changes in the transition to a low-carbon economy.

We recognise that we need to consider the physical impacts of climate change, such as long-term weather variability, on our operations and communities and ensure that we have effective adaptation plans in place. This includes any project investment decisions we make. As such, we concentrate on understanding the physical implications of climate change for our operations and neighbouring communities, and implement adaptation responses.

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

To understand the impact of changes in rainfall, water consumption, and the security of water supply and infrastructure, we developed a high-resolution model in collaboration with South Africa's Council for Scientific and Industrial Research (CSIR), a leading research body. The analysis extended beyond 2050, and included an in-depth look at the Bushveld Complex of north-eastern South Africa and the Great Dyke region of southern Zimbabwe.

The model has proved useful in informing the design of mitigating controls, such as monitoring intensity, infrastructure design, and emergency preparedness. It also informs our water-catchment models and site water balances.

In 2022, we adopted a climate change scenario analysis solution that uses the Global Climate Model (GCM) projections, at a local scale, which provided changes in climate and hazard estimates for our assets. This was used to update our earlier work on

potential future climate change impacts and risks. We assessed the potential physical climate change risks and vulnerabilities of our operations, our value chain and broader social and environmental networks under two future climate scenarios.

We use two key processes to guide how we manage our physical climate change risks: the operational risk management (ORM) programme for mining operations and the investment development model (IDM). The ORM guides operations on how to assess and integrate climate risk management into operational management. The IDM process and evaluation ensure that

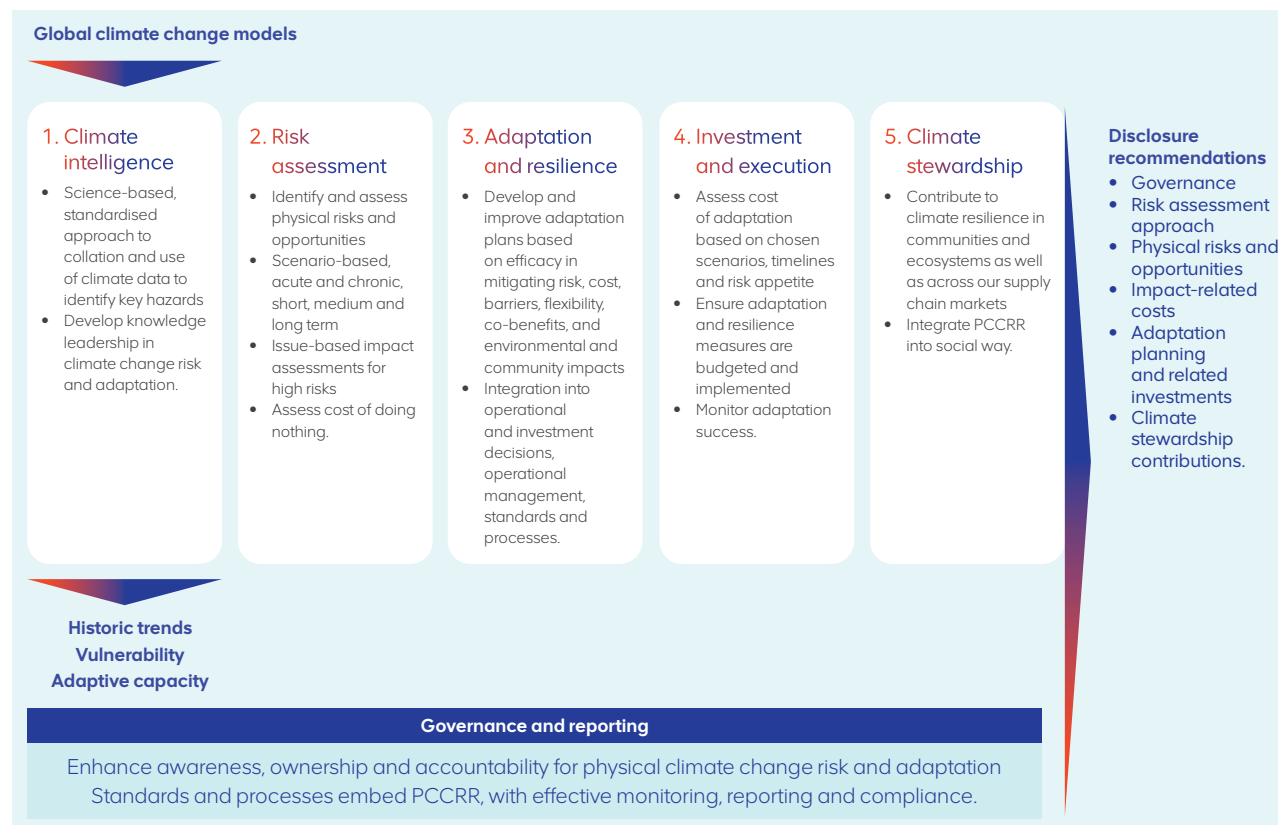
physical and market-related climate risks and opportunities are embedded in investment decisions.

Over the next few years, we will review our sites' operational baseline risk assessments to identify areas that require further issue-based assessments of specific physical climate change to design appropriate mitigation and adaptation measures.

Decarbonisation funding

We have embedded ESG in our capital allocation, we have developed a model for optimising and funding our decarbonisation initiatives.

Climate change risk and resilience strategy



Healthy environment continued

Climate change continued

Practically, this means:

- Energy efficiency and water-reduction projects have been prioritised and allocated funding
- Several projects have gone through a process to minimise additions to our carbon footprint from new projects.

Climate impact beyond the mine gate

We recognise that our impact and responsibility do not end at the mine gate, and that climate change is likely to affect the quality of life of our host communities. Some of these impacts could include:

- Increased economic strain from greater poverty and high population growth. Community vulnerability to climate change may grow as adapting to and coping with climate shocks and extreme events become more challenging
- A forecast increase in hot days and drought could affect employee productivity as well as food production at subsistence and local commercial level. This in turn could exacerbate existing vulnerabilities (eg access to water) which may lead to unrest
- Freshwater and groundwater resources coming under increasing pressure from warmer and mostly drier conditions. These resources play a vital role in moderating floods and removing nutrients, toxins, sediments and pollutants
- Enhanced restrictions on water use
- For surrounding ecosystems, the loss of habitat through land-cover conversion may create more fragmented and smaller

areas of natural habitat, placing strain on many species which may need to migrate or shift their distribution to remain within their climatic tolerance threshold.

Supporting a just energy transition

We are committed to supporting a just energy transition in line with our ambition to become carbon neutral by 2040.

We believe our responsibility is to understand fully each context and ensure that understanding is embedded in the design and implementation of our strategic sustainability.

Anglo American Platinum was a founding member of the Energy Council of South Africa, a CEO-led initiative that brings together key public and private stakeholders and local development finance institutions that actively participate in the energy sector.

We aim to harness partnerships and projects that will help to create new industrial hubs and stimulate local economic activity. While South Africa enjoys abundant renewable-energy sources, creating renewable technologies and infrastructure remains one of its greatest challenges.

Through the regional renewable energy ecosystem, we aim to leverage South Africa's natural renewable energy potential, including wind, solar, and storage, to generate 3–5GW of renewable electricity and storage to South Africa over the next decade. This in turn will improve grid-supply resilience and stimulate the development of new economic sectors, local production and supply chains.

As part of this initiative, we are exploring a range of community partnership models that will allow our host communities to share in the ecosystem's success. This includes looking into how South

Insight

Developing a framework for the just energy transition

To help bring structure and pragmatism to how businesses should think about the just energy transition, in 2021 Anglo American joined the Council for Inclusive Capitalism in its work on developing a shared, company-focused framework on this theme. The theme is underpinned by a vision that the transformation of the global energy sector from fossil-based to zero-carbon should be undertaken in such a way that is underpinned by attention to the issues of equity and justice.

Alongside this definition is a framework for action, which provides a pragmatic structure under which companies can think-through their contribution to a just transition. Crucially, the framework recognises that context is critical and that each company's approach will need to reflect their own unique circumstances, reflecting sectoral and geographic differences, among others. The pillars of the framework are:

- Universal net-zero-energy – how to support access to energy and a net zero emissions world
- Workforce evolution – how to ensure the journey is a just one for the company's workers
- Community resilience – how to ensure the journey is a just one for communities affected directly and indirectly by the company's transition
- Collaboration and transparency – how to bring everyone on the journey and support the just transition of other organisations.

While the definition and framework developed under the Council for Inclusive Capitalism remains the basis for assessing what a just transition means for Anglo American, this thinking has evolved further. Through extensive engagement it has become clear that there are direct implications for us in considering:

- What the social implications are for the evolution of our portfolio and our decarbonisation strategy
- How our business is affected by the transition in the countries where we operate, and whether there is a role for us in shaping that transition.



Case study: Hydrogen valley – creating new engines of economic activity through hydrogen

Establishing a South African hydrogen valley is seen as an opportunity with great potential to unlock growth, revitalise the industrial sector, and position the country as an exporter of cost-effective green hydrogen to the world. Anglo American Platinum has been instrumental in this initiative.



Case study: nuGen haul truck unveiled at Mogalakwena

The unveiling of a prototype of the world's largest hydrogen-powered mine haul truck at Mogalakwena in May 2022 was a milestone in realising our decarbonisation strategy. The full roll-out of this initiative will displace the use of diesel at our mines by 2028.

Healthy environment continued

Climate change continued

Africa could become a net exporter of green electricity, which is particularly important when so many developed countries do not have the natural resources to produce enough renewable energy themselves. Not only would this support economic activity and social development in South Africa and beyond, but it also will help the region's ability to transition its energy mix, reduce its carbon emissions and (in the longer term) curb the physical impacts of climate change.

The potential of a hydrogen economy in South Africa was recently reinforced by the publication of the country's hydrogen roadmap. With nine projects identified, the study also showed that the so-called hydrogen valley could create over 14,000 jobs per year, spanning the entire hydrogen value chain. In line with our approach to inclusive procurement and local employment, we will seek to ensure that local communities benefit as much as possible.

Focus for 2023 and beyond

Our focus areas continue to include:

- Implementing and embedding our pipeline of energy reduction and efficiency projects
- Investing in energy reduction and efficiency projects across our operations, switching to low-carbon energy sources and renewable projects to transition our energy mix
- Deploying energy-reduction and efficiency programmes, targeting the full value stream from mining to product, remain on track towards 2030 targets. Anglo American Platinum is part of the group initiative in partnership with EDF Renewables, to develop a regional renewable energy ecosystem in South Africa. Large scale solar, wind and hydro-generation plants are at various stages of study and development for commercial roll-out
- Collaboration with our supply chains to facilitate reducing scope 3 GHG emissions.



Anglo American nuGen Truck in motion

Healthy environment continued

Managing mineral waste – TSFs

Material issues



Material issues

- Tailings management
- Access to water

SDGs



At a glance

- Commitment and good progress towards conformance with GISTM
- Increasing role of technology in tailings management
- Hydraulic dewatered stacking pilot planned for Mogalakwena.

Introduction

Mineral residue from mining includes waste rock generated in the mining process to reach and expose mineral-bearing ore, and the waste – known as tailings – remaining after we separate mined ore from the valuable metals stream. Mineral residue is stored in waste-rock dumps and tailings storage facilities (TSF). TSFs are carefully engineered structures comprising one or more tailings dams with embankments, designed to permanently contain tailings material.

The safe and efficient management of these waste-rock dumps and TSFs is critical to safe and productive operations, and requires the collaboration of numerous disciplines and departments, from engineering, environmental, safety and social.

In line with our approach to the circular economy, we are seeking ways of turning mineral waste into value.



Our ambition and targets

Our overarching ambition is to be an industry leader in our approach to managing tailings safely, and to record zero significant incidents relating to mineral waste.

We are dedicated to the safe and responsible management of TSFs, with appropriate systems, standards and resources.

In line with Anglo American's ICMM membership commitment, we are working towards conformance with the Global Industry Standard on Tailings Management (GISTM), which applies to both existing and future TSFs.

GISTM, published in August 2020, was the product of a global tailings review, co-convened by the United Nations Environment Programme, the UN's Principles for Responsible Investment; and the ICMM. Anglo American played an active role in the multistakeholder process of developing GISTM, which covers standards and practices over the entire TSF life cycle and sets ambitious targets for the mining industry to achieve strong social, environment and technical outcomes.

Our approach

The group technical standard, addresses the risks of both tailings dams and water-retaining dams, while risk management for waste-rock dumps and stockpiles is covered in the group geotechnical standard. The technical standard sets out requirements for design, monitoring, inspection and surveillance, which we follow as a minimum practice.

In 2022, we focused on compliance with our group technical standard on TSFs, following a gap analysis and specific reviews of our sites to align fully with GISTM. This included additional analysis and modelling different geotechnical and environmental conditions, as well as an alignment of classification conventions.

Anglo American Platinum manages:

- **Seven TSFs:** Six active TSFs; one in North West and four in Limpopo including Vaalkop TSF under care and maintenance, South Africa, and one in the Midlands province of Zimbabwe. The Helena TSF in Limpopo is inactive
- **Four slag dumps:** One in North West, two in Limpopo and one in the Midlands in Zimbabwe.

There are six TSFs at our joint operations in North West and Limpopo in South Africa, excluding Bokoni Consolidated Dam and Dam 6 which were under care and maintenance when ownership was transferred to new owners from 1 September 2022.

Healthy environment continued

Managing mineral waste – TSFs continued

In 2019, the Church of England Pensions Board and the Council on Ethics of the Swedish National Pension Funds requested extractive companies, including ICMM's company members to disclose details of their tailings storage facilities. ICMM is supportive of greater transparency on this important issue. Anglo American Platinum responded and published on its website the details of its mineral residue facilities. Details of an additional TSFs at non-managed JV operations in which it has an ownership interest are also disclosed. Anglo American Platinum presents an updated disclosure as part of the 2022 annual reporting (refer to [Tailings database: For further details, see <https://www.angloamerican.com/sustainability/tailings-summary/tailings-database>](https://www.angloamerican.com/sustainability/tailings-summary/tailings-database)) and the table below summarises the details contained in the full disclosure questionnaire provided by Church of England Pensions Board and the Council on Ethics of the Swedish National Pension in 2019.

TSFs and slag dumps					
Operation	Name	Status	Raising method	Date of initial operation	What is your GISTM system hazard categorisation of this facility, based on the consequence of failure?
TSFs at managed operations					
Amandelbult	Amandelbult	Active	Upstream	1976	Extreme
Mogalakwena	Blinkwater	Active	Downstream	2011	Extreme
	Vaalkop	Active	Upstream	1992	Extreme
Mototolo	Helena Dam 1	Inactive	Upstream	2006	Very high
	Mareesburg	Active	Upstream	2018	Very high
Unki	Dam 1	Active	Centreline	2010	Very high
Waterval smelter	WACS tailings	Active	Centreline	2021	Low
TSFs at non-managed operations					
Modikwa JV (managed by Modikwa Platinum)	Modikwa	Active	Upstream	2005	Extreme
Kroondal JV (managed by Sibanye-Stillwater)	K1	Active	Upstream	1999	Extreme
	K2 and K150	Active	Upstream	2001	Extreme
	Marikana	Active	Upstream	1999	Very high
Mogalakwena concentrator lease agreement	Baobab	Active	Upstream	2002	Very high
Slag stockpiles					
Polokwane smelter	Polokwane slag stockpile	Active	Stack	2003	Significant
Mortimer smelter	Mortimer slag stockpile	Active	Stack	1973	Low
Unki	Unki slag stockpile	Active	Stack	2018	Significant
Waterval smelter	Waterval slag stockpile	Active	Stack	1969	Low

Compliance

We comply, as a minimum, with all legislation on waste-rock dumps and TSFs in South Africa and Zimbabwe. All our TSFs in South Africa are operated in line with the national mandatory code of practice on mine-residue deposits as stipulated by the DMRE.

As noted, we are working towards conformance with GISTM. According to this:

- TSFs with 'extreme' or 'very high' potential consequences must be in conformance by 5 August 2023
- All other TSFs must be in conformance by 5 August 2025.

The 'extreme' or 'very high' potential consequences under GISTM generally correspond to 'major' under our internal consequence classification of structures rating for TSFs.

Measuring our progress

As part of the requirements of GISTM, operators must identify and address all types of failure modes with conservative design criteria, independent of trigger mechanisms. We have continued additional analyses, including appropriate laboratory and field-testing, during the year and expect it to be completed by 2023 for TSFs with 'extreme' or 'very high' potential consequences, and by 2025 for all other TSFs. An important part of our current work is to enhance our engagements with affected communities on all phases of TSF management, including closure and preparation for emergency response.

Healthy environment continued

Managing mineral waste – TSFs continued



What we are doing

We continued to enhance and standardise our critical control systems for all TSFs in 2022. A tailings monitoring system is being developed to standardise critical controls and these will be managed through a centralised monitoring hub.

A particular focus has been managing the presence of people in potential inundation zones. This challenge is especially relevant at Mogalakwena.

We have been investigating new mineral-processing technologies that are more energy and water efficient. These offer operational and environmental benefits from potential reductions, as well as safety benefits. With less water in the tailings, the flow of material is better constrained. A hydraulic dewatered stacking (HDS) pilot is planned at Mogalakwena, Blinkwater 1 TSF and in the design of future Blinkwater 2.

We are also investigating new step-change technologies to drive further reductions in the volume of waste material produced. Two main initiatives are:

- Bulk-ore sorting, where coarse waste is rejected much earlier in the process chain, using sensor technology and physical sorting
- Coarse particle recovery, which will allow for waste-value separation of optimally crushed (to larger sized) ore, resulting in energy and downstream water savings.

Technology is playing an increasing role in how we work, including the use of satellite technology, drones and remote monitoring to support regular on-site inspections.

- We are developing an electronic dashboard system across our operations, including remote instrument monitoring and live-feed data reporting, so that it can be integrated with critical controls

- We continue to use interferometric synthetic aperture radar (InSar) satellite technology. This uses radar signals reflected off a surface to measure deformations over time. Results can be viewed on-site, as well as at business unit and group executive level
- We use drones to inspect our facilities each quarter to enhance physical inspections conducted by various parties involved with TSF operations
- We have developed a network of remote sensing technology to further equip our TSFs with additional near real-time monitoring instrumentation critical for detecting a potential tailings dam failure. The surveillance programme will include collecting data on phreatic levels, and real-time stress and strain, deformation and seepage data via fibre-optic cable.

We continued to conduct site-specific seismic stability analyses for our TSFs during the year, following the completion of seismic hazard maps in 2021. Our dynamic stability and deformation modelling analysis incorporates these maps.

As part of our initiatives to deliver circular-economy value, we commissioned a number of research projects on viable uses for smelter slags. This followed approval from the Department of Forestry, Fisheries and the Environment (DFFE) in 2020 to exclude slag as a waste stream from the definition of waste for all three smelters. Various initiatives are under consideration. At Waterval smelter, for example, slag is sold to an independent supplier and used where expandable abrasives are required on-site for abrasive blasting.

Focus for 2023 and beyond

- Continue to implement plans to conform to GISTM requirements while ensuring compliance with the group technical standard
- Investing in new mineral processing technologies that are more energy and water efficient
- Implementing step-change technologies to drive further reductions in the volume of waste material produced, as well as water and energy consumed
- Identifying and realising opportunities to use mineral waste to generate value through commercial and community projects
- Implementing near real-time monitoring instrumentation critical for detecting a potential tailings-dam failure, monitored centrally.



Case study: Hydraulic dewatered stacking to be introduced at Mogalakwena

The introduction of hydraulic dewatered stacking (HDS) in the Anglo American group is a strategic enabler of the FutureSmart Mining innovation-led approach to mining and a major step towards the group's no water mining ambition. Mogalakwena will be piloting the first brownfield application of HDS, that is working at an active mining operation.



Case study: TSF site-characterisation project underway

Anglo American Platinum has embarked on a two-year project at our managed TSFs to characterise, analyse and monitor their tailings and foundation soils for brittleness as part of our commitment to conformance with GISTM.

Healthy environment continued

Mine closure and regeneration



At a glance

- Adoption of a regenerative approach to mine closure
- R5.4 billion in financial guarantees and Trust funds to cover potential premature closure liability in South Africa
- 31.3ha rehabilitated in 2022, against a target of 27.6ha.

Introduction

We have progressed to a regenerative approach to mine closure, working collaboratively with various stakeholders to minimise and mitigate negative social and environmental impacts, and enhance benefits. This approach begins with the project phase of our operations and continues until sustainable post-mining outcomes have been achieved.

Anglo American Platinum will transition from integrated closure planning to regenerative planning from 2023.

All new mining projects develop conceptual-level regeneration plans (previously termed closure plans) at the prefeasibility and feasibility stages. We seek to minimise our footprint and, where possible, ensure we rehabilitate our environments concurrently with our operations to achieve post-mining land uses. We provide for our financial liabilities during the life-of-asset.



Our ambition and targets

We ensure we have closure plans in place for all our operations. As a minimum, we ensure regulatory compliance.

More than that, through effective rehabilitation and post-mining planning, we strive to ensure our closure plans show positive, healthy and sustainable outcomes. As our approach has developed beyond closure to the concept of regeneration, we consider 'what next' for the land and the communities that remain when mining ceases.

Our approach

Mine closure and rehabilitation is guided by our rehabilitation strategy, and governed by our mine closure toolbox, in line with our mine closure standard. This group technical standard was updated in 2022 to enable the transition from closure planning to regeneration. The standard and toolbox will continue to provide guidance for post-mining planning.

All our operations have stand-alone preliminary or draft mine-closure plans. Detailed closure plans are developed within five to 10 years of operational closure.

Our closure plans encompass measurable and time-bound performance targets that are tracked as part of our SHE management system. These include:

- Physical targets (rehabilitating mining infrastructure post-closure)
- Biophysical targets (rehabilitating environmental impacts such as landform rehabilitation, post-mining land use, biodiversity, and remediating impacts on soils, water and air due to mining)
- Social targets (employee relations, and socio-economic development post-closure).

Compliance

Regulations on financial provisions for closure under the National Environmental Management Act 1998 (NEMA) have not yet been finalised by the Department of Forestry, Fisheries and the Environment (DFFE). On 11 July 2022, the minister published a notice of intention to make regulations on financial provisioning for reconnaissance, prospecting, exploration, mining or production operations final in 2023. The draft regulations will repeal the Financial Provision Regulations, 2015 published under GN 1147 of 20 November 2015. Compliance to the draft regulation is intended from September 2023. Given this uncertainty, and in line with the transitional arrangement of the regulations, our 2022 closure-liability submission for our managed mining was done in terms of the MPRDA.

Anglo American Platinum has some R5.4 billion in financial guarantees and rehabilitation trust funds with the DMRE, to cover the premature closure liability of all our South African mining operations. This provides for the equivalent estimated overall premature liability of R5.3 billion as at end 2022 (2021: R4.2 billion).

The financial provisions that address premature closure liability have two components: funds in the environmental rehabilitation trust and financial guarantees. The Platinum Producers' Environmental Trust provides for Amandelbult, Mogalakwena and Twickenham, while Mototolo is covered by the Mototolo Environmental Rehabilitation Trust.



ESG data tables: Details of 2022 closure estimates and financial provisions.

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

We have formal agreements and financial provisions in place for all operations that have been divested, ensuring the purchaser agrees to fulfil a minimum set of closure requirements.

Healthy environment continued

Mine closure and regeneration continued

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

Measuring our progress

In 2022, we rehabilitated 31 ha at Amandelbult where open-pit mining areas are concurrently being rehabilitated. In 2023, a rehabilitation target has been set of 27.8 ha for open-pit areas at Amandelbult, in line with planned post-mining land uses for the operation. Mogalakwena will work on unlocking rehabilitation potential in 2023 and, along with long-term planning, develop a five-year rehabilitation plan to address concurrent and backlog rehabilitation.



Case study: Significant rehabilitation progress at Amandelbult

Amandelbult has made significant rehabilitation progress over the past two years that will enable the mine to achieve self-sustainable ecosystems in rehabilitated areas.



What we are doing

As part of our integrated closure planning, detailed design closure criteria inputs have informed life-of-asset plans for all our mining operations. This enables efficient rehabilitation by establishing and working towards short and long-term rehabilitation targets and assigning annual budgets, and optimising our mining processes to reduce environmental impacts and, ultimately, liability.

Where possible, we rehabilitate disturbed land concurrently, in phases aligned with the progression of mining, rather than undertaking large-scale work when the mine closes. This means we progressively reduce our risk profile during the years of operation, with a focus on remediation in the final stages of closure.

In line with our group rehabilitation strategy, we annually update our detailed rolling five-year rehabilitation plans to reduce land available for rehabilitation and to test rehabilitation prescriptions that enable us to achieve proposed post-mining land uses at our operations.

We are updating Mogalakwena's rehabilitation framework to identify key areas of rehabilitation with maximum benefits in terms of remediating environmental impacts and providing opportunities that benefit local communities. This includes a skills development and resourcing programme to involve local communities in concurrent rehabilitation activities. The framework update will be finalised in 2023 and implementation will begin in 2024. The updated framework will also provide guidance on suitable post-mining land uses to develop alternative economic resources involving various value streams such as land, water, circular economy and nature-based solutions.

This aligns with our approach to regeneration – understanding what is left after mining is done, from physical infrastructure (such as buildings, power lines, roads and water access), to community skills and capacity – and how best this can be planned for a post-closure environment. In this, we seek to identify and generate elements of alternative and diverse economic activities together with our social performance teams.

We face a number of challenges from a rehabilitation and closure perspective. One challenge relates to planning for land use post-closure. For example, at Mogalakwena, which is a shallow, large-scale, open-pit operation, backfilling the land to a pre-mining state is not financially viable and, at the same time, not the best use of the resource. We are investigating the possibility of establishing a water body or dam, which would be a much-needed resource in this water-constrained region, and which could enable agriculture and accelerate alternative economic activity.

We continue to monitor and learn from the success and failures of rehabilitation trials, and have implemented maintenance plans for both complexes.

In 2022, an extensive project was initiated to update post-mining liabilities related to ground and surface water at Mogalakwena. The project aims to update the groundwater model and water balance with all current and proposed physical changes at Mogalakwena and predict potential impacts and remediation liabilities in case of premature and planned cessation of mining. This includes determining detailed post-mining surface-water management requirements with current and planned projects over remaining life of Mogalakwena. The project will enable Mogalakwena to reassess and update its operational water management to ensure all current water impacts are remediated concurrently, and future impacts are avoided. The project is expected to be finalised in 2023. A similar project will begin for Amandelbult and Mototolo in 2023.

Focus for 2023 and beyond

Key focus areas include:

- Developing rehabilitation framework to guide operations
- Sites to establish productive post-closure land uses
- Annual update and implementation of rolling five-year rehabilitation plans
- Implementing appropriate monitoring and maintenance programmes
- Sites demonstrating they have tested site-specific rehabilitation prescriptions aligned with post-closure rehabilitation plans (successful field trials).

Healthy environment continued

Managing biodiversity

Material issues



Material issues

- Building climate change resilience
- Access to water

SDGs



At a glance

- Pioneering eDNA programme continues
- Progress with biodiversity offset projects
- Donation of 4 Bat Hawk surveillance craft to the Kruger National Park.

Introduction

Biodiversity is both a measure of the number of species in an ecosystem, and an account of the complex interaction between species and their habitats. Society relies on rich biodiversity to support the health and functioning of our environment, during mining and after mining. Some of our operations are in areas of high biodiversity value, which heightens our responsibility to contribute to the protection and conservation of species.

Proactively managing biodiversity means that our work today will support our ability to achieve orderly closure at the end of mining, and productive land use in future.

Biodiversity targets also form an integral part of our environmental authorisations and water use licences (WUL). More than that, we have a responsibility to our communities, neighbours and society in general to meet our commitments, so our intention is always to go beyond compliance.

We understand our zone of influence, and our biodiversity offset mitigation planning takes into consideration a landscape approach that supports interlinkages and biodiversity

corridors, as well as partnerships with landowners, national parks and government. Our biodiversity value assessments look at a landscape-level view of ecological support areas. Ecological support areas represent the structural attributes and areas that influence and support ecological functions and/or evolutionary processes.



Our ambition and targets

Our ambitious net positive impact (NPI) target requires us to leave the biodiversity of an area in a better state than when we arrived.

Going beyond a simple no-net-loss principle requires a deep understanding of our operating ecosystem and a deliberate land management strategy.

Our NPI commitment applies to significant aspects of biodiversity that are affected by our activities, including threatened species, natural habitats, important ecological processes, and ecosystem services that are essential to the wellbeing of society.

As an ICMM member, through Anglo American we recognise that world heritage sites and legally designated protected areas have an important role in protecting biodiversity. The group will not conduct any activities in UNESCO world heritage sites or their recognised buffer-zone areas, nor in legally designated protected areas and internationally recognised areas.

Management approach

The Anglo American biodiversity standard, specification and sustainable mining plan target aim to ensure that, by 2030, all sites show a pathway to achieve NPI through actions on the ground and systems in place. The standard is supported by a specification for implementation and outlines a systematic approach to identify biodiversity features, set targets for significant features, identify actions to meet these targets, and track progress to achieve NPI through monitoring programmes.

All our sites are working on full compliance with the standard, monitoring and evaluating the state of biodiversity, and introducing mitigating actions to reduce residual impacts. All managed operations that required further biodiversity studies (to achieve NPI) have established biodiversity management programmes to ensure there is a clear path to meeting our objective.

Compliance

Six sites (Mogalakwena, Amandelbult, Twickenham, Unki, Der Brochen/Mototolo and Polokwane metallurgical complex) are our managed operations and must meet our NPI requirements. While Modikwa is a not managed by Anglo American Platinum managed operation, it also forms part of our NPI commitments.

Measuring our progress

All Anglo American Platinum sites have completed their biodiversity value assessment, which includes the proximity of a site to areas of globally or nationally important biodiversity. Two sites, Mogalakwena and Mototolo, are located within biodiversity-sensitive areas, and have dedicated biodiversity management programmes in place.

With the support of specialist consultants, all operations will be mapping and updating their critical biodiversity areas in 2023. Our biodiversity framework, supporting processes, capacity and resources are in place to rigorously apply the mitigation hierarchy across the mining life cycle, and is entrenched within the Anglo American biodiversity standard. We apply a risk assessment process to determine the application of the hierarchy of mitigation which in turn ensures that potential sensitive areas are avoided during mining expansion. All sites have quantified their impacts and understand any offset requirements.

Healthy environment continued

Managing biodiversity continued

We follow Anglo American's biodiversity performance management programme to track progress on our journey to NPI. Progress is measured on a continuous basis against biodiversity and ecosystem services baselines, impact assessment and mitigation planning, biodiversity offset and compensation management planning, biomonitoring programmes, nature positive outcomes, implementation management, external reviews and reporting and partnerships.

Biodiversity exposure and assessment status		
	Sites	Area (ha)
Operational activities	6	102,680
Sites that have conducted biodiversity impact assessments in the past five years	6	102,680
Sites close to critical biodiversity	2	60,914
Sites close to critical biodiversity with biodiversity management plans	2	60,914

Data sheets: For detailed performance data on biodiversity.



What we are doing

All managed operations that required further biodiversity studies (to achieve NPI) have implemented the requirements of the group biodiversity standard, including drafting site-specific biodiversity management programmes (BMPs) and finalising baselines for site biodiversity and ecosystem services. In 2022, the focus was on impact assessments and mitigation planning, biodiversity offset management planning, and a biomonitoring programme to feed into our biodiversity management programmes.

We continued to make good progress in our pioneering environmental DNA (eDNA) programme, where DNA extracted

from water samples collected at sites is sequenced, allowing for the identification of individual species using bioinformatics analysis. Through eDNA, we are able to survey a wide range of macro-organisms (animals, plants and fungi), particularly for aquatic and riparian species, in a process that is less time-consuming than traditional methods, but is also able to detect rare species which may not otherwise be found. The resultant analysis is informing our biodiversity offset management plans and ongoing biomonitoring programmes.

Our biodiversity offset assessments progressed in 2022. This has involved finalising loss-gain calculations to understand the areas we need to support to offset or compensate for biodiversity loss, or other environmental impacts as a result of our activities. It is important for us to mitigate biodiversity impacts by understanding the broader ecosystems in which we operate. For example, reducing our impact on water supports biodiversity/ecosystem services well beyond our immediate footprint.

Any impact on land has an impact on people. We recognise our responsibility and the rights and expectations of our neighbours. Where possible, we involve local communities in our assessments, our planning and the mitigation measures we undertake, including employing local residents for necessary work such as eradicating alien species.

Focus areas at our operations

All our operations are implementing requirements to meet our NPI targets and deepen our understanding of their biodiversity value. Our focus areas include:

Alien species control: Because alien plant species thrive on disturbed land, operations like Amandelbult and Mogalakwena with large surface area disturbances, continuously need to eradicate these. Other operations implement focused eradication programmes, mainly to eradicate alien species established by past agricultural practices.

Removal and relocation of protected species: Where substantial areas need to be cleared ahead of mining, this is either done in-house (where there are relatively low numbers of plants and we have on-site expertise) or through specialists. The nursery at Der Brochen is an example of our work in propagating protected

species, as well as other important species endemic to the area.

Rehabilitation and conservation: Our environmental management programmes reports (EMPR) and water use license (WUL) commitments guide the rehabilitation of land we disturb, especially waterways and river crossings, as well as erosion-prone areas.

Protected-area management: While we own and manage large tracts of land, only around 20% is actually used for mining and related activities. This land has varying biodiversity value. For example, Amandelbult manages the Madeleine Robinson Nature Reserve on mine property, and Mogalakwena manages the Mooihoek farm, Groenfontein farm and Nyl conservation area as part of its commitment to biodiversity. While ownership of Mooihoek farm was transferred to the community in October 2021 as part of a resettlement agreement, the property is jointly managed. A number of programmes are being co-developed with the community, which will enhance their understanding of biodiversity and help them manage the land in a nature-positive way while generating an income.

Partnerships and collaboration: Anglo American has been working in partnership with Fauna and Flora International (FFI) for over a decade. FFI is the world's oldest international wildlife conservation organisation, and has supported over 320 partner organisations, including governments, universities, business and NGOs across 40 countries and 140 conservation projects. FFI monitors our compliance with our commitments around biodiversity, while also offering advice and support on what more we could be doing to minimise our environmental impact. Other partnerships include those with the International Union for Conservation of Nature (IUCN), the Worldwide Fund for Nature (WWF) South Africa, Endangered Wildlife Trust (EWT) and South African National Parks (SANParks).

Healthy environment continued

Managing biodiversity continued

Focus for 2023 and beyond

- Continued eDNA sampling to inform the development of biodiversity offset management plans and biomonitoring programmes
- Finalising the selection of biodiversity offset programmes
- Continuing to implement the pathway to achieve NPI through actions on the ground and systems in place by 2030.



Case study: Lantana eradication project

Lantana is an alien invasive plant species in South Africa which landowners are legally and ethically obliged to control. Our Mooihoek-Groenfontein game farm, which is jointly managed with the local community, had a large lantana infestation, which has been eradicated thanks to an initiative that also had social benefits.



Case study: Tree relocation at Der Brochen

The development of the Maresburg TSF and the Der Brochen south shaft, together with their associated infrastructure, meant that a large number of protected trees and shrubs in the area had to be relocated. A project was undertaken to protect the exceptionally rich biodiversity and plant species that are unique to the region.



Case study: Supporting anti-poaching and wildlife conservation in Kruger National Park

In November 2022, Anglo American Platinum donated four Bat Hawk surveillance aircraft to South African National Parks (SANParks) in support of anti-poaching efforts and wildlife conservation in the Kruger National Park.



Tree nursery at Der Brochen Mine

Healthy environment continued

Water stewardship

Material issues

Material issues



- Access to water
- Building climate change resilience
- Tailings management

SDGs



At a glance

- No water source, ecosystem or habitat was materially affected by our extraction and use of water
- One level 3 environmental incident related to water in 2022. No level 4 or 5 incidents.
- Only 22% of our total water withdrawals was freshwater
- Water efficiency rose from 72% in 2021 to 77.62% in 2022, including smelters.

Introduction

We rely heavily on water for mining and processing activities at our operations, as well as for human consumption. More than that, we recognise that water is a critical, shared resource – in our local communities, in the regions where we operate (including water-stressed catchments), and to the country as a whole. Pressure on shared freshwater resources is exacerbated by competition between users and growing climate impacts. An emerging threat has been the additional pressure on water security due to the inability of a number of water utilities to efficiently manage their water resources and ageing infrastructure.

We take our role as water stewards very seriously. How we access and use water, and our impact on water quality, have a direct bearing on our operational success, and on our relationships with communities. By implementing operational measures to regulate the use of water optimally by minimising losses and reusing and recycling where we can, we can ensure that freshwater is directed to sustaining the environment and our host communities.

We are also aware that how we plan for and manage water today will ensure better and easier closure processes at the end of mine life.



Our ambition and targets

Our ambition is to develop and operate mines that are water-neutral, with our operations requiring no freshwater withdrawals beyond ramp-up. We recognise that we will always need water, but we believe we can get close to full-recovery reusing and recycling to meet our ongoing needs. We call this vision the waterless mine.

The sustainable mining plan has set meaningful targets for long-term, efficient water use by 2030, namely:

- Group target, 50% reduction in freshwater abstraction (against a restated 2015 baseline)
- Increase group water efficiency from 75% in 2020 to 85% by 2030, based on a three-year rolling average
- Zero level 3 or higher water discharge incidents
- Using innovative technologies to enable mining with little or no water.

These proposed savings contribute to benefits the catchment ie more water available for communities. Anglo American Platinum is also involved in several projects to assist with water supply to our local communities.

Management approach

Our water management strategy focuses on four strategic pillars: water stewardship, achieving regional water security, achieving operational water security (both resiliency and efficiency), and ensuring operational excellence.

Our group water policy focuses on reducing water-related risks to ensure water-resilient operations while reducing our water footprint.

The policy is given effect through our water management standard, which addresses all aspects of water management:

- Supply and security
- Water for operations
- Hydrology and hydrogeology
- Mine dewatering
- Water collection, storage, uses and discharge
- Closure and post-closure
- Water quality
- Potential environmental impacts, including sustainable and socially responsible water use for sites and projects.

The standard requires that critical controls and best practices are implemented to manage risks at all levels of the value chain. It also requires finding opportunities for collaborative solutions with communities, based on a detailed understanding of ground and surface water conditions.

Compliance

Water is regulated by law and under our specific water use licences (WULs).

We seek to comply with all environmental regulations, licences or permits for managed operations in South Africa and Zimbabwe. In 2022, we continued to align and amend WULs in line with the stipulated conditions and integrated water and waste management plans.



CDP Water: Our 2022 submission is available at <https://www.cdp.net/en/responses?queries%5Bname%5D=Anglo+American+Platinum>

Healthy environment continued

Water stewardship continued

No water source, ecosystem (eg Ramsar-listed wetland) or habitat was materially affected by our extraction and use of water during the year.

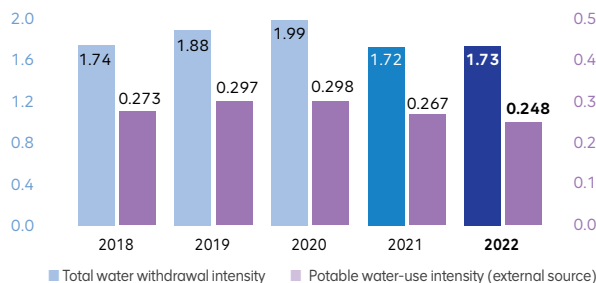
In 2022, we recorded one level 3 environmental incident relating to water (2021: one). This was the result of discharge from the Polokwane metallurgical complex pollution-control dam, in turn caused by a combination of high and intense rainfall as well as a delayed shutdown. A detailed assessment of downstream impact has been conducted and mitigation measures applied where required.

Measuring our progress

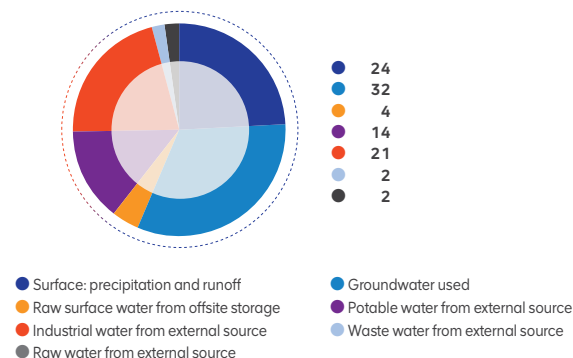
In 2022, we continued to make progress towards the waterless mine:

- Our raw and potable water (from external sources) withdrawal and intensities were better than our targets, mostly due to good water management practices on site, including correct hierarchy of water use. 22% of our total water withdrawals were freshwater (2021: 23%). Infrastructure challenges with our treated effluent pipeline systems resulted in less treated effluent used at Mogalakwena and Rustenburg operations. Amandelbult has optimised their reverse osmosis (RO) plant, getting an addition 1.5 MI/d
- We improved our water efficiency from 72% to 77.6% (all sites including smelters) in our effort to retain water within our water circuits. Water efficiency is an indicator of the percentage of water used by the operation that is either reused (worked water) or recycled (worked and treated water) (defined by ICMM).

Water withdrawal intensity (m³/t milled)



Water withdrawal by source (%)



What we are doing

We annually assess our water-related risks under various scenarios, including operational risks due to water-availability constraints that may be caused by abnormal and persistent drought cycles, flooding and discharges after high rainfall, social risks from competing with other water stakeholders and water-quality impacts.

All our operations are in climate-stressed regions. Further, our climate-data review and predictive modelling indicate that water stress and associated vulnerabilities are likely to increase, especially in the Limpopo region. Our regional Limpopo water balance modelling, which considered different climatic scenarios and climate change projections (completed in 2019), helped us quantify anticipated shortfalls and demand over time for all water users in the catchment. This led to considering bridging options to meet water demand in the study catchment, and our continued support for a regional water system on both the Eastern and Northern Limbs. We are currently completing a report on the regional impacts of climate change.

All our sites have implemented water conservation and water demand management plans that encompass water-use efficiency, tailings water recovery projects and mine dewatering, stormwater management and discharge management. Water monitoring programmes are in place, and site-based water management task teams meet regularly to ensure high-level coordination across sites.

Healthy environment continued

Water stewardship continued

Increasing and optimising treated effluent use

To reduce our freshwater needs, we continue to increase the level of treated effluent water used at our operations to promote its optimal use. We have invested extensively in municipal wastewater treatment initiatives to ensure a sustainable source of quality effluent that does not harm the environment, while providing the mines with safe and usable grey water.

We secure treated effluent from wastewater treatment plants in Polokwane, Mokopane and Rustenburg.

At Polokwane, the 14MI/d current pumping capacity is being upgraded to 20MI/d, while work on upgrading of the 6MI/d Mokopane treated effluent pipeline continues, with a feasibility study and detailed design planned for 2023.

The design of the new Northam wastewater treatment plant has been completed and construction started in January 2023, with completion scheduled for September 2024. We are also finalising an agreement with the Thabazimbi local municipality to take up to 5 MI/d of treated effluent from the wastewater treatment plant, to be supplied to Mortimer smelter and Siyanda Mine.

Work is underway to construct a new effluent water storage and treatment plant for our Rustenburg operations.



Case study: Constructing new effluent water storage and treatment facilities for our Rustenburg operations

We have embarked on an ambitious effluent water storage and treatment project which – once completed will provide 6–8MI/day of high-quality process water in phased stages (2023 to 2028) to our Rustenburg operations. This will replace the current use of potable water.

Work to further recover water from tailings dams is ongoing. The Unki return-water dam was completed and commissioned in 2022. A pilot study to treat and reuse water from the dam in the Unki processing plant will be undertaken in early 2023.

Partnering and engaging with stakeholders on water security

Our partnerships to advance bulk-water resource development in Limpopo continue.

The Olifants Management Model (OMM), a joint venture between government and the Lebalelo Water Users Association, remains a principal area of focus in developing the Olifants River Water Resources Development Project. The association comprises Anglo American Platinum and various local stakeholders, including businesses and government. The initiative aims to unlock the resource potential of the De Hoop Dam in the middle Olifants River catchment to promote water security for both the Eastern and Northern Limbs.

A pre-feasibility study of using current and new infrastructure to develop community water-supply systems started in 2022, with staged implementation planned through to 2030.

We continue to engage closely with the Rustenburg Water Services Trust and the Polokwane and Mogalakwena municipalities to improve effluent from wastewater treatment plants, and regularly communicate with all bulk-water suppliers (Magalies Water, Rand Water, Lepelle North Water and the Lebalelo Water Users Association) on our use, water tariffs, water restrictions and any related issues. These engagements assist in improving the management of water-supply infrastructure and resources in municipal areas. We are also assisting the Mogalakwena Municipality both technically and financially, in refurbishing the Weenen and Planknek wellfields, which will improve the bulk-water supply to Mokopane and the per-urban areas.

We have also continued a water stewardship project with the Strategic Water Partners Network, Polokwane municipality and AB InBev to develop a Water Conservation and Water Demand Management (WCWDM) strategy and business plan for the City of Polokwane to help reduce water losses, unbilled and unaccounted-for water.



Case study: Partnership to deliver an integrated potable and bulk raw-water solution

The Olifants Management Model (OMM) programme is aimed at the accelerated and cost-effective delivery of potable and bulk water to certain areas in the Northern and Eastern Limbs. Our support for the programme is directly aligned with our objectives of ensuring cost effective and secure water supply to our operations, to support community access to water, build regional and community resilience to climate change and facilitate community socio-economic development.

Addressing water quality and quantity concerns

We investigate and respond to concerns about water quality and the generation of excess water.

An ongoing concern in Limpopo is the source and impact of nitrate contamination, including around Mogalakwena. Numerous studies, including by the CSIR and Department of Water and Sanitation, have shown that elevated nitrate levels in groundwater is a challenge in Limpopo, a water-scarce province where a large part of the population live in rural areas with insufficient municipal water infrastructure. The scientific studies that have been undertaken indicate that various factors contribute to nitrate contamination of ground water. Unlined pit latrines in local communities in Limpopo are the major contributors to groundwater contamination. Other factors include mining, agriculture and geology.

Mogalakwena Mine continues to focus on improved operational water management, pit dewatering practices and improved stormwater practices to prevent impact on water quality.

At Twickenham (under care and maintenance), we continue to manage the excess water being generated. About 1MI/d of surplus shaft ingress water is released into the environment. In 2022, we completed the design to use woodchip beds to treat excess mine water before discharge, a novel technology in South Africa. Woodchip beds are a passive treatment system with very little operation required, providing the required carbon source to the water to allow for reducing nitrate concentrations. These beds will be constructed in 2023.

Healthy environment continued

Water stewardship continued

Focus for 2023 and beyond

- Continue to improve water security at all sites by optimising reuse, maximising use of treated effluent and improving integrity of treated effluent infrastructure and water quality from wastewater plants
- Compliance through the management of excess water and mitigation towards mine closure
- Explore and implement innovative technologies, notably for tailings dewatering to improve water recovery and recycling rates
- Sustainable water supply to our mine communities and municipalities, through partnerships with regional stakeholders to improve water security, including the next phases of the Olifants River Water Resource Development Project.



Lucas Mashilo, Calvin Mpho and Hulisani Khorommbi at the Mogalakwena South Concentrator at the Water Treatment Plant

Healthy environment continued

Managing air quality

Material issues



Material issues

- Building climate change resilience
- Health and safety

SDGs



At a glance

- Seven air quality-related complaints
- Successful commissioning of new wet gas acid plant, a first in the platinum sector.

Introduction

Dust or gaseous emissions that may have an impact on air quality can occur at various stages of the mining life cycle. In addition to greenhouse gases (GHGs), we monitor and manage the emission of sulphur dioxide (SO₂), nitrous oxides (NO_x) and particulate matter (PM) (largely from our smelters and refineries), and dust fallout (mainly from our tailings dams and opencast mines). The sources of these emissions can either be point sources (such as stacks) or fugitive sources.

Climate change: For more information on our GHG emissions.

While we are committed to meeting current and future known legislative requirements, it is critical that we prevent adverse impacts on the environment and host communities, while ensuring the effective running of our operations.

Legal compliance

Our most material air quality-related issue remains the SO₂ emissions from our three smelters in South Africa. We have an agreed SO₂ abatement roadmap in terms of the National Environmental Management: Air Quality Act, No 39 of 2004, as amended, which ensures we are compliant with agreed legislated limits and timeframes. We were granted postponements of legislated limits timeframes to comply with the 2020 minimum emission standards (MES), to allow for the necessary abatement



Our ambition and targets

Our overriding targets are to minimise emissions and to comply with legally authorised air quality limits.

All sites have undertaken self-assessments against the group air quality standard and have developed action plans for implementation where gaps have been identified.

equipment to be installed. This includes completing an evaluation of emission abatement options for the treatment of future high-sulphur concentrate at Waterval smelter.

Measuring our progress

The 2022 annual calculated tonnage of NO_x and SO₂ processes is only available for reporting by 31 March 2023, as per the National Atmospheric Emission Inventory System (NAEIS) (Department of Environmental Affairs reporting system). Direct SO₂ emissions in 2021 and 2022 are significantly lower due to abatement equipment commissioned at the Polokwane smelter from April 2021.

Ground-level ambient SO₂ concentrations and exceedances remained within legal requirements.

Compliance by the three smelters with postponement limits (expressed as a monthly average for Polokwane smelter and daily average for Mortimer smelter and Waterval smelter complex) is as follows:

- Polokwane smelter did not report any monthly average exceedances
- Mortimer smelter reported 14 daily average exceedances, which are related to the concentrate blend containing a higher sulphur content from Mogalakwena. The new acid plant (similar to Polokwane smelter) will address these daily average exceedances and ensure compliance with minimum emissions standards by April 2025, as per our granted postponement

- Waterval smelter complex reported 24 daily average exceedances for SO₂ (20 related to the acid plant stack and four related to the smelter main stack) and zero NO_x exceedances. The tail-gas scrubber project will address these exceedances, and ensure compliance with the minimum emissions standards once constructed and commissioned.

In 2022, we recorded seven air quality-related complaints (2021: seven) on activities related to gas emissions at our smelters (two), dust from tailings (five). Our air-quality incident investigation protocol ensures that, if an incident occurs, we can minimise the impact on our communities. Our policy is to create a record and initiate an investigation to develop appropriate mitigation measures. We also investigate all air-quality related complaints that we receive.

Insight

Significant progress in SO₂ abatement

To date, we have invested R17 billion in developing an SO₂ abatement project at Polokwane smelter in support of the air-quality postponement conditions. In 2022, we successfully completed the plant ramp-up and stabilisation (including the remaining commissioning optimisation). Since then, no monthly average emission limit exceedances for SO₂ from the smelter main stack or new acid plant stack have been reported, which ultimately supports the reduction of SO₂ emissions below the minimum emission limit of 1,200 mg/Nm³. On 17 March 2022, presentations were provided on the progress of the abatement plant, followed by a plant tour. Dignitaries from the presidential climate commission, Department of Forestry, Fisheries and Environment and Capricorn district municipality viewed the novel technology.



Healthy environment continued

Managing air quality continued

Insight continued

Drawing on lessons learnt through the Polokwane smelter abatement project, Mortimer smelter has begun a similar SO₂ abatement project, with a capital investment of R2.3 billion. Taking a phased approach to implementing this technology is essential, owing to its novel and breakthrough nature. The feasibility study at this smelter was completed in September 2021. The execution phase commenced in June 2022, with completion expected in 2025.

Despite the Waterval smelter complex meeting required standards, as per the current air emissions licence (AEL), plans are in place to further reduce both SO₂ and NO_x emissions to achieve the 2020 minimum emission standards through the installation of tail gas scrubbing technology, as well as optimising operations and redesigning start-up and shutdown procedures.

Based on learnings from the new technology implementation at Polokwane smelter and a significant impact on execution timeliness as a result of Covid-19 at both Waterval smelter and Mortimer smelter, the national air quality officer was engaged in July 2022 to initiate discussions on future applications to postpone compliance with the MES timeframes.

At our Unki smelter in Zimbabwe, air quality monitoring is undertaken to monitor potential impacts and action where required.



What we are doing

Monitoring dust and gaseous emissions

We have real-time ambient monitoring networks around our Rustenburg process operations, Polokwane smelter, Mortimer smelter, Mogalakwena and Amandelbult. These stations measure SO₂ and PM in line with regulatory requirements and best practices.

Our highest-priority particulate emissions are those classified as PM₁₀ and PM_{2.5} (particulate matter of under 10 and 2.5 microns respectively). We report the results of ambient monitoring to the relevant authority quarterly.

NO_x emissions are monitored continuously at our acid converter plant (ACP), our greatest source of these emissions, and annually through isokinetic sampling at all stacks at relevant operations in line with respective AEL requirements.

Our air quality incident investigation protocol ensures that, if an incident occurs, we can minimise the impact on our communities.

Our policy is to create a record and initiate an investigation to develop appropriate mitigation measures. We also investigate all air quality-related complaints we receive.

Focus areas at our operations

Key activities during the year include:

- Addressing visible emissions from the Rustenburg Base Metals Refinery (RBMR) scrubber stack. The scrubber is part of abatement equipment to clean emissions from coal-fired boilers at RBMR. Investigations to identify root causes were completed in December 2022, while remedial work is planned to be completed early in 2023
- Successful construction and commissioning of the new wet gas acid plant at Polokwane. This is new technology and Anglo American Platinum is the first to implement it in the PGM industry
- A pilot study on predictive environmental monitoring to enable smarter air quality emissions control was initiated at Waterval smelter complex. Full implementation of the project at this smelter will be completed by end 2023

- Successful air quality offset pilots were undertaken in 2022 in Mfidikiwe, Waterkloof, Bokamoso communities (Waterval smelter complex), and in Mantserre and Sefikile communities (Mortimer smelter).

Focus for 2023 and beyond

- Continued focus on compliance with AELs:
 - Further work is planned in the first quarter of 2023, to ensure the sustainability of improved scrubber performance at RBMR
 - Construction of a tail-gas scrubber project to improve abatement of emissions at the Waterval smelter complex will begin in 2023
 - Construction of the wet gas acid plant at Mortimer smelter is scheduled to begin in 2023
- Full implementation of predictive environmental monitoring
- Commence implementation of selected air quality offset projects in communities around Waterval smelter complex and Mortimer smelter.



Case study: Predictive environmental monitoring enable smarter air-quality emissions control

A challenge associated with air-quality monitoring is that once the increase in emissions or impact is detected, events leading up to this have already occurred. A pilot study on implementing predictive environmental monitoring to enable smarter air-quality emissions control was completed at Waterval smelter complex during the year, with full implementation planned by the end of 2023.



Case study: Implementing air-quality offset projects

A key focus in 2022 has been on pilot air-quality offset projects, which will be followed by full-scale implementation of selected projects in 2023 and continue to 2025.

Healthy environment continued

Materials stewardship and managing waste

Material issues



Material issues

- Operational performance
- Value creation from ESG

SDGs



At a glance

- All our operations sustained their ZW2L status in 2022
- 99.7% reduction in waste to landfill from 2013 baseline
- Solutions found for four of five challenging waste streams – three have been implemented and the sustainable offtake of one base emulsion will continue in 2023.

Introduction

At Anglo American Platinum we promote the sustainable use and management of resources to preserve and realise their maximum value. This is supported through our zero waste-to-landfill (ZW2L) non-mineral waste strategy, which challenges conventional landfill disposal processes. By avoiding the use of landfill, we contribute to climate change mitigation and prevent other forms of air, water and soil pollution.

This ambitious approach ensures we align with and pre-empt waste-to-landfill restrictions that are likely to be regulated in future.

Our sustainable waste management programme embraces the concept of the circular economy, and views waste as a potential resource.



Our ambition and targets

Our overarching ambition is to fully embed a waste-to-value culture throughout the company.

In 2013, we set out a vision to achieve ZW2L by 2020 at all operations. This objective required that all non-mineral waste* produced at our operations is reduced, recycled or reused.

* This excludes asbestos waste which South African legislation mandates must be sent to landfill, and two problematic waste streams for which no ZW2L solutions are currently available.

Our approach

All our managed operations continue to sustain their ZW2L status during 2022. Our approach entails:

- Preventing the generation and accumulation of waste on-site
- We work closely with our supply chain in evaluating waste minimisation opportunities, and with our service providers in aligning with our ZW2L strategy
- Ensuring all waste included in the scope is reused, recycled, composted, or sent for energy recovery.

While our 2020 target was largely achieved, our focus remains on the problematic waste streams (which make up only 0.2% of our 2013 baseline) to find offtake solutions. Considerable progress has been made to improve the waste management systems at our operations through the improvement of the waste facilities

and finding solutions for five challenging waste streams that did not have recycled or reused solutions in place by the end of 2020. We have found a solution for four of these waste streams: three of these are in place; we will test the sustainable offtake of the fourth – base emulsion – in 2023. The final challenging waste stream relates to lead waste (lead-contaminated cupels and autoclave liners).

Further improvement of on-site sorting facilities and capacity is required and receiving focus to ensure the sustainability of our ZW2L status.

Compliance

Our approach aligns with the South African National Waste Management Strategy, which flows out of the National Environmental Management: Waste Act.

The NEM:WA, applicable to South Africa and regulations in Zimbabwe related to Unki, provide for waste management plans to be developed to reduce, reuse and recycle waste to minimise disposal. Our ZW2L approach is also aligned with the integrated solid-waste management plan of Zimbabwe that supports moving up the waste-management hierarchy.

All our sites comply with the group hazardous materials management technical standard that covers planning and design, systems implementation and management, and performance monitoring of all aspects of hazardous materials used in mining and processing.

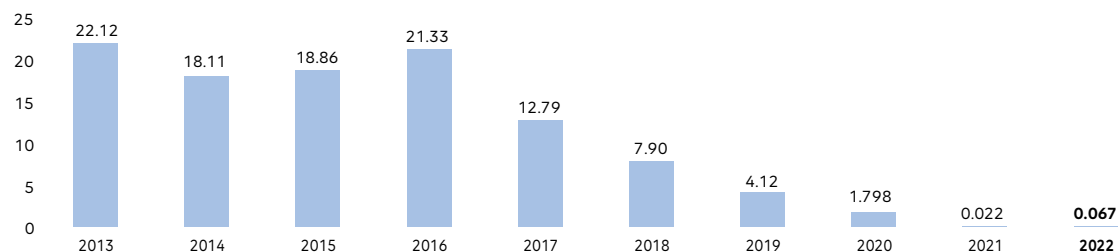
Measuring our progress

When we launched our ZW2L strategy in 2013, a total of 22.12kt of waste was sent to landfill (54% non-hazardous and 46% hazardous). By end-2022, we had achieved a 99.7% reduction from this 2013 baseline, with only 0.07kt of waste going to landfills.

Healthy environment continued

Materials stewardship and managing waste continued

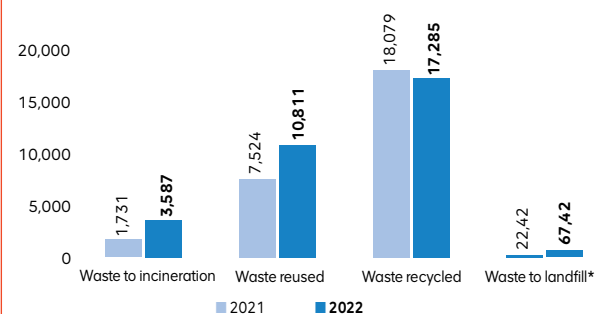
Total waste to landfill (kt)



A pilot project (Topolytics) is running at Polokwane smelter in conjunction with the Anglo American group. This will pilot the automatic uploading of waste data from a system made available to the waste-management contractor, which then links back to the IsoMetrix objective and targets module, and finally displays data on a dashboard. The dashboard can be used to view the quantities of each waste stream produced and the offtake implemented in terms of reuse, recycling and associated facility.

Site visits to two facilities have been undertaken to assess potential offtakes for shredded pre-levy tyres from Mogalakwena. One of the facilities has been identified as viable from a compliance perspective in terms of permits, etc.

Total waste (t)



* Waste sent to landfill in 2021 and 2022 was limited to problematic waste streams only.

Chemical-related waste is neutralised and stabilised by adding lime, for example, and further remediated before being treated through relevant licensed third-party ZW2L offtakes.

To ultimately eliminate hazardous waste, we have embarked on a number of key initiatives, including bioremediation to rehabilitate soil affected by hydrocarbon spills and improving the quality of sodium sulphate and sodium chloride by-products at our refineries so that they may be sold. With the assistance of our ZW2L partner, we have identified that used insulating material (mineral wool) can be used as a construction medium to protect newly-developed and constructed landfill cells.

While we have realised some financial benefits from these initiatives, it remains a reality that avoiding landfill, and pursuing reuse and reprocessing options, requires additional work and cost, including transport.

Waste streams, such as food packaging and mixed waste, are used in refuse-derived fuel (RDF) facilities, while building rubble is used as a resource at the Klinkerstene facility as daily landfill cover, eliminating the need to acquire and use virgin material for this process, for example virgin soil. PMR is also undertaking a trial where paper-based cups have been replaced by reusable and washable mugs, eliminating the source of waste and associated disposal and transport costs.



What we are doing

Through our ZW2L strategy, we prevent many types of waste from going to landfill: scrap metal, plastic, paper, cardboard, glass, fuel, fluorescent tubes and bulbs, as well as construction materials, including electrical scrap and cables.

Managing hazardous substances, such as acids and chemicals, is strictly regulated and controlled at our operations, and at receiving waste facilities, which are regularly audited by external parties.

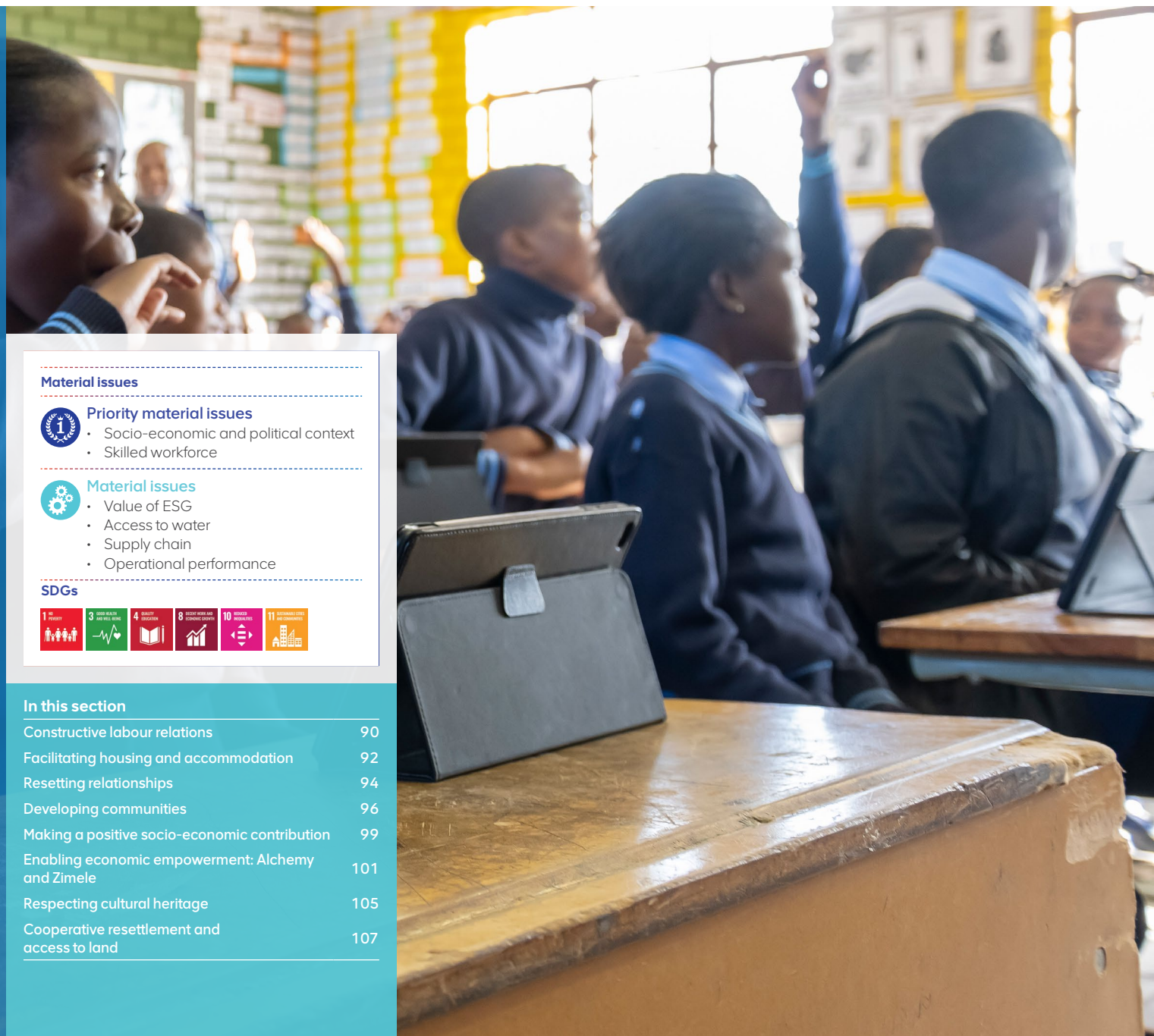
Focus for 2023 and beyond

- During 2023 the focus will be on ensuring controls are in place to address on-site backlogs on waste recovery and ensure that our ZW2L status remains viable and sustainable
- Pursue further opportunities in waste prevention, and particularly waste minimisation opportunities, in our supply chain
- Find and adopt innovative practices to address hazardous and the one remaining problematic waste streams; where possible, realise economic benefit (and lower costs) from our waste-management approach
- Inform and educate our employees and communities so that we deal with reduction and separation of waste at source, rather than later in the process, which is less efficient
- Support our waste-management strategy with life-cycle assessments, and embed our strategy in the circular economy.

Thriving communities

We shape and share the future with our employees and our community stakeholders impacted by our activities.

Our employees and contractors are the most vital community to our business. While it is imperative that we attract, retain develop the talent that we need for a thriving business (page 51), that we protect and care for our employees' safety and health (page 38), and promote diversity, equity and inclusion (page 56), it is equally important that we ensure that our internal communities thrive. To do this, we need to ensure that we engage in sound and constructive labour relations and optimise the economic and other benefits to our employees. We recognise too that employees are part of the communities in which we operate.



Material issues



Priority material issues

- Socio-economic and political context
- Skilled workforce



Material issues

- Value of ESG
- Access to water
- Supply chain
- Operational performance

SDGs



In this section

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Thriving communities

More than that, our business relies on the acceptance and cooperation of communities in which we operate, knowing that our needs, impacts and activities are interdependent and potentially mutually beneficial. This is the social licence to operate that we know we have to continually earn.

We recognise too that there are contexts and relationships shaped by the past and predicated on expectations for the future. We exist in a wider context of South Africa's social inequities and development challenges, so that the challenges faced by local communities and the frustrations they feel become the risks and challenges of our business.

Managing the expectations of communities, whose members look to the company for jobs and other opportunities, was again a challenge in 2022. We seek to address this by developing a common understanding of what a 'meaningful existence' means to our stakeholder groups, and by adopting an integrated approach to socio-economic development. We recognise key community needs that we cannot address alone but, where we can, we provide support for stakeholders who face food insecurity, lack of access to water, ill-equipped clinics and hospitals, and ill-equipped schools and crèches.

To build thriving communities, we actively engage with community stakeholders, collaborating in regional development to:

- **Share economic benefits:** We pay competitive salaries and wages, and invest in the training and development of local people. We also pay dividends to shareholders, empowerment partners and community-owned development trusts; invest at least 1% of profit after tax in corporate social investment projects; and contribute to the national fiscus by paying royalties and taxes.



Wages and labour relations: For more on salaries and wages.

Attracting, retaining and developing talent: For more on training and development.

Inclusion, diversity and transformation: For more on the transformation of our employee base.

Socio-economic development: For more on our investment in community development initiatives.

Alchemy: For more on our contributions to community trusts

Socio-economic contribution: For more on the socio-economic contribution we make.

- **Grow economic opportunity:** We drive inclusive local procurement, as well as enterprise and supplier development initiatives, that promote and support local skills development and local economic participation in the mining value chain.



Zimele: For more on our enterprise development programmes.

- **Build local capacity:** We invest in socio-economic development projects and partner with local institutions to meet key local needs for infrastructure, services, skills and local economic development beyond the mining value chain.
- **Collaborate in regional development:** We convene collaborative development initiatives involving government, industry partners, communities and NGOs to help diversify and strengthen the regional economy.



Collaborative regional development: For more on our collaborative development initiatives.

Resetting relationships: For more on our engagement with communities and NGOs.

- **Negotiate land access and resettlement:** We negotiate involuntary resettlement, and invest in improving the quality of life and livelihoods of communities that unavoidably need to be resettled from land reserved for mining.



Land access and resettlement: For more on our resettlement programme and the livelihoods of resettled communities.

SMP stretch goals, milestones and targets



Health and wellbeing

Relevant SDG targets for health to be achieved in our host communities

2022: Strategies in place at every site to achieve the SDG3 health targets



2025: Operations to be halfway to closing the gap between baselines and 2030 targets



2030: SDG3 targets for health to be achieved in our host communities



Education

For all children in host communities to have access to excellent education and training

2022: Baselines and strategies in place at every site to achieve targets



2025: Schools in host communities to perform within top 30% of state schools nationally



2030: Schools in host communities to perform within top 20% of state schools nationally



Livelihoods

Shared, sustainable prosperity in our host communities

2022: Baselines and strategies in place at all sites. 1.5 jobs supported for every job on-site



2025: Three jobs supported/created off-site for every job on-site



2030: Five jobs supported/created for every job on-site



Achieved



On track

Thriving communities continued

Constructive labour relations

Material issue



Priority material issue

- Skilled workforce



Material issue

- Operational performance

SDGs



Our ambition and targets

We optimise relationships with employees and their representative trade unions in all appropriate structures. We strive to conduct collective bargaining in a way that leads to a fair outcome for employees and a sustainable outcome for the company, and to achieve this goal without industrial action.

Through collective bargaining and consultation, where appropriate, we seek to ensure employees receive reasonable wages and other benefits, including participation in employee share-ownership plans (ESOPs), and enjoy fair, healthy and safe working conditions.

Management approach

Our employee relations function facilitates the relationship between employees, unions and the company. It provides a direct point of contact for employees, unions and other employee-related stakeholders, and represents the company, sometimes along with others, on platforms for accountability and dialogue.

Our approach and employee relations structures are collectively sanctioned through an employee relations recognition agreement in South Africa. In Zimbabwe, there is a worker forum operating on a similar basis through a works council agreement. In line with these agreements, we have established and continue to participate in employee engagement structures, including, in South Africa, an employee relations steering committee and employment equity committee, where we consult with union leadership. Operational unit partnership forums also exist where employees raise issues with management, and housing forums, where employee housing initiatives are discussed.

Anglo American Platinum and its recognised trade unions also participate in the group tripartite platform, with representation from DMRE, Anglo American business units and trade unions.

We openly share and communicate our policies and the principles to which we subscribe to ensure employees and unions are aware of their rights.

We encourage the communication of grievances, and proactively manage and address these through our social complaints and incidents process.

We conduct annual employee surveys as part of our safety initiatives and culture evolution.



Culture in Action: For information on how we engage with employees.

Around 93% of employees (excluding management) are affiliated with a recognised union, and union agreements determine remuneration and benefits for these employees. The remainder of employees (7%) are part of a team-based performance management system called Team+, which aligns with the operating model. Employees in this category receive annual bonuses based on team measures, although exceptional awards may be paid to individuals or small groups for exceptional performance.

Our remuneration structures are intended to support the company's culture evolution towards a more inclusive and collaborative way of working, underpinned by our code of conduct.

Compliance

Our policies and procedures are aligned with the conventions of the International Labour Organization (ILO), the South African constitution, and all labour-related national legislation. We adhere to South Africa's Basic Conditions of Employment Act 1997. In Zimbabwe we are aligned with the Labour Relations Act Chapter 28:01, the Zimbabwe constitution and the ILO declaration on fundamental principles and rights at work.

We respect human rights, including the right to freedom of association, to organise, to basic conditions of employment, to raise grievances or concerns without fear of victimisation, and to a safe and healthy working environment.

Introduction

We seek to build strong and constructive relationships with our employees and their representative trade unions in South Africa and in Zimbabwe, through their workers' committees. We do this to maintain an environment that is conducive to achieving our long-term production and value-creation goals for all stakeholders. We ensure employees receive fair reward for their work and are free to exercise their rights.

At a glance

- 2022 wage settlement with four representative unions is the company's first five-year settlement, agreed ahead of schedule
- New ESOP, called Thobo, implemented from 1 September 2022, after consultation with unions – will deliver benefits to around 20,000 qualifying employees
- Previous ESOP, which expired in August 2022, delivered R25,000 per employee, in both shares and cash.

Thriving communities continued

Constructive labour relations continued

Measuring our progress

In terms of collective agreements, 89% of the South African workforce has trade union representation, with 100% of the bargaining unit covered by collective bargaining agreements.

In Zimbabwe, 6% of 1,195 employees are unionised. At national level, mining employees and other trade unions are represented by one trade union (Associated Mine Workers Union) which engages in collective bargaining with the Zimbabwe Chamber of Mines. However, at plant level, employees are represented by workers' committees, which are structures created in terms of the Labour Act to protect the rights and represent the interests of employees in the workplace.

 **Upholding human rights:** See the section on page 59.



What we are doing

Our relationships with unions were conducted cordially on all issues during the year to support collaborative action in all areas of mutual interest. The main issues in 2022 included:

- Wage negotiations
- ESOP consultations
- A section 189 process (retrenchment) for the corporate office and human resources
- Covid-19 and workplace implications.

Representation and conditions of employment

Union representation remained stable during the year.

Union representation % of employees		
	2022	2021
Association of Mineworkers and Construction Union (AMCU)	40	43
National Union of Mineworkers (NUM)	37	35
UASA	12	12
General Industries Workers Union of SA (Giwusa)	4	4
Associated Mine Workers Union of Zimbabwe	6	2

When Mototolo was acquired in 2018, those employees came into the company with their own conditions of employment, some of which differed significantly from ours. The General Industries Workers Union of SA (Giwusa) also became part of the bargaining unit as a result of the transaction. While some work has been done to align these conditions of employment, the process has been complex.

Following the conclusion of 2022 wage negotiations, and as part of the wage agreement's provisions, management started engaging with Giwusa to align conditions of employment. Management is working on remuneration scenarios modelling to determine the most cost-effective method for alignment, with a view to achieving a cost-neutral approach while ensuring a no less favourable situation for employees overall.

Wage negotiations

Much preparatory work was done in late 2021 and early 2022 to pave the way for a smooth process of wage negotiations, ahead of the prior agreement expiring on 30 June 2022.

Historically, wage negotiations in the mining sector have tended to be drawn out well beyond the traditional 1 July implementation date, often continuing late into the year and causing an extended period of uncertainty. In addition, they almost invariably involve formal dispute-settlement procedures, even when these do not result in a strike, and ultimately require backdated payments on what, for many years, have been three-year agreements.

The 2022 Anglo American Platinum wage settlement with our four representative unions was a significant achievement in several respects:

- The company's first five-year wage agreement, setting the trend for agreements settled subsequently by other companies
- Settled after only five meetings, on 26 May 2022, well in advance of the expiry date of the previous agreement
- Settled almost without a formal dispute declared. The exception was Giwusa, which declared a formal dispute in terms of the Labour Relations Act. However, unions representing the majority of employees signed a wage agreement, making it possible to extend the agreement to cover the entire bargaining unit.

We attribute this positive outcome to the constructive relationships developed between unions, employees and management, and the approach adopted by all parties that avoided traditional 'positional bargaining'. Positional bargaining, which has historically characterised many such processes in our sector, involves the company starting with a low offer and unions starting with a high offer, and then, often over numerous meetings, slowly narrowing the gap. The union leadership played a pivotal and important role in this new approach.

The final settlement involved a R1,150 minimum monthly increase in year 1, rising to R1,500 in year 5. The agreement also included increased housing and living-out allowances, medical aid contributions, severance pay, rock-drill operators' allowance, and long-service awards.

Employee share ownership

New ESOP, called Thobo, was launched in September 2022. The scheme is uniquely structured to incorporate a free share and evergreen component, and builds on lessons learned from the strengths and weaknesses of previous ESOP structures.

Focus for 2023 and beyond

- Regular meetings and strengthened relations with unions
- Aligning Mototolo's conditions of employment
- Embedding the ESOP
- Reviewing and refining bonus schemes to ensure the drive to increase production does not compromise our safety imperative. Although bonuses are not subject to negotiation, it will be necessary to consult on this issue to ensure safety and productivity incentives do not override each other.



Case study: Anglo American Platinum's third ESOP, Thobo, to share benefits with employees

1 September 2022 marked the beginning of a new employee share-ownership plan that will benefit around 20,000 employees.

Thriving communities continued

Facilitating housing and accommodation

Material issue



Material issue

- Skilled workforce

SDGs



Our ambition and targets

Compliance

We comply with the National Housing Act 107 of 1997, whose provisions have been carried through into the Housing and Living Standard regulations of the MPRDA. In our day-to-day practice, we comply with all relevant municipal town planning schemes and bylaws, the Provincial Town Planning Ordinances and all other applicable policies and legislation.

Measuring our progress

In 2022, we invested R 617.6 million (2021: R524.8 million) in our ongoing employee housing and accommodation assistance scheme, which supports 15,135 employees (2021:13,285). Additionally, Anglo American Platinum houses 4,082 employees in company accommodation, with 2,570 (2021:2,874) in family accommodation units and 1,512 (2021: 1,468) in single and single accommodation village housing.



What we are doing

We have, since 2014, complied with all the requirements set by the 2009 and 2019 housing and living standards and we will ensure that we sustain this. In 2020, we submitted our assistance plans to the DMRE regional office in Polokwane and are currently in the process of reviewing them to ensure that we meet the 2023 deadline. The company is also in the process of completing land-based projects for homeownership in operational areas. These projects will result in more flexible subsidy assistance that will ensure employees who wish to own homes can do so. This flexible approach has further enabled us to assist employees who want to own homes at their place of origin.

Our accommodation assistance continues to provide decent housing opportunities for employees with a focus on homeownership. In addition, our review initiatives allow us to respond to current challenges faced by employees in housing themselves with their families. As part of our review initiatives we will conduct an analysis in 2023 to establish the current state of living conditions and housing market dynamics.

At a glance

- R617 million invested in employee housing and accommodation scheme, supporting 15,135 employees in 2022
- Further 8,164 employees accommodated in company houses, family accommodation units and in singles accommodation
- Survey planned for 2023 to establish current state of living conditions and housing market dynamics
- 200 employees who receive a live-out allowance.

Anglo American Platinum aims to ensure that all qualifying employees enjoy housing assistance benefits and are able to provide decent living conditions for themselves and their families.

We seek to achieve this by ensuring that we enrol qualifying employees to one of the three types of assistance we provide. Ensuring all employees have a decent home when they work for our company and a place to retire in dignity underpins all our efforts.

Introduction

Adequate housing and decent living conditions are essential to the support we provide to employees who qualify for housing. This is done in line with the national statutory requirements and in line with our intention of ensuring that our employees enjoy quality housing and living conditions. The support we provide is in the form of rental allowances, homeownership and established company accommodation.

Our efforts to provide adequate housing and decent living conditions are aimed at employees who cannot afford to participate in the market or who do not benefit from government-provided housing.

A housing allowance is provided to employees in job grades D1 and below.

Management approach

Anglo American Platinum partners with organised labour throughout the accommodation assistance process, from strategy to implementation. This relationship is established through recognition agreements and the related structures are the onsite housing committees and the broader housing forum. In 2022, this productive relationship resulted in most of the agreed implementation improvements being approved, although a number of others remain under consideration.

The approved improvements are:

- That the R250,000 employer-assisted housing subsidy scheme (EAHS) operates under the established principle that an employee can only benefit once from the assistance
- That the owner-build option is another way employees can participate in the EAHS by building their own houses, with conditions
- Extending the EAHS assistance to enable employees to build their own homes at their place of origin
- Employees close to retirement are prioritised for participation in the scheme, especially first-time homeowners.

Thriving communities continued

Facilitating housing and accommodation continued

Employees hoping to establish homeownership at their places of origin now have the opportunity to do so through a new subsidy assistance scheme, which will provide R250,000 to employees, inclusive of VAT.

We have also included an option for employees to facilitate their construction within the required timeframe and with savings. As part of the EAHS projects, employees participate in a scheme where they will be provided with land serviced with water, sewerage systems and electricity connections for free, should they choose to fund the construction of their houses with pension-backed loans in the form of bank bonds.

Anglo American Platinum has also invested in providing direct assistance to employees who have started financing their own construction through the subsidy scheme, allowing them to invest in their established community networks.

To ensure that we can assist communities in need of housing opportunities and the required bulk infrastructure, we have partnered with the National Department of Human Settlements in the Rustenburg area under the Bokamoso project. As part of the project, Anglo American Platinum has donated much-needed land for construction and assisted with developing the first phase of the bulk sewer plant, which will cater to the 4,000-unit development planned. The company has so far completed 90 units for this development.

We have also commenced with a development in the Thabazimbi municipal area in Northam. The area of land has the potential for developing 10,000 units, that will be donated to our employees. In addition, we are developing the area's sewerage system.

Resolving the accommodation backlog

The demand for company accommodation has increased over the years, and about 700 employees are on a waiting list. The demand is primarily a reflection of the different property market dynamics we are operating under, stretching from areas where the market provides sufficient stock to allow for rental options, to areas where the market is unable to do so due to infrastructure challenges, thus putting pressure on employees to be accommodated by the company.

We are finalising our company accommodation backlog plans to deal with these shortfalls, in these areas, in line with our homeownership assistance options, to ensure that we attract the best talent for our operations and retain it simultaneously.



Employee housing at Northam Ext 6

Focus for 2023 and beyond

- We will continue to provide decent company accommodation and reasonable allowances for employees
- Homeownership is our primary priority for all employees, and we will ensure that those who choose to improve their living conditions at their place of origin can do so
- A land development project in Polokwane (Bendor Extension 127) is being prepared for engineering servicing. The project will yield 210 single residential stands
- We plan to introduce 360 owner-build opportunities at Mototolo Mine and progress bulk infrastructure in the Northam area
- Contractor housing is an issue that contracted entities need to address, especially with companies that hold longer-term contracts with Anglo American Platinum. Anglo American Platinum's responsibility will be to ensure that such provisions are captured in contracts and that monitoring of responsible housing provisions is conducted by contracted companies.

Thriving communities continued

Resetting relationships



At a glance

- Regular engagements with NGOs in line with good practice
- Interfaith programme rolled out to all sites, involving around 1,300 interfaith leaders
- Participatory, community and business engagement forums established
- Five editions of community newspapers, published and distributed to communities in each operating area.

Introduction

We collaborate with our stakeholders in pursuing sustainable development objectives and building communities that will be sustained beyond the life of our mines. The Anglo American social way 3.0 guides these efforts.

We recognise that to effectively drive long-term development in our mine communities, we need high-quality engagement with these stakeholders. We have developed a better understanding of our strengths and weaknesses as a company and as a development partner. These insights have assisted our approach to optimising community development in our local operating areas.

We need to address the legacy of our past engagements, and build an approach that is fit for the future. This is the premise of our new stakeholder engagement strategy developed in 2021. Through this strategy, we are transforming our historically defensive approach to a more open, proactive and participatory one.



Our ambition and targets

We seek to establish constructive, collaborative and meaningful engagements with a broad range of stakeholders.

Where differences of opinion exist, we want to engage, to listen and to develop mutually satisfactory outcomes.

Management approach

We have been focusing on resetting our community relationships, to rebuild trust and foster collaboration and strategic partnerships with key stakeholder groups. Our aim is to be transparent and accountable and build the trust necessary for a shared vision and collaboration in resolving grievances and building community development.

Realising this aim in practice means actively listening to what communities want, building a deep understanding of each stakeholder group and their perspective on value, effectively addressing the issues and concerns flagged as most important and living up to our role and commitments on delivering long-term community benefits. This approach to resetting relationships needs to be mutual, but we understand that we need to initiate this shift in our quest to be a trusted corporate leader.

Measuring our progress

Key indicators of progress include:

- Regular engagements with NGOs
- Participatory, community and business engagement forums that we can point to
- Interfaith programme.



What we are doing

We are resetting our relationships through four key pathways:

- Taking time to understand what 'meaningful existence' means to each community group
- Building the capacity and supporting the empowerment of community leaders
- Adopting an integrated approach to socio-economic development
- Partnering with NGOs and others to create alternative livelihoods outside the mining value chain.

We are:

- Establishing participatory engagement forums that facilitate reconciliation and serve as a platform for collaboration
- Seeking effectively to mitigate social, health, human rights, cultural heritage and environmental risks and impacts
- Delivering benefits that improve the lives of local people through socio-economic development, education and health, local employment and procurement, enterprise and supplier development, and collaborative regional development
- Addressing legacy resettlement issues and negotiating involuntary resettlement to secure future land access from stakeholders.

Engaging NGOs

NGOs are a key stakeholder group in our mine communities and hold us accountable on our commitments and our responsibilities. They also provide expertise and partnership in social and environmental endeavours.

Historically, some NGO relationships have been challenged by a trust deficit. Such relationships can be the source of reputational, regulatory and financial risks to our operations. More importantly, poor NGO relationships carry an opportunity-cost in the lost potential to work together and create mutual benefit.

In 2021, we developed a new NGO engagement strategy, aligned with our stakeholder engagement strategy. This strategy brings coherence and consistency to our engagement activities and responses.

Thriving communities continued

Resetting relationships continued

We have complemented the strategy with an NGO engagement toolkit and are conducting training on this toolkit across all sites.

Participatory engagement forums

We establish, maintain and participate in various engagement forums and initiatives at each operation. We act transparently in these forums to facilitate dialogue, invite assessments of accountability, and establish platforms for collaboration with community stakeholders.

Community engagement forums

We have reviewed the composition of community engagement forums (CEFs) to include vulnerable groups that have been previously excluded. Existing CEFs at our sites are being reconstituted to align with Anglo American social way 3.0 principles.

Community business forums

We have established community business forums in each mine community. These forums provide a dedicated engagement structure for community members and organisations to engage our operations on business-related issues and opportunities, including job opportunities, inclusive procurement and enterprise and supplier development.

Interfaith programme

Faith leaders and traditional healers play a critical role in mine communities. Our interfaith programme is a key structure through which we are working to reset relationships, build trust, and drive new solutions with mine communities.

We have rolled out the interfaith programme in mine communities at all our sites. Some 1,300 interfaith leaders (61% traditional healers and 39% church leaders) participate in the programme, including a staff complement of 30 social workers and psychology graduates.

Faith leaders have improved community engagement in developing and monitoring our SLP projects. They have also played an important part in campaigns against gender-based violence.

Community newspapers

We publish community newspapers for five of our operational regions that we distribute within our operations' doorstep and host communities. We chose to produce physical newspapers as many of our community members do not have online access and connectivity is sporadic across our communities. However, we do also publish the newspapers online on our website.

The main purpose of the newspapers is to keep our host communities informed about developments related to our operations, but we also encourage readers to submit their own stories, awarding a R500 shopping voucher to the winning submission; and we publish their opinions in dedicated 'vox pop' columns in each issue.

- The Mogalakwena Times is distributed in Mogalakwena's communities, published in both English and Sepedi

- Amandelbult is served by Amandelbult Times, published in English and Setswana
- The Far Eastern Limb operations have the Platinum Times which serves the communities surrounding the Twickenham Project and the Der Brochen and Mototolo mines, published in English and Sepedi
- For our Rustenburg process operations we have Rustenburg Times, published in English and Setswana
- The Polokwane Times is distributed to the communities surrounding our Polokwane Metallurgical complex, published in English and Sepedi.

The first four operations' newspapers each have a print run of 30,000 and are published 10 times a year, while the Polokwane Times is published quarterly and has a print run of 5,000.



Thriving communities continued

Developing communities



At a glance

- Total social investment expenditure of R962 million in 2022 (Including dividends)
- This includes SLP expenditure in 2022 of R308 million.

Introduction

Through our extensive community development programmes, we aim to drive positive, long-term economic, health and educational impacts in our mining communities.

These communities are the places many of our employees call home, and our closest neighbours. Failing to make those communities better off as a result of our presence is a breach of our values and would result in our failure to retain our social licence to operate from residents. This in turn could lead to community dissatisfaction expressed in various ways that could prevent our company from operating optimally.

We believe focusing on the livelihoods and wellbeing of our host communities and strengthening our relationship with residents give us the opportunity to tap into local talent for our operations and achieve a better understanding of the landscape.

For local community development programmes to succeed, we need to be properly informed of community needs and have both local and regional support. To achieve this, we convene multiple stakeholder engagement sessions to collaborate with strategic partners and drive innovative and collaborative solutions.



Resetting relationships through engagement: For more on our efforts to engage with local and regional stakeholders.



Our ambition and targets

The key to sustainable prosperity for communities, business operations and employees is ensuring we continue to maximise shared opportunities for value creation, minimise or avoid any adverse impacts and always prioritise respecting human rights.

We aim to build thriving communities with better health, education and levels of employment in our host communities by achieving our stretch goals by 2030:

- Improve health outcomes, including facilitating the supply of potable water
- Support schools, ensuring they are in the top 20% of state schools nationally by 2030
- Support employment creation opportunities through various programmes with our partners across our platforms. The goal is to create five off-site jobs for every on-site job by 2030.

Management approach

The Anglo American social way 3.0 sets out social performance requirements and guidelines for the company. Social performance is part of our core planning and business management processes and we develop long-term strategies through life-of-asset planning to meet the goals of our SMP.

The social way also states that sites are required to develop, document and implement a cross-functional committee to address the multidisciplinary nature of social performance. This committee coordinates and shares information about cross-functional social performance issues. Our social performance department drives these programmes and collaborates closely with the sustainability, supply chain and local procurement departments.

We manage many of our development programmes with NGOs, communities and local governments.

Compliance

Our development work is guided by the MPRDA, our social and labour plans (SLPs) and our SMP. These projects are also in line with national, provincial and municipal development plans.

Measuring our progress

Anglo American Platinum's education, health and wellbeing programmes have built-in monitoring and evaluation frameworks. This framework measures the impact of the programmes based on the SMP targets for 2025 and 2030. The programmes also have implementation plans which are monitored, and monthly progress meetings are held with implementation partners to establish challenges and overall progress.

Over and above our corporate social investments, Anglo American Platinum implements the social and labour plan (SLP), which is a legal requirement for mining entities.

SLP2 (2016-2020) and SLP3 (2021-2025) expenditure for 2022 amounted to R48 million and R256 million respectively.

	2022 R million	2021 R million
Health and social welfare	51	25
Education and skills development	193	80
Infrastructure	92	66
Enterprise development	140	112
Community dividends	382	381
Unki CSI	28	11
WeCare initiative	-	400*
Other (Alchemy Site CSI, interfaith and other donations)	76	211
Total social investment expenditure	962**	1,286

* Once-off contribution as part of Covid-19 relief.

** R761 million assured under Anglo American template 14 requirements.

Included in infrastructure expenditure is R30 million related to educational infrastructure and R2 million related to health infrastructure.

Thriving communities continued

Developing communities continued



What we are doing

Education

Anglo American Platinum runs three education programmes: the Anglo American South Africa (AASA) education programme (phase 1 2018-2023 and phase 2 2022-2026); an early childhood development, leadership and character-building programme; and learner support and development.

AASA education programme

The AASA education programme is being delivered in partnership with the Department of Basic Education. Phase 1 covers the Amandelbult and Mogalakwena areas, focusing on support for 16,575 learners and 501 teachers, as well as school governing bodies and principals.

The second phase launched in July 2022 and is extending its support to the Rustenburg and De Brochen communities, with 45 schools added to the programme.

For learners, the focus of the programme is on improving performance, mainly in mathematics and science, as well as supporting them with the necessary tools to evaluate and pursue post-schooling opportunities.

The teachers, governing bodies and principals hold lekgotlas as part of the programme, where they have an opportunity to raise issues and get advice on leadership and management.

During 2022, the AASA education programme contracted 27 local suppliers, and created 50 direct jobs and about 100 short-term positions to provide professional support to the AASA education programme.

Key achievements of the phase 1 AASA programme include:

- Improved infrastructure at 21 schools and 28 early childhood development sites, benefiting 16,575 learners in 2022
- 26 Anglo American Platinum schools have participated in phase 1 of the education project, resulting in significant performance improvements and a decline in teenage pregnancies and school dropouts
- The AASA school's pass rate was 77.1% in 2022, from 71.3% in 2021
- In 2022, 661 learners from our programme schools wrote matric exams, compared with 563 in 2021
- The number of learners writing science, technology, engineering and maths (STEM) subjects grew to 358 from 345 in 2021
- All primary schools received a storage trolley, 45 tablets, a laptop and a projector
- Each secondary school received 46 laptops, a projector, and a storage trolley
- All schools are connected to wi-fi, and ICT training for over 500 teachers is underway
- 10 ICT learners from Mokopane and Thabazimbi enrolled in our ICT learnership programme
- 48 volunteer parents were selected to support other parents on an early childhood numeracy and literacy resource development programme
- 540 household support visits were conducted and 896 resource packs distributed to parents in the local communities of Mokopane and Thabazimbi.

Leadership and character-building programme

At Mogalakwena and Amandelbult, 1,904 learners have access to a leadership and character-building programme focused on helping them to further develop responsible citizens.

The programme is based on three stages of their development ages: infancy to two years; two to six years; and seven to 20 years.

The first two phases fall under early childhood development (ECD) and the last phase is part of the leadership and character development programme. The ECD programme is centred on health and nutrition, while leadership and character development addresses life skills, leadership, virtue development, service and volunteerism. Both programmes also support teachers and parents with their role in developing learners.

The programme started in 2021 (as part of the third cycle of our social and labour plans or SLP3) but was delayed by supplier issues. The programme will resume in 2023 and run until 2025, with a budget of about R33 million over the two years.

Learner support and development

Our learner support programme offers additional mathematics and science skills support to high school learners at disadvantaged schools. Additional support includes after-school assistance and spring camps to assist learners in achieving better results.

The technology-assisted programme is available to 750 grade 10, 11 and 12 learners at our Der Brochen and process operations in Polokwane and Rustenburg. It also helps these learners prepare for their exams or rewrites, if required.

The programme is divided into three core areas:

- **Learner support:** Afternoon extra lessons, career guidance and university application support
- **Educator support:** Post-Covid-19 curriculum planning, content workshops and digital teaching training
- **Learning and teaching resources:** Recorded/live afternoon lessons, written materials and examination preparation guides.

The R22 million programme, launched in 2021 for SLP3 will continue until 2025.

Thriving communities continued

Developing communities continued

Health and wellbeing

Anglo American has a community-oriented primary care programme, through which the group has built a number of clinics. We also acquired three mobile clinics during Covid-19, renovated a clinic in Amandelbult, and handed over another clinic in Mogalakwena.

In 2022, Anglo American appointed Right to Care, a non-profit organisation, as the main implementing partner of the South Africa community health and wellbeing programmes. Right to Care focuses on improving the quality of primary healthcare available at facilities and communities improving the efficiency of medication for chronic disease through provision management of innovative smart programmes and supporting key and vulnerable population groups to improve health outcomes associated with priority disease areas.

Anglo American invests to strengthen community health systems by training and supporting community health workers, improving the operating environment clinics and enabling the decongestion of pharmacies.

We are also implementing the following health programmes:

- **Coach Mpilo programme:** This project aims to provide support to newly diagnosed HIV-positive people and those who have returned to care after treatment interruption, by pairing them with those who are stable on treatment as their 'coaches'. The coaches provide ongoing guidance and support so that the people they are coaching see treatment as a strategy for gaining control over HIV and living openly and confidently.
- **Heartlines:** Heartlines is a social-change organisation that encourages people to live out positive values through projects like films and television shows about topical societal issues.
- **Zvandri:** Supports children and adolescents living with HIV to achieve improved health outcomes by peer support mechanisms. The programme enables access to HIV testing, support, care and treatment as well as HIV prevention mechanisms. Integral to the success of the model is integration with the Department of Health systems as well as holistic family-centred support.

Through WeCare, which started as our Covid-19 response programme in 2020, we invested R400 million in student bursaries, water and sanitation in schools, job creation, and gender-based violence prevention and support.

Livelihoods

We are building a governance structure for our livelihood projects, aimed at helping us ensure that the job-creation initiatives we invest in are sustainable. All projects and programmes are presented to our internal review committees and PMC before we begin implementation. Each quarter, we update the livelihoods steering committee on our programmes and project initiatives.

As part of our reporting process, we have developed a due diligence system to improve the assessment of potential investments. Although financial returns on investments are important, we place greater emphasis on social returns.

In 2022, we initiated a partnership with retailer Mr Price as part of the retail-sector investments we are making for communities. Anglo American Platinum is funding one of Mr Price's training and placement programmes.

In 2023, we will continue to explore corporate partnerships that generate mutual benefits across our programmes. The company is also working on green-sector projects, including those in renewables and biomass energy, which will create local jobs. Most of these projects are at pilot and planning stages.

In 2022, there were 1.6 jobs supported off-site for every job on-site (excluding induced jobs) and 6.2 jobs supported off-site for every job on-site (including induced jobs). Induced employment refers to employment generated by local spending on goods and services by employees and contractors.

Through internal collaboration we are leveraging off similar initiatives, bringing all job-related activities into a single platform.

Focus for 2023 and beyond

- Conclude large-scale project initiatives by 2030
- Strengthen our corporate partnerships in 2023, specifically to ensure that where we do not have sectoral expertise, we partner with those that do
- Strengthen relationships and engagements with communities
- Develop a monitoring platform for all our livelihoods projects, which is automated to the extent that is possible.



Case study: How Anglo American Platinum and Mr Price are jump-starting youth employment

Anglo American Platinum has entered into a partnership with one of South Africa's biggest fashion and homeware retailers, the Mr Price Group, to create permanent retail jobs, largely for youth.

Thriving communities continued

Making a positive socio-economic contribution

Material issues



Material issues

- Socio-economic and political context
- Value creation from ESG

SDGs



At a glance

- R962 million (1.95% of profit after tax) invested in socio-economic development in 2022
- Total payments to government of R22,826 million in 2022, R20,176 million in South Africa and R1,794 million in Zimbabwe
- Host community procurement in South Africa of R6.56 billion.

Introduction

Contributing positively to the economy of host countries and host communities is our responsibility as a mining company. We want to ensure that our activities leave a firm foundation for a sustainable future.



Developing communities: For further comprehensive discussion on our programmes.

The biggest challenge to the sustainable future of mine communities, both in South Africa and Zimbabwe, is their legacy of unemployment and underdevelopment. While Anglo American Platinum cannot address this issue on its own, we are ensuring we play a significant role in creating shared value, together with government.

As part of this goal, and in addition to paying taxes and royalties to the fiscus, rates and taxes to local authorities, and salaries to employees, we invest some of the revenue we generate into community and social development initiatives. We also review our capital allocation framework against our ESG requirements to ensure that the value we create is lasting.

We provide procurement opportunities for local businesses too, and our ownership empowerment arrangements provide the benefits of company ownership to mining communities.



Our ambition and targets

We invest at least 1% of profit after tax on socio-economic development in our communities.

We are also guided by targets in our SMP, which are focused on creating or supporting three jobs off-site for every job on-site by 2025, growing to five jobs by 2030.

Management approach

Unemployment is a big challenge in our mine communities, whose residents often look to Anglo American Platinum for opportunities. Our inability to fully meet those expectations can create tension between the company and community members.

We aim to meet the urgent need to create sustainable employment opportunities, both inside and outside the mine, through local procurement and social investment initiatives.

Our own procurement creates employment opportunities, but we are also looking beyond the mine, for example projects in agriculture, to stimulate the local economy.

Collaborative regional development also plays a role in our goal, and we are engaging with like-minded companies to create jobs around our operations, in sectors such as tourism and manufacturing.



Sharing economic benefits: For more on Alchemy, Zimele and our socio-economic contribution.

Collaborative regional development: For more information on our work in collaborative regional development.

Compliance

Corporate social investment (CSI) is a legal requirement under the Broad-Based Black Economic Empowerment (BBBEE) Act in South Africa. In accordance with the Act, we invest at least 1% of net profit after tax towards socio-economic development in our host regions and communities.

In addition, we invest through our social and labour plan (SLP) local economic development (LED) projects (MPRDA) projects and through Alchemy, our community equity participation scheme, which is designed to promote the availability of long-term development resources to the participating communities.

Social investment

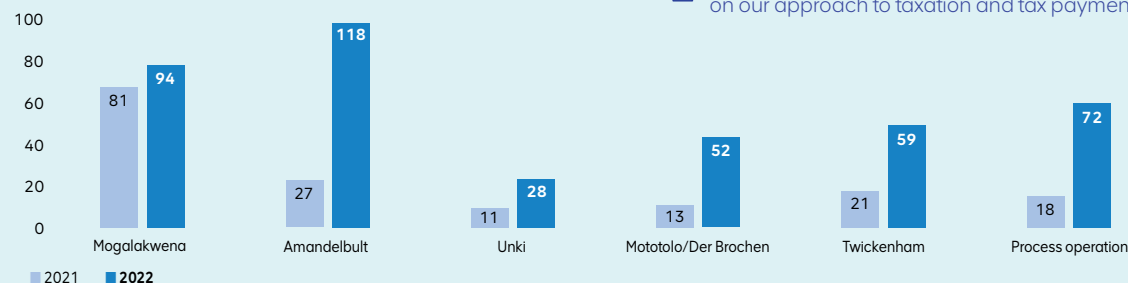
In 2022, our total social investment spend was R962 million across CSI, SLP and Alchemy initiatives (2021: R1,286 million), comprising:

- SLP spend of R304 million (2021: R206 million)
- CSI spend of R276 million (2021: R699 million)
- Dividends paid out for community shareholdings in Atomatic and Alchemy were R382 million (2021: R381 million).



Ethical approach to taxation: For further information on our approach to taxation and tax payments in 2022.

SLP and CSI expenditure at our operations (Rm)

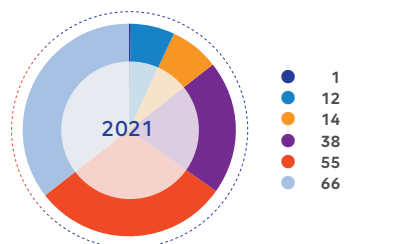


* The reason for the large difference between 2021 and 2022 is that the AASA Education programme and Zimele cost was accounted for at Anglo American, in 2022 we allocated this expenditure to the operations as it is part of their specific SLP3 initiatives. CSI and SLP Expenditure on corporate was R157 million for 2022 and R734 million for 2021.

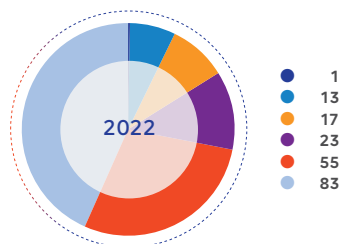
Thriving communities continued

Making a positive socio-economic contribution continued

Value distributed



● Corporate social investment
 ● Capital investment
 ● Providers of capital
 ● Employees
 ● Taxes and royalties
 ● Suppliers



Our social and economic contribution in South Africa in 2022

Total tax and economic contribution	R78,714m
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Total procurement

Discretionary expenditure only and includes all supply chain-related spend from third-party suppliers, and operating (not including CAPEX)	R25,613m
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Host procurement (included in Total procurement above)

Procurement of goods or services from the immediate area of the operation, as defined by each operation (not including CAPEX)	R5,363m
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Wages and related payments	R15,604m
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Corporate social investment

All social investment spend that is not related to impact management. This includes community trusts and dividends paid to communities	R934m
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Capital investment

Cash expenditure on property, plant and equipment	R16,643m
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Total taxes borne and collected	R19,920m
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Corporate income tax

Calculated based on profits	R12,682m
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Royalties and mining taxes

	R4,220m
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Other payments borne

	R13m
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Taxes collected	R3,005m
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Our social and economic contribution in Zimbabwe in 2022

Total tax and economic contribution	R6,202m
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Total procurement	R3,040
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Host procurement (included in Total procurement above)	R6m
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Wages and related payments	R849m
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Corporate social investment	R28m
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Capital investment	R253m
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Total taxes borne and collected	R2,032m
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Corporate income tax	R722m
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Royalties and mining taxes	R686m
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Other payments borne	R181m
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Taxes collected	R443m
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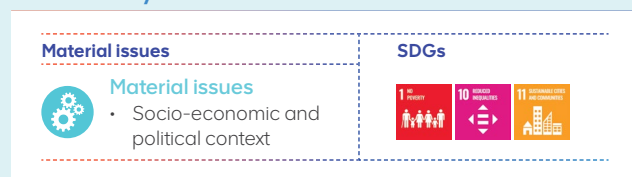
Thriving communities continued

Enabling economic empowerment

In addition to meeting our obligations in terms of the mining charter and SLPs for its operations, we recognise our responsibility to earn a social licence to operate from the mining communities where we operate. We seek to achieve this through our work on optimising local economic development in those areas, among other initiatives.

A key pillar of that work is Alchemy, through which some 1.4 million company shares are held by various community trusts, which in turn use dividends declared to fund community development projects. Another pillar is the enterprise and supplier development work carried out for the company in our mining communities by Anglo American's long-running Zimele programme. The third pillar is our inclusive procurement work, detailed in the responsible and inclusive supply chains sections of this report.

Alchemy



At a glance

- Host and labour-sending communities hold 1,400,685 shares in the company, valued at approximately R2 billion at year end
- Dividends paid to the Trusts in 2022 amounted to R289 million in 2022.

Introduction

Alchemy is our community equity participation scheme, based on the principles of integrated, inclusive and sustainable development.

The scheme is an ownership vehicle for 1,400,685 community shares in the company and facilitates the use of dividends

from these shares for social investment in local community development projects. It is designed to promote long-term sustainable development in host communities and key labour-sending areas.

Community shareholding in the company is established through the Lefa La Rona Trust, on behalf of:

- Dikuno Tsa Sechaba Trust
- Ditholwana T'sa Rena Trust
- Rustenburg Community Development Trust
- Bohwa Bja Rena Development Trust
- Zenzele Itereleng Non-profit Company (NPC).



Our ambition and targets

Alchemy's overarching ambition is to ensure benefits flow to communities close to our operations – Mogalakwena, Rustenburg, Twickenham and Amandelbult – and to key labour-sending areas in the Eastern Cape, Mozambique, Taung (North West province) and Lesotho.

The primary objective of Zenzele Itereleng and the community trusts is to deliver community development for needy beneficiaries. This includes promoting community-based projects relating to self-help, empowerment, capacity-building, skills development and anti-poverty measures.

Our management approach

Development programmes are implemented after meeting criteria set out in the trust deeds and MOI, which require clear articulation of the project objectives, benefits, and impact. Selection considers the communities' short and long-term development plans, informed by a situational analysis.

The Lefa La Rona Trust holds 1.4 million unencumbered Anglo American Platinum shares, valued at approximately R2 billion as at 31 December 2022:

- 40% of these shares are unrestricted and the community trusts and Zenzele Itereleng are entitled to call for their transfer in accordance with their participation interest
- 60% will be held by Lefa La Rona until 2041 and dividends accruing from this holding will continue to flow into the community trusts and Zenzele Itereleng.

Community and stakeholder engagement is at the heart of the scheme. Alchemy has established partnerships with communities, leaders, other businesses and government. The four local development trusts are the front line of Alchemy and are managed by trustees, including community trustees selected in a transparent process. Zenzele Itereleng is managed by directors to fund development initiatives across our labour-sending areas.



Case study: Alchemy project changes lives

The four community trusts and NPC have been designed to directly benefit communities. Alchemy continues to change lives around our operations and in key labour-sending areas in the Eastern Cape, Mozambique, Taung (North West province) and Lesotho. Take a look at some of these projects.

Compliance

Anglo American Platinum established Alchemy to facilitate the development, promotion, implementation and maintenance of measures designed to enhance the sustainable social and economic development of historically disadvantaged South Africans living in benefit areas.

The trusts were established on the terms and conditions set out in the trust deed, to own and administer the trust fund to realise its objectives. Similarly, the non-profit company was established on the terms and conditions set out in the memorandum of incorporation. The development trusts and non-profit company were also established to complement and enhance, not substitute, Anglo American Platinum's current and future corporate social responsibilities and obligations for its mines and the integrated benefits areas.

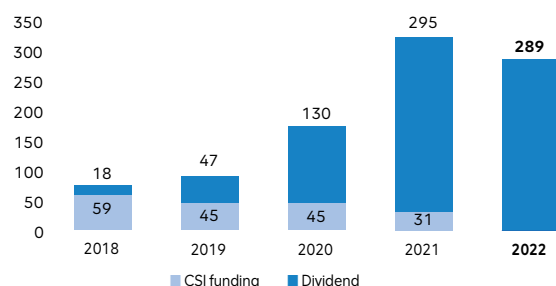
Thriving communities continued

Enabling economic empowerment – continued

Measuring our progress

Benefits flowed to beneficiaries in two ways – through dividends and corporate social investment. Dividends to the Lefa La Rona Trust amounted to R289 million in 2022 (2021: R295 million), although no CSI expenditure was declared (2021: R31 million).

Alchemy dividend and CSI benefits (Rm)



Note: Dividend between 2018 and 2020 reflects 40% of the total dividend, 60% of dividend was used to service notional vendor finance. The 2018 CSI value includes a safety-net funding of R11 million, an amount paid if the aggregate dividend income received by the trust (net of the waived dividend) is less than R20 million.

Dividend funds were invested in socio-economic development initiatives focused on education, health, ICT and agriculture.



What we are doing

Governance

Through an established governance structure, we are working with the Alchemy boards and continue to advance broad-based community development, including infrastructure, education and health projects that will improve livelihoods, funded by dividends.

As part of the scheme design, all the trusts should have community representation. The Lefa La Rona Trust and three of the community development trusts selected community representatives to their boards.

Diversification plans

The boards of the community trusts, together with Zenzele Itereleng, are also exploring investment strategies to achieve some level of diversification from holding only the company's shares to minimise risk and safeguard the sustainability of the scheme.

The legal instruments of the trusts and the non-profit company are being reviewed to allow diversified income and efficient capital preservation for the scheme's financial sustainability.

Focus for 2023 and beyond

- Upholding proper governance, and ensuring sufficient capacity and operational efficiencies within the respective boards to promote sustainable development in the benefit areas
- Implementing impactful and sustainable development initiatives, informed by beneficiaries
- Empowering communities to take ownership of and responsibility for their development
- Maintaining our strong relationships with communities, leaders and other development-focused businesses and government.



Case study: New welfare centre changing residents' lives in Mozambique

R3 million women and children's centre constructed by Zenzele Itereleng in Mozambique, bringing much needed support in Gaza province.



Case study: Tlhabane Health Centre gets a major revamp

Rustenburg Community Development Trust tackles inadequate healthcare infrastructure.

Zimele

Material issues



Material issues

- Supply chain
- Socio-economic and political context

SDGs



At a glance

- 2,599 jobs supported in 2022
- 36 loans funded for 36 participants, valued at R57.8 million
- New contracts and purchase orders worth R1.6 billion.

Introduction

Zimele is Anglo American's flagship enterprise and supplier development (ESD) programme. Its aim is to grow sustainable livelihoods in mining communities by creating jobs and developing small businesses by building the required skills, networks and channels of support. In this way, Zimele supports the delivery of an effective, reliable supply chain to our operations while enabling wide-reaching job creation, enterprise and supplier as well as youth development in our platinum mining communities.

Thriving communities continued

Enabling economic empowerment – continued



Our ambition and targets

Our ambition is to:

Build the capacity of local suppliers to participate effectively in our supply chain and create jobs to build thriving communities

- Support sustainable job creation in thriving communities
- Support and build the capacity of local suppliers to participate effectively in our supply chain through the supplier development programme
- Increase our spend with mine community suppliers year on year.

Specific targets include:

- 15% year-on-year turnover growth of supplier development programme beneficiaries
- Support for over 1,000 enterprises through the enterprise development programme
- 95% supplier loan recoverability
- Providing sector-specific skills development for youth.

Management approach

The programme provides funding and support across three key workstreams: enterprise development, supplier development and youth development.

Together with external strategic partners, Zimele provides the following key services:

- Coaching and mentorship
- Enabling market access
- Loan funding
- Community hub management
- Youth skills training.

These services are delivered through a network of four community hubs serving mine communities at our Rustenburg, Mogalakwena, Amandelbult and Far Eastern Limb operations.

The hubs are developed and run in partnership with TechnoServe, an international non-profit organisation that is also implementing the enterprise and supplier development programmes. Loan funding is provided in partnership with the Absa financial services group, while the youth development programmes are implemented in partnership with Reach Summit.

Compliance

Zimele plays a critical part in helping us meet our inclusive procurement and local supply chain commitments, in line with the transformation objectives of the MPRDA. Beyond compliance, Zimele also helps give effect to our commitment to source goods and services locally as far as possible.

Measuring our progress

The table alongside illustrates some key parameters against which we measure our performance:

Zimele aligns closely with Anglo American Platinum's procurement priorities to drive supplier development growth. Zimele builds the capacity of current and potential suppliers to ensure they are ready to trade with our company, which in turn supports our objective to increase local procurement spend. By the end of 2022, the programmes created market linkages to the value of R1.6 billion, of which R1.5 billion was awarded by Anglo American Platinum. In 2021, this figure was R1.2 billion with about 70% awarded by Anglo American Platinum.

Zimele has a 95% recoverability of loans disbursed, highlighting the successful integration between Zimele, Absa and our supply-chain and inclusive-procurement teams. Debtor working committees were introduced in 2022 to improve collections in the Zimele loan book and monitor all stakeholder loans.

Zimele impacts in 2022

Job creation

2,599 verified jobs supported (2021: 2,273)

2,168 existing jobs supported (2021: 1,089)

431 new jobs created (2021: 464)

Training

503 training sessions (2021: 385)

1,804 mentorship sessions (2021: 11,094)

1,685 youth enrolled in training (2021: 610)

307 youth placed in jobs (2021: 267)

Market linkages

R1.6 billion new contracts and purchase orders (2021: R1.2 billion)

94% of value with Anglo American Platinum* (2021: 70%)

Hub walk-ins*

Total walk-ins serviced: **2,046**

General information: **1,135**

Use hub facilities: **205**

SAP Ariba registration: **706**

* Not measured in 2021.

Access to finance

36 loans worth **R57.8 million** for 36 participants (2021: 27) for 44 participants worth R74 million

The value of contracts/purchase orders that host community suppliers have received from Anglo American Platinum as a result of their participation in any of the Zimele programmes. In 2022, our beneficiaries received work valued at around R1.6 billion, 94% of which was from Anglo American Platinum. In 2021, R1.08 billion was spent.

Thriving communities continued

Enabling economic empowerment – continued



What we are doing

Supplier development

A total of 1,223 beneficiaries graduated from various Zimele programmes in 2022, including 43 suppliers, 504 enterprises and 676 youth. Those in supplier development programmes grew their revenue by 24% on average, and in enterprise development programmes by 53%.

In partnership with Absa, Zimele provided loan funding to 36 participants, through 36 transactions valued at R57.8 million.

In 2022, Zimele supported Kgosimokoka Business Solutions with loan funding of R5 million to service a mining settling pond cleaning contract at Mortimer smelter. The contract is valued at R23 million over 36 months and created 40 new job opportunities.

During the year, Zimele also rolled out its start-up enterprise development programme to enhance its service offering to youth and women in the early phases of their entrepreneurial journeys. The programme is aimed at getting entrepreneurs to turn their businesses into commercially viable entities that can result in the economic wellbeing of communities hosting Anglo American's mining and processing operations in South Africa.

Zimele's supplier development programme is aimed at getting entrepreneurs to turn their nascent businesses into commercially viable entities that will not only advance the entrepreneurs' own businesses, but can contribute to the economic wellbeing of our host communities.

The seven-month incubator programme, which is primarily aimed at youth and women, takes aspiring entrepreneurs through specific tools that will enable them to refine their business models, and to identify and engage target markets through practical prototyping of products and services to test the viability of their business ideas.

Youth development

Zimele has partnered with Reach Summit to offer tailored, sector-specific skills development programmes to youth living in our host communities. This includes training programmes targeting the hospitality and tourism, and wholesale and retail sectors, both of which have high employee demand.

To date, 629 beneficiaries have completed the programme and 1,056 are in the process of completing it.

Zimele has placed 61% of these eligible graduates in short-term and long-term employment opportunities. Together with Reach Summit, the programme is working to ensure the remaining learners are placed, both regionally and nationally.

We support the IBM Digital-Nation Africa fourth industrial revolution courses, together with Microsoft's Virtual Academy and massive open online courses. The aim of these initiatives is to provide free access to foundational training in key digital skills required to participate in the digital economy.



Case study: Zimele supports Bahlaping Mash Trading

Zimele provides much-needed support to Bahlaping Mash Trading, a 100% black, youth and female-owned engineering firm based in Mogalakwena.

Focus for 2023 and beyond

We have specific outcomes targets over the next four years, including:

- 11,000 jobs to be supported over the next four years
- 290 suppliers to be supported through the supplier development programme
- 15% year-on-year turnover growth of enterprise development programme
- 95% recoverability of loans disbursed
- 2,250 youth supported for sector-specific skills development over the next four years through our youth development programme.



Sharon Mashishi, director of Bahlaping Mash Trading who joined Zimele's supplier development programme

Thriving communities continued

Respecting cultural heritage

Material issue



Material issue

- Resettlement and relocation

SDG



At a glance

- Significant progress with consent signatures for relocation of graves at Mogalakwena
- Guideline to inform cultural heritage engagement developed built on lessons learned.

Introduction

Cultural heritage tells us about where we have come from and who we are. It is an asset we receive from the past, with which we live in the present and will pass on to future generations. It includes non-renewable tangible, intangible and natural resources a community or society regard as unique, important and worthy of conserving because of their cultural, scientific, spiritual or religious value.

Anglo American Platinum respects and protects cultural heritage. We recognise the importance of cultural heritage to communities and society, and that it supports the creation of social value. We acknowledge that our land access requirements for operational activities may have adverse direct and indirect impact on the cultural heritage landscape.

Anglo American Platinum takes cultural heritage management seriously, collaborating with our host communities to safeguard these resources against adverse impacts as well as acknowledging our role in redressing cultural heritage legacy issues that may not have been given proper attention in the past. It is fundamental to our social and sustainability performance being positively appraised by our communities and, most importantly, developing and maintaining good relationships with those communities.



Our ambition and targets

A critical objective is to increase cross-functional collaboration and integration into key business processes.

Our ambition is to adopt several approaches to managing cultural heritage, including proactive identification of cultural heritage and associated planning as early as possible in an operation's life cycle to avoid any negative impacts.

Compliance

Anglo American Platinum aligns with the requirements encapsulated in the National Heritage Resources Act, 1999 in South Africa, the National Museums and Monuments of Zimbabwe Act 2001, and IFC performance standards, specifically PS8. Our approach goes beyond legislative or performance requirements – it is about collaboratively preserving our communities' cultural heritage.

Management approach

Cultural heritage is a complex area of practice that includes strong interdependence with other social functions. Our approach to cultural heritage is encapsulated in the Anglo American social way 3.0. The policy considers these interdependencies and outlines the process required to identify, assess and manage any adverse impacts on cultural heritage aligned to international best-practice standards.

Anglo American Platinum seeks to build a more holistic understanding of the cultural heritage landscape of our operations. Paramount to this is recognising and adhering to co-development with cultural heritage users deepening this understanding, and integrating these insights into our management approach in terms of risk identification, possible management and mitigation requirements, and monitoring and evaluation processes.

Measuring our progress

In 2021, we embarked on a journey to fully realise our commitment to cultural heritage management by initiating relevant social way 3.0 training, standardising our chance finds procedures in the organisation, and focusing on resolving legacy social grievances relevant to cultural heritage.

In 2022, we continued to work on closing legacy social grievances across the organisation. This comprised robust engagements at various levels, including relevant governmental authorities, community leadership structures, and individual stakeholders. Where necessary, we undertook specialist studies to inform the closure of legacy social grievances. Notably, we began with grave relocations at Mototolo/Der Brochen and Mogalakwena under the authorisation of various permits and with the support of next-of-kin.

At Mogalakwena we increased the number of consent signatures from next-of-kin to 234 out of 335 known priority graves, and have implemented the relocation of 80 graves to date.



Resettlement: For further information on our approach to resettlement.



What we are doing

From lessons learned across the organisation, we developed a guideline to inform cultural heritage engagement approaches. This promotes adherence to local customs and respectful engagement requirements when dealing with sensitive cultural heritage issues such as grave relocations or mitigation of cultural heritage resources associated with living practices.

Similarly, we developed and adopted a burial grounds and graves procedure to ensure a consistent approach to the management or, where required, mitigation of burial grounds and graves in the organisation and across all operations. The procedure highlights the inherent sensitivity associated with these types of resources

Thriving communities continued

Respecting cultural heritage continued

and the rights of next-of-kin. It promotes avoiding impacts and in-situ conservation of burial grounds and graves as a priority, and highlights the role of living heritage as a fundamentally significant component of traditional customs and self-expression. Where grave relocation is unavoidable, we endeavour to reach agreement with the bona fide next of kin prior to any permit applications or implementation.

Focus areas at our operations

In addition to addressing the legacy social grievances and grave relocations, we focused on developing or updating the cultural heritage management plan for each operation in conjunction with our communities. These plans aim to define and acknowledge the cultural heritage landscape within which the operation is located. They will collate all cultural heritage information into a single management document, provide the tools for implementation and ultimately retain and/or enhance the significance, integrity and authenticity of the cultural heritage landscape.

Through this process we are able to proactively identify potential risks to cultural heritage resources from the operations' planned activities; embed the principles for planning and action; and implement management and/or mitigation measures to address potential risks or manifested impacts to cultural heritage resources, the cultural heritage landscape, and the cultural heritage creators and users.

To date, all South African operations have a draft cultural heritage management plan in line with the ethos of social way 3.0, with Unki in Zimbabwe in the process of development.

Focus for 2023 and beyond

- Closing out legacy social grievances across all operations
- Relocating all 335 known priority graves at Mogalakwena to secure land access for waste-rock dumping, and implementing the relocation of the remaining non-priority graves
- Finalisation and approval of cultural heritage management plans for all operations.



House ruins at Motlhotlo Hills near Mogalakwena Mine of a historic homestead ruin associated with the community who resided in the area

Thriving communities continued

Cooperative resettlement and access to land

Material issue



Priority material issue

- Resettlement and relocation

SDGs



At a glance

- Good progress with Motlhotlo resettlement, to secure land for Mogalakwena rock dump, and at Skimming and Leruleng, for the advancement of the Mogalakwena pit
- Significant attention on remedial and post-settlement work – R186 million spent in 2022.

Introduction

Anglo American Platinum negotiates resettlement with communities that unavoidably need to be resettled from land allocated for mining and mining-related services. Resettlement is initiated only as a last resort, and we actively plan and manage projects to avoid or minimise resettlement. Wherever resettlement is required, we seek to improve the quality of life and livelihoods of resettled people.

Successful resettlement is important to the business to ensure access to mining-reserved land, but also to ensure the safety and wellbeing of communities that may be affected by their proximity to mining areas.



Our ambition and targets

Our ambition is to uphold the highest standards for responsible resettlement and use the challenge of resettlement as an opportunity to drive socio-economic development.

We undertake any resettlement in line with International Finance Corporation (IFC) performance standards and the guidance provided by the Anglo American social way 3.0.

In line with this, sites should:

- Manage the use and development of land in a sustainable manner that minimises impacts on local communities
- Seek to avoid and, when this is not possible, minimise involuntary resettlement by exploring alternative project designs
- Consider all resettlement, including physical and economic displacement, involuntary and managed as such.

Management approach

Before we embark on a resettlement project, we complete an environmental and social assessment, which is then used to develop a social management plan designed to mitigate risks, deal with issues and restore communities. The social management plan is bolstered by a remediation action plan as well as livelihood restoration and improvement plan, which further guides implementation and monitoring, and provides assurance of improvement.

Compliance

Our resettlement policy and procedures align with our ethics policy framework and the IFC resettlement performance standards (IFC PS5).



What we are doing

We have two active resettlement projects underway at Mogalakwena Mine: at Motlhotlo where we are negotiating to close out the old resettlement with remaining households; and Skimming and Leruleng, where future resettlement planning is being conducted with the community.

We engage closely with interested and affected stakeholders to ensure that we properly inform, consult, and reach mutual agreement with, and consent from, our community stakeholders. These stakeholders include the affected households and next-of-kin, traditional authorities and government stakeholders. In addition to engagements on the relocation of households and graves, we also engage on how remedial actions in support of previous agreements are implemented, for example, on repairs to termite damaged houses, repairs to village roads, supply of water, installation of solar street lights, water-borne sanitation solutions, and various labour-intensive programmes (cleaning and grass cutting) within the resettled villages to provide both economic opportunity and a pleasant environment.

Motlhotlo resettlement

Completing the Motlhotlo village resettlement has been a high priority in 2022, as there is an urgent need to expand the waste-rock dump area at Mogalakwena. Originally initiated in 2005 and involving 956 households, 61 households resisted resettlement and remained in Motlhotlo. Following a further relocation agreement in 2012, 40 households have now resettled (12 in 2022), with only 20 households remaining.

We are finalising agreements with five more households in Motlhotlo. We have launched a mediation process under section 54 of the MPRDA for the final households with which we have been unable to reach settlement.

Thriving communities continued

Cooperative resettlement and access to land continued

Skimming and Leruleng resettlements

Planning for the relocation of 1,100 households of the Skimming and Leruleng villages, including Seritarita School, is progressing. Completion is planned for 2028. The relocation is necessary to make way for the advancement of Mogalakwena Mine, west of the current pit.

The company has engaged with various provincial government departments in Limpopo to share our plan for the Mogalakwena Mine expansion. The consensus among all stakeholders was that robust community engagements are important in ensuring that gaps from previous resettlements are sufficiently closed.

Remedial resettlements

Work to update the remedial resettlement planning for Twickenham and Mogalakwena historical resettlements has been commissioned following a review of compliance against IFC standards. A remedial resettlement and livelihood restoration action plan is currently being implemented in line with social way 3.0, which provides specifically for remedial resettlement processes.

Remedial actions are identified and planned in consultation with affected parties, and final remedial planning is disclosed to all relevant stakeholders. Desktop-phase planning is in its final stages and consultation with affected communities will be undertaken to confirm any residual displacement impacts from the initial relocation process. The consultation process will also enable us to gather inputs to co-design and agree on remedial entitlement and corrective actions that will be captured in the remedial planning for both Mogalakwena and Twickenham resettlements, retrospectively.

The consultation process will begin after the findings of independent site reviews, conducted by an independent consultant at each site, are finalised and disclosed. Mogalakwena's disclosure process is well advanced at Ga-Pila, Ga-Sekhaolelo and Ga-Puka. The process for Twickenham's Magobading and Makobakobe disclosure started towards the end of 2022. We have committed significant expenditure of R186 million to post-settlement investment in 2022 (2021: R183 million).

Legacy resettlements

Due to the impact of termite infestation on wooden roof trusses in houses at the relocated villages from Motlhotlo, 38 of 98 identified houses have been refurbished with steel trusses at Ga-Sekhaolelo and Ga-Puka to prevent future damage. We are also addressing similar issues in the Mogobading and Makobakobe (Twickenham Mine) resettlement completed in 2002. These largely relate to a termite infestation at Makobakobe, and the restoration of livelihoods. To date, 114 of 135 houses affected by termites have been repaired.

We have handed over ownership of Mooihoek farm to the Ga-Sekhaolelo community and supported the community with R3.5 million to start livelihood projects at this farm. We have also appointed consultants to conduct a feasibility study on poultry farming at two farms (Klipfontein and Tobias).

Focus for 2023 and beyond

- Completing the Motlhotlo resettlement (20 remaining households and 198 graves) in 2023
- Completing the planning phase for resettlement of the Skimming and Leruleng villages by Q4 2024
- Addressing legacy issues at Motlhotlo, Magobading and Makobakobe, including effecting all repairs following termite infestations and restoration of livelihoods
- Implementing the relocation of Seritarita School to an identified site in Skimming. Implementing the relocation of Seritarita School to an identified site in Skimming.



Case study: New crèche and hall for relocated community at Motlhotlo

Community members at Motlhotlo will benefit from post-resettlement projects.



Community hall and crèche built for families resettled in extension 14 in Mokopane from Motlhotlo

Trusted corporate leader

We are a leader in an industry that plays a critical part in the modernisation of our world. Our products are used to create a cleaner greener world. We are also deeply aware of society's expectation for us to operate in a way that clearly respects the environment, broader society and all our stakeholders as well as making a positive contribution to society and our stakeholders in particular.

Material issues



Priority material issues

- Geopolitical issue



Material issues

- Socio-economic and political context
- Crime and corruption
- Supply chain

SDGs



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Trusted corporate leader

In this section, and elsewhere in this report, we set out the norms, standards, policies, corporate culture and actions that are designed to ensure we meet and, hopefully, exceed those expectations. In particular our approach to public policy engagement, responsible and ethical value and supply chain policies, tax and economic contributions, respect for human rights and cultural heritage as well as business ethics are based on best standards and designed to ensure trust in the company and its operations.

We participate in society, and through this participation, aim to contribute meaningfully to the co-creation of sustainable futures and collective prosperity. This aim is core to our purpose and is reflected in the strategic priorities of our business, particularly our prioritisation of ESG leadership, and in our sustainable mining plan.

SMP stretch goals, milestones and targets



Local accountability

To transform the relationship between mines and communities, and wider society

2022: Establish participatory accountability forums at every mine site



2025: High-quality dialogue and progress flowing from participatory accountability forums



National and international accountability

To transform the relationship between mines and communities, and wider society

2022: • Buy-in from relevant governments and civil society to take part in national stakeholder accountability forums



• General agreement on benchmarks/indexes and responsibilities that can be monitored year on year, including SDGs

• Ongoing engagement with internal SDG Technical Working Group

2025: Widespread recognition of the benefits that responsible mining can bring, a collaborative openness about the challenges, and a more consensual working relationship between the company and society



Achieved



On track

SMP stretch goals, milestones and targets



Policy advocacy

To take a lead on issues that affect our business in a way that is collaborative and aimed at society's wider goals

2022: • Finalise group and BU/country policy advocacy action plans in support of key sustainability issues

• Provide scholarship and training opportunities for policymakers in regions in which we operate



2025: Regular involvement in priority policy and governance debates



2030: External recognition of our leadership on policy advocacy. Strong levels of engagement in policy debates



Ethical value chains

To be part of a value chain that supports and reinforces human rights and positive sustainability outcomes

2022: 50% of operations IRMA audited



2025: All operations to undergo third-party audits against responsible mine certification systems



Achieved



On track

Trusted corporate leader continued

Constructive public policy engagement



At a glance

- Critical strategic engagements with governments in South Africa and Zimbabwe
- Active engagement in industry associations.

Introduction

It is essential for Anglo American Platinum, as one of the largest South African mining companies, to play a leading part in engaging with government and other important groups in the countries where we operate. We need to ensure our perspectives are well understood. We seek to play that part in a manner that respects the interests of other stakeholders, but also makes an effective case on the critical national, regional and local issues that affect us.

We aim to transform the relationship between mines and wider society by taking the lead on collaborative approaches to address key societal issues that are material to our business.

Government relations

Engaging compellingly and openly with government at all levels is essential to unlocking value. It is important that we have a clear understanding of government's expectations, while being clear about what we, as a company, need to do to comply

with regulatory requirements and meet other goals that are needed to enable us to succeed. We engage with government in accordance with the Anglo American government relations handbook. We engage directly as a company, indirectly through the group, and through representative industry associations.

Regulatory uncertainty is an ongoing risk that we address through active engagement, both as a member of the group and through the Minerals Council South Africa and the Chamber of Mines in Zimbabwe. We aim to work with government stakeholders to ensure regulatory and legislative developments are balanced and promote long-term investment and industry competitiveness in the international marketplace.

In South Africa, we continue to partner with government in contributing to the goals of the national development plan (NDP), in collaboration with the office of the deputy president, as well as the UN SDGs.

We seek to play our part in transformation and socio-economic development initiatives. We are committed to meeting the requirements of the MPRDA and the expectations of section 28(2)c of that act.

Key strategic engagements in 2022 focused on our social licence to operate, Mogalakwena's expansion, the future of Transnet, and helping to shape South Africa's hydrogen economy. Other important engagements concerned our Covid-19 response, addressing gender-based violence, cultural heritage and grave resettlements, the proposed chrome ore tax, and our Mogalakwena solar PV project.

Industry associations

We continue to play an active role in the Minerals Council, helping to set industry positions and then to help lobby on key issues. These include engaging in the need for a consistent and stable regulatory environment. Recent key issues on which we have

engaged through the council include health and safety, workers' compensation, carbon tax, chrome ore tax, human rights, job creation, and section 28(2)c of the MPRDA. As a member of the Anglo American group, we have adopted and comply with the International Council on Mining and Metals' (ICMM) ten principles for sustainable development. We are a member of the International Platinum Group Metals Association (IPA), which actively engages on sustainability and industry advocacy matters.

Multistakeholder collaborations

We participate in The Impact Catalyst, a voluntary collaborative platform established by the private sector (Anglo American, Exxaro and Zutari), non-government organisations (World Vision South Africa), research organisations such as the Centre for Scientific and Industrial Research (CSIR) and the Limpopo provincial government. This partnership drives socio-economic change in South Africa through various initiatives, beginning with establishing collaborative regional development (CRD) platforms in collaboration with government.

We assisted in establishing a civil society engagement platform led by the Alternative Mining Indaba as well as a multistakeholder engagement platform led by the ICMM.

Transparency

We support and comply with the principles of the Extractive Industries Transparency Initiative (EITI) as a member of the Anglo American group. The EITI is a global standard promoting the transparent and accountable management of natural resources.

Trusted corporate leader continued

Responsible sourcing

Material issue



Material issue

- Supply chain

SDG



At a glance

- Ongoing due diligence and risk assessments of suppliers, as well as third party audits
- Around 95% of the businesses in our supply chain assessed for risk
- In 2022, engagement with 216 suppliers considered to be of higher risk.

Introduction

We prioritise ethical decision-making when procuring goods and services, and in selecting, engaging and managing our suppliers. We expect all suppliers to meet applicable laws, while sharing our commitment to improving people's lives, society and the environment.



Our ambition and targets

Our overarching ambition is to secure the goods and services we need for our mining and processing operations when we need it and with increased transparency.

We do this in an ethical way, and ensure that our suppliers and contractors subscribe to our supplier guide and conditions set out in our responsible sourcing standards for suppliers.

Our management approach

Through our responsible sourcing programme, we monitor and evaluate sustainability and labour risks linked to our suppliers, ensuring we work with suppliers and build their capacity to deal with these risks. We use a combination of mechanisms to conduct ongoing due diligence and risk assessments, including external databases, self-assessment questionnaires completed by suppliers that examine policies, procedures and work practices on people, safety and the environment, and credible third-party auditors to confirm workplace conditions.

Compliance

To reassure our customers that we observe high sustainability standards, our supply-chain management is subject to third-party verification by the Initiative for Responsible Mining Assurance (IRMA).



Ethical value chains: See section for responsible supply chain compliance through third-party verification by IRMA.

Measuring our progress

Over the years of assessing supplier risk and engaging with suppliers in managing risk, we have come across a wide range of significant issues. We have made a significant social impact by addressing these issues effectively through our supply chain, and ensuring continued improved practice and compliance by suppliers over time.

We assessed around 95% of our supplier base for risk, and directly engaged with 216 suppliers who were considered to be of higher risk (2021: 163). To date we have conducted 1,100 such engagements. We work closely with our site teams to support any suppliers with training should this be required.



What we are doing

We prioritise ethical decision-making when procuring goods and services, and in selecting, engaging and managing suppliers. We are committed to building ethical value chains by working with suppliers that share our values. We expect all suppliers to meet applicable laws, while sharing our commitment to improving people's lives, society and the environment.

Ethical due diligence

We prioritise ethical due diligence and risk assessments with suppliers based on four triggers:

- Whether the contract value is significant and requires board approval
- Where the scope of work poses potential for community harm, for example, as in the case of transport services

The five pillars of our responsible sourcing standard



Protect safety and health



Protect our environment



Respect labour and human rights



Contribute to thriving communities



Conduct business fairly and with integrity

Trusted corporate leader continued

Responsible sourcing continued

- Where the goods or services being procured have heightened risk for human rights impact, for example construction, contract mining and labour hire service
- Where there are known or suspected breaches based on risk assessments and other data sources, including our whistleblowing channel.

When these assessments identify potential breaches, we engage with the suppliers to clarify issues raised and seek further information that will inform how we advise and guide them to overcome potential breaches.

Through our responsible sourcing activities, we build insight on supplier risk, help suppliers to manage this risk and comply with local legislation and global human rights standards, and improve their ESG capacity and performance. Our responsible sourcing programme has the dual benefit of improving the risk outlook for both our own business and the businesses of our suppliers. The more insight we have on risk with suppliers, and the stronger our relational capital with suppliers, the more effective our risk mitigation will be into the future.

Through engagements with suppliers, including on-site audits, we have identified several challenges linked to a limited understanding of labour requirements and their implementation in management processes, especially among small businesses. The prevalent issues relate to excessive working hours, limited employee benefits, lack of contracting and workplace safety.

Managing supplier risk

When a new supplier registers to work with our company, we request that they first read, understand and sign their agreement to participate in and adhere to our responsible sourcing policies, processes, and requirements. We then conduct an upfront screening of suppliers against legal obligations, due diligence requirements, and global standards for ethical and human rights best practice. After this, we issue suppliers a vendor number and this is where our responsible sourcing processes and procedures take effect.

Typically suppliers who provide goods or services in categories which pose a risk are required to complete a self-assessment against the five pillars of the responsible sourcing standard. If any of the supplier's responses in the self-assessment are unclear, we contact the suppliers for clarity. After completing the assessment, if a supplier remains high-risk, we may initiate an independent audit of the supplier against the responsible sourcing standard.

For existing suppliers, risk assessments are conducted regularly across our full supplier base, and we prioritise engagement with high-risk suppliers. We draw on several tools that support further investigation and assessment of supplier due-diligence and compliance, identification of outstanding issues, and mitigation and corrective actions.

Every two to three years, we run a heat-mapping exercise across our full supplier base. We map potential supplier risk across our all our procurement categories and in relation to transaction volume. Through this exercise, we identify an initial number of potentially high-risk suppliers, which we narrow down further. In the cycle conducted in 2020, we identified 600 potentially high-risk suppliers, which we narrowed down to 300. Since 2018, we have concluded self-assessments with over 1,100 suppliers and third party on-site assessments with over 250 suppliers.

Alongside the heat-mapping exercise and to demonstrate the impact of our due diligence approach, we apply an external risk assessment process with Dow Jones, which assesses our supplier base against various databases, including an adverse media database. In our 2021 cycle, we ran all 25,456 businesses we engaged with over the past 18 months through this risk assessment and identified 236 suppliers (under 1% of our supplier base) where issues were flagged in the public domain. All these high-risk issues were already known to us via our internal procedures, highlighting the value of this external process as an assurance mechanism for our risk assessment processes. We often find good correlation between high-risk suppliers identified in both processes. At the end of 2022, we began engaging with various external providers in order to supplement our supplier risk approach – seeking to widen our predictive insights and enhance near-real-time risk reporting.

Despite the rigorous nature of these risk assessment processes, it is often difficult to get a clear sense of risk through desktop assessments. For this reason, we have two further channels through which potentially high-risk suppliers are identified. Firstly, we extend an open invite for all supply chain personnel to nominate potentially high-risk suppliers from their working experience. The second channel is our whistleblowing mechanism, YourVoice. We communicate to our suppliers, and their workforces that if they have complaints or grievances relating to unethical or non-compliant behaviour or practices, they can report this anonymously through YourVoice.

Where risk is identified and confirmed for new or existing suppliers, we commit significant resources to building supplier awareness and capacity to resolve issues and meet all legal and Anglo American requirements. We issue a corrective action plan and monitor its implementation. If a supplier refuses or fails to comply, we then take this to the risk committee for a decision on further action.

Focus for 2023 and beyond

- The ethical sourcing section details our efforts and targets to continuously improve our third-party verification exercises through IRMA
- We are working with the Minerals Council South Africa and the UN Global Compact on developing a common industry-wide responsible sourcing standard and principles of mutual recognition between mining companies. Work will continue through 2023.

Trusted corporate leader continued

Inclusive supply chains

Material issue



Material issue

- Supply chain

SDG



At a glance

- We exceeded all our procurement targets specified in our SLPs
- Increased focus on capacity – building and training.

Introduction

Our commitment is to optimise local economic development in mining communities. We focus on procuring goods and services from local suppliers as far as reasonably possible. Building this inclusive and diversified supply chain improves our mines' community relationships, and the reliability of our supply.



Our ambition and targets

Specific targets for the inclusive procurement of goods and services, as well as host community procurement targets are included in our SLPs 2021-2025.

Although Section 28(2)c of the MPRDA sets a range of procurement targets, our own targets exceed these.

Procurement targets specified in our SLPs by 2025:

Inclusive procurement		
Goods	Community HDPs*	14.4%
	HDPs	3.5%
	BEE-compliant	30.8%
Services	HDPs clarify categories	50%
	HDPs	15%
	HDPs	5%
	BEE-compliant companies	10%

Community procurement	
Host community	26%
Doorstep communities	19%
New contracts with community companies	3

* Historically disadvantaged person.

Our management approach

We recognise there is far greater demand for supply opportunities than there are opportunities available, which is a source of frustration in communities. We are aware that there might be further opportunities among prospective suppliers that do not yet have the capabilities and capacity. This is where Zimele can come in to support the business development process.

Compliance

We report annually to the DMRE on our compliance with the mining charter and our SLPs.

Measuring our progress

We are focusing our procurement efforts on working with designated groups, especially black-owned, women-owned and youth-owned businesses.

SLP progress report

Inclusive procurement

Year	2022	2022	2025
	Target	Actual	Target
Mining goods			
Community HDP mining goods (BO) >51%	10.5%	54%	14%
HDP mining goods (W&YO) >51%	2.5%	12%	4%
BEE-compliant goods (>25+1 vote)	22.2%	73%	31%
Mining services			
HDP mining services (80) >51%	45%	70%	50%
HDP mining services (WO) >51%	12%	16%	15%
HDP mining services (YO) >51%	4%	4%	5%
BEE-compliant services (>25+1 vote)	19%	97%	10%
Host community procurement			
Host community (zone of influence = doorstep)	20%	18%	26%
Doorstep spend	13%	10%	19%
New contract with host community companies	3	3	3

Trusted corporate leader continued

Inclusive supply chains continued



What we are doing

Focus on local suppliers

There are a number of new areas where local suppliers have become the focus. For transport, as example, we no longer use large suppliers; at most, they help develop local technical capacity. Fuel and fuel distribution, waste collection and its reprocessing, and contract mining are other areas where our operations are making good progress in procuring locally. We are also doing feasibility studies on the local manufacture of polysilicon, which would be used to manufacture solar PV panels and support our renewables agenda.

Increasing capacity and providing training

To complement our supplier development approach, we are increasing the capacity of small businesses to identify and manage risks linked to modern slavery and human rights. We are developing a first-in-class responsible sourcing management programme. This is a toolkit incorporating legal and other requirements, with specially developed templates and materials for risk management and workforce awareness. It will be made available free to suppliers in early 2023.

For local procurement, we have different interventions to train prospective suppliers in business skills. This is where Zimele, through the access it provides to finance, coaching and mentorship, provides significant assistance. To complement this, we also have an arrangement with a consulting engineer practice to offer technical and safety advice and services to prospective suppliers. Over 500 companies have been engaged with gap analysis and bespoke improvement plans and engagements.

Focus for 2023 and beyond

- We will continue to refine our approach to local procurement to make it more effective.
- We are developing plans to ring-fence additional areas that will be fully reserved for local procurement.



Trusted corporate leader continued

Assuring ethical value chains

Material issues

Material issues



- Supply chain
- Socio-economic and political context

SDGs



At a glance

- Adoption of IRMA third party verification and certification
- Surveillance audit at Unki in 2022
- Audit process and implementation of corrective actions underway at Amandelbult, Mototolo and Mogalakwena.

Introduction

As part of our desire to be a trusted corporate leader, we drive accountability, advocacy and ethical value chains through our business, as evidenced in our policies, actions and assurance mechanisms. We prioritise ethical decision-making when procuring goods and services, and in selecting, engaging and managing our suppliers. We expect all suppliers to meet applicable laws, while sharing our commitment to improving people's lives, society and the environment.

Apart from this being the right thing to do, failing to do so would alienate much of our customer base that itself requires a responsible supply chain and would threaten our reputation in the broader public domain. We need better and more sustainable suppliers.

To reassure our customers that our supply chain meets these standards, and that we observe high sustainability standards, our supply chain management and our environmental and social performance responsibilities are subject to third-party verification by the Initiative for Responsible Mining Assurance (IRMA).

IRMA offers independent third-party verification and certification for all mined materials. It is a recognised standard on the protection of social and environmental values and provides market incentives for mines to strive towards best practice. It is based on, among others, IFC performance standards, ILO core labour rights and EITI (Extractive Industries Transparency Initiative).

Our customers are placing increasing emphasis on IRMA certification driven in part by the EU Commission's proposal for a corporate sustainability due diligence directive.



Our ambition and targets

Our ambition is that all mining operations to undergo third-party audits against recognised responsible mine certification systems by 2025.

Our management approach

The factors that are critical to the success of our IRMA audits include cross-functional collaboration, a shared commitment towards the IRMA certification process, support from senior management, and a drive towards on-site implementation of IRMA best practices. All mines follow a standard process for each IRMA audit. Assurance against the standard is at the mine site level, undertaken by independent third-party auditors.

Each IRMA audit follows a four-step process:

- Self-assessment by the mine
- Desktop review of materials and on-site visits
- After achieving IRMA accreditation, mines must re-audit and recertify every three years to retain the standard
- Individual mining operations that continuously improve will move up the IRMA scale of certification from:
 - Initial assessment
 - Project meets 50% of requirements in each of four principle areas

- Project meets 75% of requirements in each of four principle areas
- Project meets 100% of requirements in each of four principle areas.

Measuring our progress

- Unki achieved IRMA-75 certification in February 2021. IRMA's surveillance audit was conducted in August 2022 and the final audit report highlighting Unki's performance in the audit will be released publicly on IRMA's website in early 2023
- A stage 2 on-site audit was completed at Mototolo in May 2022. Mototolo is undertaking corrective actions as per the IRMA audit process. The implementation of corrective actions will be assessed by the auditors and final audit results will be publicly announced by IRMA in 2023
- A stage 2 on-site audit for Amandelbult was completed in May 2022 and the site is currently undertaking corrective actions. The implementation of corrective actions will be audited and final audit results will be announced by IRMA in 2023
- A review of Mogalakwena's self-assessment completed in 2019 is currently underway in preparation for an IRMA audit, in 2023. Mogalakwena's audit was delayed while audits were executed at other sites.

Focus for 2023 and beyond

Our focus is to complete the Mogalakwena stage 2 audit, and close-out on the Amandelbult and Mototolo audit process.



Principle 1: Business Integrity

- Legal compliance
- Community and Stakeholder Engagement
- Human Rights due diligence
- Complaints and Grievance mechanism and access to remedy
- Revenue and payments transparency



Principle 3: Social Responsibility

- Fair Labour and terms of work
- Occupational health & safety
- Community health and safety
- Mining and Conflict-affected or high-risk areas
- Security arrangements
- Artisanal and small-scale mining
- Cultural heritage



Principle 2: Planning for positive legacies

- Environmental and Social Impact Assessment and Management
- Free, prior and informed consent
- Resettlement
- Emergency Preparedness and Response
- Planning and financing reclamation and closure



Principle 4: Environmental Responsibility

- Waste and materials management
- Water management
- Air quality
- Noise and vibration
- Greenhouse Gas emissions
- Biodiversity, Ecosystem Services and Protected Areas
- Cyanide management
- Mercury management

Trusted corporate leader continued

Responsible approach to taxation

At a glance

- Compliance with tax law in all jurisdictions in which we operate
- R17,616 million paid in taxes in 2022 – R15,652 million in South Africa and R941 million in Zimbabwe.

Introduction

Anglo American Platinum takes a responsible approach to the management of taxes, supporting the principles of transparency and active and constructive engagement with our stakeholders to deliver long-term sustainable value. This is critical for building trust with governments and authorities and for supporting our social licence to operate.

A key pillar of that tax strategy is transparency, which includes publishing details of how we seek to engage with stakeholders as trusted corporate leaders.

Our ambitions and targets

- To comply with both the letter and the spirit of tax law in the jurisdictions where we operate, and attract no sanctions from the authorities
- Regular, ongoing and constructive engagement with tax authorities
- Staying abreast of legislation and anticipating changes as far as possible.

Management approach



We follow the Anglo American group tax strategy, which can be found at www.angloamerican.com/tax-strategy.

There are three key pillars to our approach to tax, namely: responsibility; compliance; and transparency.

• 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.

We act responsibly in relation to tax planning matters – respecting both the letter and spirit of the law – and do not take an aggressive approach to tax planning.

Measuring our progress

Payments to government

In 2022, our total payments to government were R22,826 million, R20,176 million in South Africa and R1,627 million in Zimbabwe. This was broken down as follows:

(Rm)	2022	2021	2020	2019
Corporate income tax	14,428	27,902	7,942	3,349
Mineral royalties	4,906	6,658	2,710	1,875
Payroll tax	3,175	3,056	2,614	2,066
Skills levy	149	115	83	107
UIF	155	192	119	188
Carbon tax (paid)	13	10	5	—

Trusted corporate leader continued

Responsible approach to taxation continued

Compliance

As set out in our tax strategy we are committed to paying the right tax at the right time in the right place. The UN, the OECD and the World Bank recommend that where transactions take place between two related parties, transfer prices should be set in accordance with the 'arm's length principle'. This is the price that would have been charged by an unrelated party for carrying out the same transaction.

At Anglo American, transfer pricing reflects the commercial and economic substance of any related-party transactions, using a consistent approach within the group. We ensure that taxable profits arise in the jurisdictions where the operations create value, and is compliant with local law and international best practice.

Where possible, we enter into real-time discussions with tax authorities to try and agree this approach upfront and reduce the risk of any possible disputes later.

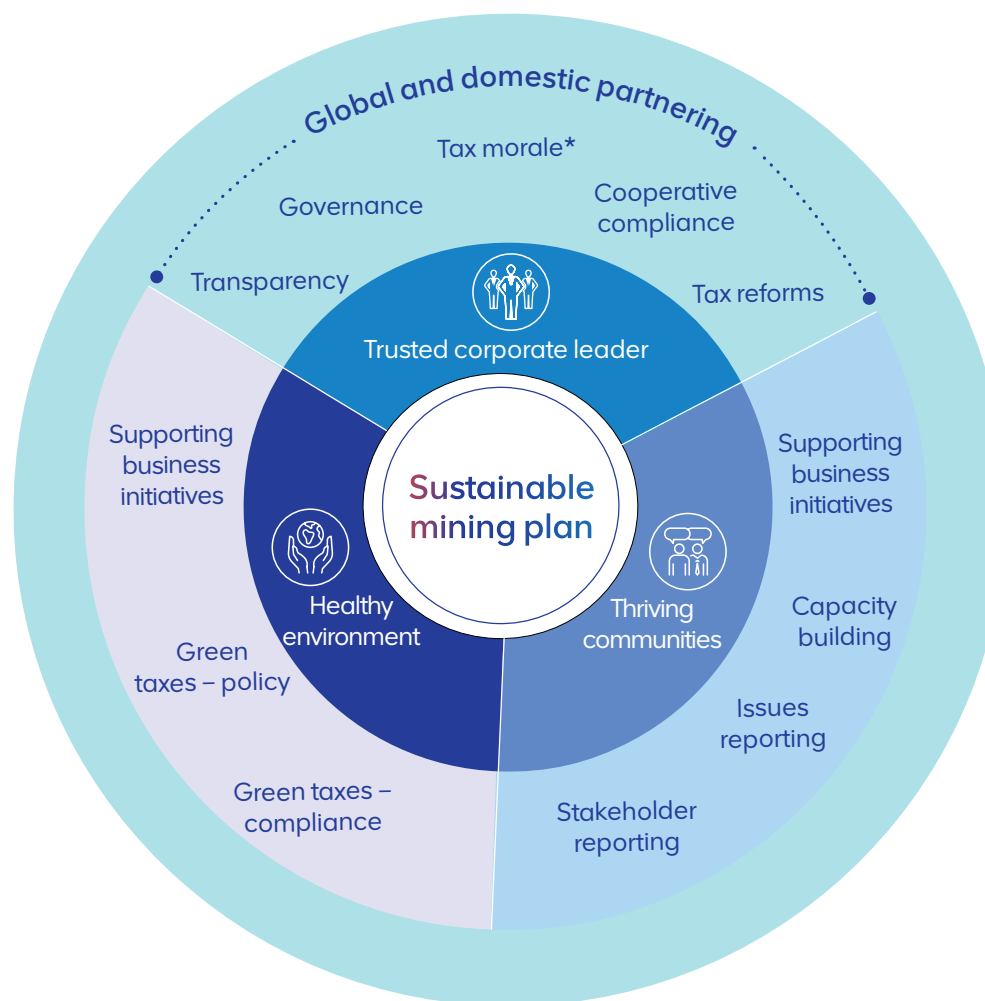


What we are doing

Our approach to tax firmly fits within the wider SMP that we implement through our sustainable tax plan:

- **Healthy environment:** by contributing to and complying with green tax policies
- **Thriving communities:** by building capacity, issues reporting, stakeholder reporting
- **Trusted corporate leader:** through transparency, sound governance, cooperative compliance and contributing to positive tax reforms.

The diagram below illustrates the relationship between tax and our sustainable mining plan.



* Tax morale is the trust and belief in the tax system which influences tax compliance behaviours and therefore the intrinsic motivation to pay taxes. Research by the OECD 'aims to encourage research, dialogue and actions to deepen the understanding of tax morale as well as the policies that enhance it'. It has been found that, in countries with a high level of trust in fair and effective tax system, there appears to be correlation with the willingness of taxpayers to follow letter and spirit of the law. We endorse the OECD's work on Tax Morale and support the BIAC Best Practices for engaging with tax administrations in developing countries.



For more detail on **how we contribute to building tax morale**, please see the 2022 Anglo American plc tax and economic contribution report at [angloamerican.com/tec-report-2022](https://www.angloamerican.com/tec-report-2022).

Trusted corporate leader continued

Responsible approach to taxation continued

The table below illustrates the relationship between tax and our mining value chain.

Tax and the mining value chain

	Discovery, planning and construction	Mining	Processing	Logistics and marketing	Closure planning
What we do	Develop and execute capital projects, reducing expenditure, mitigating risk.	Operate the mine in line with the sustainable mining plan, which drives sustained business results, prioritising safety, environment, social, people, production, cost/margin, and returns/financial.	Our technical and sustainability functions work cooperatively to apply innovative methods and technologies to realise even greater value from our resource base.	We seek to stimulate sustainable demand by continuing to build direct customer relationships based on fair and sustainable production methods required by their and our stakeholders. And we seek to add further value to our products by developing new uses for PGMs.	We continually invest in people, skills, capabilities and technologies to allow us to develop and adhere to life-of-asset plan to make sure that we are a good neighbour, meeting our commitment to communities in the areas in which our operations are based, and supporting economic development outside our industry to ensure that communities remain sustainable following the closure of an operation.
Our tax contributions	• Payments to suppliers and contractors, generating sales taxes and import duties • Wages paid to employees attracting PAYE • Permits and licence fees • Contributions to host communities.	• Payments to suppliers and contractors, generating sales taxes and import duties • Wages paid to employees attracting PAYE • Permits and licence fees • Contributions to host communities • Corporate taxes and royalties.	• Payments to suppliers and contractors, generating sales taxes and import duties • Wages paid to employees attracting PAYE • Permits and licence fees • Contributions to host communities • Corporate taxes and royalties.	• Payments to suppliers and contractors, generating sales taxes and import duties • Wages paid to employees attracting PAYE • Permits and licence fees • Contributions to host communities • Corporate taxes and royalties.	• Payments to suppliers and contractors, generating residual sales taxes and import duties • Wages paid to employees attracting PAYE • Permits and licence fees • Continuing contributions to host communities • Corporate taxes and royalties even as their magnitude winds down.

Trusted corporate leader continued

Safeguarding physical security

Material issue



Material issue

- Crime and corruption

SDG



At a glance

- No security and human-rights related incidents in 2022
- R120 million of assets and products recovered in 2022
- Focus on challenges related to business forums and so-called procurement mafia in South Africa.

Introduction

We have a duty to shareholders and other stakeholders to protect our assets, people and processes from harm, including harm caused by criminal actions. We also have a duty to our stakeholders and to the societies in which we operate to ensure that actions to protect these assets and people are carried out in full compliance with the law, and with our obligation to respect human rights, including through our adherence to the VPSHRs.

Failing to do this effectively may result in value erosion for our company and stakeholders, and potentially impact the health and safety of employees and community members. It could also affect our reputation.



Our ambition and targets

We aim to protect and secure our assets, people and processes, in full compliance with the law and with a respect for human rights.

Our objective is to fully align with all the principles to which we have committed, and to record zero security and human rights incidents.

Compliance

Our policies and management systems align with the South African constitution, UN Global Compact, UN guiding principles on business and human rights, the Voluntary Principles on Security and Human Rights (VPSHR), and IFC performance standards.



Upholding human rights: For more information on the way in which we consider human rights and security.

Management approach

The Anglo American human rights policy underpins our approach, while our code of conduct articulates our commitment. The Anglo American social way 3.0 provides our overarching management system.

Our security department ensures the security of people, operations and assets through the best use of technology and intelligence. A new strategic plan designed to further modernise our security approaches and standards was developed in 2022. This encompasses governance risk and compliance; threat intelligence; protective security and investigations.

Measuring our progress

Our progress is measured against the delivery of our strategic plan. Key parameters include:

- 'Last line of defence' recoveries of product and assets (waste-site recoveries, sting operations, stolen copper cable and equipment recoveries) – R120 million was recouped in 2022
- Rapid turnaround time on forensic investigation unit investigations – target: 4-week turnaround in 70% of cases investigated
- Preventing illegal land occupation – a specific 24/7 security standard operating procedure was developed and implemented in Q4 2022
- Zero security and human rights-related incidents were identified in 2022 (2021: 5).

Anglo American reports annually under the VPSHR, including on behalf of Anglo American Platinum.



VPSHR: See the Anglo American Report on Voluntary Principles on Security and Human Rights 2021.



What we are doing

We have four security priority areas.

Copper cable theft: Platinum has not historically faced either illegal or artisanal mining of the type experienced in the gold and chrome sectors because platinum ore cannot easily be refined. However, we have had many cases of people harvesting copper in disused and abandoned platinum shafts. This poses an asset-loss risk to the company and injury risk to those stealing the copper in unsafe areas.

A new, dangerous and costly phenomenon arose in 2022 at our own mines and a number of other platinum mines. Large gangs of individuals, sometimes armed with firearms, entered working underground stopes to steal significant amounts of copper cabling. There is strong evidence that these activities are conducted by large-scale, organised criminal syndicates.

Trusted corporate leader continued

Safeguarding physical security continued

These activities pose a danger to our employees and a significant risk to the operation because the theft usually means a necessary halt to operations while expensive electrical infrastructure repairs are carried out.

These events have led to initial consultations between a number of mining companies in affected areas over the steps that need to be taken. We have initiated and are driving a joint forum on the illegal copper-cable theft incidents and risk at underground shafts. The first joint work session was held in November. The next steps are identifying the hot-spot mines for cable theft and then exploring joint intelligence and operations opportunities.

Land occupations: A need to access habitable land, especially in areas closely associated with mining, has given rise to attempts to occupy private land for the unauthorised development of new communities. This is often on mining concessions that are or will be required for mining operations. Where such an occupation is sustained for any length of time, it would require complex legal processes to dismantle these communities. We need to prevent or timeously address such situations.

Community protest: Community protest can have a serious impact on mining operations, even when the protest is not related directly to the mine operation or a matter within the mine's ability to address. Addressing community protests is, in the first instance, the function of the mine and the company's community engagement functions and, where necessary (though ideally avoided in favour of longer-term solutions through engagement), public order policing. Company security can play a part by monitoring situations and advising where community engagement interventions might be required.

White-collar crime: The company is well protected by policies that apply to major procurement contracts (worth over R7 million). However, there is potential for less well-managed, smaller-scale procurement that requires close monitoring.

We are working to prevent the loss of valuable items that find their way to waste sites and are then stolen. This year, some R120 million was recovered through these exercises.

In terms of external stakeholder engagements, we continue to engage with the national joint operational centre on security forces (NATJOC) during the year, alongside the Minerals Council, to discuss the continuation of the current public order police deployment on the Eastern Limb. After initial withdrawal of these public-order police members, the NATJOC engagements resulted in the return of 50% of the members and an undertaking to keep them deployed until March 2023. Ongoing engagements for longer-term police deployment are underway.

Anglo American has embarked on a programme to ensure its business unit security divisions are future-fit, and to raise them to the next level of maturity. This means a security organisation that has the structural and technological capabilities to anticipate risk earlier and rapidly deploy resources proactively. To achieve this there is a drive towards:

- Standardisation
- Holistic intelligence gathering and assimilation
- Development and roll-out of advanced digital technology that has artificial intelligence layers (CCTV, CiiMs, online intelligence for data-capture analyses and then developing own specialist tactical capability). Having the largest group security division, Anglo American Platinum security was selected as the pilot for this new model.

An important element of the model is a drive towards intelligence gathering and pre-emptive investigations of white-collar crime perpetrated against the company. There will also be a process of digitising selected security work which is intended to increase predictive capacity and reduce the amount of reactive responses. More attention will also be paid to valuable items that find their way to waste sites and are then stolen.

In recent years we have seen the rise of the so-called 'procurement mafia', where groups of individuals mobilise communities for their own agenda, seeking contracts or monetary benefit to 'allow' projects to take place. This practice continues to drive ever-increasing cost of doing business as a large percentage of the public unrest that we experience. Combined with this is the inability of local police services to curb this practice. This is not something that only affects the mining industry: this practice is also reported in the financial sector and in construction and logistics.

Focus for 2023 and beyond

- Expand our tactical response team, and to become less reliant on contractors
- Continue to recover product and assets
- Security standard operating procedure standardisation across all sites by December 2024
- Improved (four-week) turnaround time on forensic investigation unit investigations
- Daily digital mapping of high-risk sites by mid-2023.



Trusted corporate leader continued

Enhancing cybersecurity

Material issue



Priority material issue

- Crime and corruption

At a glance

- Adoption of leading practices in IT governance
- No material cyber breaches during the year.

Introduction

Cybersecurity remains a significant global risk and, especially during heightened geopolitical tension, this risk is elevated. Although cybersecurity was not designated a material issue in our 2022 materiality assessment, it was noted that, over time, impacts tied to cybersecurity risks are likely to increase, especially with the enhanced connectivity of systems and drive for automation. As a result, the importance of cybersecurity in our business will increase in the medium to long term.



Our ambition and targets

Our ambition is to prevent cybersecurity breaches that could have an impact on the business and threaten the privacy of our stakeholders, including employees, customers, suppliers and others.

Management approach

Responsibility for governing information and technology falls to the audit and risk committee. While Anglo American Platinum has not experienced a material cybersecurity breach in the last three years, we continuously assess ourselves against top information security standards, industry best practices and seek to improve capability.

In line with the group approach, we adopted the National Institute of Standards and Technology (NIST) cybersecurity framework in 2021. The framework provides organisations with guidance on how to prevent, detect and respond to cyberattacks.

Reports following this framework are submitted to the committee biannually on:

- Effective information management control environment to manage programmes and projects
- IT risks and control environment
- Results of disaster recovery tests and cybersecurity management
- The impact of cybercrime and cybersecurity capability in the organisation
- Effectiveness of IT risk management as part of group risk management
- Digital transformation initiatives aligned to the group's strategic priorities
- Internal control environment for information management
- Multiyear strategic projects, benefit realisation and assessment of obsolete technology.

All employees have been exposed to our security training programme, and induction for all new starters includes information security training.

Compliance

We have adopted the methodology of the IT Governance Institute and the control objectives for information and related technology (COBIT) framework to meet King IV requirements for IT governance.

Measuring our progress

No material breaches were recorded during the year.



What we are doing

A 2022 cybersecurity maturity assessment showed notable maturity improvements across the NIST pillars, namely: identify, protect detect, report and recover. Overall, capabilities are moving towards being well-defined and proactive. Particular gaps requiring attention were also identified.

A project was launched in October 2021 to enhance our cyber enterprise recovery capabilities by preparing the business to withstand catastrophic cyber incidents better.

- Phase 1 was completed in December 2021, establishing the foundations for a repeatable recovery capability
- Phase 2 ran until December 2022. This involved defining what it would take to recover the company after catastrophic cyber-event, namely which systems we would need to restore for the company to be able to operate.

Through these activities, we are in a better position to:

- Protect critical assets essential to business operations
- Reduce the impact and reach of an incident
- Recover what is critical to the business and enable a quicker return to the operational minimum
- Prepare our people, governance and organisation to recover from any incident by putting in place the information and skills required to support recovery.

Focus for 2023 and beyond

Looking ahead, we are embarking on ISO 27001 certification in key and critical areas. ISO 27001 shows whether organisations have taken steps to protect data in the event of a breach.

Benchmarks and assurance

Our report is independently assured – page 124.

We report in accordance with national and international standards and guidelines. In the interests of transparent and comprehensive disclosure, the following content indices are available at the links indicated below:

- The Global Reporting Initiative (GRI)
- The Sustainability Standards Accounting Board (SASB), now part of the Value Reporting Foundation
- The Task Force on Climate-related Financial Disclosures
- JSE Sustainability Guidelines

Our key ESG data tables are available as downloadable in Excel.

The glossary of terms is available in our supplementary information.

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Independent assurance statement to the management of Anglo American Platinum Limited

Introduction

IBIS Environmental Social Governance Consulting Africa (Pty) Ltd (IBIS) was commissioned by Anglo American Platinum Limited (Anglo American Platinum) to conduct an independent third-party assurance engagement in relation to the sustainability information in the Integrated Report and Environmental, Social and Governance (ESG) Report (the Reports) for the financial year that ended 31 December 2022.

IBIS is an independent licensed provider of sustainability assurance services. The assurance team was led by Petrus Gildenhuys with support from Bongani Machabe, Ibrahim Akoon, Megan Nair and Bradley Riley from IBIS. Petrus is a Lead Certified Sustainability Assurance Practitioner (LCSAP) with more than 25 years' experience in sustainability performance measurement involving both advisory and assurance work.

Assurance standard applied

This assurance engagement was performed in accordance with AccountAbility's AA1000AS v3 (2020) ("AA1000AS") and was conducted to meet the AA1000AS Type II Moderate and High-level requirements respectively, as indicated below:

Respective responsibilities and IBIS' independence

Anglo American Platinum	IBIS
Anglo American Platinum is responsible for preparing its Integrated Report and Environmental, Social and Governance Report and collecting and presenting sustainability information within the Reports. Anglo American Platinum is also responsible for maintaining adequate records and internal controls that support the reporting processes.	IBIS' responsibility is to the management of Anglo American Platinum alone and in accordance with the scope of work and terms of reference agreed with Anglo American Platinum. IBIS applies a strict independence policy and confirms its impartiality to Anglo American Platinum in delivering the assurance engagement.

Assurance objectives

The purpose of the assurance engagement was to provide the management of Anglo American Platinum and its stakeholders with an independent assurance opinion on whether the Reports meet the following objectives:

- Adherence to the AA1000AP (2018) AccountAbility Principles of Inclusivity, Materiality, Responsiveness and Impact
- Fair reporting on a selection of operational disclosures for High and Moderate assurance levels, respectively, as indicated with a symbol in the report and presented below.



Level of assurance	Key performance indicators	Unit of measure
High assurance 	Total work-related fatal injuries Fatal Injury Frequency Rate (FIFR) Total Recordable Case Frequency Rate (TRCFR) Total number of new cases of Noise-Induced Hearing Loss (NIHL) Energy Used Total Scope 1 emissions Total Scope 2 emissions Total number of Level 3, 4 and 5 environmental incidents reported Employment equity as per the Mining Charter Corporate Social Investment Spend Total Employee Turnover (excluding Voluntary Severance Packages)	Number Rate Rate Number GJ (Million) MtCO ₂ e MtCO ₂ e Number % USD (million) Number
Moderate assurance 	Total number of employees potentially exposed to inhalable hazards over the occupational exposure limit Total number of employees potentially exposed to carcinogens over the occupational exposure limit Total number of employees who know their HIV status Hazardous waste and Non-Hazardous waste to landfill Water Withdrawals (including, groundwater, surface water and third-party water) Land Rehabilitation – Reshaping, Growth Medium and Seeding completed Exposure to noise ≥ 85dB Level 3, 4 and 5 social incidents Number of HIV+ employees on treatment Freshwater withdrawals Water Efficiency 2021 and 2022 Operational water use Water withdrawal by quality	Number Number Number t (tonnes) MI (Mega litres) ha (hectares) Number Number Number Calculations % Calculations Calculations

Independent assurance statement to the management of Anglo American Platinum Limited continued

Assessment criteria

The following assessment criteria were used in undertaking the work

AA1000AP (AccountAbility Principles)	Anglo American Platinum's Sustainability Reporting Guideline	Greenhouse Gas Protocol
AA1000AP (2018) adherence criteria for the Principles of inclusivity, materiality, responsiveness and impact	Sustainability manual that specifies definitions and guidance for reporting sustainability information	Greenhouse Gas Protocol: Revised Edition (WRI & WBCSD, 2004) (GHG Protocol)

Testing

Testing, on a sample basis, the measurement, collection, aggregation, and reporting processes in place

Interviews

Interviews with relevant data owners to understand and test the processes in place for maintaining information in relation with the subject matters in the assurance scope.

Inspection

Inspection and corroboration of supporting evidence received electronically to evaluate the data generation and reporting processes against the assurance criteria.

Assessing

Assessing the presentation of information relevant to the scope of work in the Sustainability Report for consistency with the assurance observations.

Reporting

Reporting the assurance observations to management as they arose to provide an opportunity for corrective action prior to completion of the assurance process.

Engagement limitations

IBIS planned and performed the work to obtain all the information and explanations believed necessary to provide a basis for the assurance conclusions for a moderate level of assurance in accordance with AA1000AS.

The procedures performed in a moderate assurance engagement vary in nature from, and are less in extent, than for a high assurance engagement. As a result, the level of assurance obtained for a moderate assurance engagement is lower than for high assurance as per AA1000AS.

The scope of work did not extend to any subject matters other than specified in this assurance statement. IBIS experienced no limitations to the agreed extent of work required for the engagement.

Assurance conclusion

High assurance opinion

In our opinion, based on the work undertaken for High Assurance as described, we conclude that the subject matters in the scope for High Assurance have been prepared in accordance with the defined reporting criteria and are free from material misstatement.



Moderate assurance opinion

In our opinion, based on the work undertaken for Moderate Assurance as described, we conclude that the subject matters in the scope for Moderate Assurance are supported by the evidence obtained.



Key observations and recommendations for improvement

Based on the work set out above, and without affecting the assurance conclusion, the key observations and recommendations for improvement are set out below.

In relation to aa1000ap

Inclusivity: Anglo American Platinum has made public commitments through its Board to be accountable to stakeholders, with additional detail of its commitments articulated in its sustainable mining strategy. The integration of stakeholder engagement processes into governance, strategy, and relevant decision-making processes across the organisation, is reflected in its policies, procedures, and reports. IBIS recommends that Anglo American Platinum continue its stakeholder engagement on its material sustainability topics to continue its strategic and operational responses to them.

Materiality: Anglo American Platinum has carried out the annual materiality workshop again during 2022 with a wide spectrum of relevant internal and external stakeholders to map, refine and prioritise Anglo American Platinum's material issues based on their potential impact and Anglo American Platinum's ability to influence these. This process is integrated with the Integrated Risk Management (IRM) process and links material issues to the company's key risks. A Materiality Assessment Report was presented to the Board for consideration, input, and integration into the corporate strategy.

Responsiveness: Anglo American Platinum has policies and procedures in place to ensure that stakeholder engagements, concerns, issues or complaints are addressed timeously, and appropriate feedback is provided to stakeholders on material sustainability topics and their related impacts. Also, mechanisms are in place to enable and support anonymous reporting of stakeholder concerns. IBIS recommends that Anglo American Platinum continue to refine its stakeholder response mechanisms to ensure that all stakeholder groups are adequately covered.

Impact: Anglo American Platinum's sustainability strategy and sustainable mining plan, articulate its impact ambitions and focus areas. Its impact performance is reported across its annual reports, that provide both quantitative and qualitative indicators and performance descriptions. IBIS recommends that Anglo American

Independent assurance statement to the management of Anglo American Platinum Limited continued

Platinum enhances its alignment to the UN SDGs to further improve its impact focus and performance such as identifying specific SDG targets and the achievement thereof.

In relation to the selected disclosures

IBIS observed that appropriate measures are in place to provide reliable source data related to the selected Key Performance Indicators assessed. Management's responses to observations raised from the previous assurance periods resulted in an improvement in the general control environment for sustainability information and a reduction in the number of observations noted.

Data-related inconsistencies identified during the assurance process were subsequently corrected and the root cause of the discrepancy was identified. IBIS is satisfied with the accuracy of the final data in the assurance scope as presented.

During this engagement process, it was observed that Anglo American Platinum has implemented automated systems at an operation level and Group level. These systems have enhanced the reliability, completeness and accuracy of the sustainability information disclosed. IBIS recommends the implementation of automated systems across all operations, to mitigate potential data errors attributed to human intervention.

A comprehensive management report detailing specific findings and recommendations for continued sustainability reporting improvement has been submitted to Anglo American Platinum management for consideration.

Petrus Gildenhuys

*Director, IBIS Environmental Social Governance
Consulting Africa (Pty) Ltd*

Johannesburg
2 March 2023



The assurance statement provides no assurance on the maintenance and integrity of sustainability information on the website, including controls used to maintain this. These matters are the responsibility of Anglo American Platinum.

Administration

Directors

Executive directors

N Viljoen (chief executive officer)
CW Miller (finance director)

Independent non-executive directors

NB Mbazima (Zambian)
JR Dixon
T Leoka
NP Mageza
NT Moholi
D Naidoo
JM Vice

Non-executive directors

N Fakude
A Michaud (British)
D Wanblad (British)

Company secretary

Elizna Viljoen
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Financial, administrative, technical advisers

Anglo Corporate Services South Africa Proprietary Limited

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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

As announced on 15 February 2023, Natascha Viljoen resigned from the company. She will continue to serve as CEO and executive director until completion of her notice period of up to 12 months.

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.



PLATINUM

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JSE code: AMS – ISIN: ZAE000013181

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