

CONTENTS

CHIEF EXECUTIVE OFFICER'S REVIEW	2
OUR APPROACH TO REPORTING	7
<i>Reporting our material issues</i>	8
<i>Scope and boundary</i>	8
<i>PWC: Independent Assurance Report</i>	11
<i>External panel review statement</i>	14
OUR BUSINESS AND SUSTAINABLE DEVELOPMENT	17
<i>Profile of operations and products</i>	19
<i>Strategy and sustainability context</i>	21
<i>Opportunities</i>	22
<i>Risks and our material issues</i>	23
OUR MATERIAL ISSUES	29
<i>Global financial crisis</i>	30
<i>Safety</i>	31
<i>Community engagement and relations</i>	37
<i>Energy</i>	47
<i>Climate change</i>	51
<i>Water</i>	52
<i>Skills attraction and retention</i>	58
OUR ECONOMIC CONTRIBUTION AND GOVERNANCE	61
<i>Economic impacts</i>	62
<i>Indirect and other economic benefits</i>	64
<i>Governance</i>	69
CARING FOR OUR PEOPLE	77
<i>Healthy people</i>	78
<i>HIV and AIDS</i>	81
<i>Developing people</i>	85
<i>Respecting people's rights</i>	91
WORKING WITH OUR HOST COMMUNITIES	95
MANAGING OUR ENVIRONMENTAL FOOTPRINT	101
<i>Environmental risks and impacts</i>	102
<i>Environmental management systems</i>	102
STEWARDSHIP OF OUR PRODUCTS	117
<i>Product classification and labelling</i>	118
<i>Beneficiation</i>	118
KEY INFORMATION AND DATA	123
<i>Our stakeholders</i>	124
<i>Awards</i>	132
<i>Safety statistics</i>	133
<i>Economic indicators</i>	134
<i>Social indicators</i>	135
<i>Environmental indicators</i>	136
CROSS-REFERENCE INDEXES – MINING CHARTER AND GRI	138
GLOSSARY OF DEFINITIONS, TERMS AND ACRONYMS	140
FAX REPLY FORM	143
CONTENTS OF VOLUME 1: BUSINESS REPORT	144

FRONT COVER: Communities adjacent to Twickenham Mine with Marcus Maepa in the foreground

For a full appreciation of the Group's activities and performance, read this report in conjunction with our Business Report. Both are available on the Company's website: <http://www.angloplatinum.com>.



Neville Nicolau

It is a pleasure to introduce this, our seventh sustainable development report, and my first as CEO of Anglo Platinum. In the past few months, and since taking office in June, I have been able to gain insight into our sustainable development programmes and the material issues we face as a Group, as we endeavour to continue to mine responsibly.

Over the past six years we have reported consistently, using comparable data, on the progress being made towards meeting our stated sustainable development targets set in line with the requirements of the Global Reporting Initiative (GRI). In 2007, we started using the G3 reporting guidelines instead of the GRI's 2002 guidelines used previously. Our reports for 2007 and 2008 are aligned to what the GRI describes as a B+ intermediate application level.

This year, we have gone one step further in terms of meaningful reporting, by focusing even more sharply on areas we have identified as material sustainable development issues. The independent assessment of the issues we face, by an external review panel have provided the necessary guidance in this respect, especially in terms of the often challenging task of determining 'materiality', as envisaged by the GRI. I would like to thank the members of the panel for their valuable contribution to how we report. A statement produced by the panel is included on page 14.

While our 2008 report is again declared with a B+ intermediate application level, 2009 will see our reporting moving to the A+ application level, with the preparation for this already well under way.

OUR OVERALL SUSTAINABLE DEVELOPMENT PERFORMANCE

In 2008 we met 11 of our 26 stated key SD targets. Eight longer-term targets remain in the progress of being met, while seven targets were not met for reasons explained in this report. Please see detail of these targets in the inside cover of the report.

SAFETY

One of the most challenging aspects of my role at Anglo Platinum is to ensure that our approach to employee safety moves us towards our goal of 'zero harm'. I firmly believe that safety is an integral part of every employee's role at work each day. I am personally committed to integrating our enhanced safety improvement plan into the daily actions of every Anglo Platinum employee. Initiatives to achieve this integration are currently under way, based on the results of an extensive review of our enhanced safety plans, and these have been discussed in more detail in the body of the report.

Against this commitment, it is with deep regret that I report that in 2008 17 employees lost their lives while at work at our managed operations. On behalf of management, I extend our sincere condolences to their families, friends and colleagues. I have personally reviewed each of the incidents since I began my role to ensure that we learn as much as possible from past incidents and that we always treat the bereaved with care and respect.

COMMUNITIES

We continue to play an active role in the development of our host communities, particularly by:

- empowering community members with entrepreneurial skills through the establishment of business centres;
- the implementation of HIV/AIDS and gender equality projects; and
- the development and upgrading of educational and other infrastructural facilities.

In 2008, Anglo Platinum was accused of contaminating the water at two schools near our operation at Mogalakwena and of having violated the human rights of a relocated community (the Motlhotlo community). Scientific evidence provided conclusive proof that our mining operations were not the cause of contamination of the water at the schools; and the South African Human Rights Commission (SAHRC) did not find that the company had violated any human rights. There were however, lessons to be taken away from these events. For instance, SAHRC made a number of recommendations for improvements arising from its investigation into the relocation issue. Although the commission found that the Company had not abused anyone's human rights, it nevertheless highlighted the vulnerabilities of communities living around large-scale mining operations in rural areas. Anglo Platinum is giving the report's recommendations consideration, with a view to enhancing the following:

- Its impact assessment procedures.
- Communication and information sharing with the host communities.
- Consultations with local people through the community representative structures.
- The ways in which it is building long-term self-reliance among people affected by its mining activities.

Anglo Platinum remains firmly committed to the concept that any resettlement should enhance the quality of people's lives rather than undermine it. In the case of the Motlhotlo resettlement, the Company has also commissioned an independent post-resettlement review which will be completed in 2009.

**Safety is an integral part
of every employee's role at
work each day.**

CHIEF EXECUTIVE OFFICER'S REVIEW

While recognising that there are important lessons to be learnt from the SAHRC's report, Anglo Platinum is also proud of its interventions in the socio-economic development of its host communities. It remains convinced that its involvement goes well beyond what is required in law; and that its role in building infrastructure, improving security of tenure for local people, creating jobs and freeing up land for agriculture are testament to this. Demonstrating that we do mine responsibly.

TRANSFORMATION

Anglo Platinum was granted new-order mining rights for Rustenburg, Amandelbult, Union, Lebowa, Mogalakwena, Twickenham and De-Brochen by the Department of Minerals and Energy in 2008. The applications for conversion of mineral rights associated with our 50:50 joint ventures – with Royal Bafokeng Resources over the Bafokeng-Rasimone mine and with the African Rainbow Minerals consortium over Modikwa Mine are being processed.

In September 2007, the Company announced two major black economic empowerment transactions, with partners Anooraq Resources and Mvelaphanda Resources. Steady progress is being made in concluding these transactions. The Mvelaphanda transaction is almost complete, with final consent awaited from the Minister of Minerals and Energy on the disposal of the Booyendal property. Owing to the global economic slowdown, certain aspects of the Anooraq transaction are being re-evaluated and the date for their fulfilment has been extended to 30 April 2009. Both parties remain committed to concluding the transaction during 2009.

During the year, we reached agreement with labour unions on the key terms and structure of the Company's broad-based employee share participation scheme (ESOP). The Company has established the Anglo Platinum Kotula Trust to facilitate the scheme on behalf of the beneficiaries and has issued 2.5 million shares (1,008,519 ordinary shares and 1,512,780 A ordinary shares) to the trust, representing approximately one per cent of the Company's issued ordinary share capital. More than 90% of the beneficiaries of ESOP will be historically disadvantaged South Africans.

We also reached agreement during the year with Royal Bafokeng Holdings (RBH) to restructure the Bafokeng-Rasimone joint venture. This includes the Styldrift project, whereby Anglo Platinum will retain an effective stake of 43% in the venture and receive payment for the transfer of control. The transaction will result in the creation and listing of a black economic empowerment PGM producer, controlled by RBH and independently managed. The transaction is expected to take between one and two years to complete.

ENERGY

Securing a stable and cost-effective supply of energy proved to be increasingly challenging in 2008, owing in particular to restrictions in electricity supply to the mining industry imposed by the country's electricity supplier, Eskom. Through our implementation of a 'footprint model' which shows exactly how much energy we are using in what part of our business, we will reach a far better understanding of the distribution of energy within our operations and will continue our drive to reduce our use of electricity and fossil fuels.

Initiatives that were conducted during 2008 saw a decrease in energy consumption of 2%, placing us on the way to achieving our target of a 15% saving by 2014.

CLIMATE CHANGE

Climate change is a recognised, major global sustainability issue. Because our contribution to carbon dioxide emissions is linked mostly to our electricity consumption, our climate change strategy continues to focus on the reduction of electricity use.

A number of internal research projects are being conducted, particularly in the area of clean coal technology, in collaboration with Johnson Matthey and Anglo Coal, which may increase the demand for platinum and at the same time help to reduce many other industries' emissions of carbon dioxide.

As platinum group metals are a key component in catalytic converters in cars, we see ourselves as positive contributors to a growing market assisting the automobile industry to minimise carbon dioxide emissions.

WATER

South Africa is a water-scarce country and in areas such as Rustenburg and the Eastern Limb we often find ourselves competing for water resources with local municipalities and communities. To ensure there is sufficient water and to find solutions to the water shortages, we have formed partnerships with government, water service providers and other industry bodies to address water scarcity.

In Rustenburg, water supply is increasingly becoming a concern in the wider community, and the town did experience water shortages in 2008. We have signed an offtake agreement with the Rustenburg Local Municipality to use 15 Ml per day of purified sewerage effluent from the town's sewerage treatment plant in our processes, thereby reducing the demand for potable water in the Rustenburg area. In conjunction with the Rustenburg Local Municipality, Magalies Water, Rand Water and other industries, Anglo Platinum is currently involved with a feasibility study to assess how to increase water supply to Rustenburg. This study is likely to be completed in 2009.

On the Eastern Limb, the construction of the De Hoop Dam by the Department of Water Affairs and Forestry has commenced. This project has been a collaborative project between the various levels of government, industries and the communities in the area and will supply water to communities and mining activities in the Eastern Limb. Anglo Platinum is likely to need additional water for its Der Brochen project and has completed and submitted an environmental impact assessment for approval of the Richmond Dam.

RETENTION OF KEY SKILLS

Attracting and retaining employees with key skills has become an imperative in ensuring we have the right people in a competitive labour market. In 2008, we concluded a number of focused

CHIEF EXECUTIVE OFFICER'S REVIEW

recruitment campaigns in order to attract skills and set us on our way to building a 'talent pipeline'. Clearly, the retention of skilled and talented employees is also key to our business. There are various initiatives at our operations to support this, ranging from enhancing facilities at the workplace for training and development programmes.

The skills shortage is likely to ease during 2009 with the global economic crisis and resultant recessions in some of the World's biggest economies.

OUTLOOK

Our society's demand for development that is sustainable has been growing steadily, and continually brings new opportunities and challenges for business. We envisage that, through proactive action and the refinement of the systems we already have in place, we will be in a position to strengthen our ability to meet our challenges and make the most of our opportunities. We will ensure that we continue to mine responsibly.



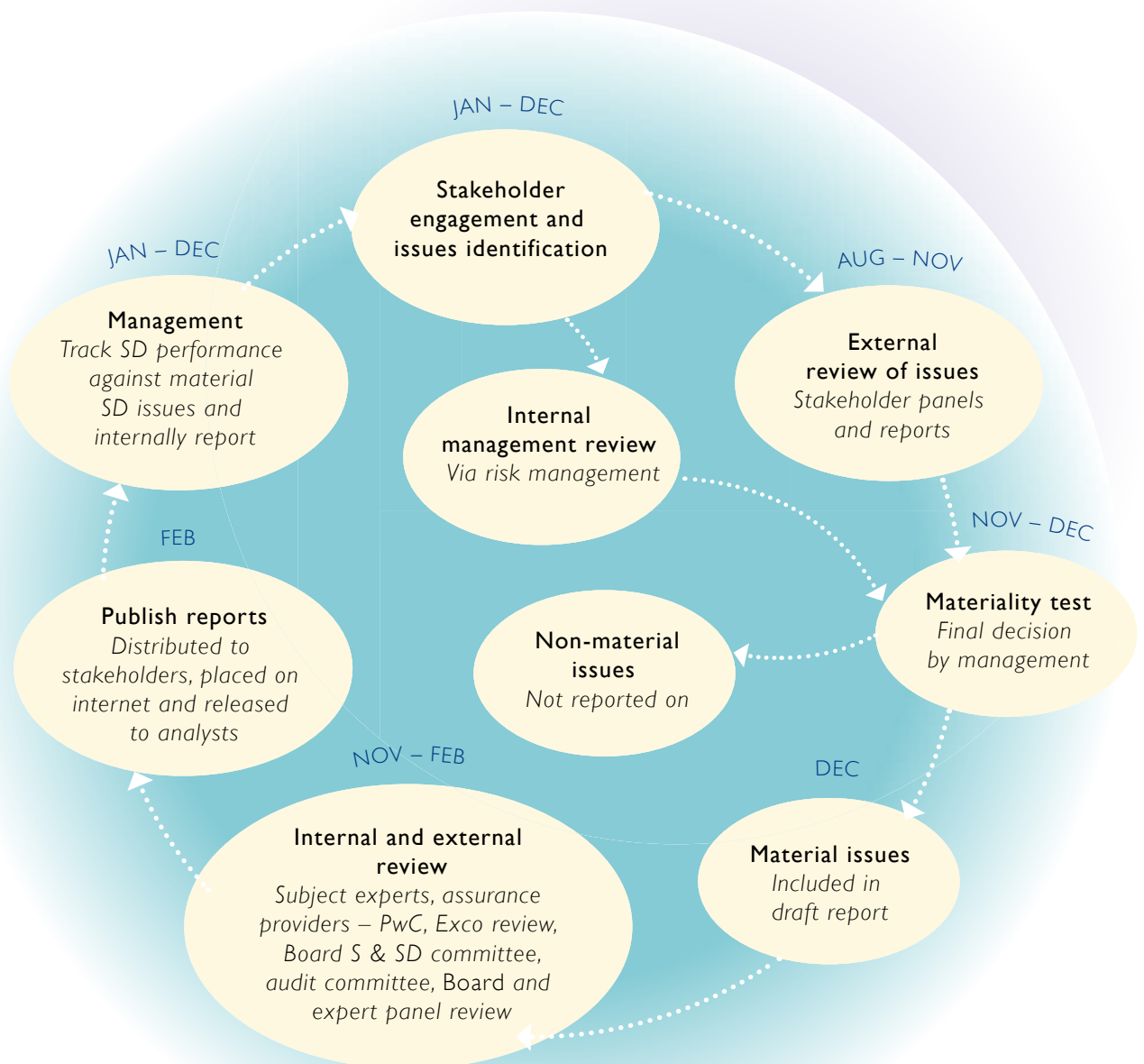
We declared that this report is aligned with GRI's B+ intermediate application level and has been third party checked.

A handwritten signature in black ink that reads 'Neville Nicolau'. The signature is written in a cursive style and is underlined with a single horizontal stroke.

Neville Nicolau
Chief Executive Officer

Johannesburg
5 February 2009

FOCUSING OUR REPORT



OUR APPROACH TO REPORTING

WHY WE REPORT

Anglo Platinum has a wide cross-section of stakeholders. These stakeholders are interested in a variety of different aspects of the Company's business and not just the financial element. Our sustainable development report forms an important component of our overall communication plan with stakeholders and gives us the opportunity of presenting data and information on how we are addressing the many social and environmental aspects associated with our business. The report is intended to be read by South African and international stakeholders. Key data and information will be shared with illiterate members of the communities surrounding our operations via community engagement forums.

It is a requirement of the Mineral and Petroleum Resources Development Act's (MPRDA) mining charter scorecard that we report on our progress towards meeting the requirements of the charter. The Group continues to use its sustainable development report to report publicly on its performance against the mining charter scorecard. For easy cross-referencing, a scorecard reference table has been included on page 138.

ALIGNMENT WITH THE GLOBAL REPORTING INITIATIVE (GRI)

Our 2008 sustainable development report provides a summary of our integrated economic, environmental and social programmes and performance for 2008, and identifies our material sustainable development challenges and opportunities for the future. This is our second report compiled in line with the GRI's G3 guidelines. The previous five reports were compiled in accordance with the GRI's G2 guidelines.

In accordance with G3, we declare that this report is aligned with application level B+.

ENSURING THAT WE REPORT ON MATERIAL ISSUES

To ensure that we address all the material issues that matter most to us and to our stakeholders we have reported on our most significant sustainable development risks, as identified through our integrated risk-management process. This process is explained in more detail on page 23. Furthermore, we have used the GRI G3's 'self-test' methodology indicated in the G3 guidelines and discussed in more detail on page 25 to guide our reporting.

SCOPE AND BOUNDARIES OF OUR REPORT

Anglo Platinum's financial year is from January to December. This report covers results for 2008. The previous report was released in February 2008. Since then, there have been no changes in Anglo Platinum's size, structure, ownership or products significant enough to materially alter the scope of this report. Worthy of note is the fact that Anglo Platinum has completed a review of its capital expenditure. This was done in response to the unprecedented rapid declines in platinum group metal (PGM) prices caused by, among other things, a considerable drop in global vehicle sales, which had a negative effect on forecast consumption of platinum group metals (PGMs) for autocatalysts. As a consequence of these developments, the Company has decided to defer a number of expansion projects.

The majority of Anglo Platinum's activities take place in South Africa. They are confined to three provinces (North West, Limpopo and Mpumalanga), while the centralised corporate office is situated in Gauteng province. Primary activities range from exploration and ore mining, through smelting and refining, to the production of final metal products for sale to customers.

Data for joint-venture operations, other than safety, not managed by Anglo Platinum are not covered in this report, but information is provided in instances where material sustainable development issues are at stake.

Resource use and performance data for exploration activities outside South Africa are excluded from the scope of this report, as the quantities considered to be immaterial. Statements about the Company's activities in China and Zimbabwe feature under the 'Respecting people's rights' section of this report. These issues are considered to be significant.

Changes have been made to the content, order and layout of the 2008 report based on the feedback from our wide stakeholder base; applications of the GRI's G3 materiality 'self-test' methodology; and the advice received from the external review panel. As a result, this report aims to focus on material issues.

Our shareholders were given the choice of receiving electronic copies of the 2008 annual report. If they elected to do so we offered to donate an indigenous tree to Trees for Africa. This initiative has made it possible for us to donate 2,000 trees to the national tree distribution initiative managed by Trees for Africa.

RESTATEMENT OF COMPARATIVES

There have been no material changes to historic data requiring us to restate comparatives. Where minor changes have been made these have been explained.

ASSURANCE POLICIES AND INTERNAL PRACTICES

The Group has internal systems in place to record, monitor and improve the accuracy, completeness and reliability of the financial, operational, safety, health, human resources and environmental management information and data included in this report.

The directors:

- recognise explicitly that they are accountable for the content of this report. For this reason, PricewaterhouseCoopers (PwC) was appointed to provide independent assurance over the selected parameters and the report content, allowing us to declare Anglo Platinum's GRI application level as intermediate B+ level;
- recognise explicitly that the assurance provider, PwC, is alone responsible for the content of the independent assurance report and agree, at the outset, to publish the assurance report in full;
- ensure that adequate resources are made available for PwC's work; and also that PwC is given access to any individual, group, site, record or information it considers necessary to the task of assurance.

OUR APPROACH TO REPORTING

EXTERNAL REVIEW PANEL

An external review panel was established in 2008 to review our draft sustainable development report prior to publication. The purpose of this panel is to review materiality, inclusiveness and responsiveness guided by the AA1000 assurance standard. The panel comprises Valerie Geen, Jonathon Hanks, Tshepo Lenake, Cathy Reichardt and Marinda van der Merwe, and is chaired by Steve Nicholls of KPMG. KPMG was appointed by Anglo Platinum as the panel's administrator to ensure an independent relationship between Anglo Platinum and the panel.

The members of the panel were selected based on the knowledge they have of the industry; and for their expertise in the sustainable development challenges and opportunities that face business in general, and the platinum industry in particular. Members were appointed on a voluntary basis, and the panel has functioned independently of Anglo Platinum. Members were offered the chance to nominate a charity of their choice and Anglo Platinum will make a donation of R15,000 on their behalf.

We envisage that the panel will remain in place for the 2009 reporting cycle, although members may be rotated.

See page 14 for a consolidated statement by the external review panel.

CONTACT DETAILS AND FURTHER INFORMATION

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

Contact person for the Sustainable Development Report:

Stephen Bullock

Sustainable development manager

Anglo Platinum Limited

55 Marshall Street, Johannesburg, 2001

PO Box 62179, Marshalltown, 2107, South Africa

Telephone: + 27 (0) 11 373 6646

Fax: + 27 (0) 11 373 5646

Email: sbullock@angloplat.com

REPORT OF THE INDEPENDENT NON-FINANCIAL ASSURERS

THE BOARD OF DIRECTORS AND MANAGEMENT OF ANGLO PLATINUM LIMITED

INTRODUCTION

We have been engaged by Anglo Platinum Limited ("Anglo Platinum") to conduct an assurance engagement on selected subject matter reported in Anglo Platinum's Sustainable Development Report 2008 ("the Report"), for the purposes of expressing a statement of independent assurance, for the year ended 31 December 2008 ("the assurance report"). This assurance report is prepared for the benefit of Anglo Platinum, to be disclosed at Anglo Platinum's discretion, in conjunction with the Report, and in accordance with the terms of our engagement. The assurance report applies only to the hard copy publication of the Report, and as set out on the pages referenced below.

The following KPIs were selected for an expression of reasonable assurance:

- Fatality Injury Frequency Rate (FIFR) (Page 133)
- Lost Time Injury Frequency Rate (LTIFR) (Page 133)
- Number of New Cases of Noise Induced Hearing Loss (NIHL) reported (Page 79)
- Number of New Cases of Occupational Diseases (NCOD) reported (Page 79)
- Number of employees participating in Anti-retroviral treatment (ART) (Page 85)
- Number of employees participating in Voluntary and Counselling Treatment (VCT) (Page 84)
- HIV prevalence rate (Page 84)
- CO2 emissions (from electricity purchased, from fossil fuels purchased, and from processes) in 1,000 tonnes (Page 136)
- SO2 emissions from processes in 1,000 tonnes (Page 136)
- Number of level 2 and level 3 environmental incidents reported (Page 137)
- Total energy used in 1,000 GJ (Page 136)
- Water used for primary activities in 1,000 m3 (Page 136)
- Implementation of the Mining Charter reporting requirements (Page 138)
- Total amount spent on Socio Economic Development (SED) projects in South African Rand (Page 96)
- Global Reporting Initiative (GRI) application level (Page 8)

DIRECTORS' RESPONSIBILITY

Anglo Platinum's directors are responsible for the preparation and presentation of the identified selected KPIs in accordance with internal corporate policies and procedures, and the Global Reporting Initiative (GRI) new generation (G3) guidelines.

OUR APPROACH TO REPORTING

RESPONSIBILITY OF THE INDEPENDENT ASSURERS

Our responsibility is to express, to the directors, an opinion on the selected subject matter contained in the Report, for the year ended 31 December 2008, based on our assurance engagement.

WORK PERFORMED

We conducted our engagement in accordance with the International Standards for Assurance Engagements 3000, "Assurance Engagements other than audits or reviews of historical financial information" (ISAE 3000) issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain assurance on the selected subject matter as contained in our terms of engagement.

Anglo Platinum's internal corporate reporting policies and procedures were used as criteria to evaluate the selected subject matter. The "Glossary of Definitions, Terms and Acronyms" (page 140) provides detail on the applied definitions of the selected subject matter. In terms of evaluating the 'B+' application level, the specific application level criteria, as stipulated by the GRI new generation (G3) guidelines, have been used.

Our work consisted of:

- reviewing processes that Anglo Platinum has in place for determining material subject matter to be included in the Report;
- obtaining an understanding of the systems used to generate, aggregate and report data at the sampled operations;
- conducting interviews with management at the sampled operations and at corporate head office;
- applying the assurance criteria in evaluating the data generation and reporting processes;
- performing key controls testing for reasonable assurance;
- testing the accuracy of data reported on a sample basis for reasonable assurance;
- reviewing the consolidation of the data at corporate level to obtain an understanding of the consistency of the reporting processes compared with prior years and obtaining adequate explanations for deviations in performance trends;
- reviewing the consistency between the subject matter and related statements in Anglo Platinum's Report; and
- reviewing the validity of Anglo Platinum's self-declaration of the GRI (G3) application level in the Report.

INHERENT LIMITATIONS

Non-financial data is subject to more inherent limitations than financial data, given both the nature and the methods used for determining, calculating, sampling or estimating such data. We have not carried out any work on data reported for prior reporting periods, nor in respect of future projections and targets. We have not conducted any work outside of the agreed scope and therefore restrict our opinion to the agreed KPIs.

CONCLUSION

On the basis of our reasonable assurance procedures, the subject matter selected for assurance for the year ended 31 December 2008, has been prepared, in all material respects, in accordance with Anglo Platinum's internal corporate policies and procedures, and is free from material misstatement.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.

Carmen Le Grange

Director

Registered Auditor

Johannesburg

5 February 2009

OUR APPROACH TO REPORTING

*Marinda van der Merwe,
Cathy Reichardt, Tshepo
Lenake*



*Valerie Green, Steve
Nicholls, Jonathon
Hanks*



EXTERNAL PANEL REVIEW STATEMENT

THE PANEL'S PURPOSE

The external review panel was convened by Anglo Platinum to review initial drafts of their 2008 Sustainability Report and to provide an opinion on the report's alignment with the assurance principles of materiality, inclusivity and responsiveness contained in the AccountAbility Principles Standard AA1000APS (2008).

OUR PROCESS: MAINTAINING INDEPENDENCE

The external panel met on three occasions: once to discuss the process undertaken by Anglo Platinum to determine their most material issues, and twice to review two draft versions of the 2008 Sustainability Report. Anglo Platinum has also requested that we present our findings to the Anglo Platinum executive. To encourage frank and independent comment, each meeting was held without the participation of a representative from Anglo Platinum.

Our independence was further assured by the panel members receiving no payment for our services, with a donation being made instead to individually nominated charities. KPMG was retained by Anglo Platinum to provide administrative support and to chair the meetings. KPMG provided aggregated feedback to Anglo Platinum allowing us to express our opinions freely and openly. Anglo Platinum provided all additional information requested in a transparent, timely and efficient manner.

While we have contributed to this collective view as individuals, and not on behalf of the organisations we represent, our individual perspectives have been guided by our particular affiliations. The opinions expressed here are the opinions of the panel members; it is not an audit or assurance statement.

MATERIALITY

The area of materiality is one of the areas that is most improved when compared with reporting in previous years. Not only has Anglo Platinum changed the report structure to focus on the issues most material to their business, but they have also included more detailed information on each of these key material issues. This has allowed Anglo Platinum to more accurately contextualise the relevance of these issues to their business.

Despite this improvement, we nevertheless believe that Anglo Platinum could provide a more meaningful analysis of the data reported on in the body of this report. While the inclusion of some targets in the report summary is very useful, we recommend that in future reporting cycles these targets should be framed in more quantifiable terms for key measures of sustainability and that there should be more meaningful interpretation of the data presented.

We would also like to see more information on how sustainability issues are managed in joint ventures between Anglo Platinum and their partners. This should, as a minimum, include performance data from those operations where Anglo Platinum is the managing partner, as well as describing the systems in place to manage the potential risks and impacts across all exploration projects and joint ventures. It is important to outline what sustainability criteria are used to make investment decisions and deciding when to withdraw from projects, particularly in sensitive socio-political situations such as Zimbabwe and China.

Than panel's view was that materiality is an area most improved.

INCLUSIVITY

While we agree with the report's focus on community stakeholder engagement, we believe that in future reporting cycles the description of stakeholder engagement should be expanded to explain general processes and management systems. The context of the report within an overall communication strategy is important. While this report seeks to communicate to stakeholders interested in the communities that Anglo Platinum impacts on, we believe it is too formal a communication method to be read by the community members themselves. It is not always clear how the annual report fits into the differing stakeholder communication approaches.

RESPONSIVENESS

While the quality of reporting is high, it is not always clear how the reported material issues relate to different stakeholders' concerns. We believe that Anglo Platinum needs to demonstrate that the material issues identified are not simply a reactive response to more visible external pressures, but rather are identified proactively as a result of informed engagement with communities and other stakeholders. Anglo Platinum should demonstrate how these views have affected the identification of the material issues, as well as how they have informed the company's strategy.

OUR APPROACH TO REPORTING

We further believe that the company could improve its disclosure specifically aimed at the company's investors, for example by including a short discussion of material sustainability information within the financial report. External commentary on some of the sensitive issues will also provide additional credibility to Anglo Platinum's reporting.

CONCLUSION

Notwithstanding our remaining suggestions for improvement, we believe Anglo Platinum is to be commended for its sincere efforts to improve its sustainability disclosure based on our feedback. Anglo Platinum has been remarkably responsive to our recommendations. Notable changes made to draft reports include:

- structuring the report around the key material risks to Anglo Platinum, allowing for more detailed and robust reporting on these issues;
- describing how these material risks and opportunities were identified, and placing these issues in the context of Anglo Platinum's strategy and operational context;
- providing more detailed disclosure on the Mogalakwena legal actions;
- reviewing the business opportunities associated with sustainability, rather than focusing simply on the risks; and
- providing further detail on their stakeholder engagement process, particularly as regards engagement with local communities in the areas of their operations.

Seeking an independent, external view of the company's reporting content and quality is a brave step. We believe it has resulted in Anglo Platinum making a valuable improvement to their report.

MAKING A DIFFERENCE

Mining activities have inherently positive and negative social and environmental impacts on the communities that surround mining operations. Negative impacts are typically mitigated through, and positive impacts enhanced by, social and environmental management programmes. Positive impacts by the Group's operations have included job creation, skills development, education and health investments, as well as business development and infrastructural provision. Negative impacts of mining typically include:

- social impacts such as the proliferation of internal settlements as job seekers move into areas adjacent to the mine;
- complaints of increased crime;
- environmental impacts such as noise, water pollution, boreholes running dry, and dust; and
- loss of agricultural land for subsistence farming.



André Britz capturing data from a continuous water monitoring point

OVERVIEW OF OUR BUSINESS AND SUSTAINABLE DEVELOPMENT

Mining is by its very nature not sustainable in perpetuity, as we mine ore bodies with finite lives. By mining, however, we extract metals society needs in order to address, among other things, air quality, and various medical and technological issues. Through our business we are able to employ a significant number of people who are often sole breadwinners, improve people's skills levels, generate wealth for our shareholders and pay taxes to the State. Many of the benefits and skills created by mining will outlast the mining activities themselves. Therefore, although mining as an activity is not sustainable indefinitely, the opportunities we create for individuals and society however are.

Anglo Platinum's operating mines are based in South Africa, which presents a unique sustainable development context. South Africa is a developmental state that experienced years of selected development during the apartheid period. This led to imbalances in South African society which the present government is attempting to rectify through numerous transformation programmes. To address many of these social imbalances in the mining industry, government developed the mining charter and its associated scorecard, which require mines to meet certain employment equity, and employee and community development targets, by 2009. Many of the Anglo Platinum social and employee programmes detailed in this report have been designed and implemented to meet the requirements of the mining charter.

South Africa is also a water-scarce country and in areas such as the Eastern Limb of the Bushveld Complex, years of underdevelopment have created imbalances in water resource distribution. Under the apartheid government, many traditional communities were forcibly moved into former so-called independent states. This led to high population densities around many of Anglo Platinum's mining operations, such as those around Rustenburg and the Eastern Limb operations. High population densities and scarce natural resources have led to competing demands for access to natural and other resources, such as land, in these areas. These competing forces have led to conflicts between the Company and the surrounding communities, eg communities around Mogalakwena. The MPRDA, under which mines are governed, fully embraces the concept of sustainable development in section 37, where it references the National Environmental Management Act's definition of sustainable development as "the integration of social, economic and environmental factors into planning, implementation and decision-making so as to ensure that development serves present and future generations". The MPRDA requires all mining operations to have social and labour plans and environmental management programmes in place, and to comply with, and publicly report on, progress towards meeting the requirements of the mining charter. The Group uses this report to provide feedback on our progress towards meeting the charter.

Although Anglo Platinum is primarily South African-based, we still have to address many global sustainability challenges, such as climate change and the protection of biodiversity. Therefore, both South African and global sustainability issues are discussed in this report.

PROFILE OF OPERATIONS AND PRODUCTS

OUR OPERATIONS

Anglo Platinum Limited is listed on the JSE and is the sole listed entity for the Group. It also has a secondary listing on the London Stock Exchange. International depositary receipts for the Company's shares are listed on the Brussels bourse.

Anglo Platinum is a subsidiary of the Anglo American plc, which holds a 79.6% share in Anglo Platinum. 'Group' in this report, however, refers only to Anglo Platinum and its major, wholly owned subsidiaries, primarily Anglo Platinum Management Services (Proprietary) Limited; Rustenburg Platinum Mines (RPM) Limited; Lebowa Platinum Mines Limited (Lebowa); Twickenham Platinum Mine; and all other subsidiaries.

The Group is also engaged in joint ventures and partnerships, which are detailed in Volume 1: Business Report. The Group has governance structures in place with its joint-venture partners, and representation on the boards and board committees of its joint-venture partners. The Group's smelting and refining operations are wholly owned through RPM and situated in South Africa. These operations treat concentrates from wholly owned subsidiaries and joint ventures.

In Zimbabwe, the Group is developing the Unki Platinum Mine, and our policies and standard procedures apply to the management of the Unki project.

The Group is also involved in exploration activities in Canada, Russia and Brazil. The Company is in the process of winding up its exploration activities in China due to, among other things, human rights concerns.

MAIN PRODUCTS AND NATURE OF MARKETS SERVED

Anglo Platinum is the world's leading primary producer of platinum and accounts for about 40% of newly mined production globally. It also produces other PGMs including palladium, rhodium, ruthenium, iridium and osmium. Nickel, copper, other base metals and gold are also produced.

Some 43% of the world's platinum is used in autocatalysts, designed to reduce noxious emissions from vehicles. Demand for autocatalysts declined by 8.5% in 2008: environmental concerns about air quality in many of the world's cities continued to increase and more stringent vehicle emission standards were legislated in many countries. A more detailed market review appears in Volume 1: Business Report.

The Group is firmly committed to the development of PGM markets and, in cooperation with Johnson Matthey and others, researches and promotes new products using PGMs, particularly for environmental applications. Anglo Platinum created the Platinum Guild International (PGI) in 1975 and provides funding for its jewellery development efforts. The Group is active in other industry organisations, including the International Platinum Association, which is an advocacy forum for producers and fabricators, and attends to sustainability-related matters on behalf of the industry via its newly created (2008) sustainability committee.

DISCLOSURE ON OVERALL MANAGEMENT APPROACH

At management level, the Board charges its line management with ensuring that adequate resources are applied and attention is given to the implementation of sustainable development principles in the organization and at the Group's mining and processing operations.

The executive management team relies on a dedicated safety and sustainable development department at the corporate office to ensure all aspects of sustainable development, pertinent to the Group's activities, are addressed. Sustainable development issues, which include economic, environmental, labour practices, human rights, societal and product responsibility aspects, remains a line function responsibility, for example spillage prevention at an operation is the operational manager's role, not that of the environmental manager.

The safety and sustainable development department's role is to advise and ensure that other functions across the Group are addressing sustainable development issues. The department has dedicated safety, health, environmental and social skills and is managed by Dr Lettie La Grange. Other functions include providing monthly sustainable development performance reports for the Executive Committee and quarterly reports for the Safety & Sustainable Development Board Committee and the Board.

We have an integrated approach to managing sustainable development and therefore this section is intended to be a complete overview of our management approach. Other Group functions charged with key components of Anglo Platinum's sustainable development programme are:

Procurement department: Implementing vendor social responsibility criteria including HDSA and local procurement programmes and is headed by Clive Govender.

Socio-economic development department: Responsible for managing corporate social investment projects and community engagement around the Group's operations and is headed by Sibonelo Shinga.

Human resources development department: Responsible for skills development, recruitment and transformation components of the social and labour plans and is headed by Abe Thebyane – Executive head: Human resources.

Finance department: Responsible for managing and advising on the Group's finances to ensure economic sustainability and is headed by Bongani Nqwababa – Chief financial officer.

Marketing department: Responsible for product stewardship aspects and interaction with customers and is managed by Tim Aiken – General manager: base metals.

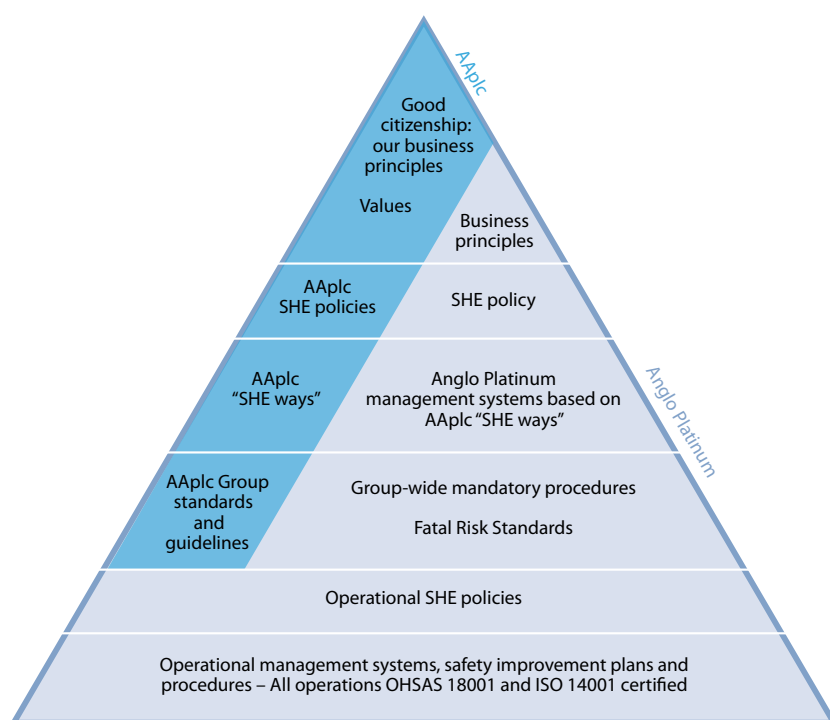
Corporate affairs department: Responsible for ensuring employee and community human rights are protected and issues addressed and is managed by Mary-Jane Morifi Executive head: Corporate affairs.

At an operational level, there are dedicated safety, health, environmental, community, human resource and finance specialists tasked with ensuring the various aspects of the Company's sustainable development programmes are implemented and managed. These specialists are required to comply with corporate policy. All operations are ISO 14001 and OHSAS 18001 certified. Through our major shareholder, AAPlc, we are bound by a number of international codes such as the ICMM principles, Voluntary Principles on Security and Human Rights and the Global Compact.

RELATIONSHIP WITH ANGLO AMERICAN

The Anglo American group (AAPlc) is our majority shareholder and holds 79.6% of Anglo Platinum. Anglo American sets business policy and performance standards to which we conform. These policies and performance standards have been developed by AAPlc to meet its many sustainable development obligations. AAPlc is, among other things, a signatory to the Global Compact, a member of the International Council for Metals and Mining and a signatory to the Voluntary Principles on Security and Human Rights.

At Anglo Platinum we have fully aligned our sustainable development-related policies and management systems with those of AAPlc and internally report on our performance at prescribed periods. Implementation of the AAPlc policies is confirmed from time to time via peer-reviews and internal and external audits. The diagram below is an illustration of the hierarchy of AAPlc obligations and how they interrelate with the Anglo Platinum policies, procedures and guidelines.



STRATEGY AND SUSTAINABILITY CONTEXT

Society's general quest for development that is sustainable will continue to present opportunities, challenges and risks for Anglo Platinum's business in 2008. The Group's strategy is to develop the market for platinum group metals, to expand its production into that opportunity and to conduct its business safely, cost-effectively and competitively. Our objective is to be the number one company in finding, mining, processing and marketing platinum group metals for the maximum benefit of all our stakeholders.

The Company's strategy is not set in isolation of the sustainability context. A strengths, weaknesses, opportunities and threats (SWOT) methodology is used to review and redefine the Company

OUR BUSINESS AND SUSTAINABLE DEVELOPMENT

strategy annually. This is done by functional managers feeding issues into the process based on research, stakeholder engagement and issues identification. Documentation is reviewed and debated by executive management before the strategy is finalised.

OPPORTUNITIES

Anglo Platinum annually evaluates the opportunities that the global sustainable development-related aspects present to the Company via its strategy formulation and review processes. The process culminates in a Group strategy, with clearly defined actions assigned to executive management to implement and monitor progress against. The table on below lists the key sustainable development opportunities present to the Group. Plans are in place to ensure that the Group benefits from these opportunities and at the same time society in general benefits.

Opportunity	Description	Cross-reference
Autocatalyst market growth	Demand for platinum and palladium use in autocatalysis rose by 2.3% and 8% to 4.2 and 4.4 million ounces respectively in 2008, primarily because of more stringent legislation on vehicle emissions. Forecasts for 2009 predict a decline in growth in the use of platinum and palladium in autocatalysts.	Business Report p20 – 33
Rising demand to improve people's health	In 2008 demand for platinum in the medical sector where the metal is used to produce anti-cancer drugs and as an alloy with gold in the dental field, rose by 4%.	Business Report p32
Potential growth in the fuel-cell market	Demand for platinum for fuel cells is very small at present. However, this is expected to increase in the short to medium term for portable applications such as flashlights and power for laptop computers. In the longer term, the commercialisation of fuel-cell vehicles will provide sustainable growth in this sector as environmental concerns spiral. A fuel cell has been commissioned near Lephalale in Limpopo province and a full case study is included on page 28.	Business Report p20 – 33 Case study of fuel cell on p28
Possible PGM use in clean-coal technology	Based on the success of this project, the Company will continue to pursue opportunities in clean-coal technology, to create a new market for PGMs and to contribute positively to climate change.	—
Growth in the South African market	The South African government is encouraging local beneficiation of PGMs. Through Anglo Platinum's own initiatives, such as its local jewellery fabrication programme, and through other industry and government programmes, local demand for platinum may increase, although off a very low base.	p118
Strong resource base to create economic and human capital opportunities	The Group's mineral resource base could offer an opportunity to grow the business. With this growth comes the opportunity to create new jobs in South Africa, where unemployment rates are currently 39%, improve employees' skills through development programmes, and uplift host communities through socio-economic development and infrastructure delivery programmes.	BR p37 p135
Preservation	New technology, developed jointly with Johnson Matthey, has revealed the ability of palladium to prolong the life of fresh produce.	—

TOYOTA COMMENCES LEASE OF NEW FUEL-CELL HYBRID CAR



Picture courtesy of Toyota

Toyota Motor Corporation confirmed in August 2008 that it will commence the leasing of its new fuel-cell hybrid car in September, which uses platinum as an electrode in the fuel cell.

The Ministry of Employment in Japan will receive its first unit of the FCHV-adv fuel-cell car as a 30-month rental worth 840,000 yen.

The company has confirmed that the new model will offer better performance in cold conditions and boasts greater fuel efficiency than its predecessor, the FCHV model.

For instance, the new five-seater will provide 830 km of travel without the need to refuel – an upgrade of 500 km – while reaching speeds of 155 km/h.

The rolling out of the FCHV-adv – which is being aimed at central and local governments plus energy-related firms – follows permission to mass-produce the car granted by the transportation ministry in June 2008.

Officials at the Japanese automaker also confirmed that users will be asked to provide data, for further research into the widespread use of fuel-cell vehicles.

This future demand for platinum in fuel cells opens a new market in the automobile industry for more environmentally friendly vehicles that do not rely on hydrocarbons.

RISKS AND OUR MATERIAL ISSUES

Our approach to assessing risk

Anglo Platinum is exposed to a variety of risks and uncertainties that may have a financial or reputational impact on the Company and which may also impact the achievement of social, economic and environmental objectives and obligations. Understanding these risks and developing appropriate responses to them is crucial to Anglo Platinum's success. Risk management is achieved through an integrated risk-management process that identifies all the main business risks, including operational and sustainable development risks, which could adversely affect and impede the achievement of the Group's business objectives. Controls and action plans to mitigate the risks are implemented and continuously monitored. The Board has determined the level of acceptable risk and requires the operations to manage and report accordingly. Integrated risk reports are completed quarterly for each operation, capital expansion programme and shared services. These are consolidated into an executive risk summary for review by the executive, audit committee and the Board.

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

Integrated risk management

Anglo Platinum has an integrated risk management (IRM) policy, with the following objectives:

- To identify, evaluate and manage risks in order to create shareholder value.
- To leverage opportunities as much as to avoid or mitigate losses.
- To improve decision-making in key business processes based on risk principles.
- To create an operating environment of no surprises and no repeats.
- To promote and achieve a common risk language.
- To ensure that Anglo Platinum implements risk management at all levels of the organisation, from the stope face to the boardroom.
- To enable the sharing of risk knowledge throughout the organisation.
- To create the ability to be flexible and adapt to changes in our business environment.
- To align our risk-management process to global best practice and accepted corporate governance principles.

In terms of this policy, the Group has identified 18 headline risk areas, which form the basis for regular and exception reporting to the Executive Committee and the Board. Strategies are in place to address performance in each area and are reported on quarterly. Internal 'headline risk owners' have been appointed for each risk area and practical guidance is given through the integrated risk-management framework, which defines the various reports via a standardised five-by-five risk matrix for ranking risks in order of significance and risk-management reports issued to headline risk owners and management after each facilitated risk assessment process. The report content includes risk descriptions, consequences, root causes, likelihood and impact ratings, controls and further management actions required to mitigate the residual exposure.

The headline risk table shows the 18 headline risks and the typical issues identified under each.

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

The Group's outsourced internal audit service provider conducts routine audits to ensure that all headline risk actions and control measures are being implemented and attended to. A summary of internal audit findings and corrective action is reviewed by the Operations and Audit Committee.

Materiality self-test

For purposes of compiling this report, the G3 'self-test' methodology has been used to determine what material issues need to be reported on in this report. Both external and internal factors are covered, as detailed below:

External factors

External factors include:

- the main topics and future challenges for the sector reported by Anglo Platinum peers and competitors, namely Impala Platinum, Lonmin Platinum, AngloGold Ashanti, Rio Tinto and Anglo American plc;
- relevant laws, regulations, agreements and voluntary agreements with strategic significance to Anglo Platinum and its stakeholders;
- well-documented and publicised sustainability issues, impacts, risks or opportunities (eg climate change, HIV/AIDS, poverty) identified through sound investigation by people with recognised expertise;
- influence from the membership of organisations such as the International Platinum Group Metals Association and the International Council on Mining and Metals; and
- advice received from the new external review panel.

	Headline risk area*	Examples of risks and issues
1	Foreign exchange	Sensitivity of revenues to fluctuations in exchange rate (primarily the rand versus the US dollar)
2	Commodity price	Fluctuations in commodity prices impacting revenues
3	Treasury	Fluctuations in interest rates affecting financing costs and liquidity
4	Counterparty	Default of counterparties including banks, customers and joint-venture partners
5	Employees	Skills shortages, adherence to mining charter requirements, employee relations and other HR-related risks
6	Employee safety	Fall of ground, fire/explosion, moving machinery and other safety-related risks
7	Employee health	Noise-induced hearing loss, HIV/AIDS, nickel exposure, hand-arm vibration and other health-related risks such as cholera
8	Environment	Air emissions, biodiversity, energy, hydrocarbons, land, waste, water, tailings and other environment-related risks
9	Social	Relationships with stakeholders, including local communities, local government, media
10	Political	Impact of legislative changes, for instance those affecting royalties and the conversion of mineral rights
11	Legal and regulatory	Failure to comply with legal and regulatory requirements
12	Reserves and resources	Ensuring that mines generate sufficient reserves and resources to sustain metal production plans
13	Operational performance	Higher-than-inflation unit-cost increases
14	Capital projects	Not meeting significant expansion targets, skills shortages
15	Mergers and acquisitions	Inappropriate transactional structuring of joint ventures, funding of transactions
16	Technology	Reliability of furnaces and plants, mining mechanisation, introducing new technology
17	Infrastructure	Lack of infrastructure to meet expansion programme targets, such as water supply, electricity, housing and transport
18	Event risk	Catastrophic events such as mine flooding, ground failure, tailings dam failures, fires, explosions

* Not in risk priority order

Internal factors

Internal review factors are as follows:

- Key values, policies, strategies, operational management systems, goals and targets at Anglo Platinum.
- The interests/expectations of stakeholders specifically invested in the success of the Company (eg employees, shareholders and suppliers).
- Significant risks to Anglo Platinum as defined by internal risk methodologies and documented in risk reports.
- Factors critical to enabling Company success.
- The core products of the Company and the manner in which they can, or could potentially, contribute to sustainable development.

The application of the materiality self-test methodology resulted in 63 G3 indicators being considered material to the Company and 16 G3 minerals and metals supplement indicators being considered material, compared with a total of 59 G3 indicators reported on in 2007. The GRI content index on page 139 highlights those indicators considered material, and provides cross-references to the relevant detailed information in this report.



In stope bolting at Amandelbult Mine

Our most material sustainable development risks

Based on both the integrated risk-management process, the materiality 'self-test' methodology and the external review panel comments, the Company's most material risks in order of risk ranking using a five-by-five risk-rating matrix, based on consequence and likelihood, are currently as follows:

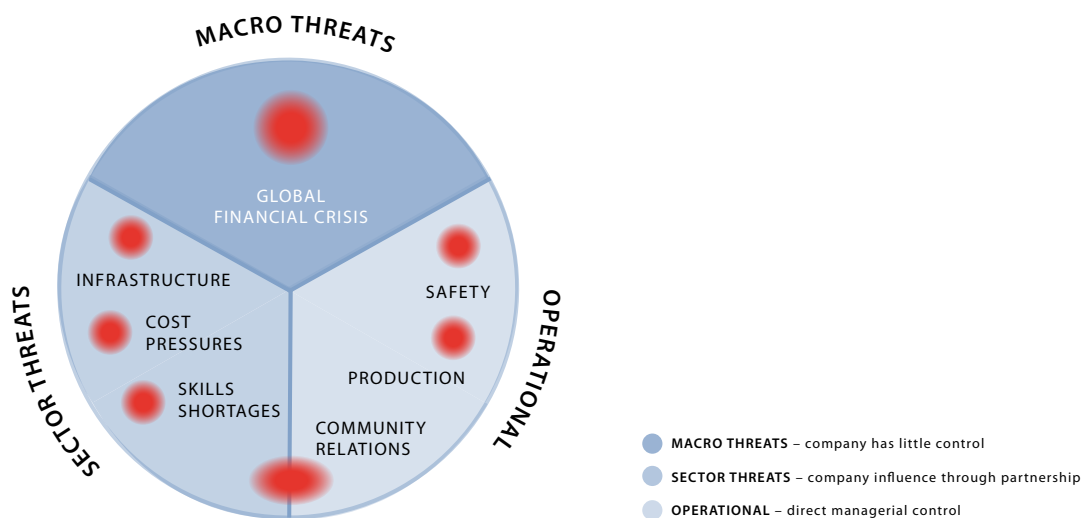
- The global financial crisis and its concomitant impact on commodity prices.
- Employee safety.
- Operational performance in terms of production and costs.
- Community relations and engagement.
- Access to energy and water.
- Skills shortages.

The next section of this report discusses these material issues in detail and provides information about what we are doing to manage the risks. Operational performance issues are excluded in this report and are dealt with in detail in the Business Report, which is Volume 1 of our annual report.

Levels of control and our approach to managing risk

Many of the risks the business faces may be outside its control and one may well question the extent to which management can influence the respective risks. Below is a risk radar that provides a classification in terms of macro, sector and operational-specific risks, with our material risks plotted on it. Only operational threats are considered to be fully within the control of the Company.

Sector threats are partly controllable by management and require proactive management with suppliers and other industry players, including, often, other mining companies and industry bodies such as BUSA, Chamber of Mines and the National Business Initiative. Macro threats are non-controllable. Other than monitoring, responses to these risks are mainly reactive in nature.



STATIONARY FUEL-CELL POWER PLANT – NEW USES FOR PLATINUM

Anglo Platinum has installed a stationary fuel-cell power plant near Lephalale in Limpopo, on a coal bed methane gas (CBM) exploration site belonging to Anglo Coal.

The 200-kW fuel-cell power plant was supplied by UTC POWER, a United Technologies Company from the USA and uses CBM gas as fuel. UTC POWER has installed about 270 of these containerised PureCell 200 units all over the world. The unit at Lephalale is the first in Africa.

The power plant consists of three main subsystems, namely a gas processing unit, a phosphoric acid fuel-cell stack and a power electronic inverter, which produces the electrical power output. In the gas conditioning unit, the CBM gas is reformed into a hydrogen-rich gas that is fed into the fuel-cell stack where, together with oxygen from air, it produces a DC power output. The power inverter converts the DC into a three-phase 400 VAC 50 Hz output. In addition to the 200-kW power output, heat is produced in the fuel-cell stack at 110°C and 60°C, which can be used for external heating. Electrical efficiency is up to 42%, but when the heat is utilised, overall efficiency increases to 83%.

Fuel cells are electrochemical devices that operate without combustion and deliver clean energy. Since the fuel is converted directly to electricity, a fuel cell can operate at higher efficiencies than internal combustion engines, extracting more electricity from the same amount of fuel.



Offloading the fuel cell destined for Lephalale

After thorough analysis of the CBM gas produced at site, it was decided to change the nickel-based catalyst in the standard unit's gas reformer to a rhodium-based catalyst to handle a nitrogen content of up to 10%. A small reverse osmosis water treatment plant was installed to supply clean make-up water to the power plant, required for operations in ambient temperatures above 26°C. Bottled nitrogen gas is also required for purging the plant system after shutdown. The power plant operates in both grid-connected and island generation modes and changes over automatically from the one to the other.

All the operating PureCell 200 units in the world are monitored online by UTC POWER from a central control room in the USA on a full-time basis. All alarms are downloaded daily and technicians are dispatched to carry out maintenance or repairs as and when required. When the plant develops a critical fault needing a quick response, it phones out to central control, where immediate attention is given to the problem, to decide the best course of action to repair or to shut down the plant.

The objective of the demonstration site is to showcase and promote this technology to relevant stakeholders in South Africa as an alternate and clean energy solution. The costs are comparing favourably with those of other energy sources.

In Africa, including South Africa, the access to affordable energy is constrained by the underdevelopment of infrastructure to provide efficient electricity. Fuel cells could potentially play a role in addressing this need. There are various fuel-cell products across a wide spectrum of uses that are becoming more available and affordable across the globe.

FOCUSING OUR EFFORT

The sustainable development agenda generally is broad and there is a risk that we could focus our efforts on too many issues at any given time, thereby eroding the effectiveness of what we do. We need to focus our efforts by ensuring we have effective internal risk management and consultative processes with our stakeholders; which include, among others government, investors, employees and people from the communities surrounding our operations.

These include our response to the global financial crises; improvement of employee safety to ensure zero harm; our interaction with communities and how we deal with issues raised by them; reducing energy consumption and the emission of greenhouse gases that contribute to climate change and improving water efficiency and how we address water scarcity.

William Taylor, general manager at Union Mine, was nominated separately by numerous mine employees as a 'company hero' for his leadership and dedication to improving safety. Union Mine has achieved 6.5 million fatality free shifts which is an industry record.

OVERVIEW

This section of our report describes our most material sustainable development issues in order of priority, while every effort is made to mitigate these risks, the consequences and likelihood can not always be irridicated. It examines what is being done to mitigate the risks associated with these issues, management processes and systems. The methods used to determine these risks, and a description of the overall approach to risk management, are described in the previous section.

GLOBAL FINANCIAL CRISIS

OVERVIEW

The global financial crisis, with its indications of a recession in the global economy, has resulted in a significant reduction in the price of PGMs and other commodity prices, leading to adverse movements in operating results, asset values, revenues and cash flows. This has had a direct bearing on metal prices and therefore on the economics of our business. Clearly, were prices to continue on a downward trend in perpetuity, our business would become unsustainable.

The recovery of prices is linked to the recovery of the global economy and at present there is no understanding of how long current, weak conditions will last. An extended recession in key markets and reduced growth in China will not support a recovery of PGM prices. If the global economic environment remains weak for the medium to long term, the ability of the Group to deliver growth in future years may be adversely affected and may therefore impact our overall sustainable development performance.

In addition, the Group is exposed to liquidity risk arising from the need to finance its ongoing operations and growth. If the Group is unable to obtain sufficient credit owing to capital market conditions, we may not be able to raise sufficient funds to develop new projects, fund acquisitions or meet our operational financing needs. The Group is also exposed to counterparty risk from customers or holders of cash, which could result in financial losses should those counterparties default on their obligations to Anglo Platinum.

RESPONSE STRATEGIES

Response strategies include a review of the Group's 2009 planned operational and capital expenditure given the current market conditions, and active management of liquidity and the project portfolio.

In addition, structures at Rustenburg Mine and Amandelbult Mine are under review, and the mines will be restructured into smaller units to allow for more focused management. Marginal mines will be subject to continual reviews, and appropriate action will be taken to mitigate costs and preserve cash generation.

Our views on the market are dealt with at length in our market review in Volume 1: Business Report and should be read for a better understanding of our position on market fundamentals.

In terms of liquidity, the Group's treasury function is responsible for managing the funding requirements and for managing liquidity risk. The treasury department also has a role to play in managing counterparty risk, particularly with banks with which Anglo Platinum places cash deposits.

EMPLOYEE SAFETY

OVERVIEW

From an ethical and moral perspective it is simply unacceptable that our employees run the risk of being injured, or at worst killed, while at work. We have fully embraced the principle of zero harm to ensure that everyone who works at Anglo Platinum returns home to their families at the end of their shift, unhurt.

The consequences of employees being injured or dying at our operations are immeasurable. The trauma families and colleagues go through has an impact on their well-being, on their communities and on the work environment in general. Mining's generally poor safety record has had an impact on the industry's ability to attract young, highly skilled employees who would rather choose careers in other sectors that provide a safer work environment.

In addition, each time an operation experiences a serious injury or fatality, this has a direct bearing on production possibly owing to a statutory temporary mine closure, a temporary closure for internal investigations and/or reduced employee productivity due to grieving or distraction.

It is for all of these reasons that it is imperative that we improve our safety performance.

NO FATALITY IS ACCEPTABLE – IN MEMORIAM

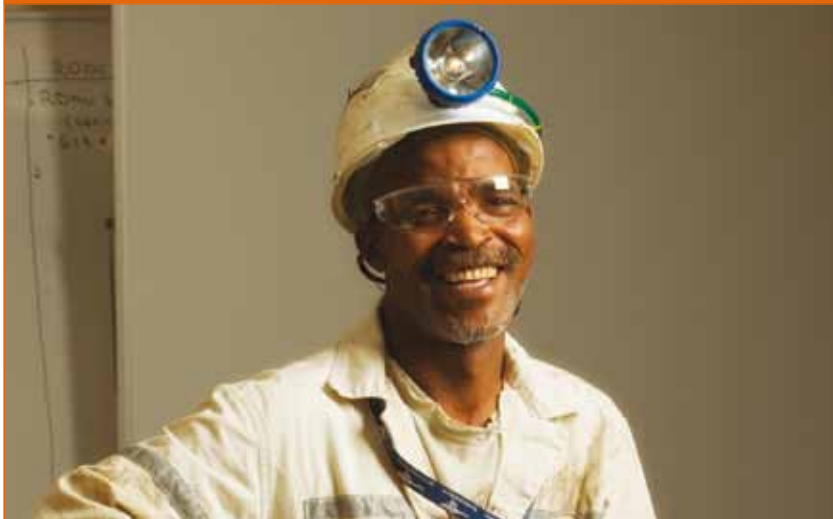
Loss of life at Anglo Platinum's operations is our single greatest concern and no fatality is acceptable. This is reflected in our belief that all injuries are preventable and that we are all responsible for ensuring this. To prevent repeat incidents, the focus is on understanding the causes, learning from them and ensuring action is taken to prevent recurrences.

We deeply regret every life lost and are determined to eliminate fatalities and produce an ever-improving safety record. Anglo Platinum extends its condolences to the families and other people affected by these events.

Date of death	Name of deceased	Agency causing death
8 January 2008	Simbonile Nomkulwana	Explosion
28 January 2008	Sello Ntlhabane	Drowning
3 February 2008	Jacobus Erasmus	Falling from a height
21 March 2008	Americo Munde	Falling from a height
9 April 2008	Bonginkosi Masipula	Fall of ground
14 April 2008	Mokete Motobako	Falling from a height
24 April 2008	Patrick Rametse	Moving machinery
30 June 2008	Phindiseni Mgaveli	Mudrush
12 July 2008	Hlupile Mabuza	Transportation
16 August 2008	Cornelius Fourie	Rockfall
18 August 2008	Nqutswana Swati	Fall of ground
10 September 2008	Mmathipe Mabotha	Winches and rigging
15 September 2008	Tsheweke Xekiso	Transportation
18 September 2008	Hendrik Fourie	Fire
1 October 2008	Atanasio Manhavela	Fall of ground
26 October 2008	Shaun Molotsane	Electrocution
11 December 2008	Siyabulela Nodangala	Fall of ground

Note: See table on page 133 for location of fatality

A SAFETY OFFICER WHO IS DEDICATED AND PASSIONATE



Safety officers have a key role to play in the overall safety programme. The Company's Stephen Bullock interviewed Mr Marcus Maepa from Union Mine, who was singled out by management as a particularly dedicated and passionate officer. The extracts below are a summary of the interview.

Marcus's eyes light up with pride when he tells me that he started at Union Mine 23 years ago and describes how, over the years, he has been given opportunities to move through the ranks, from the days where he started as a labourer, then qualified as a loco team supervisor. This is where he 'cut his teeth'.

I enquired about what his typical day entailed and he replied: "I make a point of going underground every day at Spud shaft to conduct task observation and coach other employees on how to work safely. I will normally carry out safety inspections to ensure working conditions are to standard. When I see something wrong I work with employees and the management of that area to correct the situation immediately. I am also able to reward employees for doing the right thing, by nominating them for spot prizes like hi-fis and televisions."

Marcus's enthusiasm and passion were most evident when he told me that Spud shaft has now operated for 74 lost-time-injury free shifts and that the mine has achieved 6 million fatality-free shifts. I was curious to know his views on why Union Mine has such a good safety record, to which he replied, "Management and employees are very committed to zero harm, the manager continually encourages employees that 'if in doubt-stay out'. Communication is also very good and there is a good relationship between management and employees, who listen to and respect one another." Marcus went on to say that in his opinion the in-stope safety nets that were pioneered at Union Mine have made a big difference in preventing fall of ground incidents. There is also healthy competition between sections and shafts and no area of the mine wants to have a bad safety performance.

Marcus wanted to pay a special tribute to the general manager, William Taylor, who arrived at Union Mine in 2001. Marcus stated that it is through William's open leadership approach, desire to do things properly and a sincere caring for his employees that Union Mine's safety performance is where it is today.



PERFORMANCE

Our safety performance remains unacceptable and during 2008, regrettably, 17 people were fatally injured compared with 25 in 2007 and 18 in 2006. In addition non-managed operations had three fatalities, two at Marikana and one at Kroondal. Anglo Platinum extends its condolences to the families and other people affected by these events. We will continue to maintain the utmost focus and to partner with stakeholders to reach our goal of eliminating all injuries.

Of the people who lost their lives in 2008, seven were employees and 10 were contractors working in our operations. The causes of fatalities in 2008 were as follows: five falls of ground, three falls from a height, two transportations, two fires and explosions, two moving machinery incidents, one mudrush, one drowning and one electrocution.

The Group's recently appointed CEO, Neville Nicolau, personally reviewed each one of the last nine incidents to ensure that the bereaved had been attended to with the utmost care and respect by the Company, and to identify the root causes of the fatality so that corrective action can be taken across the Group to prevent a recurrence. For example, in-stope netting will become a Group standard to reduce the risk of fall of ground incidents. See picture on the front cover of the Business Report as an example of safety netting.

The lost-time injury-frequency rate (LTIFR) decreased to 1.74 in 2008, from 2.03 in 2007. These improvements remain encouraging, although the overall safety performance clearly remains unacceptable.

Union and Twickenham mines, Polokwane, Mortimer and Waterval smelters, Rustenburg Base Metal Refiners and Precious Metal Refiners were fatality-free during 2008. Union Mine and Mortimer Smelter's performances have been exemplary. The mine has operated for more than six and a half million shifts, more than two years, without a fatality, while the smelter has operated for 44 months without a lost-time injury. Lessons from these operations are being shared to ensure a Group-wide improvement in safety performance.

While the safety incident rates and statistics are showing an improving trend, there remains significant scope for improvement in order to achieve the ultimate goal of zero harm. The implementation of the enhanced safety improvement plans developed in 2007 has identified a number of further focus areas, including incident investigation and risk management, and these are being integrated into the overall safety management system. For a complete set of safety performance data refer to the 'Performance Data and Information' section on page 133.

STRATEGY

The AAPlc safety strategy, known as the 'One Safe Anglo' strategy, was approved in 2008 and it is the Company's intention to adopt this strategy. Anglo Platinum is currently completing a gap analysis between its strategy and safety management systems and those of the One Safe Anglo strategy to determine what, if anything, needs to change in the Group's approach to safety. This gap analysis will be completed during the first quarter of 2009 and may lead to a change in the Group's overall safety strategy.

MANAGEMENT OF PERSONAL PROTECTION EQUIPMENT

The issuing of suitable and fit-for-purpose personal protective equipment (PPE) is a key element in ensuring employee safety and health.

Anglo Platinum's success in the use of PPE is based on a system that ensures that the Company's PPE requirements are handled successfully by line management.

The Group occupational hygiene specialist, Dr Cas Badenhorst, has been responsible for establishing the PPE steering committee. Its objectives are to develop Group PPE standards, to standardise PPE throughout the Group, and to develop generic guidelines on minimum PPE requirements for core applications.

The committee has created in-house standards for the different PPE items. It has approved 27 of them, with more to come.

PPE items that comply with national standards have been tested and approved for use at Group operations by the committee in consultation with the operations. This means that employees and contractors may only use approved PPE items obtained from approved manufacturers or suppliers.

Buying choices

Anglo Platinum's PPE matrix attempts to leave the buyers with some choices. This means an uninterrupted supply of PPE in the event of a particular supplier being unable to fulfil its commitments.

New developments

To ensure that the Group is still open to genuine technical advances, the PPE steering committee works closely with the manufacturer on the research and development of new and improved products. Examples of such developments include:

- the Neptum Shosholoza gumboot, with its added comfort features, which was "the first new development in gumboots in 10 years";
- the two-piece overall for female underground miners – "one of our important successes";
- over the past three years, helmets that incorporate protection against impacts to the sides as well as the top of the head;
- newly designed knee-guards with two straps (one above and one below the back of the knee) to make the guards more secure and prevent thrombosis. Knee-guards were traditionally held in place by a single strap, resulting in cases of thrombosis; and
- the Anglo Platinum #23 SpiderWebb full-body safety harness, which is the culmination of a four-year collaborative project between the committee and the manufacturer.

Who gets what, and when

Another issue faced by the committee has been the issuing of equipment. As a result, Anglo Platinum has devised an occupational risk profile for every job description in the Group. This covers the various aspects of the job's functional requirements, including PPE needs and the job's exposure to hazard.





POLICY

The Anglo Platinum safety, health and environmental policy was amended in 2008 with the overriding aim being to achieve zero harm through the effective management of safety. Zero harm means a work environment where no one gets hurt. It is underpinned by the three principles of 'zero mindset'; 'no repeats'; and 'simple, non-negotiable standards'.

MANAGEMENT

OHSAS 18001 is used as the foundation on which the operational safety management systems are maintained and all our operations retained OHSAS 18001 certification in 2008. All operations have safety and health committees that meet monthly with unions to discuss and solve safety and health related issues. During the implementation phase of the enhanced safety improvement plans developed in 2007 we identified a number of further focus areas, such as incident investigation and risk management.

Safety-risk management

Anglo Platinum has adopted the Anglo American safety-risk management programme that aims to ensure consistent and robust practices on risk assessment, evaluation and management. Clearly it is crucial that line managers have a good understanding of how to manage risk. In 2008, and in partnership with local universities, Anglo Platinum trained all its executives and 96 of its line managers in this programme. Further courses are being developed to cater for the supervisory levels of the organisation, and also an awareness programme targeted at general employees. Furthermore, 10 safety practitioners have attended an intense 'risk champion' programme aimed at improving the operational safety-risk management processes at our operations.

Fatal risk standards

At the end of 2007, Anglo Platinum adopted a set of fatal risk standards, relating to the 10 foremost agencies causing fatalities. The standards guide managers in how to implement consistent and sustainable risk-control measures, and each standard is based on the three key requirements of systems, equipment and people. The standards have been based on the experiences of our peer companies, and have a record of having a positive impact in the industry. Anglo Platinum's operations have achieved an average of 56% implementation against the target of full implementation by October 2010. The 10 fatal-risk standards relate to light vehicles; surface mobile equipment; hazardous material management; molten materials management; equipment safeguarding; isolation; working at heights; lifting operations; underground ground control and underground equipment.

Values

During 2008, Anglo Platinum embarked on a new, values-based safety drive. The values and culture project, as it is called, forms part of the Company's general enhanced safety improvement plan (ESIP) project, which has its roots in the recognition that a range of initiatives is required to grow and nurture an impeccable, company-wide attitude towards safety. The key objective of the values and culture project is to transform Anglo Platinum into a safer, more caring and performance-driven company, and to develop the effective leadership and communication required to meet this objective.

The project started with a diagnostic phase, during which employees across the organisation and at all levels were asked to comment on the current organisational culture. This was done using surveys, focus groups and interviews. According to the findings, the aspects of Company culture employees most wanted to see change were lack of fairness, lack of consistency and lack of respect. What they felt was sound and should remain the same were the focus on safety, the emphasis on values and the results-driven nature of the organisation. Based on this input, a draft set of values was formulated by the Executive Committee (Exco). A cross-section of employees was then asked for its response to the draft values, after which the final set of values and associated behaviours were adopted by the Exco.

The values, which were presented to senior management in early July 2008, are to:

- put safety first;
- deliver on our promises;
- value and care about each other;
- act with honesty and integrity;
- form one team; and
- be passionate and take pride in everything we do.

Operational management has subsequently rolled out the values at every operation within the Company. An ongoing organisational change-management programme is currently running, the aim of which is to align the organisation with the new values. A project team is busy infusing the core components of the values project into those aspects of the business where they fit most logically, ie human resources and corporate communications.

A survey, to be held in the second quarter of 2009, will determine whether there has been progress in addressing the values issues at the different sites. It will also evaluate the extent to which values integration and values alignment have been achieved throughout the Company.

Engineering solutions

Anglo Platinum is in the process of re-designing a number of critical pieces of mining equipment in order to design out, and thereby eliminate, certain injury hazards. Some of these re-designs involve:

- **Air loaders.** Air loaders are used to load ore and waste rock underground, and have resulted in injuries in the past as they are prone to roll. The company's new standard is to install two telescopic arms fitted to the operator's side of the loaders. Through leveraging of the side walls, these arms prevent the loader from rolling.
- **Locomotives.** Locomotives are used underground to transport ore and waste rock. There have been a number of incidents in which locomotives have collided with one another owing to poor underground visibility. As a result, all locomotives are currently being fitted with dual white/red LED lights that automatically shine white in the direction of travel, red at the rear and flashing red when standing. Proximity devices that warn the driver of other locomotives in the vicinity have been installed on the company's 846 locomotives. Furthermore, canopies have been added to locomotives to protect drivers. In some instances, this has required a complete re-design of the locomotive's battery compartment.

- **Guard cars.** The Company is busy installing new-generation guard cars at the rear of every train. The guard cars have been designed with safety roll bars and interlocking doors, which prevent the guards from jumping out of the guard car in the event of an impending collision.
- **Winches.** Winches are used with a scraper bucket system underground to scrape ore and waste rock to loading facilities. Winch-and-scraper incidents have occurred because the winch operator cannot see what is happening in the full length of the gulley. Among other things, state-of-the-art winch signalling devices are being fitted to all centre gulley winches. These devices enable any person along the length of the gulley to stop the winch themselves, by pulling the pull-wire on either side of the scraper gulley.
- **Rock passes.** Rock and ore passes are used to convey ore and waste rock in the mine. Mudrush fatalities have occurred in the past, when water has entered the rock passes. The Company has taken a decision that no water will be allowed to enter a rock or ore pass. Wherever physically possible, water-conveying pipes over rock passes have been re-routed away from the passes. Where this was not possible, high-pressure seamless pipes have been installed.
- **Conveyor-belt fire safety.** Every underground conveyor belt is being fitted with automatic fire detection and suppression systems. Each pulley-bearing will have heat detection probes and these will trip the belt in the event of elevated temperature.
- **Trackless vehicles.** All load-haul dumps and dump trucks are being fitted with vehicle- and/or people-detection systems, depending on the mining methods and mine layouts involved. The vehicle detection systems have a buzzer fitted in the cap-lamp cable of employees, which warns them of a vehicle in their vicinity. The people-detection systems warn the drivers of vehicles that there are people in their vicinity.
- **Haul trucks.** All haul trucks at Mogalakwena Mine have been fitted with cameras, radars and driver-fatigue monitors. The trucks also have bull bars in front, to prevent them from riding over other vehicles in the open pits.

COMMUNITY ENGAGEMENT AND RELATIONS

OVERVIEW

Anglo Platinum engages with a wide cross-section of stakeholders, including employees, investors, suppliers, contractors, government and communities. A full list of our stakeholders and how we interact with them is included on page 124. Generally, we are of the view that our management of stakeholder relations is good.

Where we have in the past fallen short is in our pro-active management of community engagements and relations. During 2008 there was widespread, negative media publicity about our engagement with, and our impact on, local communities around our operations. This focus on community issues has led us to flag community engagement and relations as a material issue that we must address and improve upon.

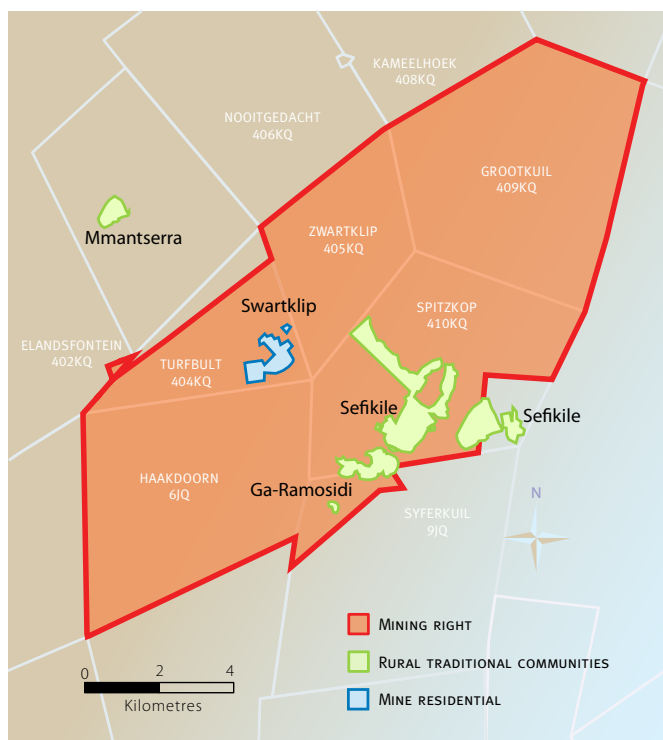
Clearly, if we do not have good relations with our host communities, this will impact our licence to operate. Our ability to conduct and expand our operations could be in jeopardy.

COMMUNITIES IN AND AROUND OUR WESTERN LIMB OPERATIONS

Anglo Platinum's Western Limb operations, namely Rustenburg Platinum Mines, Bafokeng-Rasimone Joint Venture and Union Mine, are situated in the North West province. Amandelbult (see Union map as there are no communities on Amandelbult's mining right area), also included in the Western Limb, is situated in the Limpopo province. The surrounding communities, listed in the 'Stakeholder engagement' section of the report on pages 130 to 132, fall under the Bojanala and the Waterberg district municipalities and the Rustenburg, Moses Kotane and Thabazimbi local municipalities.

The majority of the communities are rural settlements, with the exception of communities around Rustenburg Platinum Mine as shown on the maps on page 38 and 39. The unemployment rates for the Bojanala and Waterberg district municipalities are 37% and 26% respectively. For both regions mining is the major economic contributor. According to the municipal integrated development plans (IDPs), both municipalities face challenges in respect of access to water in line with minimum RDP standards and sanitation.

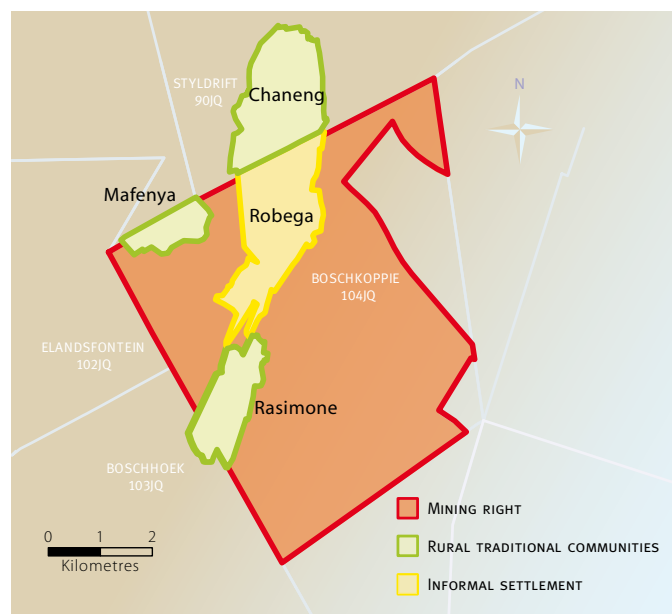
Union Mine communities



Rustenburg Mine communities



BRPM Mine communities



COMMUNITIES IN AND AROUND OUR EASTERN LIMB OPERATIONS

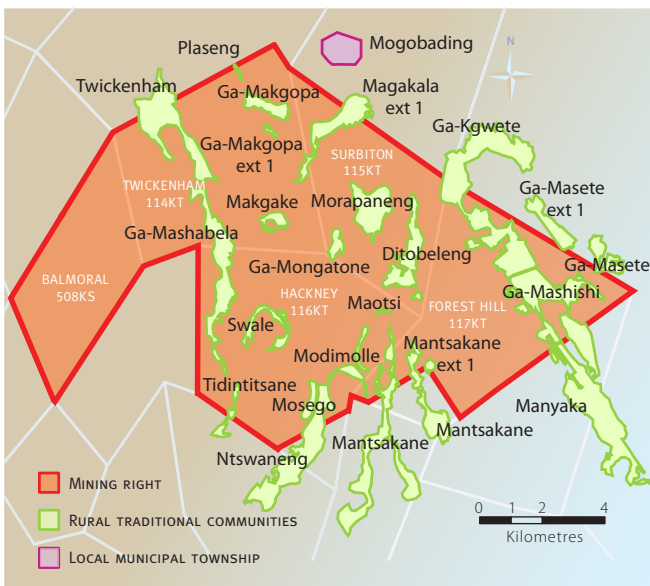
The Eastern Limb mines comprise, from west to east, Mogalakwena, Lebowa and Twickenham, and all fall within the Limpopo province of South Africa (refer to map on front cover). Mogalakwena, the most northerly of the three, is somewhat isolated from Lebowa and Twickenham. It falls within a different district municipality, the Waterberg District Municipality (like Amandelbult), while the other two fall within the Greater Sekhukhune District Municipality.

Irrespective of their geographies, the communities neighbouring these mines have much in common, although the Greater Sekhukhune District Municipality is much more impoverished than Waterberg, and was the sixth most deprived in South Africa over the 2005 to 2006 period, according to the municipal IDPs.

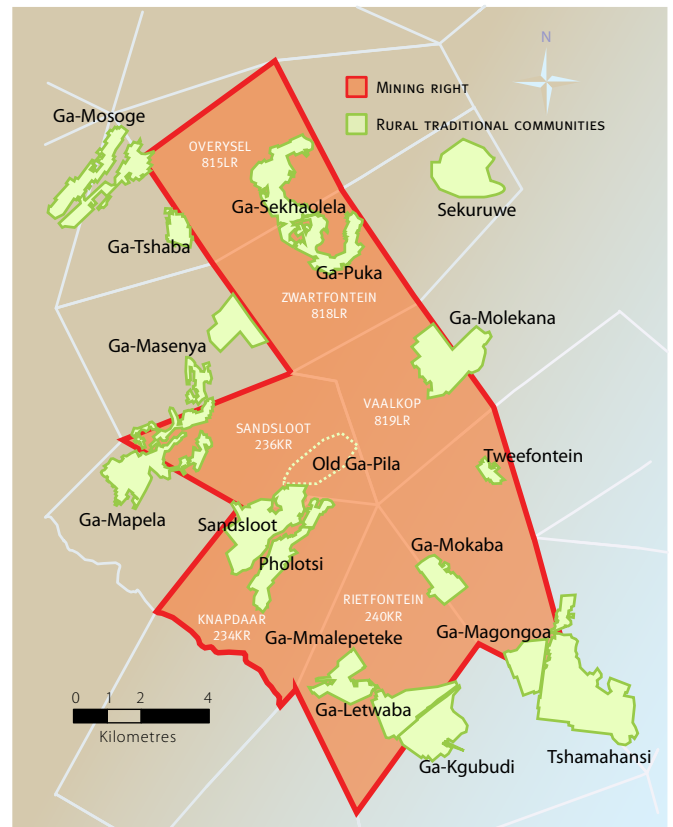
Lebowa Mine communities



Twickenham Mine communities



Mogalakwena Mine communities



Looking at the issue at a more local level, the Mogalakwena Mine falls within the Mogalakwena Local Municipality, whose social and economic statistics are not as positive as those for the Waterberg District: it has higher rates of unemployment, lower rates of education and substandard water and sanitation.

A similar picture is encountered for the two mines in the Greater Sekhukhune District Municipality. In this instance, communities live either in the Greater Tubatse Local Municipality (Modikwa Mine), or the Makhuduthamaga Local Municipality (Twickenham Platinum Mine).

Please refer to the 'stakeholder engagement' section of the report on pages 124 to 132 for a list of the communities we engage with within these local municipalities.

What these demographics show is that the communities surrounding our operations are highly underdeveloped and the people require education, jobs and upliftment and there is often expectations that our development will be able to provide for and uplift all communities.

Criterion	Waterberg	Greater Sekhukhune
Population	625,518	1,024,748
Unemployment rate	25.7%	69.4%
Poverty rate	52%	60% (2003; highest in the province)
Main economic activity	Mining, agriculture	Mining, agriculture

HOW WE ENGAGE WITH COMMUNITIES

Engagement with our host communities initially starts at the project phase, during the environmental impact assessment (EIA) process. Public meetings and open days are held with communities to inform them about proposed developments and to enable the Company to become aware of issues the communities themselves are concerned about. This information is formally captured, and addressed in the project's environmental impact assessments reports for each and every development.

At the EIA stage every effort is made to ensure that we are engaging with legitimate community leaders and structures, so that we can be assured that due process is being followed. Some of the communities in which we operate have not previously experienced mining. They are not necessarily aware of their rights in the environmental impact assessment process and of the types of issues they are entitled to raise at community and public meetings. Consultants who can speak the local languages are employed to inform the communities of their rights and obligations throughout the process, and to ensure that the key issues are identified. In some instances, such as the Motlhotlo resettlement, the community asked for legal advice as part of the process. As these communities are poor and do not have the financial resources to pay for legal advice, the community requested the Company to fund the appointment of a legal adviser.

Once operations are in production, community engagement forums are established to interact with our host communities. All our operations have some form of community engagement forum in place. The terms of reference and the effectiveness of these forums within Anglo Platinum differ from



operation to operation. Not all our operations have formal complaint mechanisms in place and clearly this can result in frustration within the communities. This is seen as a material weakness in our community engagement and response processes and thus needs to be addressed.

Therefore, a Group-wide standard for community engagement forums and grievance mechanism procedures will be developed in 2009. Thereafter each operation will be required to implement structures and processes to ensure effective community engagement.

KEY ISSUES THAT AROSE IN TERMS OF COMMUNITIES IN 2008

This section summarises the key issues that arose in respect of our host communities in 2008, and provides information on how the issue is being managed. Many of these issues received media attention in 2008.

Mogalakwena – Motlhotlo resettlement

The resettlement of some 956 families from Motlhotlo to two newly constructed villages continued in 2008. To date, 883 out of an agreed 956 families have been relocated. Following on from the publication of an ActionAid report into the resettlement and its subsequent investigation by the South African Human Rights Commission (SAHRC), there has been very little progress in the relocation of the remaining families. The case study on page 43 details the background to the ActionAid and SAHRC reports.

An independent post-relocation review has been commissioned and will be conducted by international mining consulting company Environmental Resources Management (ERM) in the first half of 2009. The findings and recommendations of the review will be shared with stakeholders by mid-2009.

Mogalakwena – Ga-Molekana water contamination

Anglo Platinum was accused by ActionAid of contaminating the drinking water of two schools in Ga-Molekana with elevated levels of nitrate. As soon as Anglo Platinum was made aware of the allegation of raised nitrate levels, it facilitated the supply of potable drinking water to the schools pending the outcome of a scientific study to determine the cause of the elevated nitrates. The University of the Orange Free State's Institute for Groundwater Studies (IGS) completed a study, using the most sophisticated methods available including isotope analysis, showing that mining was not the source of nitrate contamination. The case study on page 53 provides the full details of the ActionAid allegation and the IGS's assessment.

Mogalakwena – Sekuruwe grave relocation

A dispute arose at the Blinkwater farm, where graves belonging to the Sekuruwe were being relocated from the site onto which the tailings dam for the Mogalakwena North project is to be extended. It is alleged that the funeral services company that was subcontracted to remove the remains from the graves used a mechanical means to excavate too deep and thereby dug up human remains from graves that are more than 600 years old.

Details of the grave relocation

In order to make way for a tailings dam on the farm Blinkwater, 25 kilometres north-west of Mokopane in Limpopo province, Anglo Platinum had to relocate several graves on the farm. The Company contracted Phuti Funeral Services at the request of the community to conduct the grave relocation exercise on its behalf.

Between 26 and 30 May 2008, after the necessary permits and approvals had been obtained, a total of 149 graves were relocated from the farm to established graveyards nominated by the identified next of kin. The majority of these graves (82 of them) were relocated to the graveyard within the neighbouring village of Sekuruwe. The relocations that occurred after extensive consultation undertaken a year in advance, and with the full consent of the relevant community representatives and the individual next of kin. A wake fee, to cover expenses associated with traditional reburial ceremonies, was negotiated and agreed with all concerned prior to obtaining their sign-off for the relocation to start. Each family received R1,500 per grave (the government guideline is R750).

On 8 June 2008, a member of the Sekuruwe community complained to the Mogalakwena Mine that there were still bones in one of the exhumed graves. A representative from Anglo Platinum immediately contacted the South African Police Service, and the Company conducted an internal investigation, assisted by an independent specialist. This investigation confirmed that some of the graves appeared not to have been properly exhumed. Thus skeletal remains remained in some of the original graves that had been backfilled following the exhumation. The investigation also confirmed that an unknown grave, which was approximately 600 years old, appeared to have been uncovered during the process of exhumation.

Given the findings of its internal investigation, Anglo Platinum is in the process of ensuring that appropriate remedial action is taken in order to satisfy all relevant stakeholders (particularly the next of kin and the relevant authorities). The following remedial steps were presented for comment to the South African Human Rights Commission (SAHRC), and the Company is currently awaiting the SAHRC's response:

- Consultation with the next of kin. Specialist consultants will engage with all concerned to identify and record the statements of all those who believe that the grave relocation process was not conducted properly.
- Recovery of remains from original grave sites. A specialist contractor will re-exhume the original graves in those cases where it is believed there has been a problem with the exhumation process. All skeletal remains will be carefully recovered.
- Personal identification of recovered remains. All the recovered remains will be identified – per individual grave – by a specialist consultant using physical anthropological methods.
- Individual reburial of recovered remains. With the consent of the relevant next of kin, a specialist contractor will perform the reburial of recovered remains, combining these remains with those already reburied.
- Communal reburial (if necessary). If some of the remains cannot be identified per individual grave, then a communal grave will have to be established for these remains. The community will be consulted to define the memorial to be associated with this grave.

Mogalakwena – Ga-Pila community

Anglo Platinum resettled the Ga-Pila community in a newly constructed village at the farm Sterkwater in 2001 following extensive consultations with the community to agree fair terms. Twenty-six families

SOUTH AFRICAN HUMAN RIGHTS COMMISSION INVESTIGATION

Anglo Platinum featured prominently in the media during 2008, as a result of a report published by ActionAid, which condemned the Company for alleged human rights abuses inflicted as part of various resettlement projects it undertook in Limpopo Province. The South African Human Rights Commission (SAHRC) investigated the matter and action aid allegation.

The results of the investigation were published in the report, Mining-related observations and recommendations: Anglo Platinum, affected communities and other stakeholders in and around the PPL mine, Limpopo.

The SAHRC report found that the Company had not abused anyone's human rights. It did, however, highlight the vulnerabilities of communities living around large-scale mining operations in rural areas. Anglo Platinum is giving the report's recommendations serious consideration, with a view to enhancing the following:

- its impact assessment procedure;
- the means of communication it uses;
- the inclusivity of its consultations with local people; and
- the manner in which it can help build capacity among people affected by its activities such that they have access to opportunities presented by the mine whether through direct employment, business opportunities or through the company's contribution to the local tax base, infrastructure and other interventions.

Anglo Platinum believes that it shares many of the SAHRC's concerns. It remains firmly committed to the concept that any resettlement should enhance the quality of people's lives rather than undermine it. In the case of the Motlhotlo settlement, the company has commissioned an independent review of post-resettlement conditions, to be conducted in 2009. This assessment will include a post relocation management plan.

While cognisant of the lessons it can learn from the commission's report, Anglo Platinum is also proud of the significant interventions it has made in terms of socio-economic development. The Company is convinced that its involvement goes beyond what is required in law; and that its roles in building infrastructure, improving security of tenure for local people, creating jobs and freeing up land for agriculture are testament to this.

(out of the original 706) refused to move, as they felt that inadequate compensation had been offered by the Company. These 26 families remain in the old Ga-Pila village and still refuse to be relocated, despite the fact that they experience negative impacts from the mine. Discussions are going ahead in an attempt to encourage the remaining families to move to Sterkwater and occupy the houses that have been built for them. These remaining families do from time to time complain to the media and NGOs about their situation.

Mogalakwena legal actions

Richard Spoor, a human rights lawyer based in South Africa, has over the past two years attempted, on behalf of his clients, to stop the lawful operation and development of Mogalakwena Mine on various grounds. None of these attempts has been successful. Below is a summary of each case.

Machoga et al (Case No. 13498/06 : TPD)

- The applicants launched this application as a class action against Mogalakwena. The relief sought was to interdict Mogalakwena from continuing its mining operations on the farms Overysel and Zwartfontein respectively.
- The applicants alleged that Mogalakwena's mining operations restricted the community's access to alleged arable lands and impacted on the ability to graze of the community's livestock. The applicants alleged that they had residential rights, cultivation rights, grazing rights and rights of access to the said farms. The applicants relied heavily on the Interim Protection of Informal Land Rights Act, 31 of 1996.
- The application was launched on an urgent basis. This effectively gave Mogalakwena one day's notice to prepare its defence.
- The matter was argued before Mr Justice Mavundla, who gave judgment on 18 July 2006. The application was found to lack urgency and was dismissed for that reason. The judge further analysed the merits of the case and found the matter to be unworthy of success. Importantly, the judge found that Mogalakwena had been in occupation of the farms since 2001 and that the community had not conducted any ploughing activities since 2001.

Masubelele et al (Case No. 13499/06 : TPD)

- This application was instituted simultaneously with the application detailed above. In this matter the applicants contended that they have been spoliated by Mogalakwena as a result of its mining activities on the farms Overysel and Zwartfontein. This was also a class action, attached to which was a supporting list of about 350 persons.
- A spoliation action is instituted when a person's peaceful and undisturbed possession or use of property is unlawfully interfered with.
- This application was also launched on an urgent basis. It was established that the list of names used to support the application had:
 - 14 names of persons who had been deceased for some time prior to the application;
 - 107 duplicated names; and
 - a large number of persons who had actually not given their consent to be included in the application.
- Upon the filing of extensive answering affidavits, the applicants (Mr Spoor's clients) have, to date, not filed their replying affidavits, which have been due since the end of July 2006.

Tshaba et al (Case No. 13872/06 : WLD)

- This application was launched by Headman Tshaba, on behalf of the Ga-Tshaba community.
- The relief sought was for Mogalakwena to stop its mining activities. Further, for Mogalakwena not to remove certain graves until the necessary permits were obtained.
- In this case, also launched on an urgent basis, Mogalakwena was given two business days to prepare its defence. The papers contained decrepit averments and overly broad prayers aimed at stopping Mogalakwena's legitimate mining activities.
- Spoor's mandate was withdrawn by his clients immediately before the hearing. Mr Justice Mathopo accordingly dismissed the case.



Makgamatho et al (Case No. 026871/06 : WLD)

- This application was served in the ordinary course and not on an urgent basis.
- The applicants sought relief to, once again, stop Mogalakwena's mining activities. They also sought an order declaring that they have certain lawful rights in respect of some designated arable crop fields.
- This application was never pursued by the applicants.

Makgamatho et al (Case No. 25224/06 : WLD)

- This application was brought on an urgent basis, with Mogalakwena being given only 35 minutes' notice of the hearing.
- The applicants had started ploughing some land 10 days preceding the application. They alleged that they were prevented from continuing with their activities and sought a court order as relief. The applicants sought the stopping of Mogalakwena's mining activities as part of their relief.
- Mogalakwena argued the matter without the benefit of preparing its answering affidavits. On the applicants' own version, they stopped ploughing the land in 2001 at the request of the Headman. Mr Justice Tsoka stated that if the Headman's request has not been reversed, then the ploughing activities of the applicants would be unlawful.
- The applicants' counsel conceded that they had not dealt with the reversal of the Headman's request in their papers. He also conceded that since the cessation of ploughing activities in 2001 the applicants had sought to return to the land for the first time only 10 days earlier.

Makgamatho et al (Case No. 2687/06 : WLD)

- This comprised several applications that were served simultaneously on Mogalakwena. These were:
 - an application, in the ordinary course, for leave to appeal against the judgment of Mr Justice Tsoka;
 - an application to rescind the judgment of Mr Justice Tsoka;
 - an application to supplement their papers by an affidavit from their attorney, Mr Spoor; and
 - a conditional application for the matter to be re-heard by the court.
- The applications referred to above were withdrawn by the applicants at the last minute.

Setseta v Mphela (Case No. 1526/07 : WLD)

- The applicants brought an urgent application for an order of restoration of possession of certain crop fields.
- This application was also a sequel to an invasion of land to create an impression of agricultural activity. This was the same land that has not been utilised since 2001.
- This matter, before Mr Justice Moshidi, was struck from the roll. The reason was that it was not urgent.

Makgalemele et al (Case No. 1293/09 : TPD)

- This was an urgent application in which the Sekuruwe Community sought to interdict the Minister of Land Affairs from signing a lease agreement with Mogalakwena. Mogalakwena was cited as the second respondent.

- The matter was struck from the roll for want of urgency. In deciding the matter, Mr Justice Makgoba pointed out that:
 - the approach to the court on an urgent basis was crafty and swindling in that the applicants knew of the lease (and were participants in meetings to discuss the said lease) for a long while;
 - the approach was en passant, as the merits of the case by the applicants were weak;
 - there was an egregious abuse of the process; and
 - an order for costs had to be granted on the punitive attorney and client scale.

Twickenham – Magobading

There are three main issues that arise at Twickenham with host communities and these relate to the payment for surface leases, repair work to 14 poorly constructed houses at Mogobading and recruitment of local community members to work at the mine. In addition, at the Mogobading relocated village the stormwater control has been found to be inadequate and the enviroloo system has collapsed as a result of poor maintenance. A community committee has been established to represent the interests of the community and agree on the solutions. At least 14 of the houses will have to be rebuilt and the stormwater control improved at the Company's cost.

Leases

Nine tribal authorities and community groups in the Twickenham mining area received donations in excess of R9 million towards the end of last year. This was the first of two donations to be deposited in trusts that have been established for community upliftment projects.

At the request of the communities, the R20 million Anglo Platinum donation will be equally split between a trust for the area and nine community trusts – for the Magadimane Ntweng, Mashishi, Phasha Makgalanoto, Nareng Thokwane, Mampa, Mashabela, Phashaskraal, Swazi Mnyamane and Makgopa communities.

The R20 million was agreed on between the communities, Anglo Platinum and the Departments of Land Affairs and Minerals and Energy in 2000. Although the government has not yet signed the surface lease agreements, Anglo Platinum decided to release half of the donations plus interest. As part of the initial agreement, Anglo Platinum pays rent for the land and made a once-off payment to compensate the communities for loss of agricultural income.

Der Brochen Mine project

The Company had submitted an EIA for approval for the construction of the Richmond Dam adjacent to the Der Brochen Mine. The community living on the adjacent farm of St George is opposed to the dam owing to concerns that the dam will flood their productive land and ancestral sites. The Company is in consultation with the effected communities and will take a decision whether or not to pursue this development at this stage.

Union Mine – Sefikile community

A dispute arose with the Sefikile community in 2008, which resulted in a halt to the geological seismic survey for a new replacement shaft. In essence this is an alleged land-rights dispute between the

Sefikile community and the Bakgatla-Ba-Kgafela, the mine's joint-venture partners who are both claiming rights to the same land. This issue is currently before the Land Rights Commissioner and the Company is unlikely to be able to continue with the seismic survey until after a ruling has been made.

Amandelbult – Baphalane-Ba-Mmantserre community

A dispute arose with the Baphalane-Ba-Mmantserre community, partly to do with the level of community investment being made by Anglo Platinum and partly to do with the fact that the community is requesting equity in the mine and would like to renegotiate the lease agreement over the farm Schildpadnest to make provision for community ownership in the mine. The issue of equity is still to be resolved and the Company is investigating a number of options. Various community investment projects were announced in 2008, and will be completed in 2009. Details of these projects are provided for in the 'Community development' section of the report.

COMMUNITY DEVELOPMENT PROJECTS

The Company co-funded and assisted with a number of community development projects in 2008. Details of our community development projects are included in the community development section of this report on page 95. A separate brochure providing details of the community development projects is available on the company's internal site at www.angloplatinum.com.

ENVIRONMENT – ENERGY AND WATER

ENERGY

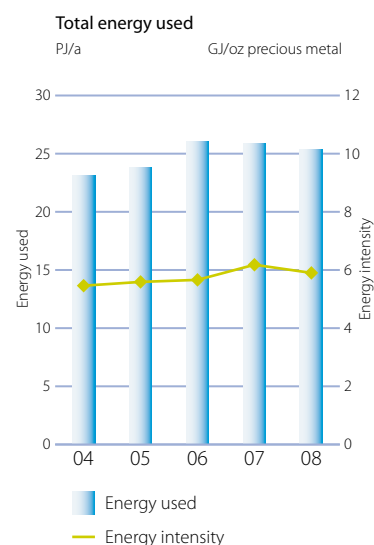
Overview

Energy is important for a number of reasons. Firstly, energy security is critical for our operations to continue producing. In early 2008, urgent talks were held between the Company and the Department of Minerals and Energy to ensure that the supply of electrical power to platinum producers remained a top priority, to prevent disruption to the global platinum markets and to provide power for growth. Anglo Platinum acted on the request made by Eskom to reduce electricity consumption to a minimum load, in order help the utility recover the integrity of the country's electricity supply system.

The Company suspended mining activities for a period of five days at all underground operations in January. Essential underground pumping and critical process work continued during this period. Once the country's electricity grid had stabilised, the Company was allowed to operate at 95% of its original 'pre-black-out' capacity for the remainder of the year. This restriction still applies.

This energy shortage highlighted the need for the Company to use energy more efficiently; and a number of energy-efficiency projects were fast-tracked. Details of these projects are included in the case study on page 50.

Energy for Anglo Platinum is also important from the perspective of our response to climate change. More than 90% of our greenhouse gas emissions are indirect emissions from our use of electricity. Therefore, the more energy efficient we become, the less greenhouse gases we will be emitting, thereby reducing our impact on climate change.



These energy-related issues are discussed in more detail below.

Our energy-efficiency performance

The diagram below illustrates the total 2008 energy footprint for the Group. Total energy consumption, in absolute terms, decreased by 2% to 25.4 PJ in 2008. The concentrators, smelters and refineries reported a reduction in energy use of 5% compared with the previous year, while mining energy use increased marginally, by 1%. Mining operations is still the largest user of energy, followed by smelting and concentrating. At only 9% of the total, the refineries use the least energy. Key energy users at mining operations are compressors, ventilation and cooling requirements, winders and pumps. At the concentrators, the key energy users are milling, flotation, tailings and crushing operations.

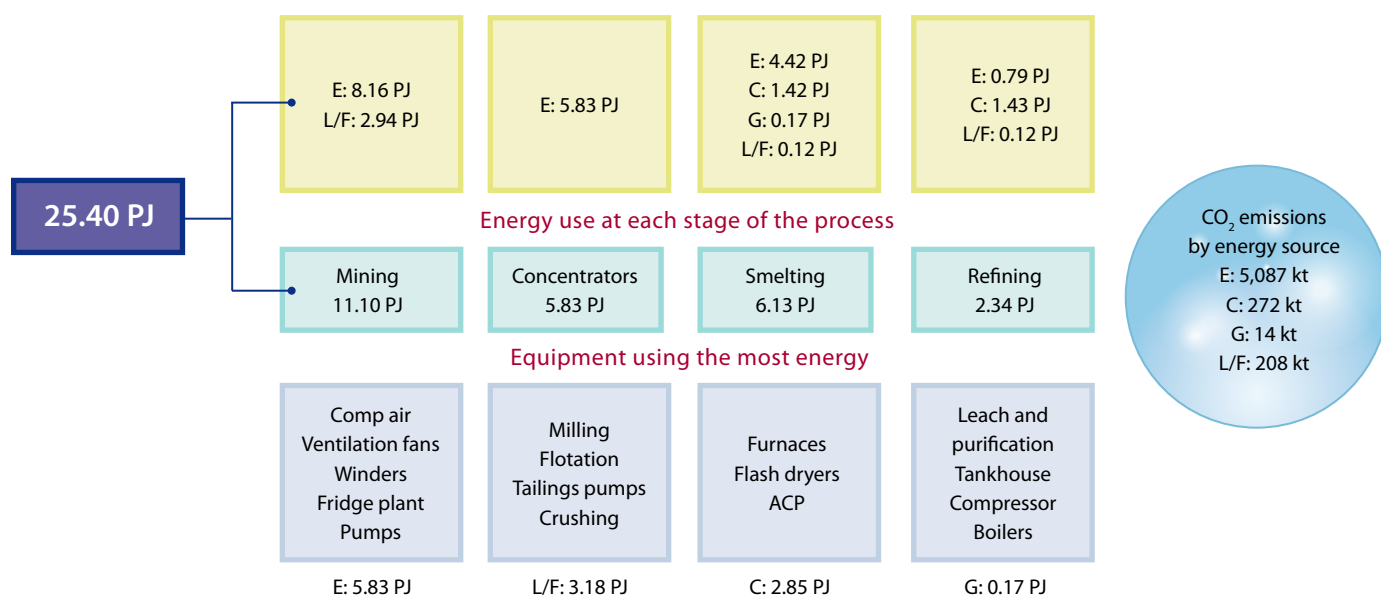
The total direct energy consumption for the Group decreased by 1.6% to 6.2 PJ in 2008. Direct consumption by primary energy sources includes coal, petrol, diesel, paraffin, light fuel oil and liquefied petroleum gas. These direct energy sources account for 24% of the total energy use of the Group.

The total indirect electricity consumption for the Group decreased by 2% to 19.2 PJ in 2008. The sole source of indirect energy consumption by primary source comes from the electricity supplied by the national utility, Eskom supplied at 76% of the total energy consumed by the Group.

Energy intensity and targets

The total energy intensity per refined ounce of precious metal from managed operations decreased by 5% to 5.9 GJ in 2008.

ENERGY FOOTPRINT



As noted in the 2007 report, it was decided in the second half of 2007 to find a more appropriate method of setting targets and tracking actual energy savings to ensure the achievement of the Group's commitment to reducing energy consumption per unit produced by 15% by 2014. The energy intensity targets previously reported on did not take continually changing mining, concentrating and smelting conditions into account.

Accordingly, an analysis of variance model (called Footprint) was introduced to enable operations to track their individual energy consumption and carbon dioxide emissions compared with an adjusted 2004 baseline. The model has been populated for all operations in 2008, but no operational targets have yet been set as the verification of data took longer than expected. Targets will now be set in 2009. The output of the model will indicate absolute savings achieved against the adjusted baseline year on year, and will also track intensity targets based on the adjusted baseline. Operational targets are expected to be set by February 2009. With this system and the continued roll-out of energy-efficiency projects reported in 2006, we look forward to reporting further absolute energy savings and improved efficiencies.

Usage of renewable energy

Significant progress was made in the use of solar water heaters. The industrial change-houses at Mototolo concentrator and Brakfontein shaft at Lebowa were built with solar water heaters as the primary supply of hot water for the showers, with electric back-up for inclement weather only. A pilot study was also done for the possible retrofitting of the existing boiler system at Waterval shaft at Rustenburg Platinum Mine, but this project has proved to be commercially unviable at present.

Solar water heaters from all available domestic suppliers were tested at the Amandelbult village to assess their acceptance by the home occupants. Evaluation is still in progress, and will provide valuable input into the decision regarding which types to use in future housing projects.

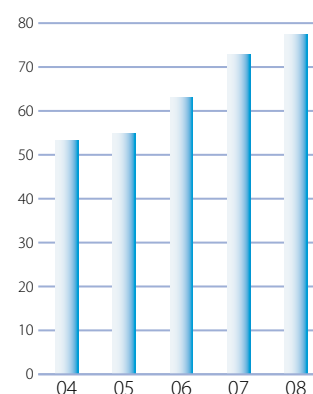
A feasibility study into concentrated solar power (CSP) was started with the Anglo technical division, the objective being to evaluate the viability of constructing 50 MW solar power plants at either the Mogalakwena or Amandelbult mines, to supplement the Eskom electricity supply. A further study is being undertaken to test the viability of using the heat generated by parabolic trough solar collectors to power absorption chillers for the fridge plant at the future Amandelbult No 4 shaft, instead of a conventional ammonia fridge plant.

Energy-efficiency projects

The imperative to reduce electrical energy consumption as part of the Eskom Power Conservation Programme, has added further impetus to the drive towards energy efficiency. Energy-efficiency projects that address the high potential savings areas of compressed air, ventilation, lighting, refrigeration and pumping, are at various stages of planning and execution at all the operations. The changeover to energy-efficient underground lighting has essentially been completed across the Group, saving an estimated 10 MW of electrical power. Various projects to optimise the use of compressed air in the mines have already realised significant savings, with a total estimated potential reduction of 25 MW in electrical power. Other projects such as increased pumping efficiency, both in the mines and the concentrators, and increased ventilation-fan efficiency, are also in the process of being rolled out.

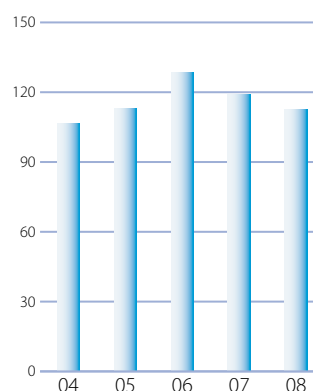
Fuels used

ML/a



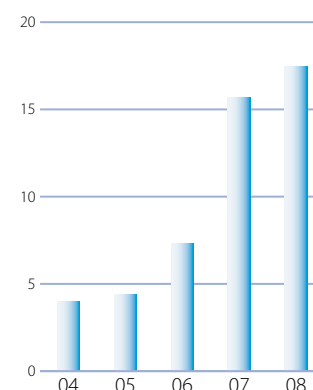
Coal used

kt/a



Lubricating and hydraulic oils

ML/a



ANGLO PLATINUM – ONGOING COMMITMENT TO POWER SAVING



Light bulbs being exchanged at RBMR

The past year marked a turning point in the supply of electricity in South Africa. As a consequence, Anglo Platinum is committed to conserving energy at its operations. It has also urged its employees to save electricity outside the workplace.

The Company is collaborating with various stakeholders on a range of initiatives aimed at finding ways of guaranteeing the integrity of power supplied to its operations.

Following the approach of Cynthia Carroll, chief executive of Anglo American plc, to the power challenge, Anglo Platinum identified a suite of initiatives designed to reduce consumption by 10% with immediate effect, and by 15% by 2014. Central to the success of these initiatives is the involvement of Anglo Platinum's employees.

The key initiatives include:

- a light bulb exchange programme at all operations;
- electric instead of pneumatic rock drilling;
- the management of compressed air usage and loss;
- the optimisation of ventilation and refrigeration systems;
- the use of non-pneumatic mining technologies;
- the optimisation of crushing and grinding systems;
- the management of smelter load;
- switching loads from diesel fuel to electrical power; and
- the use of fluorescent lighting.

CLIMATE CHANGE

Our climate-change strategy

Anglo Platinum is guided by AAPlcs climate change and policy and programme.

More than 90% of our greenhouse gas emissions, including carbon dioxide (CO₂), are secondary emissions attributed to electricity consumption. Therefore our strategy to reduce greenhouse gas emissions has been tacked onto our energy-efficiency drive. As the Group becomes more energy efficient, it will emit less greenhouse gases per ounce of platinum produced.

Anglo Platinum is a signatory to the DME's Energy Efficiency Accord. We have committed to a 10% reduction in CO₂ emissions and a 15% reduction in energy consumption per unit of production by 2014, with 2004 being the baseline year.

Anglo Platinum does not have any clean development mechanism (CDM) projects in the pipeline, and we are not involved in the carbon trading market. There are, however, a number of energy-efficiency projects that are being evaluated for CDM opportunities and these include, inter alia, Hilti Drilling, solar water heating at housing developments and various compressor-efficiency projects as described in the case study.

A study on CO₂ adaptation is being conducted in conjunction with Anglo American at Twickenham Mine. This study will investigate and model the likely impacts climate change will have on water resources and extreme weather events at the mine. Initial results will be available in 2009, and will be discussed in our next sustainable development report.

Greenhouse gas emissions

Indirect emissions

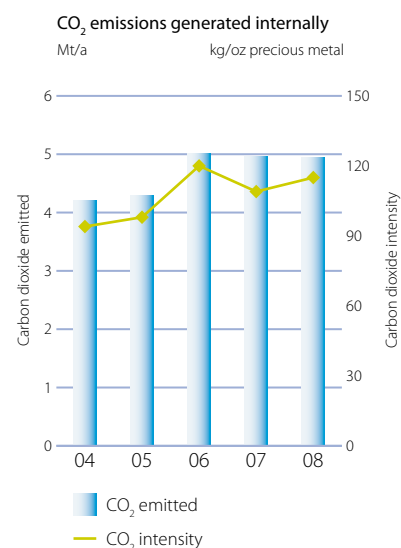
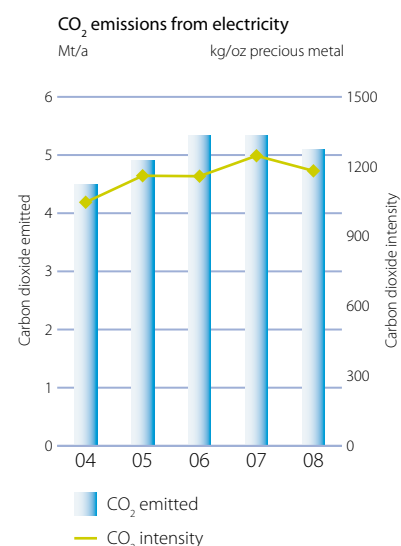
Indirect CO₂ emissions due to imported electricity from the national grid decreased nearly 2% to 5.1 Mt in 2008. The lower absolute electricity use explains lower CO₂ emissions in 2008.

Indirect CO₂ emissions from imported electricity per refined ounce of precious metal from managed operations decreased by 5.6% to 1,182 kg in 2008.

Direct emissions

CO₂ emissions generated internally from processes and fossil fuel use decreased from 502 kt in 2007 to 494 kt in 2008. Coal and fuel usage decreased in 2008.

Direct CO₂ emissions generated internally per refined ounce of precious metal from managed operations decreased by 4% to 115 kg in 2008.



WATER

Overview

We rely on access to water to process and refine our platinum. If our access to water resources is for any reason restricted, this will have a direct bearing on our ability to produce. However, given that South Africa is a water-scarce country, we may often find ourselves competing for access to water resources with other users such as agriculture, local communities and the environment. This has occurred in Rustenburg and around our Eastern Limb operations.

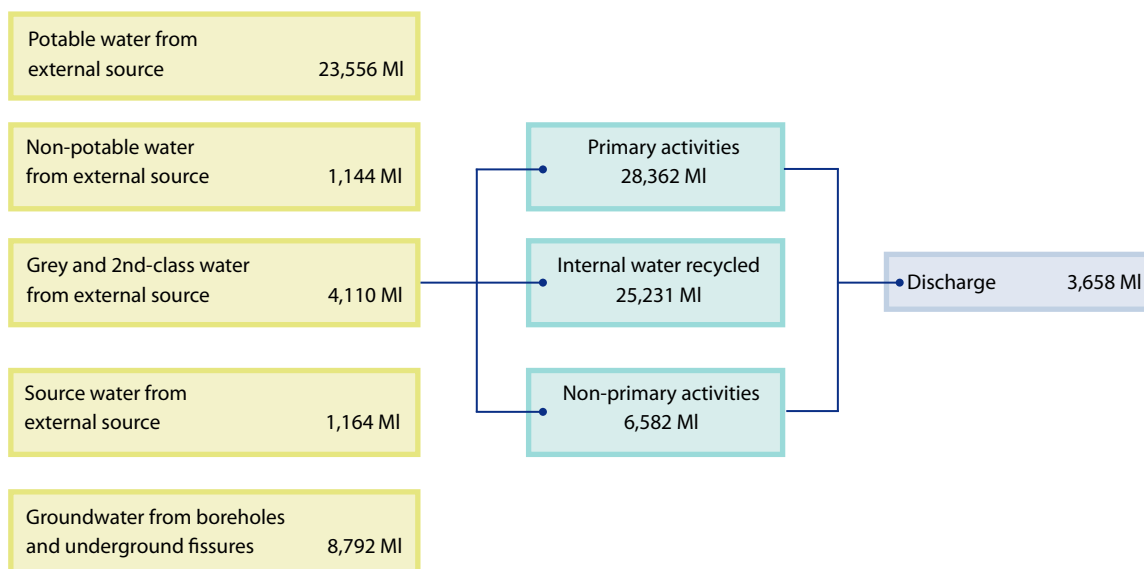
Therefore we need to ensure that we use this resource efficiently and maximise our reuse. Where we require access to new water resources, such as in the Eastern Limb, we will work with the government to evaluate potential new sources that do not materially impact on the environment or on downstream ecosystems.

Our water sources

Water use at Anglo Platinum is divided into water used for primary activities; water used for non-primary activities; and water recycled from internal sewage treatment plants. New water into the operation during the year is the sum of the water used for primary and non-primary activities. Primary activities include all water used to produce the products of the Group, from mining to refining. It excludes domestic use (villages) and recreational use (golf courses, swimming pools), which are classified as water use for non-primary activities. Internally recycled water is also excluded from the water used for primary activities parameter as this water is accounted for when it enters the system.

Potable water is sourced from water utilities. The water utilities source their water from various dams, but in no instances do our abstractions account for 5% or more of the average annual volume of these water bodies. Non-potable water use at managed operations is low and comes from various raw-water sources. The key supplier of non-potable water in the Eastern Limb is the Lebalelo pipeline,

WATER ALLOCATION



WATER QUALITY CONCERNS AT MOGALAKWENA MINE

Anglo Platinum was in the news in 2008, as a result of issues raised by ActionAid concerning its activities in relation to the resettlement of communities and mining in Limpopo province.

Water quality was a key and contentious issue covered by ActionAid in its report. The Institute for Groundwater Studies (IGS) at the University of the Free State was approached by Anglo Platinum to undertake an independent groundwater review at Mogalakwena Mine to determine if mining activities are the cause of elevated nitrates in the Ga-Molekana community's groundwater. This review was commenced following the release of ActionAid's report in which the mine is identified as the source of elevated nitrate in the water resources of the communities of Ga-Molekana and the old Ga-Pila.

The scope of work was to determine if mining activities are the cause of elevated nitrates in the Ga-Molekana and Old Ga-Pila communities' groundwater or not. This led to IGS also sampling surface water points and assessing other indicator parameters such as isotopes, salinity, sulphate and microbial.

The IGS's preliminary investigation concluded that:

- very high nitrates are a general feature of the groundwater in the wider region;
- based on chemical, isotopic and microbial results, the data shows there is no direct link with nitrates at the mine;
- the elevated nitrate values at Ga-Molekana show no evidence that the mine is responsible for these values;
- from the sampling and data analysis, it is unlikely that the existing tailings dam has a significant impact on groundwater towards the Ga-Molekana village;
- the Ga-Pila surface water seep and adjacent groundwater show a similar nature, suggesting a close relationship between these waters;
- the Ga-Pila samples are elevated in sulphate as well as nitrate and this may point to mining impacts. This is as likely to be from disturbance of the surface due to mining, which has liberated both sulphides and nitrogen species;
- evidence suggests that there are several other potential sources of nitrate and microbial contamination in the communities and that, in most cases, alternative water sources for use within the villages are present;
- the groundwater is not specifically contaminated by pathogenic microbial contaminants. The pollution control dam, the opencast pit and Ga-Pila seep are the sites of concern from a microbial point of view;
- the isotopes, together with hydrochemical data, point to natural nitrate occurrences in the ranges previously reported for this region to the area east and north of the mine. Thus the nitrate is not derived from explosives and/or sanitation sources, but also from several natural processes; and
- currently, salinity effects on the mine are in the same range or lower than those beyond the mine. This, together with current neutral pH conditions, indicates that impacts are not significant under current operational conditions.

The following steps are yet to be taken in order to finalise this project:

- Peer review of the IGS report by two international experts in the field of contaminant hydrogeology.
 - Consideration of, and response to, peer-review comments.
 - Finalisation of findings and presentation of results, together with recommended actions for the way forward.
- The final IGS report will be available at the end of February 2009.



Ga-Molekana learners in proximity to the groundwater supply

for which water is extracted from the Olifants River based on an approved allocation. Waste or second-class water is sourced from municipal sewage plants to supply process water to some operations, notably Mogalakwena and Rustenburg Section. No surface water from any dam external to any operations is used. Rainwater collected in the open pit at Mogalakwena is, however, included in the surface water parameter. The groundwater parameter includes groundwater from boreholes used for primary and non-primary activities, as well as fissure water from underground operations where this can be measured. Precipitation caught on tailings dams and run-off into on-site effluent and storage dams is currently still excluded from all water-use figures.

Water supply strategy – Eastern Limb

The north-eastern parts of South Africa are water scarce. Communities in the area have never had access to fresh tapped water, owing to years of underdevelopment in the area as a legacy of apartheid. These communities are largely poverty stricken, and need development to improve people's lives. While there is much scope for development through mining, the mines, like the communities, need access to water resources to function.

On 9 June 2004, Cabinet approved the Olifants River Water Resources Development Project (ORWRDP), Phase 2, which includes the construction of the De Hoop Dam and associated bulk distribution components. The dam is required to meet the growing need for water – in the central parts of the Olifants River catchment and in parts of the Mogalakwena River and Sand River catchments – of both the mining sector and the local communities.

Sixty per cent of the water is intended for mines in the area, making the project commercially viable. The mines will contribute 60% of the capital funding required, either upfront or as tariffs based on off-take agreements.

Prior to 2004, mines situated close to each other created a producers' forum in their areas of operation, collaboratively approaching issues such as water, spatial development, transport and support for local municipalities. In the Eastern Limb area, there are two such forums: the Steelpoort Valley Producers' Forum and the Mogalakwena Economic Sector Forum.

In July 2004, the Steelpoort forum called a meeting inviting various mining companies in the Steelpoort and Mogalakwena areas to discuss participation in the ORWRDP. An outcome of this meeting was the establishment of the Olifants River Joint Water Forum (ORJWF) as the representative body of the mining fraternity on the ORWRDP. The first issues the forum addressed were the verification of water requirements for the mining sector; the sector's level of participation in the planning process; and the nature of its financial commitment.

Initially, local mines questioned the commercial viability of the government's decision, and asked Government to finance a portion of the project, with a memorandum of agreement underpinning the relationship. The memorandum committed the Department of Water Affairs and Forestry to develop water resources to support mining development, and committed the mines to using and paying for water once the conditions set by the mines had been fulfilled.

Construction of the De Hoop Dam began in April 2007 after a comprehensive EIA process, and was 28% complete by the end of 2008. Water will be available from the dam in 2011.



The EIA conducted for the Department of Water Affairs and Forestry revealed no material impact on the Kruger Park. Various stakeholders, including the Endangered Wildlife Trust, have been opposed to the dam construction because of a perceived impact on the Kruger National Park.

Water supply strategy – Rustenburg

In Rustenburg, water supply is increasingly becoming a concern in the wider community and the town experienced water shortages in 2008. We have signed an off-take agreement with the Rustenburg Local Municipality to use 15 mega-litres per day of purified sewerage effluent from the town's sewerage treatment plant in our processes, thereby reducing the demand for potable water in the Rustenburg area.

In conjunction with the Rustenburg Local Municipality, Magalies Water, Rand Water and other industries, Anglo Platinum is currently involved with a feasibility study to assess how to increase water supply to Rustenburg. This study is likely to be completed in 2009 and the current best option appears to be piping raw water from Hartebeespoort Dam and treating it in Rustenburg before further distribution.

Our water use

Total new water used for primary and non-primary activities for 2008 was 35.2 million cubic metres against a usage of 36.2 million cubic metres in 2007. This figure excludes all recycled water. Water use for primary activities only decreased by 6%, to 28.4 million cubic metres in 2008. The implementation of improved water monitoring and management programmes began at some operations in 2008, as required by the conditions of the water-use licences.

Waste or second-class water

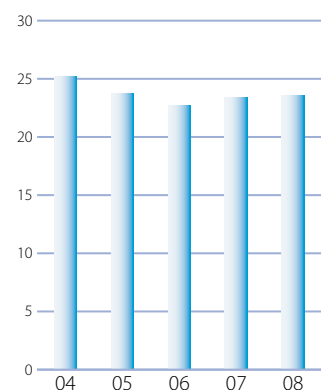
Reported intake of waste or second-class water in 2008 increased by 43% from the reported intake in 2007. The reason for this was the increased usage of such water from the Rustenburg, Mokopane and Polokwane municipalities. At Mogalakwena, the usage of waste or second-class water in 2008 almost doubled from that in 2007, owing to the ramp-up of the new concentrator at that operation. The Group wants to use as much of this type of water as possible, as it reduces the need for potable water.

Potable water

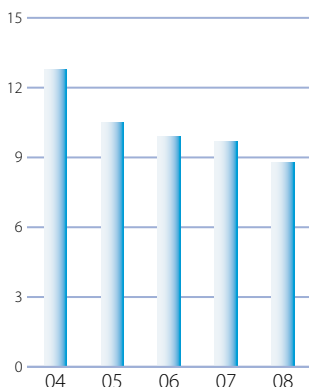
Potable water used for primary and non-primary activities increased by just less than 1%, to 23.6 million cubic metres during 2008.

Approximately 29% of the 2008 potable water intake was used for non-primary activities such as domestic and recreational use. This is a significant increase on the 2007 potable water usage for non-primary activities. In 2007, only 25% of potable water was used for non-primary activities. These figures illustrate that potable water use for non-primary activities was responsible for the overall increase in potable water usage.

Potable water used
Million m³/a



Groundwater used
Million m³/a



Potable water use for primary activities at the Rustenburg concentrators decreased by 22% during 2008 when compared with 2007. The key reason for this decrease was the partial replacement of potable water with waste or second-class water from the Rustenburg Municipality. The usage of such waste or second-class water increased by 17% year on year.

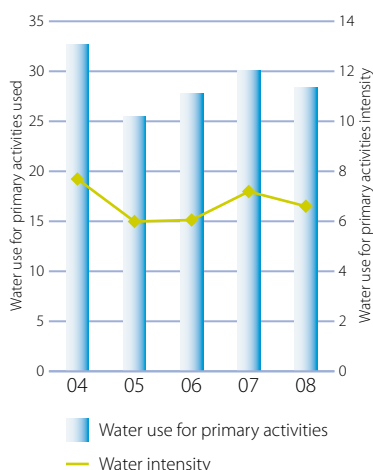
Groundwater

Groundwater used decreased by 9%, from 9.7 million cubic metres in 2007 to 8.8 million cubic metres in 2008.

Recycled water

Water recycled from internal sewage plants, tailings return-water dams, underground operations and other internal surface water sources is not included in water used for primary or non-primary activities. The total recycled water reported was 25.3 million cubic metres in 2008 compared with 24.0 million cubic metres in 2007. The recycled water used volume is approximate and includes mostly water recycled from internal sewage treatment plants.

Water use for primary activities
million m³/a m³/oz precious metal



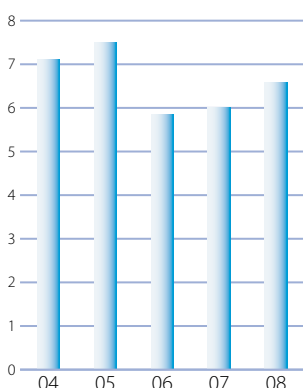
Our water intensity targets

Water use for primary activities per refined ounce of precious metal from managed operations decreased by 8% to 6.6 cubic metres in 2008.

As noted in the 2007 report, it was decided in the latter half of 2007 to find a more appropriate method of setting targets and tracking actual water savings to ensure that the Group's commitment to reducing water consumption might be achieved. The water intensity targets previously reported on did not take continually changing mining, concentrating and smelting conditions into account.

Accordingly, an analysis of variance model (called Footprint) was introduced to enable operations to track their individual water intensity compared with an adjusted baseline. The model has been populated for all operations in 2008, but no operational targets have yet been set as the verification of data took longer than expected. Targets will now be set in 2009. The output of the model will indicate absolute savings achieved against an adjusted baseline year on year and will also track intensity targets based on the adjusted baseline.

Water use for non-primary activities
Million m³/a



Effluents we generate

Discharge to surface water

Total excess water discharged decreased from 4.6 million cubic metres in 2007 to 3.7 million cubic metres in 2008. The average discharge for 2008 was 10 MI per day. Some 63% of the discharge is from Amandelbult Section, where excess water pumped from shafts is discharged into the Crocodile River and Bierspruit. The mine constructed a dam during 2008 to contain some of the excess water. It is also planning to use some of the excess water for the gardens of the mine village. Infrastructure to facilitate this is being installed. Despite the current efforts, the mine still discharged 3.7 MI per day during December 2008. The rest of the excess water discharge occurred at Lebowa. This mine water is discharged to the usually dry bed of the Rapholo River, seeping away a few hundred metres from



the discharge point. The recently issued Lebowa water-use licence requires this discharge to cease permanently in April 2009.

The water discharged typically has a neutral pH and elevated nitrate, sulphate and chloride concentrations, but at current discharge concentrations these do not pose a danger if consumed by livestock or humans.

Spills and accidental discharges

Minor spills and accidental discharges occurred during the year at many operations owing to the overflow of tailings return-water dams and pollution-control dams, as well as pipe breaks on potable and process water, and tailings pipelines. Systems to accurately quantify such spills and discharges must still be refined at most operations. There are processes under way at all operations to update and refine water balances as required by the new water-use licences, and to facilitate the setting of measurable targets for water use and the measurement of spills and discharges.

Ground- and surface-water quality around our operations

Ground- and surface water are monitored at all mines and plants, both up- and downstream of operations, as well as inside and outside mining areas. Monitoring results are used to model groundwater flows and contaminant plumes, if any, and surface water results are compared with various regulated standards. Bio-monitoring of surface water bodies is also conducted. The tailings return-water dams at all operations continue to provide a good habitat for fish, birds and plant life. The quality of groundwater is affected at all mining operations, due mainly to seepage from the tailings dam complexes. The contamination is, however, localised in all instances and no external groundwater users are affected. The groundwater contamination contributes to increased salinity of the water.

Groundwater beneath RBMR has been impacted owing to historical operations. It was reported in the 2007 report that RBMR was going to be starting on a pilot project in 2008 to determine whether the remediation of contaminated groundwater can be achieved through borehole extraction. The extracted water will be stored in an existing effluent dam at RBMR and pumped to the boiler scrubber system. The scrubber effluent with the high sodium sulphate content will be pumped to the effluent and sodium plant, where it will be evaporated and salt will be crystallised. RBMR will install an additional crystallising plant to meet the increased capacity. The recovered water will be reused in the RBMR process and the sodium sulphate will be sold as a product.

At Twickenham Platinum Mine shaft dewatering has led to the drying of a surface spring on which the community is reliant for water. The mine is now supplying water to the affected community. There were also some instances where water that had been contaminated with oils and greases was discharged owing to lack of storage capacity on the surface.

At Rustenburg, surface-water quality is also affected by the operations, notably at the Klipfontein Spruit, the Klipgat Spruit, the Paardekraal Spruit and the Hex River. At Amandelbult the surface water quality in the Bierspruit is affected by the discharge of excess mine water. The guideline values for the parameters that are most frequently exceeded at these operations include those for electrical conductivity, chlorides, sulphates and nitrates.

At Lebowa an updated ground- and surface-water monitoring protocol is under development, in line with the requirements of the recently issued water-use licence. Additional groundwater monitoring boreholes were also drilled during 2008, to expand the profile for the operation. From the available results, it is evident that the operation has some impact on the water resources of the area. A specialist team has been appointed to investigate the regional ground- and surface-water profile. The study will also attempt to establish the hydrological relationship between surface and underground water in the vicinity of the vertical shaft.

At Mogalakwena the total dissolved solids and the sulphate levels below the tailings dam continue to increase as predicted in the contaminant model for the operation. The current action plan calls for continual monitoring and updating of the model as data becomes available. Investigations were done at this operation during the year by independent consultants to verify or disprove the claims made by ActionAid that the mine was responsible for the contamination of drinking and livestock water at certain villages adjacent to its operations. See the case study on page 53 for full details.

Acid rock drainage

Acid-base accounting to determine acid rock drainage and hazardous leachate potential on both Merensky and UG2 tailings has indicated that such tailings have a negligible potential to generate acid or to mobilise metals. Although acid production and metal mobilisation do not occur, the sulphide content is sufficient to produce some soluble sulphates under oxidising conditions. This increases the sulphate concentration in water that comes into contact with the tailings.

No water sources or related ecosystems (such as Ramsar-listed wetlands) or habitats are significantly affected by the Group's extraction and use of water.

SKILLS ATTRACTION AND RETENTION

OVERVIEW

The mining and construction boom in the recent past that has resulted in the shortage of managerial, professional and technical skills seems to be coming to an end. In addition, the global economic slowdown that followed the sub-prime mortgage crisis and consequent job losses means that the shortage of skills referred to above will show signs of improvement. However, this shortage of skills was experienced for the greater part of the year and the group has had to implement strategies and programmes to mitigate the effect of the skills shortage.

OUTLOOK

With the global economic crisis, there is likely to be more skills becoming available in the market generally and the skills shortage is likely to ease.

ATTRACTION

Over and above the payment of sign-on bonuses (in certain cases), Anglo Platinum has several initiatives in place designed to attract skills:

- Section engineers drive – in conjunction with the graduate intake programme, this initiative was a huge success. The relevant vacancy rate was drastically reduced from 32.8% (22 vacancies) to only 5.9% (four vacancies). This was largely a result of the introduction of a Retention Bonus package. As a result, resignations dropped to only 12% in 2008 (45% in 2007).
- HDSA-focused placements – for 2008, Anglo Platinum achieved a 68% rate on HDSA placements across the disciplines, through head-hunting and recruitment drives.
- Various recruitment campaigns focussing on critical and scarce occupations were successfully conducted.
- Talent referral – this initiative was implemented across the Group in September 2007 and encouraged employees to be part of attracting talent to the Company. To date there have been a total of 32 appointments as a result of employees' efforts.

Attracting artisans

An artisan recruitment drive was launched in 2006 where critical trades (riggers, fitters, boilermakers and electricians) were focused on. This alleviated some of the shortages but it was still necessary to expand the drive beyond South Africa's borders.

Another recruitment drive, launched early in 2008, targeted the four critical trades. With sign-on bonuses for artisans, vacancy rates started to come down in 2008 and stood at 8.4 % at year end. There was also a strong focus on accommodating artisans who recently completed their apprenticeships.

RETENTION

If employment is successful, the next hurdle is retaining the employee. To achieve this, the following interventions are in place:

- Acknowledging valuable employees – employee gatherings take place at least once a quarter. These gatherings are held to recognise employees who have made a significant contribution to their function to share knowledge and to network.
- Work-life balance – this encompasses a range of interventions including one-on-one meetings with all employees in the talent pool.
- Retention risk analysis incorporating retention and exit interviews conducted on all talent pool employees.
- Recognition and reward – recognition trophies given to talent pool employees during the one-on-one work life balance meetings.
- Introduction of a range of facilities to enhance the employment experience at Anglo Platinum including allowances for working in remote areas, gym facilities, loyalty programme, improvements to the employee share option scheme, a concierge service, improved catering facilities, sanitation and housing upgrades.



Fabian Mace operating a press.

- Sign-on and cash-retention bonuses.
- Improved training and development programmes.

IMPACT ON OPERATIONS

Skills shortages impacted negatively on production reducing output at Lebowa, Twickenham and BRPM mines (see volume 1 Business Report for details).

EMPLOYMENT EQUITY

Our employment equity status shows that Anglo Platinum is making satisfactory progress towards achieving the equitable representation of designated groups across all occupational levels and categories of the workforce. As required by the Employment Equity Act and its amended regulations, the company submitted a consolidated employment equity report for the 2008 reporting period (ending 31 May 2008) to the Department of Labour and the summarised detail is provided in the table on page 135.

The Company has achieved 27% equity representation at top management level while at the senior-management, middle-management and supervisory levels it has achieved 29%, 46% and 64% equity representation respectively. The Group achieved 44% representation at a management level against the mining charter's target of 40%.

At the end of 2008, 10% of our employees consisted of women, meeting the mining charter requirement of 10% by 2009. However, the company still experiences challenges in attracting suitably qualified women in the core mining disciplines.

The Group's employment equity strategy, typified by special interventions such as attracting high-potential candidates, employee-development programmes, mentoring, shadowing, fast-tracking and talent-pool management, continued to deliver positive results towards the achievement of our targets.

In order to ensure that candidates from disadvantaged backgrounds benefit, a recruitment ratio of 70:30 in favour of historically disadvantaged South African (HDSA) candidates is used as a guiding principle. In 2008, 81% of our bursars consisted of HDSAs and 17% of females. Furthermore, 23% of bursars who started on the scheme in 2008 came from communities within 50 kilometres of the company's operations. The Group remains committed to fast-tracking the development of high-potential employees from historically disadvantaged groups, in order to increase the talent pool and pipeline in support of business growth and to facilitate compliance with the mining charter. Through focused fast-tracking programmes, the Group is currently developing 432 high-potential black business leaders for senior positions in the future.

ADDING VALUE

Through the mining of a natural resource we are able to refine and sell products society needs for many applications. In doing so we generate economic value for many stakeholders, most notably:

- shareholders through the payment of dividends and growth in share price;
- government through the taxes and royalties we pay;
- employees through the salaries we pay;
- suppliers and contractors as we pay for goods and services rendered; and
- communities through local employment, job creation through SMME development and our corporate social investment projects.

These stakeholders in turn can use the opportunities created to add more value.

Albert Kokata is an occupational nurse at PMR. He was nominated and featured as a 'hero' in the values project for work he did in the community over and above his normal work.

ECONOMIC IMPACTS

DIRECT VALUE ADDED TO SOUTH AFRICA

Total turnover in 2008 was R51,118 million, distributed as follows:

Employees			
Total payroll and benefits paid in South Africa, R millions	2008	2007	2006
Gauteng	707	663	445
Limpopo	4,587	3,784	2,980
North West	4,723	3,863	2,993
Mpumalanga	2	—	—
Total	10,018	8,311	6,418
Wages	8,994	7,414	5,840
Pension	697	585	438
Other benefits	134	101	96
Share-based payments	188	200	—
Redundancy payments	5	10	44
Total	10,018	8,311	6,418
<i>Remunerations refer to current payments and exclude future commitments.</i>			
Public sector			
Taxes paid of all types in South Africa, R millions			
South African normal taxation	1,384	4,976	728
Secondary tax on companies	191	1,645	416
Royalties	76	197	212
Total	1,651	6,818	1,355
<i>Apart from reimbursement of its payment to the skills development levy, the Group received no grants, tax relief or other types of benefits that did not represent a transaction of goods and services.</i>			
Donations in South Africa, R millions			
Community group			
Cash	80	52	25
In-kind	—	—	4
Civil society groups			
Cash	10	26	16
In-kind	—	—	—
Other groups			
Cash	51	48	9
In-kind	—	—	—
Total	141	126	54
Non-core infrastructure development¹, R millions	21	35	4
<i>1. This is infrastructure built outside main business activities, such as schools or hospitals for employees and their families.</i>			
Private sector			
Suppliers			
Cost of goods, materials and services purchased, R millions			
Total	24,549	23,100	18,900
Of which, sourced from South Africa	23,933	22,520	18,711

Note: 100% of contracts were paid in accordance with agreed terms.

Customers

Anglo Platinum is primarily a PGM producer operating in South Africa. All other metals produced are by-products of the PGM process. The following analyses of the Group's revenue are based on the end-use of metals sold, rather than the location of primary customers.

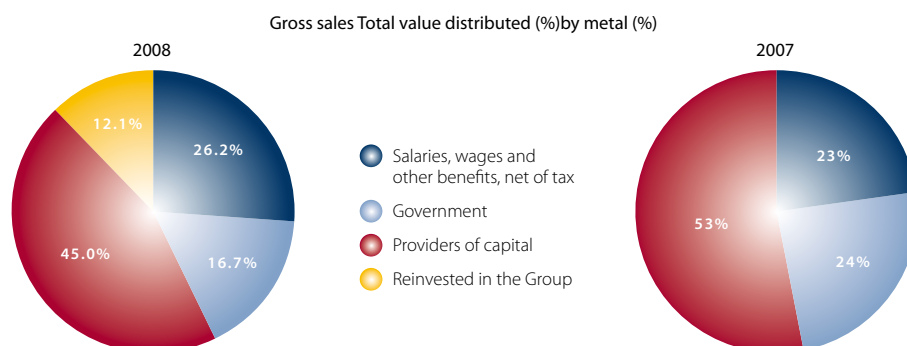
Gross sales revenue analysis, R millions	2008	2007	2006
Platinum	28,636	23,412	21,871
Palladium	4,258	3,858	3,347
Rhodium	13,091	11,325	8,576
Nickel	2,615	4,716	3,462
Other	2,518	3,650	2,099
Total	51,118	46,961	39,355
North America	3,588	3,333	2,918
Asia	23,207	16,940	15,238
Europe	14,211	14,429	10,737
Africa	10,031	12,207	10,403
Other	81	52	59
Total	51,118	46,961	39,355

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

Market share of global demand, %	2008	2007	2006
Platinum	37	37	40
Palladium	19	16	18
Rhodium	39	41	41

Providers of capital

Distributions to providers of capital, R millions			
Interest on short-term debt	1,391	402	240
Dividends	13,816	15,904	4,826
Total	15,207	16,307	5,066
Increase/(decrease) in accumulated profit	645	(3,601)	7,209



PAYMENTS TO GOVERNMENT

The impact of our operations is a complex mix of environmental, social and economic factors, the relationships we have with governments and the payments made to those governments by way of taxes. The taxes we pay as a company, as well as those we collect from employees on behalf of government, and those of suppliers that are dependent on our presence, are important contributions to the creation of wealth and wellbeing. Social benefits arise where these enhanced revenues are used to provide better social infrastructure and public services.

Over ZAR 1,651 million in taxes was paid directly to South African government because of our operations in 2008. This included company taxes, royalties, transaction and other taxes. In addition, we indirectly contributed ZAR 1,177 millions in employee taxes, which we collected on behalf of governments and paid over to them. We believe that this wider tax footprint is a valid reflection of the tax contribution that results from our activities.

No financial assistance from government is received.

INDIRECT AND OTHER ECONOMIC BENEFITS

Procurement

In 2008, the Group's discretionary procurement spend was broken down as follows:

- Capital R10.5 billion
- Services R11.6 billion
- Consumables R6.7 billion
- Other R0,6 billion

Breakdown of the Group's 2008 total discretionary spend with HDSA vendors

	2009 targets %	2008 targets %	2008 actual %	2008 actual R million
Procurement spend				
HDSA-empowered companies	21.0	20	25.8	7,597
Capital goods	23.5	23	27.9	2,932
Consumables	25.5	25	46.7	3,148
Services	14.5	14	16.4	1,905
HDSA-owned companies	9.0	8.6	7.7	2,284
Capital goods	5.0	4.7	7.6	0.794
Consumables	6.0	4.5	3.1	0.207
Services	16.0	15.0	10.8	1,260
Provincial companies	—	11.0	10.8	3,186
Local	—	5.5	7.6	2,053



Anglo Platinum is committed to supporting and developing black economic empowerment (BEE) suppliers in South Africa and considers BEE, through the inclusion of historically disadvantaged South Africans (HDSAs), to be essential for the successful transformation of South African society. The Group is committed to support and develop HDSA vendors in line with mining charter requirements. A focus area for 2008 was on increasing procurement firstly with HDSA suppliers situated within a 50 km radius of the procuring operation and secondly with HDSA suppliers situated in the same province as the procuring operation.

Our spend with HDSA vendors has grown steadily and significantly over recent years:

- 2003 = R730 million
- 2004 = R980 million
- 2005 = R1.9 billion
- 2006 = R4.8 billion
- 2007 = R7.4 billion
- 2008 = R9.8 billion

HDSA procurement feedback 2008

It has been five years since the split in the transformation environment in Anglo Platinum, with the supply chain accepting the responsibility for business issues and the social economic department taking on all social issues. The motivation in doing this was to ensure that the commitments made in the social and labour plans are achieved, and to bring the HDSA procurement function closer to day-to-day operations, where the actual purchasing takes place.

The following was put in place in order to achieve the Group's commitment to the mining charter:

- Plans and targets over a five- and 10-year period, up to and including 2012.
- Identification of spend into the buckets of services, commodities and capital.
- Accurate and auditable reporting systems.
- Management of continuous improvement.
- Verification/accreditation process.

The process was started by implementing HDSA procurement policies and procedures. Targets were clearly laid out up to 2012 for each operation and went down to the level of services, capital and commodities. The strategy and process is strongly supported by senior management.

In essence, the principles that support the HDSA procurement strategy are as follows:

- Transparency, based on sound business principles and practices, and subject to internal audit. Under no circumstances will fronting or window dressing be tolerated. Any such practice will mean instant disqualification.
- Sound commercial principles, to underlie all transactions, with no compromise on quality, price, delivery and service, safety, health and environment, or any other commercial or technical requirement.
- All potential suppliers will compete through the same process and on equal platforms.

- The HDSA supplier assessment methodology will not only encompass shareholding, but will also extend into active participation the transfer of skills and people development.
- AngloPlatinum will only conduct business with enterprises that comply with legal and fundamental business requirements.
- In order to promote HDSA company participation in the procurement processes, a central database has been created.
- In the process of assessing tenders, preferential procurement status is given to HDSA suppliers who meet all tender requirements.

All the above include the procurement areas of resident buying, strategic commodity management and capital procurement and are supported by operational processes including the following:

- The development of new HDSA suppliers and the maintenance and extension of the use of existing HDSA suppliers.
- Promoting linkages between HDSA suppliers and non-HDSA suppliers in order to form partnerships, with the aim of expanding the HDSA procurement spend, skills transfer, employment opportunities and the elimination of poverty within the footprint of our operation.
- During 2008, the primary focus was very much on procuring from local HDSA suppliers (within a 50 km radius of the procuring operation) and regional HDSA suppliers (same province as in the procuring operation). In the process, procurement spend was promoted among HDSA suppliers who fall within the small and medium enterprise definition. In order to advance and assist with this identified HDSA procurement objective, three extensions to the HDSA procurement policy were implemented. Their aim was specifically to benefit the local/regional HDSA suppliers through preference and identification of opportunities. The extensions related to:
 - the weighting system;
 - mass tender; and
 - ring fencing.

Anglo Platinum has shown exceptional growth in HDSA procurement spend since 2003 when an initial figure of R730 million was achieved (10% of total discretionary procurement spend). In 2008, HDSA procurement spend rose to just over R9,8 billion.

SUSTAINABLE DEVELOPMENT IN THE SUPPLY CHAIN

Anglo Platinum's supply chain function is in the process of being amalgamated with Anglo American's supply chain to benefit from economies of scale, and our global suppliers will now be managed via a centralised group-procurement process. In 2008, the AAPlc Group launched its policy of sustainable development in the supply chain, which outlines our commitments in this area as well as the expectations we have of our suppliers. Linked to this is our supplier sustainable development code, which has been made available, along with the policy, to our suppliers chain. As part of this new approach, we encourage our entire supply chain to embrace and share our commitment to sustainable development.

The policy applies to all our suppliers as well as our staff members, and is intended as a journey of continuous improvement. To support this, the Group is committed to developing and refining common, consistent standards that are both effective and efficient.



In further commitment to the project, a global supply-chain sustainable development leader has been appointed, and will soon appoint regional supply-chain sustainable development managers. Internal training on the policy and its associated implementation has begun, and relevant performance indicators have been incorporated into the performance contracts of the supply-chain staff.

In July, a three-day conference that brought together people from across the global supply-chain and sustainable development disciplines, and various other internal and external experts, was held to discuss a number of supply-chain sustainable development topics. Approximately 150 suppliers attended. The conference focused on safety, on our values, on our approach to supply-chain and sustainable development and on enterprise development.

In line with our engagement approach throughout 2009, we will continue to inform, assess, verify, and support our prioritised suppliers in terms of social and environmental performance.

BLACK ECONOMIC EMPOWERMENT

Anglo Platinum is proud of the contribution it has made to empowerment, having facilitated numerous transactions that have resulted in the significant and meaningful empowerment of historically disadvantaged South Africans (HDSAs) in various operations and projects; and in the conversion of its old-order mineral rights in April 2008. These include:

- the August 2000 purchase of 22.5% of Northam Platinum by Mvelaphanda Resources;
- the establishment in July 2002 of a 50:50 joint venture with Royal Bafokeng Resources, the Bafokeng-Rasimone Platinum Mine, including the Styldrift project area;
- the formation in August 2001 of the Modikwa Platinum project, a 50:50 joint venture with a consortium led by ARM Mining Consortium;
- the formation, in August 2002, with Lonmin Platinum, of the Pandora Joint Venture, which includes the participation of the Bapo-Ba-Mogale community and Mvelaphanda Resources (on behalf of Northam) as empowerment partners each having a 7.5% interest in the joint venture;
- a joint-venture agreement in 2004 with Pelawan Investments to develop the Ga-Phasha PGM project. Pelawan subsequently entered into agreements for a reverse take-over of Anooraq Resources Corporation (Anooraq);
- agreement of the principles of the Booyendal Joint Venture with Khumama (Proprietary) Limited, an HDSA consortium that will exploit the PGM resources on certain portions of the farms in the Der Brochen area. Khumama subsequently on-sold its interest in the Booyendal Joint Venture to Mvelaphanda Resources;
- Anglo Platinum signing an agreement with Eland Platinum Mines (Proprietary) Limited in October 2005 for the disposal of its mineral and surface rights on the property Elandsfontein 440JQ for a cash consideration. The Ngazana consortium, led by Dr Penuell Maduna, and incorporating prominent businesswomen among a broad base of HDSAs, held an unencumbered 26% interest in Eland Mines;
- the Anglo Platinum transaction with Siyanda Chrome Investments (Proprietary) Limited in July 2006 to develop a ground-breaking new chromite recovery plant at its Union Mine;
- Anglo Platinum completing the transaction with the Bakgatla-Ba-Kgafela (Bakgatla), which is the traditional community at Union Mine, in December 2006, giving the Bakgatla a 15% stake in Union Mine as well as a 26% stake in the Magazynskraal project and a 55% stake in the Rooderand project;
- On 4 September 2007, the joint announcement by Anglo Platinum, Anooraq and Mvelaphanda Resources of transactions that, when successfully concluded, will result in the creation of two

major historically disadvantaged South African (HDSA) managed and controlled South African platinum group metal producers, which will have critical mass and significant growth potential. The key terms of the transactions announced were as follows:

- Anooraq Resources transaction: the Anglo Platinum Group will sell an effective 51% of the Lebowa Platinum Mine (Lebowa) and an additional 1% of the Ga-Phasha, Boikgantsho and Kwanda Joint Venture (50:50) projects. Following this transaction, Anooraq, the current owner of 50% of Ga-Phasha, Boikgantsho and Kwanda, will own an effective 51% of Lebowa, Ga-Phasha, Boikgantsho and Kwanda through a newly created entity.
- Mvelaphanda Resources transaction: the Anglo Platinum Group will dispose of its 50% interest in the Booyendal project and its remaining 22.4% direct interest in Northam to Mvelaphanda Resources for a total consideration of R4 billion. Mvelaphanda Resources currently owns the other 50% interest in Booyendal. Northam will acquire 100% of Booyendal from Northam in exchange for shares.
- The suite of definitive legal agreements for both transactions were entered into in March and April 2008. Several conditions precedent to the conclusion of the transactions have since been met. The sale of 22.4% of Northam to Mvelaphanda Resources closed on 20 August 2008. There is only one condition outstanding on the Booyendal sale to Mvelaphanda Resources which is envisaged to be met early in 2009. It was envisaged to conclude the Anooraq transaction on 30 November 2008 following the Competition Commission and South African Reserve Bank approval of the transaction in August 2008, but the significant deterioration of the global debt and equity markets during the second half of 2008 has resulted in Anglo Platinum and Anooraq reviewing the Lebowa mine plan and project pipeline, including the Middelpunt Hill UG2 expansion project. Anglo Platinum and Anooraq remain committed to concluding the transaction and have extended the date for the fulfilment of conditions precedent until 30 April 2009.
- In October 2008, Anglo Platinum and Royal Bafokeng Holdings (RBH), the investment arm of the Royal Bafokeng Nation, announced an agreement to restructure the BRPM Joint Venture. The restructuring will result in the creation of an HDSA-controlled PGM producer, NewCo Platinum (NewCo), a company which will hold a 67% interest in the BRPM Joint Venture. NewCo will be controlled by RBH and independently managed, and RBH and Anglo Platinum have agreed to list NewCo within the next three years. Prior to listing, Anglo Platinum will retain an effective 50% interest in the BRPM Joint Venture. In order to facilitate the listing of NewCo, Anglo Platinum will sell down its holding to an effective 43% interest in the BRPM Joint Venture.
- During the course of 2008, RPM elected to dispose of its interest in the Western Bushveld Joint Venture (WBJV) to Wesizwe Platinum Limited (Wesizwe), an HDSA company and the sole shareholder of Africa Wide Mineral Prospecting and Exploration (Proprietary) Limited, the current 26% HDSA partner in the WBJV. The salient terms of the transaction are that RPM will sell its interest in the WBJV to Wesizwe in exchange for 211.9 million shares in Wesizwe. The sale by RPM enables a reorganisation of the assets held by both Platinum Group Metal RSA (Proprietary) Limited and Wesizwe, which will result in Wesizwe having a 100% interest in its core project while retaining a 26% interest in the remaining WBJV projects. The sale of RPM's interest in the WBJV has therefore further enhanced the ownership of mining assets by HDSA companies. The agreements were signed on 8 December 2008 and the parties are busy fulfilling various suspensive conditions.
- Anglo Platinum entering into a number of joint-venture exploration agreements that allow for HDSA participation, including the Boikgantsho and Kwanda joint ventures.



In addition to these empowerment transactions, Anglo Platinum is in partnership with Aquarius Platinum (SA) (Pty) Ltd (with a 20% shareholding by BEE company Savannah Consortium) at the Kroondal and Marikana mines; and with the Xstrata Kagiso Platinum Partnership (with a 26% shareholding by the BEE company, Kagiso Platinum Ventures) at Mototolo.

GOVERNANCE

Corporate governance embodies the principles, strategic imperatives and practices that govern and control any organisation. Anglo Platinum management is committed to achieving the Company's business objectives, tempered with overarching values and fostered by a culture of caring and respect. Management remains fully cognisant of, and accommodates, the interests of both internal and external stakeholders and of third parties who are directly affected by the manner in and extent to which the organisation can safely and successfully achieve its objectives. At Anglo Platinum, good corporate governance provides the foundation and framework for sound commercial decision-making that is integral to successful, sustained corporate performance, and that optimises stakeholder value and ultimately shareholder protection. Succinctly put, our corporate governance is all about safe, profitable platinum and the passionate and proud team members who contribute towards the achievement of the Company's success.

Anglo Platinum ensures that good corporate governance is upheld by placing equal importance on all shareholders and stakeholders, and by insisting on compliance and enforcement to underpin shareholder protection, profitability and the sustainability of the business.

King II crystallised basic principles into guidelines that Anglo Platinum has embraced, facilitating sound business management, and highlighting the need for sound corporate practices, accountability, sustainability and transparency. More specifically, this becomes an all-embracing concept characterised by:

- conformity without compromising business flair and sound business operations;
- evidence of commitment by management to adhere to conduct that is universally recognised and accepted as sound and proper;
- the promotion of commercial longevity and profitability within a strategic framework;
- sound business processes, procedures and policies to mitigate risk and ensure optimum operations;
- business continuity and disaster recovery;
- non-financial aspects such as socio-economic environmental factors and social responsibility and economic empowerment initiatives;
- internal audit monitoring and review of internal controls designed to mitigate real, potential and future risks;
- Board responsibility for sound business practices and risk appetite; and
- compliance and enforcement.

Shareholder protection

Shareholders can derive comfort and protection from the fact that the Board and the management of the corporation are committed, perspicacious and sensible in their approach to running the organisation. This, in turn, protects and optimises assets, cuts costs and ensures that the business is

profitable and sustainable into the future. Shareholder protection is served by a vested interest in the success, sustainability and future of the business that is achieved through a governance framework that operates within the confines of the law, compliance, policies and governance structures, economics and profitability. Ultimately, shareholder protection is contingent on the Board's ability to turn strategic vision into economic reality, and on its innate ability and past record of exercising deft leadership and direction.

In addition to the minority and member protection clauses in the Companies Act of 1973, which houses a plethora of legal remedies to enforce member rights, there is also protection under the recently promulgated Corporate Laws Amendment Act, No 26 of 2007, which deals with the disposal of all or a greater part of the Company's assets. This now requires a special resolution passed by 75% of shareholders, as opposed to an ordinary resolution passed by a simple majority. The new draft Companies Bill also seeks to govern and fortify shareholder protection, thereby providing shareholder relief and remedy through governance structures.

At Anglo Platinum, shareholder protection is maintained through leading corporate governance systems, mechanisms and compliance, through which shareholders can raise issues. Board performance is monitored and assessed, and strategic decision-taking overseen. Risk management is a priority, and linked to important daily decisions. Effectively, risk management is a corporate strategic tool to ensure business success and profitability. Policies and clarified procedures ensure that rules and regulations are evenly and consistently enforced in the Company. Share-dealing procedures for directors and staff, confidential proprietary business information, material price-sensitive information and anti-insider trading policies conforming to the Securities Services Act, JSE Listings Requirements and existing corporate laws have all been implemented and are enforced.

Shareholder activism and equity value

A symbiotic relationship exists between the Company and its shareholders. Shareholders provide capital and the Company must optimise such capital to ensure profitable returns for its stakeholders. Wealth creation requires an environment that fosters forward thinking and competitive business activity. This entails focusing on investment returns, and developing effective technologies and business practices. Appropriate checks and balances have been implemented to ensure that Anglo Platinum is not exposed to unacceptable levels of operational, financial or reputational risk. Shareholders are encouraged to pose questions at the annual general meeting that are pertinent to the business and its general affairs and not just the business at hand requiring their approval. The Board of directors and management support all those cornerstones of governance that encourage transparency, probity and disclosure.

Ethics

Ethics are shown and practised at Anglo Platinum by promoting leadership and inculcating a culture of integrity and work ethic; by the observance of directors' fiduciary duties and responsibilities; by avoiding conflicts of interest and acting in the best interests of the organisation; by encouraging whistle-blowing; and by promoting the values and principles set out in our codes of conduct.



Systems, compliance and enforcement

Compliance with, and enforcement of, the Companies Act, Corporate Laws Amendment Act, JSE Listings Requirements and other legislation governing the mining industry ensures:

- communication and disclosure;
- financial and economic performance;
- effective leadership;
- respect for shareholder rights;
- the meeting of stakeholder obligations; and
- our embrace of the challenges of the business environment in which we operate.

Enforcement is the key challenge for the organisation. It is overseen by the Group company secretary and is achieved not by badgering and cajoling, but through firmly entrenched practices, that ensure:

- document and information management and retention;
- the electronic storage of information from a risk perspective;
- policies and procedures;
- our remaining cognisant of statutory updates and implications for the organisation;
- best practice;
- innovation;
- rethinking ways of optimising entrenched procedures; and
- the ability to build sound governance, which in turn produces benefits for shareholders.

Governance policies

A number of governance policies are enforced within Anglo Platinum and its subsidiary companies. These comprise, but are not confined to, the declaration of business interests, the declaration of gifts, gratuities and hospitality, anti-insider trading, confidentiality, anti-competitive behaviour, authority limits and a whole slew of general operational policies and procedures.

Authority manual

Anglo Platinum has an extremely detailed authority policy manual in place. Its objectives are to delegate transactional and contractual authority from the Board to Anglo Platinum staff and officials at various levels. This provides effective and practical directives and guidelines for minimising or eliminating the Company's possible exposure to risk emanating from the unauthorised actions of its officials. It also ensures that Anglo Platinum staff and officials fully understand demarcated authorisation limits, and strictly adhere to them.

Board structures and subcommittees

Anglo Platinum's Board of directors is ultimately responsible for, among other things, the Company's sustainable development performance and strategy. The Board meets quarterly and is responsible to shareholders for setting direction through strategic objectives and key policies, and monitoring implementation through structured reporting systems.

The Company has a unitary Board, comprising two executive directors (CEO and CFO) and 10 non-executive directors (five of whom are independent non-executives), as defined by King II. Recruitment is currently under way for an additional independent non-executive director. An announcement will be made in this regard once selection has been completed. One executive director was appointed after year end, on 1 January 2009.

The Board has a charter setting out its mission, role, duties and responsibilities, and in particular, the following:

- Directors' fiduciary responsibilities.
- Leadership of the Board.
- Induction of new directors.
- Evaluation of directors.
- Relationship between staff and external advisers.
- Unrestricted access to Company records.
- Board meetings and procedures.
- Executive succession planning.

The Board has affirmed its commitment to the principles of sound governance. It ensures that the Group's business is conducted in line with high standards of corporate governance, within the predetermined parameters of risk management and control, and in accordance with local and internationally accepted corporate practice. This, in turn, ensures conformance and compliance without impeding business performance.

The directors endorse the general principles espoused in the Code of Corporate Practices and Conduct set out in the second King report and believe that the Board applies these to the extent appropriate to the business.

The Board and management actively and continually review and enhance the systems of control and governance to ensure that the Group's business is managed ethically and within prudent risk parameters, in line with internationally accepted standards of best practice. A subcommittee of the Board is convened from time to time, to identify and deliberate on changes to the legislative and statutory environment, new business policies and matters of compliance. This ensures that the Board is kept apprised of new developments, and monitors and supports governance and sound business practice in the organisation.

There were changes to the composition of the Board of directors and executive management during the course of the year. Neville Nicolau was appointed chief executive officer and an executive director of the Board, Kuseni Dlamini was appointed as a non-executive director, Philip Baum resigned as a non-executive director and Tony Redman retired. Bongani Nqwababa was appointed chief financial officer and an executive director of the Board on 1 January 2009. Norman Mbazima



and Duncan Wanblad resigned on 31 August 2008 and 1 July 2008 respectively upon their redeployment. Fritz Neethling was appointed executive head: projects and engineering and Mike Rogers was appointed executive head: operating joint ventures.

The Board has established a number of standing committees, which are ultimately accountable to it. These committees are a vital assembly of skills that seeks to concentrate on achieving set objectives and is designed to delegate Board functionality, assist and monitor the executive and ensure that dedicated functions are executed in the best interests of the Company and its stakeholders. A transformation committee was established at the beginning of the year. Its chief objectives are to embrace racial, cultural, ethnic and religious diversity and facilitate transformation and empowerment within the organisation; act in an advisory role and consider, encourage and support management in terms of all transformation issues. The role and representation of these subcommittees are listed in the table on page 76.

Except for the chairman, who receives a single inclusive fee, the Board and Board subcommittee members and chairpersons are paid a flat fee per annum, as recommended by the Executive Committee, noted by the Remuneration Committee and approved by the Board of directors and shareholders. This fee encompasses the responsibility of ensuring that each subcommittee, including the Safety & Sustainable Development Committee (S&SD), attains its core objectives in line with each committee's charter. Safety, health and sustainable development remain a key focus and core imperative of Board members.

Company executives are evaluated – and remunerated and rewarded – based on targets, key performance indicators and corporate objective weightings that include safety and sustainable development criteria.

Evaluation of the performance of all Board members and members of subcommittees is formally conducted annually by an independent third party, who confers with and assesses the Board of directors and subcommittees based on a self-evaluation process, and specific questions and criteria. Each director is encouraged to focus on his or her personal perception of the Board as a whole. (The process does not seek to evaluate individuals or their personalities.) Directors are also required to comment on the roles of the chairman and the Company secretary. A comprehensive report and feedback are delivered to the Board once the results of the interviews and assessments have been finalised. Feedback includes the assessor's thoughts on changes or developments that might assist the Board in becoming more effective and more efficient, with particular reference to future objective-setting, strategic thinking and prudent control. Board effectiveness assessments were conducted at the end of October 2008 by Professor Bob Garratt, an internationally respected figure who specialises in governance, corporate leadership, director development and strategic thinking.

Governance and our joint-venture partners

Anglo Platinum ensures that good corporate governance is upheld by placing equal importance on all shareholders and stakeholders, and by insisting on legal compliance and enforcement to underpin shareholder protection, profitability and the sustainability of the business.

Non-managed joint ventures are governed by monthly steering and management committee meetings and quarterly joint venture EXCO meetings at which Anglo Platinum has representation.

The agreements make provision for the management committees to constitute subcommittees to monitor areas such as employment equity, resource management, planning, production, safety, health, environment, audit, social-upliftment and remuneration.

Corporate governance embodies the principles, strategic imperatives and practices that govern and control any organisation. Anglo Platinum management is committed to achieving the Company's business objectives and the Company relies on these joint-venture management committees to fulfil and exercise its responsibility relating to the non-managed joint ventures. We do not specifically require our joint venture partners to be OHSAS 18001 or ISO 14001 certified. We do however require them to be legally compliant with respective legislation.

Governance of sustainable development in projects

Environmental impact assessments (EIA) are compiled for all new projects in terms of South African legal requirements. Depending on the applicable legislation, either an EIA under the National Environmental Management Act, or an environmental management programme (EMP) report under the Minerals and Petroleum Resources Development Act, is compiled. Regardless of the authorising authority, the Group uses the same criteria for the compilation of both types of impact assessments. During the pre-feasibility phase of projects, a scoping report is compiled after extensive stakeholder consultation. The scoping report defines the issues that should be investigated during the impact assessment stage. The impact assessment and proposed mitigation stages are completed during the feasibility phase of the project. The impact assessment contains specialist reports on all the potential impacts that the project may have, including socio-economic impacts. Consultation with stakeholders continues during the impact assessment and approval phases. Feedback is given to stakeholders after final regulatory approval of the documents. Apart from this external approval, all impact assessments are also peer-reviewed by Anglo American's technical department against its own criteria, which are based on international good practice and go beyond compliance. The criteria used fully embraces the concept of sustainable development.



Dust suppression sprays on Paardekraal tailings dam

Directors' attendance at Board and committee meetings in 2008

Director	Board	Audit Committee	Corporate Governance Committee	Nomination Committee	Remuneration Committee	S&SD Committee	Transformation Committee
Number of meetings held during the year	6	5	4	5	5	4	2
Philip Baum (resigned 23 September 2008)	3/3		3/3				1/1
Cynthia Carroll	5			3			
Kuseni Dlamini (appointed 23 September 2008)	3		0/1				1/1
Richard Dunne	5	5	4	5	5		
Bongani Khumalo	4		4			2	2
Russell King	5				3		
Norman Mbazima (resigned 31 August 2008)	3/3						
René Médori	6						
Valli Moosa (appointed 23 January 2008)	6		2/3				
Neville Nicolau (appointed 1 June 2008)	4/4					1/2	
Fred Phaswana	6		4	5	5		2
Tony Redman	6		3			4	
Sonja Sebotsa (appointed 23 January 2008)	6	2/2	3/3				
Duncan Wanblad (resigned 1 July 2008)	1/2					1/2	
Tom Wixley	6	5	4	5	5		2

The Board

The Board is responsible to shareholders for setting economic, social and environmental direction through strategic objectives and key policies, and monitors implementation through structured reporting systems.

Frederik Phaswana† (chairman)	Bongani Khumalo°
Tom Wixley° (deputy chairman)	Norman Mbazima*4
Neville Nicolau*1 (chief executive officer)	René Médori†
Philip Baum†2	Valli Moosa°5
Cynthia Carroll†	Bongani Nqwababa*6
Kuseni Dlamini†3	Tony Redman†7
Richard Dunne°	Sonja Sebotsa°5
Russell King†	Duncan Wanblad*8

* Executive.

† Non-executive.

° Independent non-executive.

1. Appointed 1 June 2008.

2. Resigned 23 September 2008.

3. Appointed 23 September 2008.

4. Resigned 31 August 2008.

5. Appointed 23 January 2008.

6. Appointed 1 January 2009.

7. Resigned 31 December 2008.

8. Resigned 1 July 2008.

	Role	Members
Executive Committee	Recommends policies and strategies; monitors implementation; deals with all executive management business; responsible for all strategic matters not expressly reserved for the Board.	Neville Nicolau ^{*2} , Pieter Louw, Norman Mbazima ³ , Mary-Jane Morifi, July Ndlovu, Fritz Neethling ⁴ , Bongani Nqwababa ⁵ , Francis Petersen ^{1,6} , Mike Rogers ⁷ , Abe Thebyane, Duncan Wanblad ⁸ , Sandy Wood, Sean Chelius ^{1,9} , Chris Griffith ^{1,10} , Jenny Meyer ¹ , Martin Prinsloo ^{1,11} , Simon Scott ¹
Operations Committee	Responsible for all operational matters; coordinates, manages and monitors resources to achieve the Group's aim.	Neville Nicolau ^{*2} , Ron Hieber, Pieter Louw, Norman Mbazima ³ , Mary-Jane Morifi, July Ndlovu, Fritz Neethling, Bongani Nqwababa ⁵ , Dean Pelsier, Martin Prinsloo, Mike Rogers, Simon Scott, Derek Steyn, Abe Thebyane, Sandy Wood, Clive Govender, Lettie la Grange, Simon Kruger, Jenny Meyer, Trevor Raymond, Gordon Smith, Archie Myezwa, Dion Smith
Audit Committee	Monitors adequacy of financial controls and reporting; reviews audit plans and adherence to these by external and internal auditors; ascertains the reliability of the audit; ensures financial reporting complies with IFRS and the Companies Act; reviews and makes recommendations on all financial matters; recommends auditors to the Board; monitors the Company's appetite for risk and concomitant controls.	Richard Dunne [*] , Sonja Sebotsa ¹² , Tom Wixley, Leon Bekker ¹ , Jenny Meyer ¹ , Neville Nicolau ^{1,2} , Bongani Nqwababa ^{1,5} , Fred Phaswana ¹ , Deon Smith ¹ Deloitte and Touche representatives ¹
Corporate Governance Committee	Reviews quality of corporate governance and makes recommendations to the Board; advises directors and management on the Companies Act, JSE Listings Requirements and other governing legislation.	Tom Wixley [*] , Philip Baum ¹³ , Kuseni Dlamini ¹⁴ , Richard Dunne, Bongani Khumalo, Valli Moosa ¹⁵ , Fred Phaswana, Tony Redman ¹⁶ , Sonja Sebotsa ¹⁷ , Leon Bekker ¹ , Jenny Meyer ¹
Nomination Committee	Considers suitable nominations for appointments to the Board and succession planning, and makes appropriate recommendations based on qualifications and experience.	Fred Phaswana [*] , Cynthia Carroll, Richard Dunne, Tom Wixley, Russell King ¹ , Jenny Meyer ¹
Remuneration Committee	Establishes the overall principles of remuneration and determines the remuneration of executive directors, executive heads; considers, reviews and approves Group policy on executive remuneration and communicates this to the stakeholders in the annual report.	Tom Wixley [*] , Richard Dunne, Russell King, Fred Phaswana, Chris Corrin ¹ , Jenny Meyer ¹ , Neville Nicolau ^{1,2} , Abe Thebyane ¹
Safety & Sustainable Development Committee	Develops framework, policies and guidelines for S&SD management, and ensures implementation; monitors Group compliance with relevant legislation. Evaluates material sustainable development impacts in light of the precautionary principle and advises the Board accordingly.	Tony Redman ^{*16} , Mzoli Diliza, Dorian Emmett, Bongani Khumalo, Pieter Louw ¹⁸ , Mary-Jane Morifi ¹⁹ , July Ndlovu ¹⁸ , Fritz Neethling ¹⁹ , Neville Nicolau ¹⁹ , Abe Thebyane, Duncan Wanblad ⁸
Transformation Committee	Embraces racial, cultural, ethnic and religious diversity and facilitates transformation and empowerment within the organisation; acts in an advisory role and considers, encourages and supports management in terms of all transformation issues.	Fred Phaswana [*] , Philip Baum ¹³ , Kuseni Dlamini ¹⁴ , Bongani Khumalo, Tom Wixley, Neville Nicolau ^{1,2} , Abe Thebyane ¹

* Chairman.

1. Attends committees by invitation.
2. Appointed 1 June 2008.
3. Resigned 31 August 2008.
4. Appointed 1 July 2008.
5. Appointed 1 January 2009.
6. Resigned 31 March 2008.
7. Appointed 1 September 2008.
8. Resigned 1 July 2008.
9. Resigned 31 August 2008.
10. Resigned 30 June 2008.

11. Resigned 30 November 2008.
12. Appointed 21 July 2008.
13. Resigned 23 September 2008.
14. Appointed 23 September 2008.
15. Appointed 21 April 2008.
16. Resigned 31 December 2008.
17. Appointed 21 April 2008.
18. Appointed 1 February 2008.
19. Appointed 23 July 2008.

PROTECTING HUMAN CAPITAL

In general, human capital incorporates the safety, health, knowledge, skills, intellectual outputs, motivation and capacity for relationships of the individual.

In an organisational context at Anglo Platinum, it includes the elements needed for people to engage in productive work and the creation of wealth, thereby achieving a better quality of life for employees and their families.

Dr Tumi Nyezi is a dentist at Platinum Health's health centre in Rustenburg. Tumi was nominated by fellow employees as a heroine for her dedication to her job and caring nature towards them.

EMPLOYEE SAFETY

Employee safety is a material issue and has therefore been included in detail in the 'Our Material Issues' section of this report on page 31.

HEALTHY PEOPLE

Anglo Platinum's health strategy is a comprehensive one, aiming for wellness rather than a reactive, curative approach. It recognises the integrated nature of wellness and the complexity of factors that impacts health and well-being.

Employee health cannot be seen or treated in isolation from the health of the communities around our operations, and the public health services of Anglo Platinum proved their value in 2008 by managing waterborne disease in the Makopane area and monitoring and preventing the spread of disease, as in the threat posed by the cholera epidemic originating from Zimbabwe.

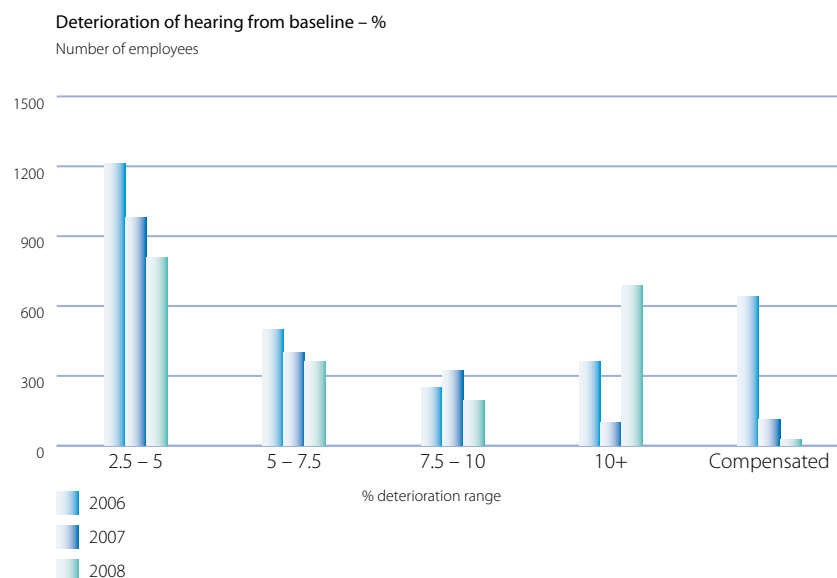
Medical treatment, including HIV/AIDS, is provided as a free healthcare benefit to employees as we believe that it contributes to wellness and has a positive impact on safety and productivity at the workplace.

Quality medical care is provided through a health maintenance organisation (HMO).

HEALTH SERVICES PROVIDED

Anglo Platinum provides the following health services:

- A range of public healthcare interventions aimed at preventing infectious diseases, including tuberculosis, cholera and malaria, and expert assistance to regional healthcare services.
- The treatment of infectious diseases such as tuberculosis (TB).
- HIV/AIDS prevention and treatment programmes for employees and dependants.



- Occupational healthcare service.
- Primary, secondary and tertiary healthcare.

Given the background of high medical cost inflation in South Africa and various financial constraints, Anglo Platinum continues to be recognised by the Registrar of Medical Schemes as providing quality but also cost-effective and sustainable healthcare, delivered mainly through the HMO. Mine hospital-based healthcare provision is the ideal model for enabling access to affordable healthcare for lower-income families who cannot afford the cost of private medical schemes. This service is available at affordable rates to all employees and contractors working at Anglo Platinum operations.

Occupational health

Anglo Platinum has a well-developed system of occupational healthcare services to prevent or minimise impairment from workplace health hazards. These include occupational hygiene and medicine systems, which are monitored and audited according to the Group's occupational health management guidelines and best practice. This third-party audit comprises all the requirements endorsed by the South African Society for Occupational Medicine (SASOM).

Noise-induced hearing loss (NIHL)

The most significant occupational health risk at Anglo Platinum remains NIHL, but consistent and systematic efforts to address this risk are starting to show results.

There were 28 new cases of NIHL in 2008. The NIHL definition used is that stipulated by the ICMM.

In 2008, 68 employees were compensated for NIHL, which is significantly lower than in the previous years (111 in 2007 and 637 in 2006). These results are encouraging, reflecting a move towards achieving the 2011 target of zero new cases.

Silicosis

None of Anglo Platinum's operations pose any risk of exposure to crystalline silica dust and its associated lung diseases due to the nature of the ore deposits.

In 2008, there were 13 new cases of pneumoconiosis of which three were caused by exposure at Anglo Platinum's health care services (against 212 in 2004, 234 in 2005, 61 in 2006 and 21 in 2007), including cases of asbestosis. Ten of the new cases were attributable to exposure prior to employment at Anglo Platinum.

Nickel exposure

Potential nickel exposure in isolated sections of the metallurgical process is addressed in the short term through personal protective equipment. Long-term engineering solutions are being implemented. Hygiene monitoring, medical surveillance and targeted biological monitoring are conducted among the small group of employees working in this environment.

Lead exposure

Potential lead exposure in certain isolated sections at the Polokwane Smelter and at the laboratory's fire assay sections is addressed through comprehensive control programmes. Hygiene monitoring, medical surveillance and also specific biological monitoring are conducted among the small group of employees working in these particular environments.

Diesel particulate matter exposure

Exposure to diesel particulate matter in mechanised underground sections has been identified as a potential risk, and a comprehensive baseline occupational hygiene assessment is in the final stages of completion.

Infectious tuberculosis (TB)

Anglo Platinum actively screens for TB and provides comprehensive treatment to infected employees. During 2008, 734 (520 in 2007 and 891 in 2006) employees with new TB infection were treated. There were 91 deaths from TB, of which 81 were HIV-related (seven in 2007, of which six were positive for HIV; and 65 in 2006, when 72% of cases were positive for HIV). Our rate of new TB cases increased from 10 per 1,000 in 2007 to 12 per 1,000 in 2008. This is cause for concern, and in the context of a national epidemic we will step up all preventative and control measures.

Anglo Platinum recorded one case of extremely resistant TB in 2008 (compared with one in 2007).

Initial data from the antiretroviral (ART) programme show a decrease in the risk of TB among employees on ART, reflecting the efficacy of the latter.

Healthcare workers treating patients with infectious TB at our medical stations are exposed to an occupational risk of contracting TB.

Anglo Platinum has in place advanced environmental control arrangements in all areas where there is a high density of people, especially TB wards. This greatly reduces the risk to healthcare and other workers.

Platinosis

The potential for platinum-salt sensitisation occurs only at Precious Metals Refiners. The risk has abated significantly over the last decade owing to improved conditions. Seven cases were diagnosed in 2008, compared with no cases in 2007 and five cases in 2006. The reason for the deterioration in 2008 was exposure during a comprehensive stocktake. Procedures used to guide tasks during stocktake have been amended to prevent future exposure.

Evaluation of fitness to work, rehabilitation and functional assessment centres

As part of the approach to wellness, Anglo Platinum routinely conducts medical examinations on all employees to continually monitor fitness to work and establish any adverse medical condition. To conduct these medicals, Anglo Platinum operates three rehabilitation and functional assessment (RFA) centres: at Rustenburg, Thabazimbi and Modikwa. At RFA centres, batteries of tests are used to



objectively measure physical fitness through physical work capacity testing. The centres also undertake functional work capacity testing for specific jobs. If employees prove unfit, they are placed on a rehabilitation programme. All employees on rehabilitation programmes are assessed periodically until they pass the required tests, after which they are declared fit to return to work. In 2008, 278 employees who failed fitness tests could not be placed elsewhere. The majority, however, could be accommodated.

In cases where employees remain unable to meet any of the job requirements or alternative jobs are not available, medical boarding is initiated.

Medical incapacity

Through the Company's medical boarding processes, medically affected employees are evaluated and considered for alternate employment where they are disabled or unable to continue in their current jobs.

Medical boarding procedures considering alternative employment have been successful, with 46% of medically affected employees placed in alternate positions (40% in 2007). Employment was terminated in 278 cases in 2008 (317 cases in 2007), of which 19 followed injuries and 13 occupational diseases. Contrary to frequent perceptions, HIV is not the primary reason for medical boarding. At present it is a very small contributor to boarding.

Nutrition

The South African food-based dietary guidelines and the dietary reference intakes of the Institute of Medicine, Food and Nutrition Board, USA, are used as directives to ensure the adequacy of nutritional intake for employees living in accommodation provided by the Company.

Regular audits are conducted by the Group's public health department to ensure adherence to all food safety principles. Raw and cooked food samples are taken to accredited laboratories for microbiological and chemical analysis to ensure conformity to health legislation and Anglo Platinum standards. Every month the consulting dietician analyses reports on actual consumption and meal participation, for portion and nutritional control, and is responsible for addressing any concerns.

Food suppliers are audited annually by the public health department's audit team, which includes a senior South African auditor and a Training Certification Association auditor, to ensure adherence to health criteria.

As part of socio-economic development, the Company is exploring ways of improving nutritional status through self-help schemes, especially in the rural Eastern Limb.

HIV AND AIDS

HIV AND AIDS WORKPLACE PROGRAMME

HIV and AIDS have been managed as an integrated response along a continuum of care (from prevention through to care and support), founded on the larger socio-economic circumstances that are a co-factor in the pandemic and closely linked to strategies for prevention.

THE PEER EDUCATION HIV/AIDS PROJECT

Anglo Platinum, together with its HIV/AIDS partner, CareWorks, is responsible for the largest peer education project in South Africa. At the project's inception in 2007, the plan was to have one peer educator for every 50 employees – meaning that 2,200 peer educators would have been required for the total workforce. Today there are 945 peer educators, but the number is growing.

Prevention is more effective than cure

Eighty per cent of the Company's efforts is targeted at prevention, and only 20% at treatment. This philosophy and approach were part of the reason why Anglo Platinum chose to partner with CareWorks.

Overcoming illiteracy

The storytelling methodology employed by peer educators is designed to overcome the challenge of illiteracy. The approach is characterised by a two-way process in which trainers learn relevant stories from peer educators, who in turn learn how to integrate information about HIV into their stories.

Evolving communication to make the message 'stick'

Internal research findings indicate that peer education is most effective when educators are able to communicate in a way that makes it easy for others to understand and embrace messages. Information must therefore be accessible, and should relate to day-to-day life. One peer educator came to this conclusion: "I realise now that present, simple, basic issues move from the known to the unknown. Information must not be hard stuff but what people live with from day to day. Not too much information! Quality information, not quantity."

Communication skills first, content second

Initial peer education training takes 40 hours, which are typically divided up over five days. The training is followed by a regular monthly facilitators' meeting, which provides backup and support.

Only 20% of the content mix focuses on HIV and AIDS. Most of it focuses on communication skills: on how to educate, how to present, and how to be a leader and a role model. The logic behind this is that HIV/AIDS material is readily available; what is lacking is the ability to get people to listen, and to come to understand how to shoulder the burden of disclosure.

Behavioural change

A core principle of Anglo Platinum's HIV/AIDS management approach is that one cannot make choices for people. This, naturally, is not without its challenges. Among them are low levels of literacy, beliefs around gender, the fact that operations are usually located in very rural environments in remote areas, and the dynamics typical of the mining industry, which is traditionally class conscious and autocratic.

A key focus for Anglo Platinum has therefore been informed choice. Every day, members of the HIV/AIDS programme team are required to ask themselves three questions: 'Have we informed?', 'Have we educated?' and 'Have we facilitated access to services?'

Gauging the success of peer education

At Anglo Platinum, peer educators are expected to assist in achieving the following objectives:

- Promoting better HIV/AIDS knowledge and understanding.
- Promoting better knowledge and understanding of TB and sexually transmitted infections.
- Creating an environment where people feel comfortable about knowing their HIV status and are empowered to seek the appropriate treatment when needed.
- Having one-on-one conversations about issues that fuel the HIV pandemic, such as social and economic circumstances and pressures.
- Referring colleagues to the available resources for assistance with HIV/AIDS.

The programme is also accredited by the Sector Education and Training Authority, which means that it is written around specific unit standards.



The key aspects of the approaches have been:

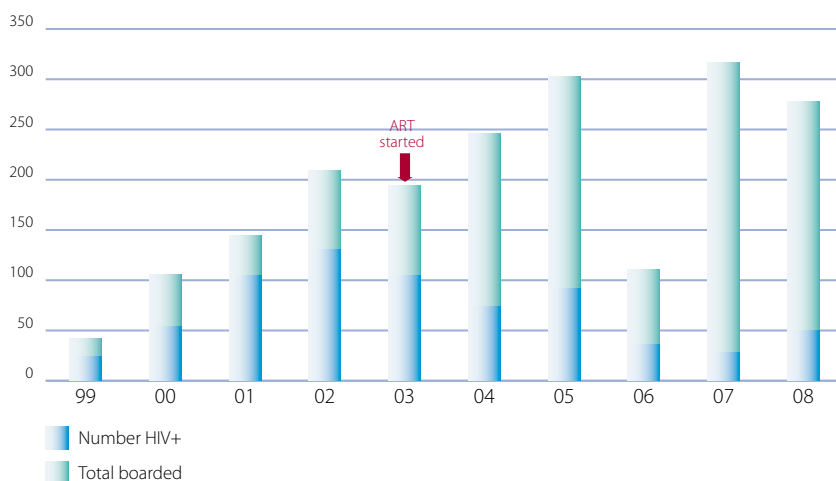
- a targeted, and culturally appropriate, information, education and communications strategy (primarily through peer education and support media);
- increased access to and uptake of all workplace prevention interventions (especially VCT, PMTCT, PEP, STI and TB screening and treatment);
- strengthened capacity of the health system, NGOs and organisational structures to maximise the effectiveness of programme implementation;
- improved the care and support of the infected, including access to good nutrition, psychosocial support and treatment, to promote a better quality of life and limit the need for hospital care;
- programmes aimed at reducing stigma and discrimination by providing information that builds confidence in individuals' ability to protect themselves against infection and the impact of AIDS;
- a monitoring and evaluation framework that outlines process, outcomes and impact indicators, and also the mechanisms for measuring and reporting on these;
- the provision of adequate, sustainable and predictable financial resources to maximise efficiencies for better outcomes;
- continued stakeholder engagement, both internal (unions and associations, management and employees) and external (government, NGOs, traditional leaders); and
- continued support for community projects (eg home-based care NGOs and traditional health practitioners).

PROMOTIVE CARE

Unions

The revised HIV and AIDS Partnership Agreement was signed off by the unions and Anglo Platinum after a review process.

Total medically boarded employees versus HIV+



Training and education

In 2007, in response to the demand for workplace peer education and informed by the low literacy and numeracy levels of an enormous number of employees, Anglo Platinum initiated the largest peer-education project known in any workplace. We concluded 2008 with the recruitment and selection of over 945 peer educators, who were trained to SETA standards, and implemented a system of reporting, supervision, mentoring and coaching. These peer educators will also be utilised to spread the message about the efficacy and effectiveness of ART, a message that has not yet filtered through to employees.

PREVENTIVE CARE

Voluntary Counselling and Training (VCT) and screening on-site

In conjunction with information and education, VCT was again made available to all employees during their annual medical examinations, significantly contributing to every person being aware of the risk of HIV, TB and STIs and the need for annual testing. The 2008 target of 75% of the total workforce was achieved, with a total of 45,008 full-time employees testing voluntarily. From these tests we deduce that the number of HIV+ employees as a percentage of the total number of full-time employees is 17% for the 2008 reporting period. It should be noted that Anglo Platinum also provides free VCT for all contractors. In the period under review, 36,924 contractors volunteered for testing.

STI testing

A total of 4,037 STI tests were conducted in 2008, with the highest numbers at Amandelbult (1,522) and Rustenburg (1,250), but these figures ought to be far higher. The low numbers at Union, BRPM, LPM and Mogalakwena are also to be addressed. Workers who tested positive were referred for treatment.

Complementing the challenge to positive behaviour change is the ongoing provision and promotion of male and female condoms; advisory and treatment services for sexually transmitted infections (STIs) and TB; post-test support; and follow-up psychological support. In addition to the professional code of ethics, medical staff signed a public pledge guaranteeing confidentiality, which was greatly appreciated by potential patients. All patient records are subject to strict medical confidentiality.

TB screening

Active TB screening is part of the annual medical examinations and is covered under 'Occupational health'.

The wellness programme

By the end of December 2008, 5,043 employees were enrolled in the wellness programme. The programme's objectives are to keep employees healthy and free from opportunistic infections such as TB and pneumonia and to delay ART as long as possible.

PMTCT (prevention of mother-to-child transmission) and PEP (post-exposure prophylaxis)

PMTCT for women giving birth and PEP for health workers and rape survivors have been policy since 2003. However, both were actively promoted for improved uptake in 2008, with updated PMTCT guidelines implemented. A total of 43 women were enrolled into the PMTCT programme and all babies born to these mothers are HIV negative. Testing was voluntary.

CURATIVE CARE

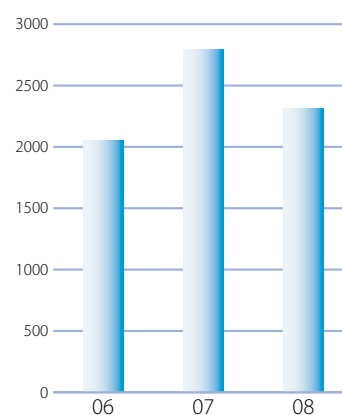
Antiretroviral therapy (ART)

At the end of December 2008, 2,314 employees were on ART, of whom 134 are women. Compared with international norms, the programme outcome is good, but we remain concerned with the number of people who have withdrawn from treatment. This will continue to be a high-focus area for the programme.

Unfortunately, and despite the education and information provided some employees are still entering the programme at an advanced stage of HIV infection. Juxtaposed with this is the noticeable health improvement in those who are on treatment, based on increased CD4 counts and lower viral loads.

As part of the agreement with organised labour, the Company agreed to extend ART to spouses in 2006. In the period under review, 86 spouses enrolled, either through the medical scheme or through the HMO; 35 minor dependants enrolled through the medical scheme.

Total employees on ART



REHABILITATIVE AND PALLIATIVE CARE

Medical board committees are in place at all operations and have resulted in a significant number of medically affected employees being placed in alternative jobs. The number of HIV-related terminations has decreased significantly owing to the roll-out of ART, as reflected above under 'Medical incapacity'.

SKILLS ATTRACTION AND RETENTION

Skills attraction and retention is a material issue for our business and has therefore been included in the 'Our Material Issues' section of this report on page 58.

DEVELOPING PEOPLE

Human resource development largely takes place at the operational training centres at each mine, Anglo Platinum Development Centre in Rustenburg, as well as at the newly established Operational Skills Development Centre (OSD) in Rustenburg. These training centres have retained their ISO 9001 quality management certification and have been reaccredited for the next three years as training providers in the mining industry. The Group maintains its strong representation in national structures, such as the Mining Qualifications Authority (MQA), the Education Advisory Committee of the Chamber of Mines and contributes significantly to human resource development in the industry.

The OSD Centre plays an intricate part in the development of employees at Anglo Platinum. The specific areas of focus are critical skills development for the Group's operations in terms of current and future requirements.

Specific training provided at the facility includes:

- various company-related safety training programmes;
- engineering skills for lower-level employees;
- induction for new and ex-leave employees and returning artisans and engineers;
- mining skills Levels 2, 3 and 4; and
- back-to-basics mining skills programmes.

Facilities were also established to offer portable skills in support of the Group's Social and Labour plans in Rustenburg and are as follows:

- Painting
- Carpentry
- Tiling
- Bricklaying
- Plumbing

A total number of 386 employees have successfully been trained in the abovementioned portable skills during 2008. The focus is on employees nearing retirement, employees with disabilities and employees who are medically boarded and are unable to continue work underground due to injuries and/or illness, but who are fit enough to undergo training.

Safety trainee programme

A development programme for safety trainees was initiated during 2008 with the main objective being the provision of competent safety professionals. The average length of the programme is three years and trainees attend classes on a part-time and full-time basis. In total, 32 trainees successfully completed their first year of study during 2008.

Mining Training Centre East

Earmarked as the long-term plan to provide competent mining staff for all the Anglo Platinum mines on the Eastern Limb, R285 million was made available to establish a Mining Training Centre. Construction commenced in June 2008 and good progress has been made. Mining training will consist of theoretical and supervisory training on surface and practical training underground.

As at the end of December 2008, the following number of learners were in training at our mining training centre in Rustenburg:

- NQF Level 2 learner miners – 83 learners
- NQF Level 3 rock breaker learner miners – 136 learners

- Practical route supervisors (NQF 2) – 38 learners
- Practical route shift supervisors (NQF 3) – 26 learners

A Mechanisation Mining Training Centre is also being established in Rustenburg in support of the training strategy.

Engineering training

To complement the Mining Training Centre, the Group has significantly increased its artisan training. Anglo Platinum's Engineering Skills Training Centre in Gauteng is currently undergoing a R27 million upgrade to increase capacity to train and qualify approximately 1,500 qualified artisans over the next five years. Currently there are 704 registered engineering learners in the system.

Process training

The Processor academies established during 2008 are aligned with the Mineral Processing qualification for lower-level employees. These academies were established at Waterval Concentrator, BRPM, Amandelbult, Mogalakwena Section and Waterval Smelter with 110 employees attending.

Coaching in Anglo Platinum

The demand for mentoring and coaching schemes is on the increase in South Africa, driven by the skills development and BEE imperatives. Professional associations and SETA's have specified mentorship and coaching as an important element of professional training, internships and learnerships.

Committed to keeping in line with these demands, Anglo Platinum implemented coaching as a development tool to ensure the success of various training and development interventions within the Engineering, Process, Mining and Services disciplines.

Adult basic education and training (ABET)

Anglo Platinum continues to believe that the provision of adult basic education and training (ABET) has a positive impact on its employees' ability to communicate effectively and hence work safely. In addition, it allows its employees the opportunity to develop their skills and realise their full potential.

Employees, contractors and community members have been offered ongoing ABET training opportunities in 2008. Enrolments have increased significantly, with December 2008 figures ending at 6,589. These enrolment numbers have increased 91% over the 2007 numbers. Staff-to-learner ratio has also reached 1:34, well above industry norm.

Full-time learning has continued with over 1,300 enrolments recorded, more than doubling numbers reported in 2007. Own-time learning has continued with enrolment numbers increasing by more than 80%. Own-time attendance, however, remains a challenge.

Recognition of prior learning has continued with almost 19,000 interviews being conducted during the year. Placements indicate that most learners will have to start ABET at the lower levels.

Altogether 124 classes are used during morning, afternoon and late afternoon time periods to accommodate shift workers. Staff training has continued in line with industry demands. Each centre has been staffed with the relevant number of assessors and moderators.

Young professionals

The Anglo Platinum bursary and graduate scheme continues to grow in numbers in order to be able to ensure a long-term supply of professional employees into the Company.

In 2008, the Group spent R50.9 million on its bursary scheme. The table below provides historical and future bursar numbers.

Bursary scheme	Number of bursars
2009 target	841
2008	657
2007	486
2006	414
2005	323
2004	364
2003	395

Importantly, the objectives of the scheme are to support:

- the Group's pipeline of future leadership; and
- the Group's employment equity objectives and targets. Accordingly, the recruitment ratio of 70:30 in favour of HDSA candidates is a guiding principle. In 2008, 81% of the Group's bursars were HDSA and 17% female.

Altogether 118 tertiary institution bursars are expected to qualify at the end of 2008 in the following disciplines: mining, engineering, electrical and mechanical engineering, metallurgy and chemical engineering, analytical chemistry, rock engineering, geology, mine surveying, and finance and accountancy. They will join the Group's graduate development programme in 2009, where they will be exposed to comprehensive programmes designed to prepare them for their first substantive positions.

By the end of 2008, 541 bursars would have obtained their tertiary qualifications through the Company's bursary scheme dating back six years.

Talent management

The competition war for talent and the scarcity of skills in South Africa have highlighted the need for skills retention. The talent identification and retention process in the Group aims to identify, develop and retain high-potential and high-performing individuals. This process influences other human resource-related decisions such as recruitment, succession planning, rotation plans, career development panels and various retention initiatives.



In 2008, Anglo Platinum invested in world-class leadership development and executive potential assessment programmes for talent at different career stages. Selected employees received international exposure and networking opportunities with employees from other Anglo business units.

Management and leadership

To enhance performance at the managerial and supervisory levels, employees attended various development programmes.

At junior management level, 53 managers have attended the Junior Management Programme and 63 potential senior managers have graduated from the Programme for Management Excellence, thereby enhancing the leadership supply from within the organisation.

To enhance performance at supervisory levels, various development programmes have been initiated with over 3,500 supervisors attending these programmes. These programmes have focused on areas such as personal and professional mastery, generic supervision skills, change management, performance management, employee relations and employee communications.

Career paths

Anglo Platinum has generated generic career paths for all disciplines. Role descriptions have been articulated, indicating minimum requirements such as job complexity, qualifications, experience and competence. Individual development charters have been developed for certain levels of employees and are reviewed annually.

Fast-tracking

The Group remains committed to fast-track the development of high-potential employees from historically disadvantaged groups to increase the talent pool and pipeline in support of business growth and compliance with the mining charter. Through focused fast-tracking programmes, the Group is currently developing 432 high-potential black business leaders for senior positions.

Employment equity – diversity and opportunity

Anglo Platinum has successfully complied with all recommendations of the Department of Labour's Director-General review in terms of section 43 of the Employment Equity Act.

The Group's employment equity status shows satisfactory progress towards achieving equitable representation of designated groups across all occupational levels and categories of the workforce. As required by the Employment Equity Act and its amended regulations, Anglo Platinum submitted a consolidated employment equity report for the 2008 reporting period ending 31 May 2008 to the Department of Labour as shown below.

The Group has achieved 27% representation at top management level, while at senior management, middle management and supervisory levels it achieved 29%, 46% and 64% respectively. The Group achieved 44% representation at a management level against the mining charter target of 40% which comes into effect in 2009. At the end of 2008, 10% of our employees were women, meeting the

mining charter requirement of 10% by year 2009; however, the Group still experiences challenges in attracting suitably qualified women in the mining discipline.

The Group's employment equity strategy, typified by special interventions such as attracting high-potential candidates, employee development programmes, mentoring, shadowing, fast-tracking and talent pool management continued to deliver positive results towards achieving our targets.

HOUSING

Anglo Platinum and the National Department of Housing (NDOH) have signed a memorandum of understanding to establish a partnership that will provide 20,000 houses for Anglo Platinum employees in Limpopo and North West in the next five to 10 years.

Anglo Platinum's investment in the land and the servicing of 20,000 stands is more than R1,4 billion, while the government's subsidy contribution over 10 years is more than R900 million. The total investment, including social and economic amenities, is over R2,5 billion. This programme is expected to benefit more than 120,000 people.

The memorandum was signed by Anglo Platinum's CEO, Neville Nicolau, and NDOH Deputy Director-General, Kaba Kabagambe.

The partnership is aimed at accelerating housing delivery. The role of the NDOH in promoting the development of sustainable human settlements includes helping stakeholders to provide housing for their workforce. Anglo Platinum is such a stakeholder, and owns or has access to sites that may be suitable for housing. For the provision of community facilities, such as schools, clinics and transport links, all levels of government will be involved, and Anglo Platinum will provide support.

The aim is to make available 12,000 housing units in North West province and 8,000 units in Limpopo, funded by both Anglo Platinum and relevant government subsidies. Currently, the following stands have been earmarked for development:

- 310 stands in Northam Extension 6.
- 7,700 stands in Rustenburg, in Seraling, Boshoeck, Bokamoso and Boitekong Extensions 19 and 24.

This development marks the beginning of an ambitious and long-awaited project of facilitated housing, in support of the government's plan for the establishment of sustainable human settlements.

Anglo Platinum will not only provide funding for the project, but will also accelerate the delivery of quality housing solutions for its employees, while allowing existing communities to grow and become sustainable.

"We are pleased with this partnership, because it will assist us to fast-track the provision of adequate housing and the sustainable integration of our employees in communities around our operations," Neville Nicolau said.

Kaba Kabagambe welcomed the agreement. He said that a key constraint for the department has been the lack of suitable land. "The first phase of the scheme will create 15,000 jobs," he noted.

RESPECTING PEOPLE'S RIGHTS

EMPLOYEE RELATIONS

In terms of the employee relations policy signed by all recognised unions and management, partnership structures were established at various levels of the Group. The fully functional partnership structures are:

- the central partnership forum (CPF);
- the CPF steering committee; and
- the operating unit partnership forum.

The table on page 133 shows the number of employees represented by the various majority unions.

The current employee relations policy is under review. The critical parts under review are trade union recognition and collective bargaining rights thresholds, which will result in the reduction of recognised trade unions from six to three. It is expected that the new employee relations policy will come into effect from 1 February 2009.

The employee relations values charter was signed off by management and unions on 16 October 2008. The purpose of the charter is to support company values and improve relations with employees.

Communication structures

The Group has implemented an employee communication policy. The objectives of this policy are to:

- promote the empowerment of line management, with emphasis on line management taking responsibility for being the primary communicators with their employees;
- ensure an understanding of the communication roles and responsibilities of all parties, and provide a common approach to communication within Anglo Platinum;
- create a framework to improve employee communication and put support resources in place allowing line management to achieve sustainable communication success; and
- monitor and audit the effectiveness of employee communication to ensure an understanding of how to improve on it.

The policy also details the structures of communication at various levels of the organisation, for example supervisors having face-to-face meetings with their teams to discuss production and safety issues.

On various matters of mutual interest to the Group and its employees, management regularly consults and communicates with employees belonging to trade unions through the transparent partnership and communication structures enabled by the formation of the central partnership forum (CPF). The convenors of these communication and consultation sessions are required to publish minutes of their meetings. This ensures that all relevant employees are kept informed about issues currently on the union and management agendas.

Human rights

South Africa is a signatory to the Universal Declaration of Human Rights, which is in turn reflected in the country's constitution. Anglo Platinum has incorporated human rights principles into its code of ethics and business principles. These apply to all our operations, including projects in Zimbabwe and exploration in China. Material human rights issues have been included from page 37 to page 56 and should be viewed for further detail.

Non-discrimination

Anglo Platinum's code of ethics and business principles declare that 'we promote workplace equality and seek to eliminate all forms of unfair discrimination'.

The Group has subscribed to government and industry agreements and has amended its policies and procedures to ensure non-discrimination against foreign migrant labour.

Six cases of discrimination led to formal complaints and disciplinary procedures in 2008. The Group also subscribes to government agreements to ensure non-discrimination against foreign labour.

Freedom of association and collective bargaining

All Anglo Platinum employees have the right to freedom of association under the South African constitution and the Labour Relations Act, 1995. This right is also entrenched in the Group's code of ethics, business principles and employee relations policy. The Group recognises trade unions with significant representation among its employees, and these in turn participate in collective bargaining forums with management. Some 84% of the Group's employees are represented by trade unions as shown in the table on page 133.

Disciplinary procedures

The Group's behavioural procedure governs the appeal process. In cases where an employee has been counselled, given a verbal warning, or a written warning, or both, or been handed a sanction arising from a hearing, the employee may appeal. The employee must appeal within three working days, in writing, to the employee relations practitioner. The manager or head of department will, within three working days, or as soon as reasonably possible, convene an appeal hearing, investigate the facts and circumstances, and assess the evidence led. The appellant has the right to be represented by a fellow employee or a trade union representative during an appeal.

Any appeal process is confined to the merits on which the request for relief is based, as being one of:

- wrongful verdict of guilt;
- unfair penalty/sanction in light of the circumstances of the offences; and
- substantive impropriety in that the appellant has been disciplined without reason.

The chairperson's decision on appeal is final. There is only one level of appeal. Should the employee wish to take the matter further, he or she is entitled to process it in terms of the Labour Relations Act or any other applicable legal avenue. There were 444 appeals heard in 2008, with 16% of original decisions reversed.



Grievance procedure

Anglo Platinum's grievance procedure is intended to create an environment that is conducive to good employee relations, by making provision for prompt and fair action when employees raise legitimate complaints. There are two recognised grievances, namely:

- an individual grievance, in which one person has a grievance; and
- a group grievance, in which more than one person has a grievance. In this instance, the aggrieved group may select up to five representatives to raise the grievance with their immediate supervisor. Union members must select shop stewards as representatives. Employees who are not members of a union must select a representative from the group that has the grievance. Individual and group grievances are treated in the same way, and the same procedure must be followed.

Should a grievance remain unresolved, the final management authority within that particular structural hierarchy at an operating unit is allowed an opportunity to resolve and take a decision on the matter, after which external dispute resolution mechanisms regulated by legislation may be employed by the aggrieved party or parties.

Labour disputes

There was a two-day unprotected strike by NUMSA in August 2008, arising from disagreement over the payment of production incentive payments. Some 282 NUMSA members were involved, resulting in 422 man-days lost. NUMSA members who participated in the unprotected strike received a warning.

Child labour, and forced and compulsory labour

Anglo Platinum does not make use of child labour and does not tolerate inhumane treatment of employees, including any form of forced labour, physical punishment, or other abuse. There were no incidents of child labour, or of forced or compulsory labour in 2008.

Indigenous rights

In its code of ethics and business practices, Anglo Platinum states that it recognises 'the sensitivities involved in addressing issues that relate to the cultural heritage of indigenous communities'. The Group seeks 'to ensure that such matters are handled in a spirit of respect, trust and dialogue'.

Anglo Platinum takes the view that most of what is intended in the Global Reporting Initiative's definition of 'addressing the needs of indigenous people' is covered in the society section of the report that follows, in which relationships with the communities associated with its operations are discussed.

Security practices

Anglo Platinum continually monitors the implementation of the Voluntary Principles on Security and Human Rights in all its operations. The principles are relevant to many aspects of the Group's security management, including risk assessment and interactions with public and private security providers. The principles are international best practice in the management of security and community risks.

The development of the course in Human Rights in Policing and the Train the Trainer programme for the South African Police Service (SAPS) was completed successfully in April 2008. This course forms part of the national SAPS curriculum. It is the hope of Anglo Platinum that this programme will help the SAPS improve the manner in which they deal with protesters and people under arrest. All Anglo Platinum security employees completed another, internally designed, comprehensive training programme.

In May 2008, Anglo Platinum undertook the exhumation of 149 graves at Blinkwater farm (82 graves were from Sekuruwe village), to make way for a new tailings dam at Mogalakwena Mine in Mokopane (see page 41). At the time of exhumation on 28 May 2008, a group of local activists blockaded access to the burial site and stoned the undertaker's vehicle. The SAPS made numerous attempts to peacefully resolve the stand-off. When the stoning did not cease, the SAPS arrested 47 protesters.

On 3 June 2008 a blast was scheduled at Mogalakwena's north open-pit mining operations. A group of 18 local female activists converged at the mine's blasting danger zone next to the perimeter fence, defying all the safety instructions that were communicated by the mine. Members of the SAPS, who were also present, appealed to this group to move away from the danger zone for safety reasons. When the group continually ignored the appeals, the SAPS ordered them to get into their police vehicles. The activists obeyed without any resistance. The SAPS then transported them to a safe place without making any arrests. The mine conducted another pre-blast safety survey and continued with the blast as scheduled, without any further safety incidents.

Projects in Zimbabwe

The bigger Anglo American Group has been an investor in Zimbabwe for 60 years. The Unki project, which has been in development since 2003, is a long-term investment for a mine that is yet to start production and will not generate revenues for some years. It is envisaged that Anglo Platinum will own and operate the Unki Mine. Anglo Platinum is deeply concerned about the current political situation in Zimbabwe and condemns the violence and human rights abuses that are taking place there. It is monitoring the situation in Zimbabwe very closely and is reviewing all options surrounding the development of the project. It has been made clear to Anglo Platinum that, if it ceases to develop this project, the Government of Zimbabwe will assume control.

Anglo Platinum has a clear responsibility to protect the well-being of its more than 650 employees and contractors, of their families and of all those who depend indirectly on the activity around the project. All their livelihoods would be jeopardised should the Company withdraw from Zimbabwe. The responsible development of the Unki Mine will create a long-term viable business that will be important to the economic future of Zimbabwe for years to come. Anglo Platinum continues to support the communities around the project through a number of important social development activities, including the provision of basic food and supplies, the building of a dam to help support agriculture through the reliable supply of water, and the provision of financial and other assistance to the primary and secondary schools and community health facilities.

Exploration in China

Anglo Platinum was conducting exploration in the Sizhuan province of China. This area is a region that is in dispute with the Tibetan government. Anglo Platinum has decided to withdraw from the area and will be wrapping up its activities completely in this region.

PARTNERSHIPS ARE KEY

It is no longer acceptable to expect communities to be satisfied with just corporate social investment projects in their areas. Communities around our operations are increasingly demanding more direct benefits from mining operations, including employment, supply and business development opportunities, infrastructural provision and, in some instances, equity or annuity stakes.

Ms Agnes Qwabe is an entrepreneur from Mathabatha community adjacent to Lebowa Mine. The mine has assisted her to develop a viable bakery from which the mine is likely to procure. Agnes also runs a creche in her community.

COMMUNITY DEVELOPMENT

Anglo Platinum continues to play a meaningful role in community development. Guided by the mining charter, its social and labour plans and corporate citizenship principles, Anglo Platinum invested R176 million in community development projects around its operations in 2008.

The Group's corporate social investment strategy is to play a constructive role in enhancing the quality of life in communities surrounding our operations, as well as in some regions from which members of the workforce are sourced.

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

- Infrastructure: contributing to the sustained improvement of physical infrastructure in underdeveloped areas.
- Education: supporting the development of quality education centres and improvements in mathematics, science and English-language teaching and learning at primary and secondary schools.
- Health and welfare: supporting initiatives geared at enhancing government's delivery of primary healthcare and welfare services to the underprivileged sector.
- Community capacity-building: supporting initiatives to improve the skills of community members and their organisations.
- Small-, medium- and micro-enterprise development: supporting programmes intended to promote entrepreneurship in mine communities and labour-sending areas.

Full details of community development projects are provided in a document entitled 'Partnership in Action' available on our website.

CHAIRMAN'S FUND

Anglo Platinum provided R25 million in 2008 to the Group's Chairman's Fund. The fund has a long history of providing basic infrastructure, mainly classrooms, for schools in the more remote rural areas.

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

Corporate social investment, R million

	SED programmes			Percentage		
	2008	2007	2006	2008	2007	2006
Health and welfare	6.0	6.6	0.7	3.4	5	1
Arts, culture and sport	40.7	0.5	1.9	23.2	0.4	4
Infrastructural development	20.8	35.2	19.5	11.8	28	36
SMME development and capacity building	48.6	18.6	4.6	27.6	15	8
Education	34.7	17.1	12.0	19.7	13.6	22
Chairman's Fund contribution	25.0	48.0	15.5	14.3	38	29
Total	175.8	126.0	54.2	100	100	100

AIDS AND GENDER EQUITY PROJECT



The Small Enterprise Foundation (SEF), providing rural women with access to small-scale loans (microfinance) to establish small businesses, partnered with Wits Medical School to create IMAGE (Intervention for Microfinance and Gender Equity).

Recognising that empowerment is about more than money, the project integrated Sisters for Life, a 10-part Gender and HIV Training Programme, into routine fortnightly loan repayment meetings. Over a period of six months, the participatory sessions encourage women to open up and discuss difficult issues such as gender roles and culture, sexuality, communication with partners and children, domestic violence and HIV.

Following this training, loan centres elect members whom they feel are 'natural leaders'. These women then lead their centres in sharing and applying what they learn with their families and communities.

Anglo Platinum committed to a two-year process to extend the project from Burgersfort to Lebowakgomo. The current participants are 2,500 women from 45 villages between Burgersfort and Lebowakgomo, 2,100 of whom have completed the 'Sisters for Life' training. Training and microfinance have been initiated in a further 10 additional villages. IMAGE is also present in Selepe, Malomanye, Makgoba and Maruping; more than 2,000 clients are training in 50 new loan centres in Zebediela.

The project has demonstrated the value of addressing the social and economic circumstances which give rise to STIs and HIV transmission; a study, published in *The Lancet*, found a 55% reduction in gender violence after two years of addressing complex issues such as poverty and gender inequalities.

WESTERN LIMB COMMUNITY DEVELOPMENT

Business advisory linkage centres

The business advisory linkage centre at both the Rustenburg Local Municipality and the Moses Kotane Local Municipality (MKLM) provides tender advice, training and information services to local business. The emphasis is on assisting small businesses to become successful in their attempts to win both public- and private-sector tenders. It is vital that these facilities play a functional and meaningful role in empowering small businesses in Rustenburg.

EDUCATION

Strategic intent

Anglo Platinum's intent is to contribute towards improvement in the provision of education in communities surrounding its operations, through the following:

- Supporting mathematics, science and technology programmes targeted at empowering educators.
- Providing support towards the development of mine schools and early-learning centres by supporting educators' salaries.
- Supporting mathematics, science and technology programmes targeted at empowering learners.
- Providing education bursaries and scholarships to support learners in mathematics and science.

Categories of intervention areas

Early childhood development

This includes registered early childhood development centres (ECDs) within a 50 km radius of mining operations at Rustenburg, BRPM, Union, Amandelbult, Polokwane, Mokopane, Atok and Twickenham.

A needs analysis with ECDs has established that there is an enormous need for resources in all ECDs. The Department of Social Development, with whom they are registered below Grade R, assists with feeding grants.

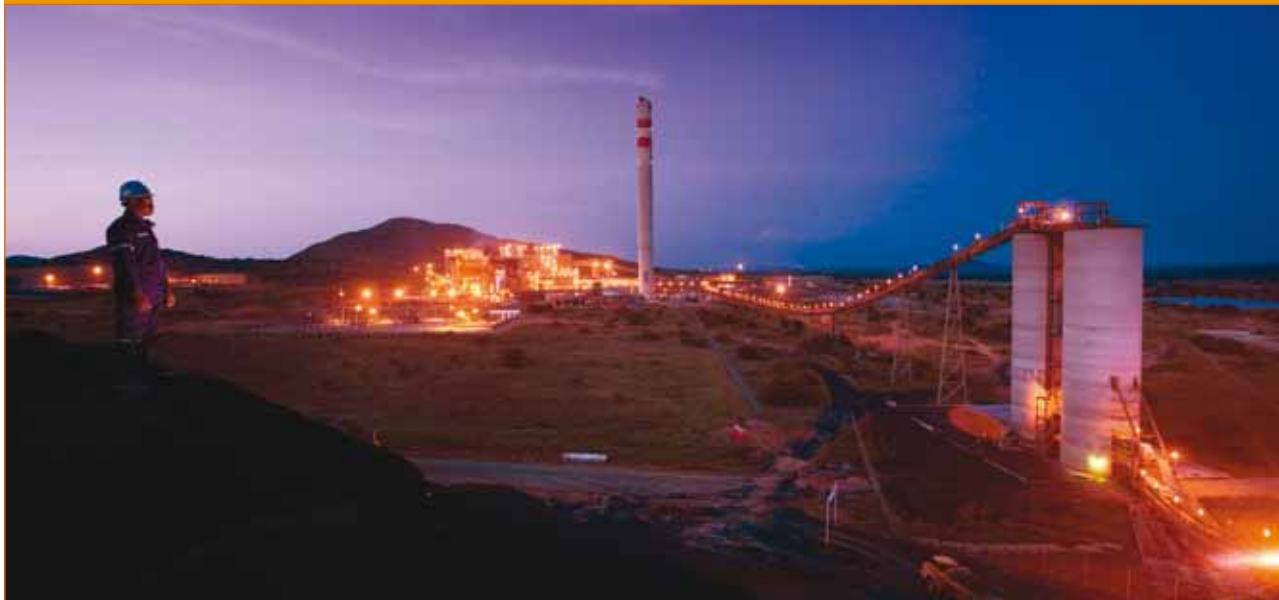
Educator training and supply of resources

There is an enormous need for outdoor learning materials and for training on how to use them effectively. Materials fostering the physical development of the children as well as pre-mathematics and pre-reading skills were provided to 100 ECDs in North West, and 200 ECDs in Limpopo.

COMMUNITY HEALTH

CED has, in partnership with the Department of Health, contributed two mobile clinics for use in the areas that do not have health facilities, such as the informal settlements at our doorsteps and other, formal, areas. The department has provided the services of professional nurses and manages the roster and health programme, while Anglo Platinum assists with the maintenance of the mobile units.

PUBLIC OPEN DAY AT POLOKWANE METALLURGICAL COMPLEX



The Polokwane Metallurgical Complex maintained its strong, ongoing commitment to engaging with local communities during the 2008 financial year. This commitment underpins the operation's strong desire to play a proactive role in facilitating social and economic development by building key partnerships with various stakeholders.

The latter include local communities, non-governmental, organisations, local schools, and government departments at local and provincial levels.

The Open Day, hosted at Nirvana Community Hall in Polokwane in 2008, enjoyed tremendous support from the management of the metallurgical complex, local chiefs, schools and corporate communications. Among the attendees were Kgosi Maja; members of the provincial economic development, environmental affairs and tourism departments; the media; staff members; and various schools around the smelter.

The topics of exhibitions included caring for the environment, occupational health management, careers, the smelting process, wellness and the management of HIV and AIDS; and the role of the Eastern Bushveld Regional Laboratory in the mining value chain.

The choir of the Siloe School for the Blind in Ga Chuene Village graced the occasion with music. Siloe School earlier in 2008 celebrated the handover of its brand-new sports grounds, partly funded by Anglo Platinum and ABSA.

Anglo Platinum continues to focus most of its community engagement and development activities in surrounding villages. These include the University of Limpopo Mobile Science Centre Project, the Sentahle Community Home-based Care Project and the schools infrastructure projects. Among other things, the infrastructural work entailed:

- the construction of two blocks of four classrooms at Benedict and Hope School for the handicapped;
- the construction of a block of classrooms and a science laboratory at Mahlogedi High School;
- health and welfare: supporting initiatives geared towards enhancing government's delivery of primary healthcare and welfare services to the underprivileged sector; and
- small-, medium- and micro-enterprise development: supporting programmes intended to promote entrepreneurship in smelter communities and labour-sending areas.

Various presentations were done by schools on the importance of conserving our environment by avoiding sulphur dioxide emissions, and water and soil pollution. The eye-catching slag project, earmarked for the future production of bricks from slag, was also exhibited at the event.

The Open Day also gave local matriculants an opportunity to explore career and bursary opportunities within Anglo Platinum.

Special thanks go to our staff, to the Municipality of Polokwane for providing us with the hall, and to the members of the community for making the event a tremendous success.

EASTERN LIMB COMMUNITY DEVELOPMENT

The socio-economic priorities of both districts in the Eastern Limb include education and skills development, economic development, and health and sanitation. Anglo Platinum has focused its own initiatives in line with these district priorities.

The key interventions made by the Company are as follows:

Education

- Motlamotse Primary School: construction of classrooms.
- Moroka-Lebole Secondary School: construction of a science laboratory and renovation of classrooms.
- Lefakgomo Secondary School: construction of an administration block.
- Sefateng Community Crèche: construction of classrooms and ablution blocks.
- Ntwampe Secondary School: construction of classrooms.

Bulk-type infrastructure

- Selepe/Manotoane Village: village electrification.
- Rapholo Bridge: construction of bridge and upgrading of road D4180.
- Sefateng Bulk Water Supply: installation of a pipeline from Malomanye to Sefateng Village.
- Strydkraal Irrigation Scheme: revival and support of irrigation scheme.
- Kgwele water project: provision of an electrical pump, repair of the dam and construction of a new pipeline to the dam.
- Mampa and Phasha Makgalanoto: village electrification.
- Modimolle, Manjakane, Kgwele and Mashishi: construction of pipeline and dam, reticulation system and provision of storage tanks.

Community facilities

- Atok Multi-Purpose Community Centre: construction of the centre, comprising office blocks, a computer centre, meeting rooms, ablution blocks and fencing.
- Sefateng Community Hall: construction of the hall.
- Mecklenburg: A sports ground: construction.
- Mampa graveyard and sanitation: erection of fence and two enviroloo toilets.

Enterprise development

- Fanang Diatla Bakery: construction of community bakery.
- Aquaculture and Tunnel Farming Production Project: development and support of aquaculture business and co-operative.
- Seduma water project: development and support of aquaculture business and co-operative.

MANAGING OUR IMPACT

In the process of mining and beneficiation, land is transformed, ground- and surface water are potentially affected, resources are used, substances are emitted into the air and wastes are generated.

The social and economic dynamics in the areas where operations are located are also affected.

These aspects are managed through our various environmental management programmes and systems.

Vhutshilo Mushiana is an environmental coordinator at Polokwane Smelter and she has been instrumental in ensuring the smelters relations with its surrounding communities are sound through effective communication and engagement.

ENVIRONMENTAL RISKS AND IMPACTS

We affect the environment in a variety of ways; there are potential risks to the environment, and also potential positive and negative environmental impacts. Mining and associated activities, such as smelting and refining, use a mix of renewable and non-renewable resources. The potential risks and impacts in this report are largely confined to actual operations and do not consider the upstream and downstream risks or impacts. To manage and mitigate operational risks and actual impacts, the Group has formal environmental management systems at each operation.

ENVIRONMENTAL MANAGEMENT SYSTEMS

All operations in the Group have environmental management systems (EMS) that comply with the ISO 14001: 2004 standard. This is an international standard for environmental management systems and is based on three key principles, namely prevention of pollution, compliance with relevant environmental legislation and continual improvement in performance. Achieving and maintaining ISO 14001 certification of an EMS is a way to demonstrate a company's commitment to manage environmental risks and impacts. Certification does not mean that there will be no environmental risks or impacts: it means that all operations have appropriate management systems in place to ensure compliance with the standard requirements, other operational procedures and applicable legislation.

All mines, smelters and refineries in operation in 2004 achieved their initial ISO 14001 certification of their EMS during that year. All those operations have maintained their certifications to date. Most operations were reassessed by an independent service provider DQS German Association for Certification of Management Systems (Proprietary) Limited during 2008, against the ISO 14001: 2004 standard. Only Waterval Smelter was not reassessed in 2008 owing to the reorganisation of the smelter into two entities, namely the smelter and ACP. It was decided, in conjunction with DQS, to postpone the reassessment to 2009. No major non-conformances to system requirements were raised at any of the managed operations assessed by the certification body. Minor non-conformances and numerous observations were, however, raised. These are managed by each operation until resolution and close-out.

The Mototolo concentrator achieved certification for the first time in June 2008. Twickenham Platinum Mine has reverted to being a project and will consequently not be certified during 2009 as previously planned.

It must be noted that one of our non-managed operations, Modikwa Platinum Mine Joint Venture, received a major non-conformance in their previous reassessment. In addition, the mine has decided to postpone further ISO 14001 audits due to the economic downturn. It is not a specific requirement for our joint venture partners to implement and maintain ISO 14001. Legal compliance with environmental obligations is mandatory.

MATERIALS

Bulk materials used include rock mined in underground and open-pit operations, and milling of the mined rock, liquid fuels, coal, grease and lubricants. Bulk-material use over the years is increasing because operations are continually expanding production. Key bulk-material use is illustrated in the charts on pages 1, 47, 49 and 103. Other materials include wood, chemicals and packaging. The Group does not currently use waste, processed or unprocessed, from external sources in any material quantities. The rock



broken and mined figure for managed operations was 10% higher in 2008 than in 2007, mostly as a result of the development at Mogalakwena Section. Tonnes milled from managed operations increased slightly over the previous year. Major commodities usage, such as coal and fuel (diesel, petrol and paraffin), has decreased slightly year on year. Use of lubricating and hydraulic oils increased during 2008.

ENERGY

Energy is one of our material issues and has therefore been included in the 'Our Materials Issues' section on page 47.

WATER

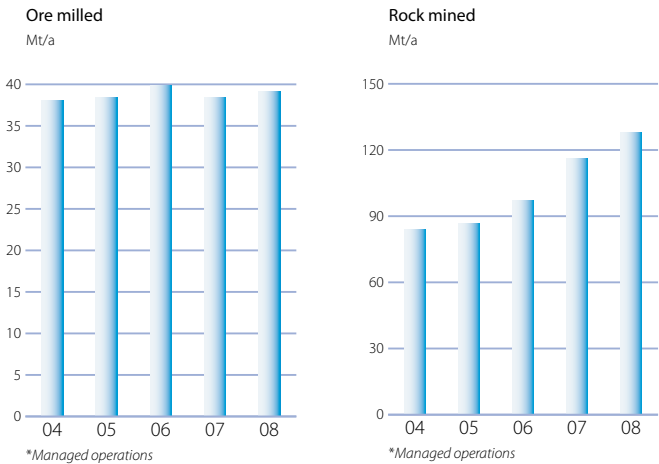
Water is one of our material issues and has therefore been included in the 'Our Materials Issues' section on page 52.

BIODIVERSITY

The Group holds mining, surface and freehold rights over large tracts of land. Land owned, leased or where surface rights exist and which is under the direct management and control of the Group, comprises 51,334 hectares. This excludes the total surface area of the mining right areas as the Group does not control or manage these areas. The land altered for mining and associated activities is 15,136 hectares or nearly 29% of all land managed.

The Group currently mines from mainly underground resources, except at Mogalakwena, which is an open-pit operation. It is thus not possible to report annually on newly rehabilitated land as would be the case for opencast mining, as the pit is not rehabilitated concurrently with mining. There are still mined-out opencast pits at BRPM and Rustenburg. The rehabilitation of the Union open pit was completed in 2007, but the rehabilitation of the BRPM pit has not yet begun. The Rustenburg pit will not be rehabilitated at present as it may be used as a regional landfill site for the Rustenburg municipality once specific legal requirements have been met.

The Group has no operations in protected areas, such as IUCN (World Conservation Union) protected-area categories I to III, world heritage sites and biosphere reserves. The Madeleine Robinson Reserve,



established by Amandelbult for habitat and species protection, is shown in the UNEP-WCMC database of protected areas as an IUCN category IV area. The reserve has also been declared by Birdlife Africa as an important bird area owing to the presence of the yellow-throated sandgrouse, which is on the IUCN's red list of threatened species. There are no other category IV overlaps at any other operation. However, Union also manages part of its lease area as a game reserve for species and habitat protection. Other current and future operations are located in areas with high concentrations of endemic plant species. The Der Brochen project, Mototolo Joint Venture, Modikwa Joint Venture and Twickenham Mine are located in the Sekhukhuneland Centre of Plant Endemism, a region with a high concentration of endemic plant species. The Group is committed to minimising the footprint required for efficient mining in these areas, to ensure that fully representative and sustainable examples of these habitats remain for future generations.

The Group is also involved in a number of alien vegetation eradication projects, community clean-ups and biodiversity awareness-raising and training initiatives within local communities. Examples include:

- celebrating Arbor Day at most operations, to raise awareness of the importance of nature and of trees specifically;
- facilitating a snake-handling course at Amandelbult as part of implementing its biodiversity action plan (BAP) commitments;
- facilitating SAQA-accredited alien and invasive species courses for 10 members of the Moruleng village near Union;
- planting of indigenous trees at most operations on a continual basis;
- continued management of the biodiversity offset areas at Mogalakwena;
- training of 10 members of local communities near Mogalakwena Mine to become effective game rangers. They are now employed in the biodiversity offset areas; and
- the Waterval Smelter greening project.

Summary of potential environmental risks and impacts

Category	Examples of potential risks and impacts
Air	Activities causing excessive dust, gas and particulate emissions. Activities causing odours and excessive noise levels.
Biodiversity	Illegal fishing and hunting; illegal removal of wood; setting of snares. Disturbance of protected plants and animals. Proliferation of exotic vegetation.
Energy	Energy wastage, inefficient use.
Hydrocarbons	Spillage of fuel, oil, grease and lubricants. Incorrect storage of fuel, oil, grease and lubricants.
Land	Erosion caused by water and process spills, the establishment of unauthorised activities, and uncontrolled driving off existing tracks and roads. Veld fires. Topsoil handling, stripping and storage. Excessive footprint.
Hazardous substances	Spillage of chemicals and other hazardous substances. Incorrect storage and use. Inadequate training in use and storage of chemicals and other hazardous substances.
Tailings	Spillage/uncontrolled discharge of tailings caused by pipe and other failures.
Waste	Illegal dumping of scrap, domestic or industrial waste. Illegal dumping of hazardous waste. Inappropriate handling of waste. Littering.
Water	Leakage or spillage of process water. Illegal/uncontrolled discharge of effluent or process or stormwater. Exceedance of water-quality standards. Water supply and demand.

Note: The data and narrative in this section only include managed operations, including managed joint ventures. Data and descriptions of non-managed joint ventures are not included.

PROMOTING BIODIVERSITY AND HERITAGE



Egrets nesting at Union Mine's dam

In line with Union Mine's community engagement plan, the mine's environmental section began consulting with the local authorities and the many neighbouring schools about running a biodiversity and heritage workshop for school learners, to be held in the nearby Pilanesberg National Park.

The idea for such a workshop had its roots in the fact that most of the Grade 10 learners attending these schools had never visited the park, and knew nothing of the reasons for its existence.

Besides a theoretical element, the workshop entailed practical environmental impact assessment and a tour of the park. The overall aims of the event were to foster awareness of biodiversity and heritage; stress the need to preserve these two assets; and explain the importance of partnerships in successfully protecting them.

The workshop provided the children with an opportunity to experience something different and to value biodiversity and heritage.

Each operation has compiled and is implementing biodiversity action plans based on its biodiversity risk profile. All aspects of the plans must be implemented by the end of 2009. Biodiversity action plans describe the objectives, programmes and targets for protecting and restoring native ecosystems and species in degraded areas. They have been integrated with the on-site environmental management system (EMS) at each operation. In 2008, Anglo American plc conducted a biodiversity action-plan peer review at BRPM. A review was also planned at Mogalakwena Mine, but had to be postponed owing to personnel capacity constraints. The review will now be conducted in 2009.

BRPM scored 58% in the 2008 BAP peer review. The score highlights that the mine is aware of the need for managing biodiversity, and has integrated some aspects of biodiversity management into its EMS. There is clearly room for improvement. To improve its score, the operation will have to:

- clarify the responsibilities for the management of the lease area with the local communities;
- comprehensively identify and assess the risks posed and the opportunities offered to the business by the loss or enhancement of biodiversity;
- adequately evaluate the business case for managing biodiversity based on risk and opportunity; and
- link the business case for managing biodiversity to managerial decision-making.

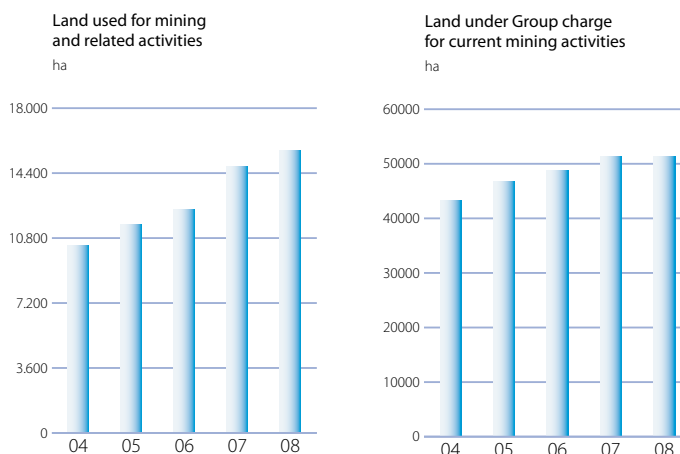
EMISSIONS, EFFLUENTS AND WASTE

Greenhouse gas emissions and climate change

Energy and climate change is a material issue and has therefore been included in the 'Material Issues' section of our report on page 51.

Ozone-depleting compounds

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





Persistent organic pollutants

The key persistent organic pollutants for the Group are polychlorinated biphenyls (PCBs), dioxins and furans. The Stockholm Convention requires that equipment containing PCBs must be phased out by 2025. Any PCBs recovered in the interim from such equipment must be treated and eliminated by 2028. Current in situ equipment, such as transformers and capacitors, may remain in place and operational as long as all reasonable steps are taken to prevent leaks. Some of the Group's transformers still contain PCBs. These will be phased out to ensure compliance with the Stockholm Convention.

Dioxins and furans are principally emitted from PMR during the incineration of general and process wastes. The incineration is not a continuous process. The installation of a new high-grade incinerator and an activated carbon absorption system at the PMR has been completed. The principal motivation for this installation was to reduce dioxin and furan emissions from the incineration of general and process waste. After initial commissioning, the system was functioning satisfactorily. Before performance testing was done in late 2007, it was necessary to replace the activated carbon. The results from the 2007 tests did not indicate the direct source of the dioxins and a second sampling campaign was undertaken in 2008. The results showed dioxins concentration at stack 584 at PMR of 1.35 nanogram threshold equivalency dry standard per cubic metre (ng TEQ ds/m₃) which is higher than the European Union limit of 0.1 ng TEQ/m₃ but within South African standards. PMR is investigating a pollution control system, in addition to the dioxin trap to capture excess dioxins before exiting stack 584.

Sulphur dioxide and particulate emissions

Key emitters of sulphur dioxide (SO₂) within the Group are the Waterval, Mortimer and Polokwane smelters, with minor contributions from RBMR and PMR.

Total SO₂ emissions (stack and fugitives) decreased by 16%, to 15.5 kt in 2008.

Total SO₂ emissions from Waterval Smelter increased by 46%, to 8.3 kt in 2008.

In terms of emissions for Waterval Smelter in tonnes per day, the average (16 tonnes per day) for 2008 remained below 20 tonnes per day until the end of September. The average emissions for the last quarter were 41.7 tonnes per day due to a breakdown on the tower plant which has been repaired. As a result, emissions for the last quarter were more than the scheduled process registration certificate limit of an average of 20 tonnes per day. SO₂ emissions from Waterval Smelter accounted for 54% of Group emissions in 2008.

SO₂ emissions at Polokwane Smelter decreased by 24% in 2008, despite production nearly doubling. The principal reason is that most concentrate smelted was UG2, which has a lower sulphur content than Platreef from Mogalakwena North. On average, 13 tonnes per day were emitted against the scheduled process registration certificate limit of 25 tonnes per day.

SO₂ emissions at Mortimer Smelter decreased by 67% to 2.1 kt in 2008. This smelter was shut down for four months during 2008. On average, six tonnes per day were emitted against the scheduled process registration certificate limit of 24 tonnes per day. It must be noted that the above quoted averages do not take the shutdown periods into account; the actual on-line daily average emissions would thus be higher.

SMELTER WASTE BENEFICIATION PROJECT



Polokwane smelter's slag dump

Anglo Platinum's strategy for waste management commits the Company to active stewardship of its mining by-products; and to minimisation of the adverse impacts arising from the Company's activities.

The integrated management of mining waste streams has the potential of turning waste material into a commercially viable resource through beneficiation. This potential has recently been realised through the work of Anglo Platinum's Polokwane Metallurgical Centre.

With its core objective of zero waste, the centre is a unique initiative. Over the last three years, it has been researching the potential uses of the slag generated by extracting platinum ores. This research has now resulted in the slag being used in innovative mining and building products. In the process, it has acted as a catalyst for entrepreneurial opportunities.

The Polokwane Smelter generates some 60,000 tonnes of smelter slag per month. The original design of the smelter envisaged that the slag would be milled and sent through a float plant, where residual valuable metals would be recovered. The tailings from the float plant would then be disposed of in a tailings dam. Subsequently, however, the smelting operating efficiency proved to be such that further processing of the slag was deemed to have become uneconomical.

The methodology used to determine new uses for the slag involved an in-depth analysis of the material, starting with its chemical composition and form. This was done to determine any value-add potential, and also the economic sector(s) in which the new products would be likely to be needed on a sustainable basis, including agriculture, mining and building. Furthermore, the processes required for preparation of the materials – eg milling or crushing – were identified, making it possible for development models to be rolled out more speedily.

Various trial products were developed using slag. They were evaluated in terms of their viability, and significant process routes were identified. Wet-process applications resulted in a number of viable product-development options. The slag has been found to be suitable for use in certain mining and building products. Possible additional uses have been identified, but require further investigation. Full-scale testing, certification and commercialisation – including detailed business plans – are already at various stages of development.

A bankable business plan has been submitted for a housing system product made from a composite of slag-rich materials. A prototype of this system will be assembled at Polokwane in 2009. The regulatory framework is being worked on at the same time, to ensure that the appropriate risk assessments are undertaken and the necessary permits obtained.

Anglo Platinum's primary focus is mining. With the assistance of Anglo Zimele, Anglo American plc's enterprise development unit, relevant business opportunities will be sought in order to ensure that the slag products are commercially viable and lead to the creation of sustainable small and medium enterprises. The intent of any beneficiation activity of this kind has to be to leverage it into income-generating opportunities adjacent to our operations.



The SO₂ emissions per total refined ounce of precious metal from managed operations decreased by 18%, to 3.6 kg in 2008.

The Rustenburg ambient-air-quality monitoring network currently comprises eight stationary monitoring stations, including the recently installed station at the Western Limb Tailings Retreatment plant. All stations continually record SO₂, particulate matter with an aerodynamic diameter of less than 10 microns (PM10) and meteorological data from all sources in the region. The results of these measurements are used in dispersion models to predict air quality conditions under various production scenarios. The results for seven of the stations are given in the table below (because the eighth station was recently installed, no consolidated data for this station is yet available). The SO₂ hourly averaged exceedances against the South African National Standards (SANS) targets have increased since 2007 owing to the shutdown of the tower plant at the ACP complex. The tower section of the ACP acid plant, which treats low sulphur content gas, was temporarily shut down in June 2008 owing to safety concerns after an equipment failure. The construction material of some sections of the tower plant was changed following a detailed investigation, after which the plant was restarted at the end of August. The new parts installed also showed signs of failure after a few days of operation, leading to a decision to stop the operation again. Development of a superior, alternative material and design are in progress. The new equipment is expected to be installed and commissioned in February 2009. The remainder of the acid plant, which treats high sulphur content gas, is in operation, with high efficiencies to manage sulphur containment off-site.

The PM10 exceedances have decreased since 2007. This can be attributed to the dust suppression systems that have been installed at the Paardekraal and Hoedspruit tailings dams. The main dust sources include tailings dams, unpaved roads, crushers and coal-burning activities in the Rustenburg area, especially during the winter periods.

Polokwane Smelter has six ambient-air-quality monitoring stations, with one station intermittently offline owing to electrical faults. There were no exceedances of SO₂ and PM10 guidelines recorded in 2008. Polokwane Smelter will be implementing an improved data-capturing and reporting system during 2009, following an external audit undertaken using South African National Accreditation System (SANAS) requirements.

Rustenburg ambient-air-quality monitoring statistics for 2008

Monitoring station name	SO ₂ data capture (%)	Number of exceedances of SANS 1929 SO ₂ hourly average guideline (>134 ppb)	Number of exceedances of DEAT SO ₂ daily average guideline (>48 ppb)	PM10 data capture (%)	Number of exceedances of SANS 1929 PM10 daily average guideline (>75 µg/m ³)	Number of exceedances of DEAT PM10 daily average guideline (>180 µg/m ³)
Bergsig	85.1	9	0	75.9	8	0
Brakspruit	81.5	21	0	47.7	41	0
Hex River	85.4	5	0	83.7	14	0
Klipfontein	67.7	6	0	84.6	6	0
Mfidike	82.2	40	1	78.1	75	7
Paardekraal	81.8	39	0	78.0	67	1
Waterval	64.5	31	4	55.2	15	0
Total		151	5		226	8

In the past a visible white plume consisting of NH_4Cl used to be emitted intermittently from stack 578 at PMR. To reduce this emission, PMR has installed a scrubber system to remove the NH_3 before it enters the stack. Removing NH_3 from the chlorine-bearing vapours prevents the formation of NH_4Cl , thereby eliminating the white plume from the stack.

Dust fallout

Total dust deposition is determined at all operations in accordance with the ASTM D1739 standard test method for the collection and measurement of dust fallout. Dust fallout buckets are used as a first-line monitoring system. They consist of a cylindrical container half-filled with de-ionised water exposed for one calendar month (giving or taking three days). Known quantities of copper sulphate are added to each sampling bucket to minimise algae formation, and distilled water is added to minimise sample loss, particularly during episodes of high wind velocity. The bucket stand also has a raised ring to prevent contamination from perching birds. Each series of samples is analysed by external laboratories. The gravimetric results are compared to proposed guidelines for dust deposition as described in the SANS 1929: 2005, Edition 1.1. The guidelines set four levels of dust-fall rates (measured in milligrams per cubic metre per day), namely: residential, industrial, action and alert rates.

Although most dust fallout may be associated with dust generated at tailings dams, other sources – such as crusher plants and gravel roads – are also key contributors. Post-control risk assessments, completed annually for tailings dams, indicate seven dams with a high potential to generate nuisance dust. Five dams are at Rustenburg Section and two at Lebowa.

During the year the following key dust-related issues were reported:

- At Twickenham, one of the communities near the mine complained about excessive dust caused by ore transportation on gravel roads. A water truck was subsequently bought and is now used to water the roads to prevent excessive dust formation.
- At Rustenburg, there were two campaigns during 2008 to analyse dust fallout to determine the source contribution. The results have not yet been finalised, but improved dust-suppression measures are nevertheless being implemented at the Paardekraal and Hoedspruit tailings dams. These measures include irrigation systems on the beach parameters of these tailings dams. The Waterval tailings dam access roads are being sprayed with dust suppressant owing to excessive dust formation caused by the contractor vehicles hauling tailings from this dam to the cementation batching plants. The Rustenburg Section water truck is used to ameliorate dust on various mine roads at the operation.
- At Lebowa, the dust-fall rates within the residential and industrial ranges generally do not result in complaints from the public. However, action and alert ranges generally do result in complaints from the public and are therefore considered to be levels at which sources of excessive dust are investigated (if not known) and suitable mitigation measures instituted. To ensure up-wind and down-wind profiles of all major sources, additional monitoring points were installed in 2008.
- At Mogalakwena, new and existing roads are continually treated with Dust-A-Side to minimise nuisance dust from hauling and other mine transport.
- At BRPM, excessive dust was generated in the concentrator plant and thickener area as a result of the excavation for the IsaMills. A water tanker was used to ameliorate the dust formation.



Waste

Non-mineral, non-hazardous waste sent to landfill

Even though waste separation, sorting, recycling and disposal procedures are in place at all operations, these are not uniformly implemented and managed. As a result, waste management remains a concern at some operations and should remain a top priority at these operations during the next few years. Just over 26.1 kt of non-mineral, non-hazardous waste were sent to landfill during 2008.

Non-mineral hazardous waste sent to landfill

Hazardous waste management improved in 2008, but there are still some areas that could be improved on in conjunction with third-party service providers. Hazardous wastes include oils, grease, fluorescent tubes, medical waste and chemical containers. Around 13.7 kt of non-mineral hazardous waste went to hazardous waste landfill during the year. Some 22.6 tonnes of medical waste were incinerated, while 32.4 tonnes of non-hazardous waste were incinerated during the year.

Anglo Platinum does not transport, import or export any waste deemed 'hazardous' under the terms of the Basel Convention annexes I, II, III and VIII.

Mineral waste

Mineral waste – accumulated tailings

The Group has 16 active tailings dams, six dormant dams, two dams where re-mining is taking place and two dams that were under construction in 2008 (excluding non-managed joint-venture tailings dams). Although the re-mining of Ivan Dam A at Union Mine was already completed in 2007, the rehabilitation of the footprint of the dam has not yet begun. Mineral waste accumulated in active and inactive tailings dams includes all accumulated tailings from the concentrator plants and the co-disposal of excess slag from the Waterval and Mortimer smelters. The Klipfontein tailings complex is currently being reprocessed through the Western Limb Tailings Retreatment plant. The tailings from this plant are sent to the new Hoedspruit tailings dam. Bi-annual aerial inspections of all tailings dams are conducted and each tailings dam is subjected to a third-party audit. Pre-control risk assessments indicate seven dams with a high risk of loss of life should they fail. However, post-control risk assessments indicate medium risks at only five dams. The identified risks at these dams are potential excessive dust fallout, not loss of life. All other dams are rated as having low post-control risks.

Mineral waste – accumulated waste rocks

Just under 93% of Anglo Platinum's accumulated waste rock is in dumps at Mogalakwena. Rock dumps are generally not revegetated, as this would require enormous quantities of topsoil, which is not readily available in the mining areas. The waste-rock dumps of the Richard and Spud shafts at Union are being re-mined and sent to the Mortimer concentrator for reprocessing. The rock dumps are also a resource in many areas, as they are used for road construction. Aggregate production and HDSA companies have been given the contracts to process this waste rock, creating local employment opportunities.

Some of the slag produced at Waterval Smelter is disposed of together with tailings on the Paardekraal tailings dam, while a portion is supplied to a third-party company for sandblasting purposes. There is a historical slag dump at Mortimer Smelter, and new slag dumps are being created at Polokwane Smelter. The rehabilitation of the Mortimer slag dump has not yet been completed. The slag pads at Polokwane Smelter are designed to take cognisance of the potential environmental impact of seepage and run-off from the slag residue stockpiles, even though the slag could be considered inert. Slag at Polokwane Smelter is currently stored on a 2-mm-thick HDPE-lined area, known as the environmentally compliant pad. A five-year slag stockpile area has been designed and will eventually consist of five pads built progressively, covering approximately 10.5 hectares in total.

Anglo Platinum has also been working with the Council for Scientific and Industrial Research on a project to find alternative commercial uses for the slag as long-term storage on site is not feasible owing to the large volumes being produced. This project initially focused on slag only but was expanded during the year to include an evaluation of the feasibility of also using tailings in building and mining products. The project continued successfully through the year and has resulted in a matrix of prioritised products, including the building of the prototype of a housing system using these materials. Applications for the use of these materials in selected building products have been submitted to the relevant regulatory authorities. Entrepreneurial opportunities have been identified and bankable business plans are in progress for selected products. (Refer to page 106).

ENVIRONMENTAL COMPLAINTS AND INCIDENTS

Complaints

Eight formal complaints were reported in 2008, against 18 in 2007. Most complaints are the result of visual emissions from the smelters and refineries, and of dust fallout from various tailings dams. At Twickenham, complaints were received because the spring dried up as a consequence of mining activities. All formal complaints are logged and followed up.

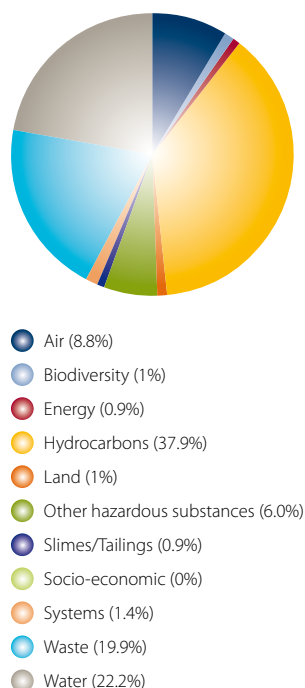
Incidents

Level 1 incidents

The number of level 1 incidents reported was 3,442 for 2008, which indicates a reduction of 38% from the number reported in 2007. This drop is attributed mainly to reorganisation and personnel turnover (and consequently to less vigilant reporting) rather than a significant improvement in site conditions. Nevertheless, the Group still encourages level 1 incident reporting as it enables operations to focus on pollution prevention. Of all level 1 environmental incidents reported, 85% were classified as insignificant and 15% as minor in terms of the environmental impact caused. 'Insignificant' incidents are non-harmful, are localised with no off-site impact, have no regulatory non-compliance implications and are not accompanied by public concern or awareness. 'Minor' incidents may be potentially harmful, may have localised off-site impact, may entail minor breaches of regulatory issues and may draw local public attention.

Most environmental incidents are still caused by inadequate management of hydrocarbons (diesel, oil, grease, etc), non-mineral waste (domestic and hazardous) and water (leaks, discharge,

Anglo Platinum level 1 environmental incidents*





contamination). The chart below provides a consolidated view of the various categories of level 1 environmental incidents for the Group for 2008.

The number of hydrocarbon-related incidents made up 38% of all incidents in 2008. Hydrocarbon-related incidents include minor spillage and incorrect storage of fuel, oil, grease and lubricants.

The number of waste-related incidents increased marginally, from 19% of all incidents reported in 2007 to 20% in 2008. Despite this marginal increase, waste separation, storage and disposal can still be significantly improved at most operations. Waste-related incidents include: illegal dumping of scrap or domestic and industrial waste, illegal dumping of hazardous substances, incorrect handling of waste and littering.

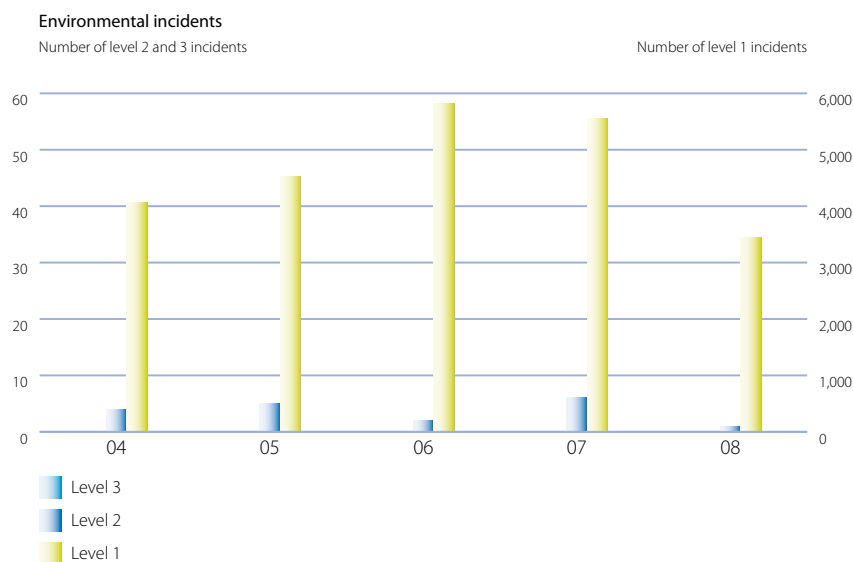
The number of water-related incidents reported remained constant, at 22% of all incidents reported. Water-related incidents include minor leakage, spillage or wastage of water, uncontrolled discharge of water, seepage, leakage or spillage of sewage, inefficient clean and dirty water separation, and the silting of drains.

Level 2 incidents

Despite the fact that there were numerous discharges and spillages at operations during the year, only one of these spills was significant enough to be classified as a level 2 environmental incident. This incident occurred at Twickenham Platinum Mine.

Description of incident 1: Raw sewage overflowed from the septic tank at the Capital yard into a stream that discharges into the Motse River.

Cause of incident: The sewage system became overloaded owing to the increased numbers of people using the system during the mine ramp-up.



Action taken: The frequency of monitoring the level and pumping of the septic tank has been increased.

Residual effect: Negligible.

Level 3 incidents

No level 3 incidents were reported.

PRODUCTS

During 2008, Anglo American and the Imperial College, London, collaborated on a research project studying the impact of PGMs on human health and the environment. A final internal report, 'Platinum-group elements in the environment with reference to mining operations' was completed in November 2008.

COMPLIANCE

Anglo Platinum is not aware of any pending environmental litigation against its managed operations. No fines or non-monetary sanctions were imposed in 2008 for non-compliance with environmental regulations and permits.

All operations have approved environmental management programmes (EMPs) in terms of applicable legislation.

During the year, the Department of Water Affairs and Forestry and various authorities approved water-use licences for Lebowa, Twickenham and Polokwane smelters. Mogolakwa Section received its water-use licence during 2007. All other operations have applied for their integrated water-use licences, but these have not yet been approved. Conditions attached to the water-use licences are being implemented by the operations in a phased manner. The Lebowa licence, for instance, requires, inter alia:

- compliance with the mining charter and submission of an approved Social and Labour Plan by October 2009;
- discharge of water to Rapholo River to cease by 24 April 2009;
- seepage from earth dams and sewerage plants to cease by April 2009; and
- stormwater measures to be implemented by 24 April 2009.

All operations have access to relevant environmental legislation and to an environmental legal register, specifically designed to address issues of importance to the Group. All operations are also kept informed of changes in environmental legislation. However, environmental legislation in South Africa remains complex and fragmented between various government departments.

Environmental performance through environmental management programmes, against system standards and procedures, policy objectives, operational targets and legal requirements is assessed, audited and monitored through a mix of in-house and external parties. All operations were covered by



environmental audits and assessments in 2008. The findings and action plans of all audits and assessment are captured in the electronic environmental management tool, IsoMetrix, and managed until close-out.

The Group appointed legal specialists in 2008 to undertake environmental legal compliance evaluations at Amandelbult Section, Union Section, Polokwane Smelter, Mogalakwena Section and Waterval Smelter. The intention of these evaluations was to indicate the non-compliance and potential non-compliance areas and issues at these operations so that proactive management steps can be taken to address issues timeously. The following areas for improvement were identified:

- Amandelbult: Finding against the requirements of the Mineral and Petroleum Resources Development Act, 2002 (MPRDA), regarding the timing of EMP performance assessments.
- Union: Finding against meeting certain conditions of the waste permit issued in terms of section 20 of the Environment Conservation Act, 1989 (ECA); finding against meeting some requirements of Government Notice 704 of the National Water Act, 1998 (NWA).
- Waterval Smelter and ACP: Finding against certain conditions of the provisional registration certificate issued in terms of Atmospheric Pollution Prevention Act, 1965 (APPA); finding against some EMP commitments approved in terms of the MPRDA; finding against authorisation provisions of the NWA regarding the operation of the ACP pollution control dam; finding against conditions of Exemption 1865B issued in terms of the NWA; finding against certain requirements of GN 704 of the NWA.
- Mogalakwena: Findings against some EMP commitments approved in terms of the MPRDA; finding against the 'Directions in terms of section 20(5)(b) of the ECA – the control and management of general communal and general small waste disposal sites'; finding against conditions of Water Use Licence 27059655, and various unauthorised water uses, in terms of the NWA.
- Polokwane Smelter: Findings against conditions attached to the provisional registration certificate issued in terms of APPA; finding against authorisation requirements under the NWA; finding against Record of Decision conditions issued in terms of the ECA and the National Environmental Management Act, 1998.

These findings are proactively addressed by the Group as it continually takes corrective action as and when findings are raised. The Group views these findings as key risk areas and continually takes corrective action.

TRANSPORT

The transport of concentrates to the various smelters and of furnace matte from the Polokwane and Mortimer smelters to Waterval Smelter is by road by third-party contractors. Transportation of products, such as copper, nickel, sulphuric acid and sodium sulphate, is by road and rail. Precious metals are transported by road or air to customers. The energy used by contractors' transportation of intermediate materials and final products is currently excluded from Group energy totals. Any spillage from transport contractors is cleaned up by the relevant contractor to the satisfaction of the Group and local authorities.

Energy used for organisational travel (road and air) is currently also excluded from total energy-use calculations.

OVERALL

The Group is monitoring total environmental costs, including staffing costs, at a consolidated level. This includes expenditure on monitoring; impact assessments and reports; public consultation for environmental reports; waste-management contracts; certification; auditing; and licence fees for electronic environmental management systems.

PROVISION FOR REHABILITATION AT CLOSURE

Each mine and plant annually estimates its expected total expenditure for the final rehabilitation and remediation of its operations in terms of the requirements of the approved EMPs and closure objectives. All relevant rehabilitation liabilities based on current assets and impacts were updated in 2008. The total undiscounted rehabilitation liability for the Group as at the end of 2008 was estimated to be R2,205 million.

Various trusts have been created to fund this estimated environmental closure liability at the end of the lives of the Group's mines. Contributions are determined on the basis of the estimated environmental obligation over the life of a mine, to a maximum of 30 years. The total amount in all the environmental rehabilitation trusts at year end was R475 million. The shortfall between this total and the undiscounted environmental rehabilitation liability for premature mine closure is funded by way of bank guarantees in favour of the Department of Minerals and Energy.

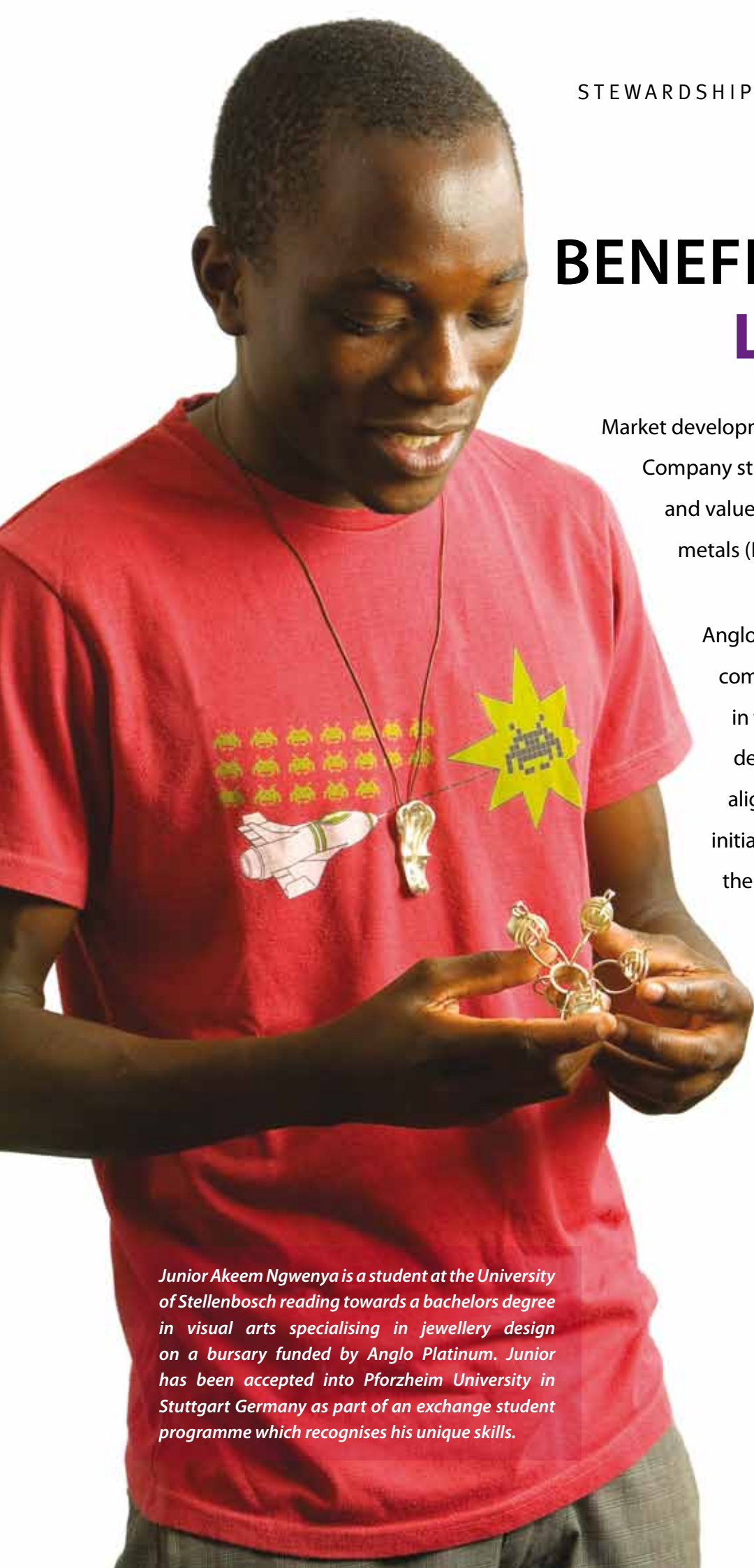


Union Mine return water dam

BENEFICIATING LOCALLY

Market development is a core pillar of the Company strategy whereby the uses and value of the platinum group metals (PGMs) are increased.

Anglo Platinum remains committed to beneficiation in the context of its market development strategy and aligns its value-addition initiatives in order to maximise the sustainability of programmes.



Junior Akeem Ngwenya is a student at the University of Stellenbosch reading towards a bachelors degree in visual arts specialising in jewellery design on a bursary funded by Anglo Platinum. Junior has been accepted into Pforzheim University in Stuttgart Germany as part of an exchange student programme which recognises his unique skills.

PRODUCT CLASSIFICATION AND LABELLING

The use of chemical and metallic products to enhance and improve life is a widespread practice worldwide. But alongside the benefits of these products, there is also potential for adverse effects to people or the environment. Given the reality of the extensive global trade in chemicals and metals it was recognized that a globally harmonised approach to the classification, labelling and Safety Data Sheets (SDS) for chemicals and metals is imperative and resulted in the "Globally Harmonized System of classification and labelling of chemicals" – "GHS"

The South Africa Government adopted GHS and in response drafted national regulations (under the Occupational Health and Safety Act, 1993 (Act No. 85 of 1993) – open for comment. Once approved, there will be a 3 year transition period for pure substances and 4 years for mixtures. A national GHS standard (SANS 10234:2007) has been approved.

The Anglo Platinum REACH & GHS Steering Group, chaired by the REACH Co-ordinator of Anglo Platinum, Cas Badenhorst, is responsible for the implementation of GHS within Anglo Platinum. This Group have met on a quarterly basis and will continue to do so in 2009. Via the various industry representative bodies, especially via the Nickel Institute (and Consortia) and the PGM Consortia, the Anglo Platinum REACH & GHS Steering Group stayed informed of all international GHS developments and happenings and in several cases, provided important inputs.

All Anglo Platinum products do have comprehensive Material Safety Data Sheets (MSDSs). All of these Material Safety Data Sheets (MSDSs), current product classification and product labels are currently being reviewed and revised to align these with the requirements set out in GHS. This process is closely linked to the activities of the Anglo Platinum REACH programme.

No penalties or fines were incurred due to instances of non-compliance with regulations pertaining to customer health and safety.

BENEFICIATION

We have broadened the scope of the market development strategy to include additional beneficiation initiatives. In so doing we have potentially highlighted more opportunities for local development of PGM related businesses.

Beneficiation opportunities arise across the spectrum of the market development scope. The Company participates in beneficiation across the areas detailed below.

RESEARCH AND DEVELOPMENT (R&D)

Anglo Platinum supports R&D in the area of beneficiation by:

- investing in human capital by helping local universities to build capacity and by funding students; and
- investing in PGM fundamental research on new applications.

PGM DEVELOPMENT FUND



Anglo Platinum has allocated funding to a platinum group metal (PGM) development fund with the specific objective of providing capital for further PGM market development and beneficiation, particularly in South Africa.

The Company will focus on partnering innovators in PGM use and/or technology by investing in ventures at various stages of development.

The fund will seek to invest primarily in early-stage or start-up activities that demonstrate commercial viability if scaled to a fully fledged business.

The PGM development fund has been structured as a private equity fund and will be managed by Douglas Investments. In line with private equity investment principles, Anglo Platinum will seek to generate market-related risk-adjusted returns in the fund, but will also seek value beyond financial returns in the long-term local development of PGM technologies.

Douglas Investments' role in the fund is:

- to ensure objectivity based on the commercial potential of the investments, in line with general business principles;
- to manage the funds as a portfolio allowing a broad initiative across the downstream PGM industry; and
- to separate the fund management and shareholder functions for the underlying investments from Anglo Platinum and its management within the defined scope and guidelines set, to minimise distraction and conflicts of interest and to introduce the focus of an aligned and dedicated professional private equity manager.

The fund is a structured approach to fulfilling the objective of investing in and supporting businesses that promote additional and new uses of PGMs. The outcome of this initiative by Anglo Platinum is that new businesses will be properly capitalised, providing job creation and increasing the manufacturing capability and expertise in South Africa by vertically integrating the PGM industry beyond extraction to commercial usage. The benefits of this economic activity and growth will be retained in South Africa.

TECHNOLOGY TRANSFER

The Company engages in:

- facilitating local technology transfer by engaging with key fabricators; and
- profiling beneficiation through demonstration projects that entail new products and new technology.

COMMERCIALISATION

The Company creates an enabling environment for product and business development, by facilitating the commercialisation of downstream activities through the provision of funding via a PGM development fund (see insert on page 117) and a metal financing scheme.

CURRENT ACTIVITIES

Development work in creating new applications

The Company, together with international fabricator partners, continually supports research into other applications for PGMs to ensure continued market demand. In most instances this research is conducted in collaboration with local research institutions and universities.

Partnership with the Department of Science and Technology

The Company, Johnson Matthey and the Department of Science and Technology, have recently engaged to form a tripartite development programme. The aim is to develop commercial applications for PGM products locally. The collaboration has resulted in the development of a three-phase programme focusing on the fuel-cell industry, which will be rolled out in the next few years. It includes research into and the development of reforming and system integration technologies.

Piloting a fuel cell in South Africa

In partnership with Anglo Coal, Anglo Platinum is piloting a stationary fuel cell on the Anglo Coal exploration site near Lephalale (Limpopo province). The coal mine provides the source of energy via the extraction of coal bed methane gas to drive the fuel cell that in turn generates electricity. The fuel cell has been purchased from the USA based company UTC POWER. Once operational, the fuel cell will generate 200 KW of energy and will be connected to the national grid. The estimated costs are R10 million, with commissioning planned for early 2009. The project has provided the partners, with valuable insights into stationary fuel cells on a coal bed methane fuel source and its applications within the African environment. We also hope to provide learning experiences for institutions and students for the further development of this technology.

Development of jewellery

Anglo Platinum supports the local jewellery design and manufacturing industry, to enhance platinum presence in the local jewellery market and to enable and encourage greater opportunities for domestic jewellers to compete in local and international markets. The Company is involved in a range of activities with relevant stakeholders.

Training and marketing

- Assisting the jewellery industry in building advanced technical and design capacity, retail training and point-of-sale materials.
- Sponsoring the annual PlatAfrica Design Competition (see insert on page 120), supporting six training institutions and six bursary students.
- Providing the industry with access to Platinum Guild International market intelligence regarding the jewellery industry, including the sharing of training material, trends, publications, etc.

Metal financing scheme

One of the barriers to jewellery industry growth in South Africa is the lack of affordable metal financing available to manufacturers. In order to meet this challenge, the Company implemented the platinum metal financing scheme in 2006. The consignment sale scheme provides the manufacturers with various options of managing price fluctuations with extended payment terms.

Sales have increased year on year and 2008 numbers reflect a 185% growth from 2007 figures.

Despite the high metal prices achieved in the first half of 2008, we received a number of large orders which potentially may not be repeated in 2009.

The number of consignment sales customers has steadily increased over the last two years, reflecting value offered by the scheme. We believe that this will continue, thereby enabling growth in the local jewellery sector despite the global financial crisis.

The table below reflects the growth of metal sales into the jewellery industry in South Africa and consignment customers.

	2008	2007	2006	2005
Platinum (ounces)	2,842	1,120	1,148	1,074
Palladium (ounces)	1,610	1,355	3,548	3,016
Consignment customers (Total)	13	8	4	—

COMMERCIALISATION IN THE JEWELLERY INDUSTRY

The Company has provided support and funding for the following two businesses:

- World of Platinum Marketing, a marketing company developed in collaboration with the North West provincial government, which markets a branded range of jewellery called DJADJI PLATINUM. It is currently retailing in 15 stores nationally. The Company has experienced varied success in marketing the range. The challenge in future will be to find the right commercial partners to promote the Company's sustainability.
- Platarex Manufacturing has been operating for just over a year, in premises in Polokwane, Limpopo. The business focuses on the low-cost production of dental alloys and wedding bands for the local and export markets, and is currently engaging a number of possible clients in the USA and the UK. Securing international orders is crucial to the success of the business. At optimised volume throughput, Platarex will be able to compete internationally within the quality, low-end-cost manufacturers' environment.

TEN-YEAR ANNIVERSARY FOR PLATAFRICA

2008 was a time to reflect and celebrate 10 years of PlatAfrica – a jewellery design competition that is a truly African initiative which celebrates the versatility of the world's most precious metal.

In partnership with Johnson Matthey and Metal Concentrators, PlatAfrica was launched to make the broader jewellery industry excited about platinum, encouraging world-class design and manufacturing capability to showcase globally. Ten years on, the initiative has grown to a point where it has become an important annual date for the jewellery industry.

There are two categories: professional and student. In 2008, 11 past professional winners were invited to submit manufactured designs. The innovation and the quality of designs were outstanding and highlighted interesting uses of the metal. In the student category, 93 entries were received from all over South Africa. The high quality

and standard of pieces continues to improve, providing the industry with required skills to grow.



This year's function was held at two venues linked by video satellite, providing an opportunity for nearly all participants and relevant industry players to attend the competition in Johannesburg and Cape Town.

The Company's objective remains to assist in the development of jewellery design and manufacture in order to maximise opportunities and to add value to the country's natural resource in both domestic and international markets.

INFORMATION AND DATA SUMMARY

Key information and data required by the global reporting initiative has been consolidated into a series of tables in this section for ease of reference.

The information and data includes:

- a comprehensive list of our stakeholders, including individual communities;
- operational safety statistics;
- membership of trade unions;
- various economic indicators;
- employment statistics;
- environmental indicators; and
- benchmarking data for selected key parameters.



Construction of the new RBMR tankhouse

OUR STAKEHOLDERS

	Key attributes	Relationship to Anglo Platinum	Method of engagement	Frequency of engagement	Refer to page
Investor community					
Anglo American plc	Listed in London	Owns 79,6% of Anglo Platinum	Meetings	Weekly	21
Minority shareholders	Predominantly South African, European and North American	Own the balance of Anglo Platinum shares	Results presentations, media	Bi-annual, continual	69
Potential investors and analysts	Represented by investor groups, such as pension funds	An interest in the potential of becoming shareholders	Results presentations, media	Bi-annual, continual	BR & SD
JSE Limited	Regulator of listed companies	Primary listing exchange and market	Various	Continual	Fold out BR
JSE SRI Index	Independent assessment of triple bottom-line reporting	Inclusion of Anglo Platinum in the index	Index questionnaire	Annual	130
Employees					
Permanent employees	60,459; 92% South Africa; 8,4% Botswana, Lesotho, Mozambique, Zimbabwe	Direct contractual relationship	Various	Continuous	78 134 135
Contractors	25,376; 77% South African	Indirect contractual relationship	Various	Continuous	78, 135
Trade unions and associations					
National Union of Mineworkers	30,233 predominantly mining employees	Signatory to employee relations policy	Partnership structures and task teams	Once every two months	91 133
United Association of SA	5,036 predominantly supervisory employees	Signatory to employee relations policy	Partnership structures and task teams	Once every two months	91 133
Trade Union Alliance	2,061 members of smaller unions	Signatory to employee relations policy	Partnership structures and task teams	Once every two months	91 133
TogetherNESS Amalgamated Workers' Union of SA	1,592 employees	Signatory to employee relations policy	Partnership structures and task team	Once every two months	91 133
Solidarity	122 supervisory mining and engineering employees	Signatory to employee relations policy	Partnership structures and task team	Once every two months	91 133
National Union of Metalworkers of SA	1,258 plant employees	Signatory to employee relations policy	Partnership structures and task team	Once every two months	91 133
South African Commercial Workers' Union	133 employees	Signatory to employee relations policy	Partnership structures and task team	Once every two months	91 33
Customers					
Johnson Matthey	Listed in London; PGMs fabricated into industrial products	Direct supply and long-term agency contracts for PGMs	Meetings and written correspondence	A minimum of once a month	BR 20 – 33
BASF	Listed in New York; PGMs fabricated into industrial products	Direct long-term contract to buy PGMs	Meetings and written correspondence	A minimum of once a month	BR 20 – 23
Tanaka Kikinzoku Kogyo KK	Private Japanese company, fabricating PGM industrial products	Direct long-term contract to buy PGMs	Meetings and written correspondence	A minimum of once a month	BR 20 – 23

Key attributes		Relationship to Anglo Platinum	Method of engagement	Frequency of engagement	Refer to page
Customers <i>(continued)</i>					
Umicore SA	Listed in Brussels, fabricating PGM industrial products	Direct long-term contract to buy PGMs	Meetings and written correspondence	A minimum of once a month	BR 20 – 23
Heraeus	Private German company, fabricating PGM industrial products	Direct long-term contract to buy PGMs	Meetings and written correspondence	A minimum of once a month	BR 20 – 23
Toyota Motor Corporation	Tokyo-listed motor manufacturer; PGMs used in autocatalysts	Direct long-term contract to buy PGMs	Meetings and written correspondence	A minimum of once a month	BR 20 – 23
Honda Motor Corporation	Tokyo-listed motor manufacturer; PGMs used in autocatalysts	Direct long-term contract to buy PGMs	Meetings and written correspondence	A minimum of once a month	23 BR 20 – 23
Business partners					
ARM Mining Consortium	HDSA mining company comprising ARM Platinum and the Mampudima and Matimatjatji communities	Joint-venture partner at Modikwa Platinum Mine	Joint-venture Exco and steering committee meetings	Monthly	67 73 BR 82 – 85
Aquarius Platinum (South Africa)	A subsidiary of Aquarius Platinum Limited, the Sydney-, London- and Johannesburg-listed mining company	Partner for exploiting Kroondal and Marikana reserves	Pooling-and-sharing meetings	Quarterly	67 73 BR 82 – 85
Lonmin plc	London-listed mining company in partnership with Bapo-Ba-Mogale community	Joint-venture partner at Pandora	Joint-venture meetings	Monthly	67 73 BR 82 – 85
Bapo-Ba-Mogale	Traditional community	Joint-venture partner at Pandora	Joint-venture meetings	As required	67
Mvelaphanda Resources	Johannesburg-listed HDSA mining company	Shareholder of Northam Platinum and BEE partner at Pandora Joint Venture	Joint-venture meetings	Quarterly	67 73 BR 82 – 85
Plateau Resources	HDSA-controlled mining company and wholly owned SA subsidiary of Anooraq Resources	Currently joint-venture partner at Ga-Phasha, Boikgantsho and Kwanda PGM projects. In process of implementing a transaction to transfer control (51%) of Lebowa Platinum Mine as well as abovementioned projects (additional 1%)	Board meetings and extensive negotiations for current transaction	As required	67 BR 82 – 85
Royal Bafokeng Resources	Resources company wholly owned by the Royal Bakokeng Nation, a traditional authority in North West province	Joint-venture partner at BRPM/ Stylrift	Joint-venture Exco and steering committee meetings	Monthly	67 BR 82 – 85
Bakgatla-Ba-Kgafela community	Traditional community	Joint-venture partner at Union Mine, Rooderand and Magazynskraal	Joint-venture meetings	Monthly	67 BR 82 – 85
PTM	Exploration company (26% empowerment)	Joint-venture partner at Western Bushveld Joint Venture	Joint-venture meetings	Quarterly	67
Pacific North West Capital Limited	Exploration company	Joint-venture exploration partners in Canada	Meetings	As required	67
Anooraq Resources	HDSA-controlled mining company, controlled by Pelawan Investments	Refer to Plateau Resource above	Meetings	As required	67
Eurasia	Exploration company	Joint-venture partner in Russia	Meetings	As required	–
Solitario	Exploration company	Joint-venture partner in Brazil	Meetings	As required	–

Key attributes		Relationship to Anglo Platinum	Method of engagement	Frequency of engagement	Refer to page
Business partners <i>(continued)</i>					
Sishuan Bureau of Geology and Mineral Resources	Exploration company	Joint-venture partner in China	Meetings	As required	BR 88 – 95
Xstrata South Africa (Pty) Ltd	Mining company	Joint-venture partner at Mototolo	Joint-venture meetings	Monthly	67
Kagiso Platinum Venture (Pty) Ltd	Mining company	Joint-venture partner at Mototolo	Joint-venture meetings	Monthly	67
Ridge Mining plc	AIM-listed mining company	Joint-venture partner in Sheba's Ridge project	Meetings	As required	67
Afripalm Resources (Pty) Ltd	HDSA mining company	Joint-venture partner in exploration project	Meetings	As required	67
Siyanda Chrome Investments (Pty) Ltd	HDSA chrome company	Joint-venture partner in chrome retreatment plant	Joint-venture meetings	Monthly	67
Major contractors					
Murray & Roberts	South African construction company	Service to the value of R484.2 million in 2008	Contract meetings and correspondence	Monthly	64 – 66
Hatch Africa (Pty) Ltd	South African EPCM company	Service to the value of R429.4 million	Contract meetings and correspondence	Monthly	64 – 66
Vhumbani Projects (Pty) Ltd	South African EPCM company	Service to the value of R386.7 million in 2008	Contract meetings and correspondence	Monthly	64 – 66
Grinaker LTA Civil Engineering	South African civils company	Service to the value of R370.6 million in 2008	Contract meetings and correspondence	Monthly	64 – 66
SAN Contracting Services cc	South African contracting mining company	Service to the value of R342.5 million in 2008	Contract meetings and correspondence	Monthly	64 – 66
Major suppliers					
Eskom Holdings Ltd	South African energy supplier	Supply cost increased from R1,086 million in 2007 to R1,293 million in 2008	Contract	Monthly	47 – 50
Shell South Africa	South African fuel supplier	Supply cost increased from R539.0 million in 2007 to R881.2 million in 2008	Contract	Monthly	48 – 64
SCAW South Africa (Pty) Ltd	South African grinding media supplier	Supply costs were R746.8 million in 2008	Contract	Monthly	64 – 66
Sandvik Mining and Construction	South African mining equipment supplier	Supply cost increased from R335.0 million in 2007 to R706.5 million in 2008	Contract	Monthly	64
Other contractors and suppliers					
Various	Of all contractors and suppliers, 99% are South African registered	Total supply costs of 'other' contractors and suppliers, excluding the above, increased from R18,785 million in 2007 to R18,898 million in 2008	Various	Various	64 – 66

Key attributes		Relationship to Anglo Platinum	Method of engagement	Frequency of engagement	Refer to page
Municipalities					
Bojanala District Municipality	District municipal area in North West province	Labour-sending area; part of mine communities at Rustenburg Mine, Amandelbult Mine, Union Mine and BRPM	Formal and informal meetings	As required	38 – 41
Rustenburg Local Municipality	Municipal area in North West province	Labour-sending area; part of Rustenburg Mine's and BRPM's mine communities	Formal and informal meetings	Monthly and as needs arise	38 39
Moses Kotane Local Municipality	Municipal area in North West province	Labour-sending area; part of mine communities at Rustenburg Mine, Amandelbult Mine, Union Mine and BRPM	Formal and informal meetings	Bi-monthly and as needs arise	38 39
Waterberg District Municipality	District municipal area in Limpopo province	Labour-sending area and part of Amandelbult Mine's and Mogalakwena's mine community	Formal and informal meetings	As required	39 40
Thabazimbi Local Municipality	Municipal area in Limpopo province	Labour-sending area and part of Amandelbult's mine communities	Formal and informal meetings	Quarterly and as required	40
Mogalakwena Local Municipality	Municipal area in Limpopo province	Labour-sending area; part of Mogalakwena's mine community	Formal and informal meetings	Quarterly and as required	39 46
Greater Sekhukhune District Municipality	District municipal area in Limpopo province	Labour-sending area; part of Lebowa's mine community	Formal and informal meetings	As required	39 46
Greater Tubatse Local Municipality	Municipal area in Limpopo and Mpumalanga provinces	Labour-sending area; part of Lebowa's mine community	Formal and informal meetings	Monthly	39 42
Fetakgomo Local Municipality	Municipal area in Limpopo province	Labour-sending area; part of Lebowa's mine community	Formal and informal meetings; joint planning sessions	Monthly	40 41
Capricorn District Municipality	District municipal area in Limpopo province	Labour-sending area; part of Mogalakwena's, Lebowa's and Polokwane Smelter's communities	Formal and informal meetings	As required	40
Polokwane Local Municipality	Municipal area in Limpopo province	Labour-sending area; part of Mogalakwena's, Lebowa's and Polokwane Smelter's communities	Formal and informal meetings	As required	40 43
Lepele Nkumpi Local Municipality	Municipal area in Limpopo province	Labour-sending area	Formal and informal meetings	As required	42
OR Tambo District Municipality	District municipal area in Eastern Cape province, covering the King Sabata; Nyandeni	Labour-sending area	Formal and informal meetings	As required	40 – 43
Traditional authorities, administrations and liaison committees	Traditional leadership around operational areas	Surface lease; social and economic impacts of mining on the community	Meetings, workshops and presentations	As required	39 – 44

Key attributes		Relationship to Anglo Platinum	Method of engagement	Frequency of engagement	Refer to page
Governmental bodies					
Central government	Various administrative departments, including DME	Some departments may only be visited on specific issues, such as Home Affairs (for work permits). Other relationships are more permanent and relate to specific issues (eg legislation on mining rights, environmental management, environmental permits and licences)	Formal and informal meetings/ presentations	Various structures meet at various times	62 – 64
Parliament	Various administrative departments	Policy discussion and lobbying (both ways) take place at this level; also debate on overarching issues of mutual interest	Formal and informal meetings/ presentations	Various	62 – 64
Regional offices	Various regional offices of DME and DWAF	Provides administrative governance function at provincial level	Formal and informal meetings/ presentations	Various	40 – 44
Limpopo provincial government	Various administrative departments	Provides administrative governance function at provincial level	Formal and informal meetings/ presentations	Various	40 – 44
Mpumalanga provincial government	Various administrative departments	Provides administrative governance function at provincial level	Formal and informal meetings/ presentations	Various	40 – 44 95
North West provincial government	Various administrative departments	Provides administrative governance function at provincial level	Formal and informal meetings/ presentations	Various	40 – 42 95
Independent government structures	Commission for Conciliation, Mediation and Arbitration; Commission on Restitution of Land Rights; Magalies Water Board; Mintek; National African Federated Chamber of Commerce; the South African Reserve Bank	Focused working groups may work together for up to 18 months on specific issues (eg land restitution)	Formal and informal meetings/ presentations	As required	40 – 45
SAPS	Various branches of the SAPS around group operations	Addressing security risks and issues in partnership	Meetings and consultations	Monthly and as required	42 93
SARS	Revenue services	Authority	Meetings and correspondence	As required	62

Key attributes		Relationship to Anglo Platinum	Method of engagement	Frequency of engagement	Refer to page
Non-governmental organisations (NGOs)					
Association of Black Professionals in Mining	A network of black professionals in mining, supporting the entry and development of blacks in the industry	Community development, mentorship and support	Meetings, seminars and workshops	As required	Various sections
African Pathways for Youth Development	Polokwane-based youth development and training organisation	Social impacts and community development	Meetings	As required	11
Kroondal Environmental Forum	Rustenburg area environmental watchdog	Environmental impacts	Meetings	As required	102
LimDev	Limpopo Business Development Agency	Business development, training and funding	Workshops	As required	96
Limpopo Education Development Trust	A public-private partnership to develop education in Limpopo province	Educational developments in Limpopo	Meetings and workshops	Monthly and as required	96
Limpopo SMME Agency	A business development agency funded through government	SMME development and support	Meetings and workshops	As required	96
Vision of the Nation and Tshupe Hospice	A home-based care centre for HIV/AIDS patients in local communities	Provider of home-based care services funded by the Group	Meetings	Quarterly	81
Mpumalanga Education Development Trust	A public-private partnership to develop education in Mpumalanga	Educational developments in Burgersfort	Meetings and workshops	Monthly and as required	81
North West Eco Forum	Rustenburg area environmental watchdog	Environmental impacts	Meetings, consultations and presentations	As required	102
North West Education Development Trust	A public-private partnership to develop education in North West province	Educational developments in North West province	Meetings and workshops	Monthly and as required	49
Royal Bafokeng Economic Board	Economic board of the Royal Bafokeng Nation, looking at development of SMMEs within the Royal Bafokeng Nation	An important partner in the development of SMMEs in and around RPM operations and communities	Meetings, workshops and presentations	Monthly and as required	67
Sivukile Home Based Care	Ten NGOs providing home-based care	Provide home-based care in communities around operation	Meetings and contract meetings	As required	81
ActionAid	Global NGO focusing on poverty alleviation	Commented on our water and relocations at Mogalakwena	Reports and meetings	As required	43

Key attributes		Relationship to Anglo Platinum	Method of engagement	Frequency of engagement	Refer to page
Non-governmental organisations (NGOs) <i>(continued)</i>					
Trade and Investment Limpopo	Investment agency for Limpopo	Black economic empowerment supplier, development and preferential procurement	Meetings	As required	37 – 42
Benchmark Foundation	Faith-based mining organisation. Corporate governance	Conducts research around our operations	Meetings	As required	40 – 48
SOMO	Dutch-based research organisation	Conducted research into impacts of platinum	Correspondence meetings	As required	40 – 48
Educational institutions					
Universities/universities of technology/technical and community colleges	Educational institutions promoting required skills	Bursary programmes. Continuing education. MDP/ MBA. Graduate development. Beneficiation. Research sponsorship. Membership of faculty advisory boards. Interaction on planning directly and via professional bodies. Major contributor to Mineral Education Trust Fund. Sponsorship of professorial seats	Meetings	As required	Various sections
Industry bodies					
Chamber of Mines – SA	Industry body	Anglo Platinum is a member of the Chamber of Mines	Meetings	As required	Various sections
International Platinum Association	Industry body	Anglo Platinum is a member of the Chamber of Mines	Meetings	As required	Various sections
BUSA	Industry body	Member	Meetings and events	As required	Various sections
National Business Initiative Platinum Guild International ICMM	Industry body	Member	Meetings and events	As required	Various sections

Community	Classification	Relationship to Anglo Platinum	Local municipality	Population
Bojanala District Municipality				
Chaneng	Rural small village	BRPM	Rustenburg Local Municipality	6,689
Robega	Rural small village	BRPM	Rustenburg Local Municipality	3,292
Bala	Rural small village	BRPM	Rustenburg Local Municipality	3,020
Rankunyana	Rural small village	Rustenburg	Rustenburg Local Municipality	1,699
Kanana	Rural scattered	Rustenburg	Rustenburg Local Municipality	398
Rankelenyane	Urban formal town	Rustenburg	Rustenburg Local Municipality	1,718
Boitekong	Urban formal town	Rustenburg	Rustenburg Local Municipality	11,632
Zakele	Rural scattered	Rustenburg	Rustenburg Local Municipality	Unknown
Mfidikwe	Rural small village	Rustenburg	Rustenburg Local Municipality	798
Thekwane	Rural small village	Rustenburg	Rustenburg Local Municipality	3,994
Waterval	Rural small village	Rustenburg	Rustenburg Local Municipality	798
Kwa Photsaneng	Rural small village	Rustenburg	Rustenburg Local Municipality	4,314
Siyavuya	Rural scattered	Rustenburg	Rustenburg Local Municipality	318
Sefikile	Rural small village	Union	Rustenburg Local Municipality	2,702
Ga-Ramosidi	Rural small village	Union	Rustenburg Local Municipality	8,572
Greater Sekhukhune District Municipality				
Ga-Makgopa and Ext 1	Rural scattered	Twickenham	Greater Tubatse Local Municipality	100
Twickenham	Rural small village	Twickenham	Greater Tubatse Local Municipality	2,088
Ga-Mashabela	Rural small village	Twickenham	Makhuduthamaga Local Municipality	4,222
Makgake	Rural scattered	Twickenham	Greater Tubatse Local Municipality	255
Thidintitsane	Rural scattered	Twickenham	Greater Tubatse Local Municipality	295
Dipurung	Rural scattered	Twickenham	Greater Tubatse Local Municipality	04
Ga-Kgwete	Rural dense village	Twickenham	Greater Tubatse Local Municipality	5,116
Morapaneng	Rural small village	Twickenham	Greater Tubatse Local Municipality	1,523
Ditobeleng	Rural small village	Twickenham	Greater Tubatse Local Municipality	511
Maotsi	Rural scattered	Twickenham	Greater Tubatse Local Municipality	75
Ga-Masete and Ext 1	Rural small village	Twickenham	Greater Tubatse Local Municipality	974
Ga-Mashishi	Rural small village	Twickenham	Greater Tubatse Local Municipality	3,114
Manyaka	Rural small village	Twickenham	Greater Tubatse Local Municipality	1,500
Mohlope	Rural small village	Twickenham	Greater Tubatse Local Municipality	1,166
Waterberg District Municipality				
Northam	Urban formal town	Amandelbult	Thabazimbi Local Municipality	4,712
Ga-Tshaba	Rural small village	Mogalakwena	Mogalakwena Local Municipality	1,096
Ga-Malebana	Rural dense village	Mogalakwena	Mogalakwena Local Municipality	5,463

Community	Classification	Relationship to Anglo Platinum	Local municipality	Population
Waterberg District Municipality <i>(continued)</i>				
Ga-Masanya 1	Rural small village	Mogalakwena	Mogalakwena Local Municipality	1,879
Pholotsi	Rural small village	Mogalakwena	Mogalakwena Local Municipality	3,242
Ga-Mapela	Rural dense village	Mogalakwena	Mogalakwena Local Municipality	6,228
Ga-Masanya 2	Rural small village	Mogalakwena	Mogalakwena Local Municipality	2,166
Tweefontein	Rural small village	Mogalakwena	Mogalakwena Local Municipality	1,243
Ga-Mokaba	Rural small village	Mogalakwena	Mogalakwena Local Municipality	2,361
Magongoa	Rural small village	Mogalakwena	Mogalakwena Local Municipality	1,839
Tshamahansi	Rural dense village	Mogalakwena	Mogalakwena Local Municipality	13,274
Ga-Mmalepete	Rural small village	Mogalakwena	Mogalakwena Local Municipality	3,208
Ga-Letwaba	Rural small village	Mogalakwena	Mogalakwena Local Municipality	3,951
Ga-Kgubudi	Rural dense village	Mogalakwena	Mogalakwena Local Municipality	5,287

AWARDS

Anglo Platinum received a number of sustainable development related awards, including:

- The Limpopo MEC for local government and housing's award for the best business partner addressing development in Limpopo;
- Best sustainability report in the Chartered Institute for Secretaries JSE reporting awards;
- Joint winner with Sasol of the Ernst and Young sustainability reporting award;
- Second runner-up in the resources category of the ACCA reporting awards; and
- Platinum award in the LACP reporting awards.

SAFETY STATISTICS

Operation ²	Number of fatalities			Fatal-injury frequency rate (FIFR) ¹			Lost-time injury frequency rate (LTIFR) ¹		
	2008	2007	2006	2008	2007	2006	2008	2007	2006
Rustenburg Mine	6	16	7	0.02	0.04	0.02	1.84	2.51	2.28
Amandelbult Mine	5	3	5	0.02	0.01	0.03	2.28	2.85	3.19
Union Mine	0	1	1	0	0.01	0.01	1.21	1.33	2.19
Mogalakwena	2	0	0	0.06	0	0	0.28	0.08	0.26
Lebowa	1	1	2	0.02	0.01	0.03	2.24	2.48	2.37
BRPM	2	3	2	0.02	0.04	0.02	2.57	2.59	4.82
Waterval Smelter	0	0	0	0	0	0	0.59	0.45	0.56
Polokwane Smelter	0	0	0	0	0	0	0.13	1.08	0.78
RBMR	0	0	0	0	0	0	0.12	0.49	0.93
PMR	0	0	0	0	0	0	0.20	0.39	0.21
Projects	1	1	1	0.03	0.01	0.04	0.74	0.17	0.52
Mototolo Concentrators	0	0	—	0	0	—	0.39	0	—
Total/aggregate	17	25	18	0.02	0.02	0.02	1.74	2.03	2.52
Benchmark operations³									
– Impala Platinum	12	12	7	—	—	0.02	0.58		
– Lonmin Platinum	3	6	8	—	—	—	2.16		
– AngloGold Ashanti	11	27	32	0.02	0.06	0.07	2.22	2.51	2.51

1. Per 200,000 hours worked.

2. Operations include mines and associated contractors.

3. Values extracted from respective annual reports.

Statistics include all contractors' safety performances.

Membership of recognised unions and associations as at 31 December 2008

	2008	2007	2006
National Union of Mineworkers (NUM)	30,233	26,138	22,247
Trade Union Alliance*	2,061	3,798	5,927
United Association of South Africa (UASA)	5,036	4,400	4,072
Togetherness Amalgamated Workers' Union of South Africa (TAWUSA)	1,592	714	691
Solidarity	122	142	124
National Union of Metalworkers of South Africa (NUMSA)	1,258	1,913	244
Total	133	37,105	33,305
Percentage of employees represented	40,435	74	
Gauteng	67		0
Limpopo	0	66	65
Mpumalanga	83	0	0
North West	0	95	92
Total percentage of workforce represented, excluding management	73	82	78

* Mouthpeace Workers' Union, Commercial Workers' Union of South Africa, Steel, Mining and Commercial Workers' Union, and Building, Motor, Engineering and Allied Workers' Union.

ECONOMIC INDICATORS

ANGLO PLATINUM LIMITED

	2008	2007	2006
Total workforce*			
Full-time employees	51,004	48,926	42,609
Contractors	36,119	39,341	36,057
Total capitalisation, as at 31 December, R millions			
Debt	16,330	7,956	578
Equity	29,496	28,773	28,692
Total assets, as at 31 December, R millions			
Property, plant and equipment	28,435	20,697	20,872
Capital work-in-progress	18,136	15,561	9,128
Investment in associates	530	391	944
Investments held by environmental trusts	66	120	264
Other financial assets	158	116	5
Other non-current assets	75	79	193
Inventories	10,064	6,370	5,300
Trade and other receivables	3,941	4,246	4,883
Other assets	225	134	347
Other current financial assets	1,615	3	
Cash and cash equivalents	2,870	4,079	4,377
Assets held of sale	2,553	2,254	—
Refined production			
Platinum 000 oz	2,387	2,474	2,817
Palladium 000 oz	1,319	1,389	1,539
Rhodium 000 oz	299	328	326
Gold 000 oz	79	97	114
Nickel tonnes	16	19	21
Copper tonnes	9	11	11
Gross revenue, R millions	51,118	46,961	39,355
North America	3,588	3,333	2,918
Asia	23,207	16,940	15,238
Europe	14,211	14,429	10,737
South Africa	10,031	12,207	10,403
Other	81	52	59
Total cash operating costs, R millions	31,561	23,836	19,083
Gauteng	—	—	—
Limpopo	11,234	9,435	7,621
Mpumalanga	—	—	—
North West	19,286	14,296	11,355
Non-South Africa	1,040	105	107
Value added, R millions	33,731	30,521	25,975
To salaries, wages and other benefits, net of tax	8,841	7,475	5,580
To government	5,648	7,495	5,620
To providers of capital	15,207	16,307	5,066
Reinvested in the Group	4,035	(756)	9,709

SOCIAL INDICATORS

EMPLOYMENT STATISTICS

Breakdown of South African workforce, numbers ^a	2008	2007	2006	2005
Gauteng	718	611	571	605*
Limpopo	22,180	19,525 ^b	21,411	21,480*
North West	27,972	24,044	20,545	20,424*
Mpumalanga	134	122	82	—
Total own employees	51,004	44,302	42,609	42,509*
Contracting staff				
Outsourced	8,874	10,705	8,041	5,667*
Contractors	27,245	20,247	19,266	16,860*
Total contracting staff	36,119	39,341	36,057	31,969*
Employment creation in provinces, numbers				
Gauteng	107	126	73	23
Limpopo	2,655	6,363	4,501	493
North West	3,928	4,102	3,326	—
Mpumalanga	12	7	83	—
Total own employees	6,699	10,598	7,983	516
Average labour turnover in South Africa, percentage				
Gauteng	8.5	7.7	11.0	8.9
Limpopo	9.4	8.5	9.8	8.9
North West	2.4	7.6	8.1	19.2
Mpumalanga	6.7	1.6	1.2	—
Average	6.7	6.4	7.5	12.3

^a Workforce numbers based on an annual average.

^b Workforce numbers reviewed against the published group statistics.

* Workforce numbers reclassified in terms of Anglo Platinum's new workforce strategy classification for all years.

Anglo Platinum created 6,317 new jobs (based on the difference between 2006 and 2007 figures) at its operations in 2007.

BREAKDOWN OF EMPLOYMENT EQUITY PER OCCUPATIONAL LEVEL AT ANGLO PLATINUM

Occupational levels	Male			Female				White male	Foreign nationals		TOTAL
	African	Coloured	Indian	African	Coloured	Indian	White		Male	Female	
Top management	2	0	0	1	0	0	0	6	2	0	11
Senior management	53	5	13	7	0	4	15	228	13	0	338
Professionally qualified and experienced specialists and mid-management	580	30	26	129	8	12	231	1,165	28	5	2,214
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	3,014	54	9	473	11	22	529	2,154	166	3	6,435
Semi-skilled and discretionary decision-making	32,485	48	1	1,605	19	6	256	309	3,612	2	38,343
Unskilled and defined decision-making	4,073	10	0	1,729	2	0	5	52	151	0	6,022
TOTAL PERMANENT	40,207	147	49	3,944	40	44	1,036	3,914	3,972	10	53,363
CONTRACTORS	188	2	0	40	0	0	13	22	1	0	266
GRAND TOTAL	40,395	149	49	3,984	40	44	1,049	3,936	3,973	10	53,629

* Annual average as at 31 May 2008.

ENVIRONMENTAL INDICATORS

	2008	2007	2006	2005	2004
Materials					
			Kilotonnes		
Rock broken – managed operations (100%)	128,089	116,162	97,323	86,876	84,061
Ore milled – managed operations (100%)	39,126	38,433	39,863	38,402	37,925
Accumulated low-grade stockpiles	19,709	18,658	16,072	13,246	11,086
Coal	113.7	119.0	128.5	113.1	106.7
Liquid petroleum gas (LPG)	4.62	6.32	6.46	4.53	5.5
Grease	1.18	1.24	1.38	1.17	1.2
			Megalitres		
Fuels	77.36	72.82	62.14	54.81	54.33
Lubricating and hydraulic oils	17.48	15.65	7.32	4.40	4.03
Energy			Terajoules		
Energy from electricity purchased	19,196	19,642	19,906	18,476	18,003
Energy from processes and fossil fuels	6,202	6,254	6,103	5,319	5,181
Total energy consumed	25,398	25,896	26,009	23,795	23,184
Water			Megalitres		
Water used for primary activities	28,362	30,148	27,787	25,525	32,671
Potable water from an external source	23,556	23,439	22,663	23,740	25,181
Non-potable water from an external source	1,144	1,444	333	289	283
Waste water and second-class water used	4,170	2,909	4,681	1,969	1,788
Surface water used	1,164	1,434	757	181	0
Groundwater used	8,792	9,707	9,857	10,473	12,819
Water recycled in processes	25,231	23,590	18,182	18,959	12,892
Water used for non-primary activities	6,582	6,018	5,852	7,466	7,112
Land			Hectares		
Land under Group charge for current mining activities	51,334	51,334	48,846	46,784	43,351
Land utilised for current mining and related activities	15,634	14,778	12,408	11,564	10,390
Total tailings dam area	2,310	2,310	2,265	2,308	2,364
Total waste rock dump area	875	752	687	682	661
Mining in formally protected areas	0	0	0	0	0
Other land owned					
All land owned (new parameter from 2007)	46,974	51,102	—	—	—
Emissions			Kilotonnes		
GHG emissions, CO ₂ equivalent					
From electricity purchased	5,087	5,227	5,325	4,942	4,451
Internally generated	494	502	496	433	418
Nitrous oxides	NM	NM	NM	0.22	0.01
Sulphur dioxide	15.51	18.54	16.38	15.21	20.31
Particulates (point sources)	0.38	0.46	0.61	0.89	1.17
Discharge			Megalitres		
Discharge to surface water	3,658	4,596	2,476	608	1,001

	2008	2007	2006	2005	2004
Quality					
Surface water quality monitored at all operations?	Yes	Yes	Yes	Yes	Yes
Surface water quality deterioration off-site?	Yes	Yes	Yes	Yes	Yes
Adverse surface water impact on humans?	Yes	No	No	No	No
Groundwater quality monitored at all operations?	Yes	Yes	Yes	Yes	Yes
Groundwater quality deterioration?	Yes	Yes	Yes	Yes	Yes
Adverse groundwater impact on humans?	No	No	No	No	No
Waste					
Kilotonnes					
Mineral waste accumulated in:					
Tailings dams (active and inactive)	730,750	686,814	675,258	644,065	616,666
Rock dumps	665,399	566,518	488,444	427,827	375,065
Slag dumps	*	3,940	3,542	2,915	2,229
Non-mineral waste generated:					
Hazardous to landfill	13.69	7.30	7.13	13.19	3.18
Hazardous incinerated	0.02	0.03	0.02	0.03	<0.01
Non-hazardous to landfill	26.13	41.35	39.53	27.68	23.33
Non-hazardous incinerated	0.03	0.04	0.04	0.05	0.04
Environmental incidents and complaints					
Number					
Level 1 (minor impact and/or non-compliance)	3,442	5,547	5,819	4,526	4,059
Level 2 (intermediate impact and/or non-compliance)	1	6	2	5	4
Level 3 (major impact and/or non-compliance)	0	0	0	0	0
Formal complaints	8	18	19	45	73
Products					
Ounces					
Total refined PGMs and gold – managed operations	4,302,554	4,192,011	4,595,151	4,258,382	4,249,594

*Parameter not reported as final figures for 2008 could not be verified.

2008 Environmental benchmarks (from published information)

	Anglo Platinum	Impala	Lonmin	Northam
Total energy (Terajoules)	25,516	16,135	6,555	1,936•
Total new water (000 cubic metres)	34,944	45,115†	9,256	16,700
Greenhouse gas emissions (kilotonnes CO ₂ equivalent)	5,587	3,223	1,659	66
Sulphur dioxide emissions (tonnes)	15,505	26,476	3,322Δ	3,310

• Energy from electricity only.

† Includes recycled water.

Δ Stack emissions only.

MINING CHARTER

MINING SCORECARD REFERENCE TABLE

Description	For details refer to page
Human resource development	
Has the Company offered every employee the opportunity of being functionally literate and numerate by the year 2005 and are employees being trained?	59, 60, 87
Has the Company implemented career paths for HDSA employees, including skills development plans?	60, 86, 87
Has the Company developed systems through which empowerment groups can be mentored? ¹	87
Employment equity	
Has the Company published its employment equity plan and reported on its annual progress in meeting that plan?	60, 86, 87, 135
Has the Company established a plan to achieve a target for HDSA participation in management of 40% within five years and is it implementing the plan?	135
Has the Company identified a talent pool and is it fast-tracking it?	86, 87
Has the Company established a plan to achieve the target for women participation in mining of 10% within the five years and is it implementing it?	86, 135
Migrant labour	
Has the Company subscribed to government and industry agreements to ensure non-discrimination against foreign migrant labour? ²	—
Mine community and rural development	
Has the Company cooperated in the formulation of integrated development plans and is the Company cooperating with government in the implementation of these plans for communities where mining takes place and for major labour-sending areas?	95 – 100
Has there been effort on the side of the Company to engage the local mine community and major labour-sending area communities? (Companies will be required to cite a pattern of consultation, indicate money expenditures and show a plan.)	38 – 41
Housing and living conditions	
For Company-provided housing, has the mine, in consultation with stakeholders, established measures for improving the standard of housing, including the upgrading of hostels and conversion of hostels to family units, and promoted home-ownership options for mine employees?	90
Companies will be required to indicate what they have done to improve housing, show a plan to progress the issue over time and demonstrate that they are implementing the plan.	90
For Company-provided nutrition, has the mine established measures for improving the nutrition of mine employees?	81
Companies will be required to indicate what they have done to improve nutrition, show a plan to progress the issue over time and demonstrate that they are implementing the plan.	81
Procurement	
Has the mining company given HDSAs preferred-supplier status?	65
Has the mining company identified current levels of procurement from HDSA companies in terms of capital goods, consumables and services?	65
Has the mining company indicated a commitment to a progression of procurement from HDSA companies over a three- to five-year timeframe in terms of capital goods, consumables and services, and to what extent has the commitment been implemented?	64
Ownership and joint ventures	
Will the mining company achieve HDSA participation, in terms of ownership of equity or attributable units of production, of 15% in HDSA hands within five years and 26% within 10 years? ³	67
Beneficiation	
Has the mining company identified its current level of beneficiation?	118
Has the mining company established its base-line level of beneficiation and indicated the extent that this will have to be grown to qualify for an offset? ⁴	118
Reporting	
Has the Company reported in its annual report progress towards achieving its commitments? ⁵	See this report

Note: The Group has programmes in response to all mining sector scorecard requirements, except beneficiation offsets.

1. The mentoring of empowerment groups refers to the mining company's HDSA employees.

2. The Group has reviewed its policies to ensure there is no discrimination against foreign migrant workers.

3. Discussions to ensure that the 26% target is achieved are currently in progress.

4. The offset guidelines have not been finalised by the Department of Minerals and Energy and therefore the Group cannot calculate what offset it qualifies for.

5. The Group considers this annual report to comply with this requirement.

GRI INDICATOR CATEGORY AND REFERENCE TABLE

Economic		Environmental		Social							
				Labour		Human rights		Community		Product responsibility	
G3	Material	G3	Material	G3	Material	G3	Material	G3	Material	G3	Material
EC1	p62	EN1	p102	LA1	p135	HR1	p20	SO1	p20, 37	PR1	p118
EC2	p22, 51	EN2	p111	LA2	p135	HR1 (MM)	p93	SO1 (MM)	p95	PR2	p118
EC3	p92	EN3	p47	LA3	p133	HR2	p66	SO2	BR	PR3	—
EC4	p63	EN4	p48	LA4	—	HR3	p66	SO3	—	PR4	NM
EC5	NM	EN5	p52	LA5	p33	HR4	p92	SO4	p133	PR5	NM
EC6	p64	EN6	p103	LA6	p35	HR5	p92	SO5	—	PR6	NM
EC7	—	EN7	p103	LA7	p33, 133	HR6	p93	SO6	—	PR7	p118
EC8	p96	EN8	p51	LA8	p81	HR7	p93	SO7	BR	PR8	NM
EC9	p64	EN9	p106	LA9	p85	HR8	NM	MM7	p41	PR9	NM
EC10	p62	EN10	p107	LA10	p60, 89	HR9	p93	MM8	NM	PR10	—
MM1	p64	EN10 (MM)	p109	LA11	p135	HR10	p93	MM9	p41	PR11	—
MM2	p62	EN11	p111	LA12	—			MM10	p116		
		EN11 (MM)	p111	LA13	p91			MM11	p74, 93		
		EN12	p56	LA14	p33			MM12	NM		
		EN13	p56, 112	LA15	—			MM13	p79		
		EN13 (MM)	p112	LA16	p86						
		EN14	p118	LA17	p86						
		EN15	BR26								
		EN16	p114								
		EN17	p49								
		EN18	p48								
		EN19	NM								
		EN20	p52								
		EN21	p54, 56								
		EN22	p56								
		EN23	p103								
		EN23 (MM)	p103								
		EN24	p103								
		EN25	p103								
		EN26	p106								
		EN27	p106								
		EN28	p104								
		EN29	p103								
		EN30	p51								
		EN31	p115 – 118								
		EN32	p56								
		EN33	p66								
		MM3	p103								
		MM4	BR26								
		MM5	NM								
		MM6	p111								

NM: Not material based on materiality test.

BR: Business report.

— No information provided.

GLOSSARY OF DEFINITIONS, TERMS AND ACRONYMS

AAplc: Anglo American plc, registered in the UK.

ABET: adult basic education and training.

ACP: Anglo Platinum Converting Process, a pyrometallurgical process used at the Waterval Smelter complex in Rustenburg.

Adverse groundwater impacts on humans: evidence of adverse impacts on human health or activities as a result of discharge to groundwater.

Adverse surface water impacts on humans: evidence of adverse impacts on human health or activities as a result of discharge to surface water.

ARM: African Rainbow Minerals Limited.

ART: antiretroviral therapy, used for the treatment of HIV/AIDS to mitigate the effects of the disease.

Asbestosis: a lung disease caused by inhaling asbestos particles.

Basel Convention: the Basel Convention on the Control of Trans-boundary Movements of Hazardous Wastes and their Disposal was drafted and adopted in 1989 and came into effect in 1992. The convention works to reduce the movement of hazardous wastes to ensure that wastes are disposed of as closely as possible to where they were produced, and to minimise the generation of hazardous wastes in terms of quantity and level of hazard.

Base metal: a common metal that is not considered precious, such as copper, tin or zinc.

BDO: business development officer.

BEE: black economic empowerment.

BRPM: Bafokeng-Rasimone Platinum Mine.

CEO: chief executive officer.

CO₂: carbon dioxide.

COSATU: Confederation of South African Trade Unions.

Discretionary spend: spending for the long-term profitability of a company.

DME: Department of Minerals and Energy of the South African Government.

DWAF: Department of Water Affairs and Forestry of the South African Government.

Effluent to surface water: total volume of excess water discharged to surface water (eg rivers, dams, pans) during the reporting period.

EMS: environmental management system.

Energy from electricity: electricity purchased from the national utility, Eskom.

Energy from processes and fossil fuels consumed: total energy excluding electricity purchased.

ESOP: Anglo Platinum's share ownership plan.

Fatality: death resulting from an accident.

FIFR: fatal-injury frequency rate; the number of fatal injuries per 200 000 hours worked.

Fuels: diesel, petrol and paraffin consumed for processes and utilities.

Fundamental human rights conventions of the ILO: international labour standards covered in the Declaration on Fundamental Principles and Rights at Work (adopted by the International Labour Conference at its 86th session, Geneva, 1998):

Convention No 29: Forced Labour, 1930

Convention No 87: Freedom of Association and Protection of the Right to Organise, 1948

Convention No 98: Right to Organise and Collective Bargaining, 1949

Convention No 100: Equal Remuneration, 1951

Convention No 105: Abolition of Forced Labour, 1957

Convention No 111: Discrimination (Employment and Occupation), 1958

Convention No 138: Minimum Age, 1973

Convention No 182: Worst Forms of Child Labour, 2000

GJ: gigajoules (10⁹ joules).

Grease: total quantity of all types of grease used in all types of equipment during the reporting period.

Greenhouse gas emissions, CO₂ equivalent: quantity of CO₂ from electricity purchased and internally generated. Conversion factors used are as recommended by the Intergovernmental Panel on Climate Change (IPCC). Gases include CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, and other CO₂ equivalents.

Grey water: poor-quality water obtained from an external source, eg municipal sewage effluent. Does not include non-potable water, or internally recycled effluent.

GRI: the Global Reporting Initiative was established in 1997, with the mission of designing globally applicable guidelines for the preparation of enterprise-level, sustainable development reports.

Groundwater quality deterioration: monitoring results indicate deterioration of groundwater quality because of the operation's activities.

Groundwater quality monitoring: monitoring programme to monitor water quality. Required sites are those identified for monitoring by legal permit requirements or by the site EMS.

Groundwater used: water abstracted/collected by the operation from groundwater sources, eg from boreholes and mine dewatering, which is used by the operation.

Hazardous waste to incineration: this may include heavy metal contaminated sludge; contaminated containers (reagent containers, oil/grease containers, anti-freeze drums); medical waste; vehicle batteries; and oil-contaminated material (gaskets, filters, soaking agents, rags). Incineration takes place in a facility designed and operated in a manner compliant with legislation or internationally accepted practice (this does not include burning of waste in a pit or open area).

Hazardous waste to landfill: this may include: heavy metal contaminated sludge; contaminated containers (reagent containers, oil/grease containers, anti-freeze drums); contaminated soil; and oil-contaminated material (gaskets, filters, soaking agents, rags).

HDSA: historically disadvantaged South African. Refers to 'any person, category of persons or community, disadvantaged by unfair discrimination before the Constitution of the Republic of South Africa, 1993 (Act No 200 of 1993), came into operation'. The Anglo Platinum definition of HDSA includes employees who are classified as African, Asian, coloured or women, regardless of citizenship status.

HMO: health maintenance organisation.

ICMM: International Council on Mining and Metals.

IDPs: integrated development plans, as specified in the mining scorecard in respect of mine community and rural development, and legislated by government in terms of the Local Government Municipal Systems Act.

IFRS: International Financial Reporting Standard.

IIED: International Institute for Environment and Development.

ILO (International Labour Organization): the specialised UN agency that seeks the promotion of social justice and internationally recognised human and labour rights. It was founded in 1919.

IMAGE: Intervention for Microfinance and Gender Equity.

IPA: International Platinum Association, which provides a communication forum for producers and fabricators, and facilitates market development.

ISO: International Organization for Standardization.

ISO 14001: an EMS standard published by the ISO.

IUCN protected area categories: the World Conservation Union (IUCN) defines a protected area as 'an area of land and/or sea especially dedicated to the protection and maintenance of biological diversity, and of the natural and associated cultural resources, and managed through legal or other effective means'. IUCN categorises protected areas by management objective and has identified six distinct categories of protected areas.

JM: Johnson Matthey plc, a leading fabricator of PGM products and leading researcher and developer of PGM applications and uses, based in London.

JSE: JSE Limited, the Johannesburg-based securities exchange.

JV: joint venture.

King Report: the King Committee on Corporate Governance in South Africa was formed in 1992 (under the auspices of the Institute of Directors in southern Africa and chaired by Mervyn King) to promote the highest standards of corporate governance in South Africa. Corporate governance in the country was institutionalised by the publication of the King Report on Corporate Governance in 1994, and more recently by the release of an updated version ('King II') in 2002. The King Report features a Code of Corporate Practices and Conduct, which the JSE stipulates all listed companies must follow. GRI is referenced in this code.

Land disturbed for mineral extraction activities: area of land under Group charge where the original characteristics have been disturbed by mineral extraction and ancillary operations. This includes open pits and quarries, access roads, stockpiles, tailings/slimes dams and co-disposal facilities, offices, dumps, villages, land awaiting rehabilitation, screening banks, and concentrator, smelter, and refinery complexes. Disturbance can be by both physical and chemical means.

Land under Group charge: includes land falling under the direct management of the Group (including all land owned, leased or covered by surface rights), but

excludes land that does not fall under the direct management of the Group. It also excludes prospecting rights.

Lebowa: Lebowa Platinum Mines Limited, 100% owned by Anglo Platinum.

Level 1 environmental incident: insignificant or minor impact on the physical or biological environment, with no significant or long-term impairment of ecosystem function or ground/surface water resource; and/or an inconvenience/disturbance/disruption/annoyance of short duration and with no long-term effect on the community; and/or a release of material that has the potential to cause illness, injury or property damage to the public, or one that causes short-term discomfort; and/or isolated public complaints; and/or minor infringements of legal requirements.

Level 2 environmental incident: moderate impact on the physical or biological environment, with limited impairment of ecosystem function or ground/surface water resource; and/or an inconvenience/disturbance/disruption/annoyance of moderate duration or with medium-term effect on the community; and/or a release of material that causes severe but reversible illness or moderate property damage to the public; and/or attention from local media or widespread complaints; and/or formal intervention by authorities or where prosecution and conviction have led to fines totalling less than US\$100 000 per event.

Level 3 environmental incident: significant impact on the physical or biological environment, with extensive or long-term impairment of ecosystem function or ground/surface water resource; and/or an inconvenience/disturbance/disruption/annoyance of long duration or with long-term effect on the community; and/or a release of material that causes chronic illness, permanent disabling injury, fatality or extensive property damage to the public; and/or public or national/international media outcry; and/or instances where prosecution has led to conviction and fines totalling more than US\$100 000 per event.

Lost-time injuries (LTIs): any occupational injury that renders a person unable to perform his/her regular duties for one full shift or more following the day on which the injury was incurred, whether a scheduled work day or not.

LTIFR: lost-time injury-frequency rate; the number of lost-time injuries per 200 000 hours worked.

Lubricating oil and hydraulic oil used: total quantity of all types of lubricating oil and hydraulic oil added to all types of equipment.

MCP: magnetic concentration plant.

Mineral Resources: see Business Report, page 88.

MQA: Mining Qualifications Authority. The MQA is a South African government body charged with developing standards and qualifications for the country's mining sector; maintaining the quality of standards, qualifications and learning provision; developing and implementing a sector skills plan; disbursing grants from the Skills Development Levy; and establishing, registering, administering and promoting learnerships and the administration of apprenticeships.

NGO: non-governmental organisation.

NIHL: noise-induced hearing loss.

Non-hazardous waste to incineration: incineration refers to incineration in a facility designed and operated in a manner compliant with legislation or internationally accepted practice (this does not include the burning of waste in a pit or open area).

Non-hazardous waste to landfill: domestic-type waste to on-mine and off-mine landfill sites.

Non-potable water from an external source: water obtained from an external source that is untreated or only partially treated and is not of a standard suitable for drinking. This does not include waste water/second-class water, which is effluent from sewage works. It also does not include untreated surface water and groundwater extracted by the operation itself.

OHSAS 18001: Occupational Health and Safety Assessment Series (specifications for occupational health and safety management systems).

Oz: Troy ounce.

Ozone-depleting compounds (ODCs): quantity of ozone-depleting compounds released/vented to the atmosphere during the reporting period, expressed as CFC-11 equivalent. ODCs include the following compounds: chlorofluoro-carbons (CFCs) (CFC-11, CFC-12, CFC-113, CFC-114, CFC-115); hydro-chlorofluorocarbons (HCFCs); halons (halon 1211, halon 1301, halon 2402); carbon tetrachloride; trichloroethane; methyl bromide; and hydro-bromofluorocarbons.

GLOSSARY OF DEFINITIONS, TERMS AND ACRONYMS

Particulates: Particulate matter consists of airborne particles in solid or liquid form. Particles are a type of air pollution that commonly affects people's health. 'Big' particles are between 2.5 and 10 micrometres in size and are called PM10. 'Small' particles under 2.5 micrometres in size and are called PM2.5. They cause more severe health effects. Anglo Platinum data on particulates refer to the mass of particulates released to atmosphere from point sources during the reporting period.

PCBs: polychlorinated biphenyls are mixtures of chlorinated compounds.

PGL: Platinum Guild International, based in London and the key promoter of platinum jewellery worldwide.

PGMs: platinum group metals; six elemental metals of the platinum group nearly always found in association with each other. Some texts refer to PGEs (platinum group elements). These metals are platinum, palladium, rhodium, ruthenium, iridium and osmium.

PJ: Petajoules (10^{15} joules).

PMR: Precious Metals Refinery.

Pneumoconiosis: a lung disease caused by inhaling dust.

POPs: Persistent organic pollutants are chemicals that remain intact in the environment for long periods, become widely distributed geographically, accumulate in the fatty tissue of living organisms, and are toxic to humans and wildlife. POPs circulate globally and can cause damage wherever they travel.

Potable water from an external source: water obtained from an external source (eg local authority) that has been treated to a standard suitable for drinking.

PPRust: Potgietersrust Platinums Limited, 100% owned by Anglo Platinum.

Precious metal: all PGMs and gold.

Primary activities: those activities in which the operation engages to produce its product(s). It includes dust suppression within the operational area.

Ramsar Wetland: an area designated as a wetland of international importance because of its role in preserving biological diversity or because it is a representative, rare or unique wetland type.

R&D: research and development.

RBMR: Rustenburg Base Metals Refiners.

RBR: Royal Bafokeng Resources.

RDP: Reconstruction and Development Plan.

RPM: Rustenburg Platinum Mines.

SANS: South African National Standards.

SEAT: AAPlc Socio Economic Assessment Toolkit.

SED: socio-economic development.

SEDA: Small Enterprise Development Agency.

SEF: Small Enterprise Foundation.

SHE: Safety, Health and Environment.

SMME: small, medium and micro enterprise.

SO₂ from processes: mass of sulphur dioxide released to atmosphere from point sources and fugitive emissions during the reporting period.

Stockholm Convention: the convention is a global treaty to protect human health and the environment against persistent organic pollutants (POPs). In implementing the convention, governments take measures to eliminate or reduce the release of POPs into the environment.

Surface-water quality deterioration: monitoring results indicate a deterioration of surface water quality off-site, because of the operation's activities, during the reporting period.

Surface-water quality monitored: a surface-water quality monitoring programme to monitor water quality at all the required surface water-quality monitoring sites. Required sites are those identified for monitoring by legal permit requirements or by the site EMS.

Surface water used: water abstracted/collected by the operation itself from surface water sources, eg from rivers, dams and pans, and which is used by the operation, but excludes water recycled internally from storm-water and tailings return-water dams.

Tailings: that portion of the ore from which most of the valuable material has been removed by concentrating, and which is therefore low in value and rejected.

TB: tuberculosis.

Tonne: metric ton, equal to 1 000 kg, unless otherwise defined.

Total energy used: energy from electricity purchased, plus energy from fossil fuels consumed.

UNEP-WCMC: United Nations Environment Programme–World Conservation Monitoring Centre.

VCT: voluntary counselling and testing.

Water used for primary activities: total new or make-up water entering the operation and used for the operation's primary activities. This definition includes mine de-watering water used for primary activities, but excludes internally recycled water and mine de-watering water discharged to surface and not used for any primary activities (it may be discharged or evaporated, but these are not primary activities).

WBCSD: World Business Council for Sustainable Development.

WHO: World Health Organisation.

ANGLO PLATINUM LIMITED

ANNUAL REPORT 2008, VOLUME 2: SUSTAINABLE DEVELOPMENT REPORT

Please let us have your views of this report

☐ Format: _____

☐ Content: _____

☐ Insufficient detail: _____

☐ Too much detail: _____

☐ Other comments: _____

Name: _____

Organisation: _____

Address: _____

☐ Government/regulator ☐ Academic ☐ Investor/shareholder ☐ NGO ☐ Other

Data protection: as a result of completing this form, your name and address may be added to or updated on our central database, which is accessible by our offices worldwide and by our associated companies. The information we collect will be used to help us improve the format and content of reports. We may also use this information to send you business communications in the future.

If you would prefer not to receive such communications, please tick here ☐

Thank you.

Fax or post your feedback to Stephen Bullock, sustainable development manager (+27 11) 373 5646, or PO Box 62179 Marshalltown 2107, or fill in your comments online at www.angloplatinum.com.

BUSINESS REPORT CONTENTS

KEY FEATURES OF THE FINANCIAL YEAR	3
CHAIRMAN'S STATEMENT	4
BOARD OF DIRECTORS	8
EXECUTIVE COMMITTEE	10
CHIEF EXECUTIVE OFFICER'S REVIEW	12
MARKET REVIEW	19
FINANCE REVIEW	35
OPERATIONS REVIEW	43
<i>Flow chart</i>	44
<i>Safety</i>	46
<i>Human resources</i>	48
<i>Mines</i>	50
<i>Process</i>	72
<i>Greenfields projects</i>	78
BLACK ECONOMIC EMPOWERMENT	81
ORE RESERVES AND MINERAL RESOURCES REVIEW	87
PRINCIPAL RISKS AND UNCERTAINTIES	97
COMPANY STATISTICS	101
<i>Ten-year financial review</i>	102
<i>Group statistics</i>	104
<i>Ore Reserves and Mineral Resources</i>	121
ANNUAL FINANCIAL STATEMENTS	141
<i>Approval of the annual financial statements</i>	142
<i>Declaration by the company secretary</i>	142
<i>Report of the independent auditors</i>	143
<i>Directors' report</i>	144
<i>Remuneration report</i>	152
<i>Audit Committee report</i>	162
<i>Principal accounting policies</i>	164
<i>Consolidated financial statements</i>	174
<i>Company financial statements</i>	234
GLOSSARY OF TERMS	240
MANAGEMENT	241
ADMINISTRATION	242
NOTICE TO MEMBERS	243
SHAREHOLDERS' DIARY	246
FORM OF PROXY	247
APPENDIX A	250

For a full appreciation of the Group's activities and performance, read this Business Report in conjunction with our Sustainable Development Report, both available on the Company's website: <http://www.angloplatinum.com>