



FOCUS:

EFFECTIVE PARTNERSHIPS





FOCUS: EFFECTIVE PARTNERSHIPS

Our theme for the Anglo American Platinum *Sustainable Development Report 2014* is Effective Partnerships. The challenging labour relations we experienced over the last few years again accentuated the fact that we are operating in a complex macro-economic and societal landscape. It is evident that the mining industry has to undergo a fundamental transformation. We believe that by building and maintaining effective partnerships with all stakeholders to the mutual benefit of all involved, we create sustainable value that makes a real difference to our stakeholders. Our engagement with our stakeholders aims to create value for our stakeholders by enabling people and communities to generate and maintain a sustainable livelihood, making a positive contribution during operation, and leaving a positive legacy after closure.

About this report

This sustainable development report offers an overview of the financial, social and environmental performance of Anglo American Platinum Limited (Amplats or the Company). In preparing this report, the Company has been guided by the G4 guidelines of the Global Reporting Initiative (GRI), published in 2013. The report should be read in conjunction with the *Integrated Report 2014* and the *Operations Review*, both of which are available for viewing or downloading from the Company's website at www.angloamericanplatinum.com.

The aim of this report is to enable a broad range of stakeholders to make informed assessments of the value Amplats creates in society and of the Company's long-term sustainability.

Top cover image

The Groenfontein agricultural incubator providing training to community members to promote sustainable farming.

Bottom cover image

Women in mining at Dishaba Mine.

This page

Unki Mine, Zimbabwe

HIGHLIGHTS

LOST-TIME INJURY-FREQUENCY RATE (LTIFR)

(2013: 1.05)

0.69

NUMBER OF LEVEL 3 TO 5 ENVIRONMENTAL INCIDENTS

(2013: 1)

0

HISTORICALLY DISADVANTAGED SOUTH AFRICANS IN MANAGEMENT

(2013: 60%)

63%

COMMUNITY SPEND

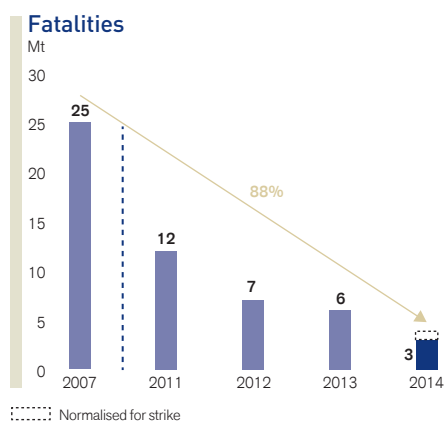
(2013: R204 million)

R236m

TOTAL ENERGY USE (PETAJOULES)

(2013: 24.94 PJ)

22.63 PJ



LIVING OUR VALUES



SAFETY

We take personal accountability to ensure that we work and live safely



ACCOUNTABILITY

Individual accountability drives team and business accountability



CARE AND RESPECT

We treat each other with respect and dignity in words and action



COLLABORATION

We align and collaborate across functions to ensure collective high performance



INTEGRITY

We walk the talk – our actions are consistent with our words



INNOVATION

Innovation is key to our future and is a central part of our drive for sustainability

Overview

- 2 Our approach to reporting
- 3 At a glance
- 4 Operational flow chart
- 6 Business model
- 8 Performance against objectives
- 10 Challenging societal context

Leadership perspectives

- 13 CEO statement
- 16 Social, Ethics & Transformation Committee report
- 19 Safety & Sustainable Development Committee report

Our strategy and governance approach

- 22 Our value-driven strategy
- 26 Identifying our material sustainability issues
- 28 Governance for sustainability

Material issue: Building trust with our stakeholders

- 31 Our approach to engaging with stakeholders
- 31 Investing in employee relations
- 36 Delivering benefits for local communities
- 40 Engaging with government
- 43 Transforming our supply chain

Material issue: Safeguarding safety and health

- 47 Safety
- 52 Employee health
- 57 Community healthcare

Material issue: Managing our impact on the environment

- 59 Responsible environmental management
- 60 Water stewardship
- 65 Energy and climate change
- 67 Air quality management
- 69 Waste management
- 71 Responsible land management and mine closure

Our performance data and assurance

- 76 Mining Charter scorecard
- 78 Economic indicators
- 80 Safety indicators
- 82 Human resources indicators
- 84 Environmental indicators
- 86 Independent assessor's report

Administration

- 99 Glossary
- 93 Sustainable Development Report Feedback Form
- 94 Contacts

OTHER SOURCES OF INFORMATION



You can find this report and additional information about Anglo American Platinum Limited on our corporate website.

OUR APPROACH TO REPORTING

Stakeholders should take cognisance of the fact that the Company experienced a five-month strike at 60% of our operations, when comparing year-on-year performance

This report provides a review of our sustainable development performance for the 2014 financial year.

The report covers the activities and performance of all operations managed by Amplats, and issues of significant interest to stakeholders at our joint ventures (JVs) and associate operations. Data for JV operations that are not under the Company's direct managerial control are not presented. All JV operations are required to submit information and assurances in respect of sustainable development performance, for consideration by the Safety & Sustainable Development (S&SD) Committee of the Board. Definitions and data-measurement techniques are in line with recommended practice and are explained in the relevant sections of this report, or in the Glossary on page 89. There have not been any material changes from previous reporting periods in the scope, boundary or measurement methods applied in this report.

Stakeholders should take cognisance of the fact that the Company experienced a five-month strike at about 60% of its operations. As a result, year-on-year comparisons should be engaged in with a degree of caution.

We focus on issues that affect the long-term success of our business, and that relate to any significant impacts we have on the economy, the environment or the communities in which we operate. We also concentrate on issues that are important to our key stakeholders. The process we followed in identifying our material areas of focus is described on pages 26.

This report is aimed at a broad audience of stakeholders, including employees, local communities, non-governmental organisations (NGOs), customers and

government. For those of our stakeholders who cannot access the report, we communicate through other channels, including engagement and consultation processes and forums at an operational level. For additional information relating to the Company's business strategy and outlook, and for its financial, operational and governance practices and performance, please refer to our *Integrated Report 2014*, available online at www.angloamericanplatinum.com. The *Integrated Report 2014* draws on the guidance provided in the International Reporting Framework, issued by the International Integrated Reporting Council.

Our sustainable development reporting has followed the recommended principles and criteria provided in the G4 Sustainability Reporting Guidelines of the Global Reporting Initiative (GRI), including the GRI's mining and metals sector supplement. We have made progress in aligning with the 'core' level of accordance. A detailed response to each of the GRI reporting criteria is available on our website at www.angloamericanplatinum.com, as is our communication on progress in terms of the UN Global Compact.

Selected performance information has been independently assured by a third-party assurance provider, PricewaterhouseCoopers Inc. The scope of the assurance, the selected performance information and the independent statement of assurance are provided on page 86.

We welcome your feedback on this report. Please address your queries or comments to Irene Caddy at irene.caddy@angloamerican.com.

Simulator training at Mogalakwena Mine.



AT A GLANCE

Amplats makes a real difference to the people whose lives we touch. We mine a mineral that makes aspects of modern life possible, in a safe, smart and responsible way. In 2014, our earnings were R786 million and our operating profit was R843 million.

Amplats is the world's leading primary producer of platinum group metals (PGMs), extracting some 40% of the world's newly mined platinum. The Company is listed on the Johannesburg Stock Exchange Limited and has its headquarters in Johannesburg, South Africa.

We have seven mining operations in the Bushveld Complex: the Bathopele, Dishaba, Mogalakwena, Siphumelele, Thembelani and Tumela mines. We are currently developing the Twickenham Platinum Mine.

We operate the Unki Platinum Mine on the Great Dyke in Zimbabwe, and we are actively exploring in Brazil with joint-venture (JV) exploration partners.

We also have a number of strategic JVs in which we hold significant interests:

- Bokoni Platinum Mine (49%), with Atlatsa Resources.
- Modikwa Platinum Mine (50%), with African Rainbow Minerals Mining Consortium Limited.

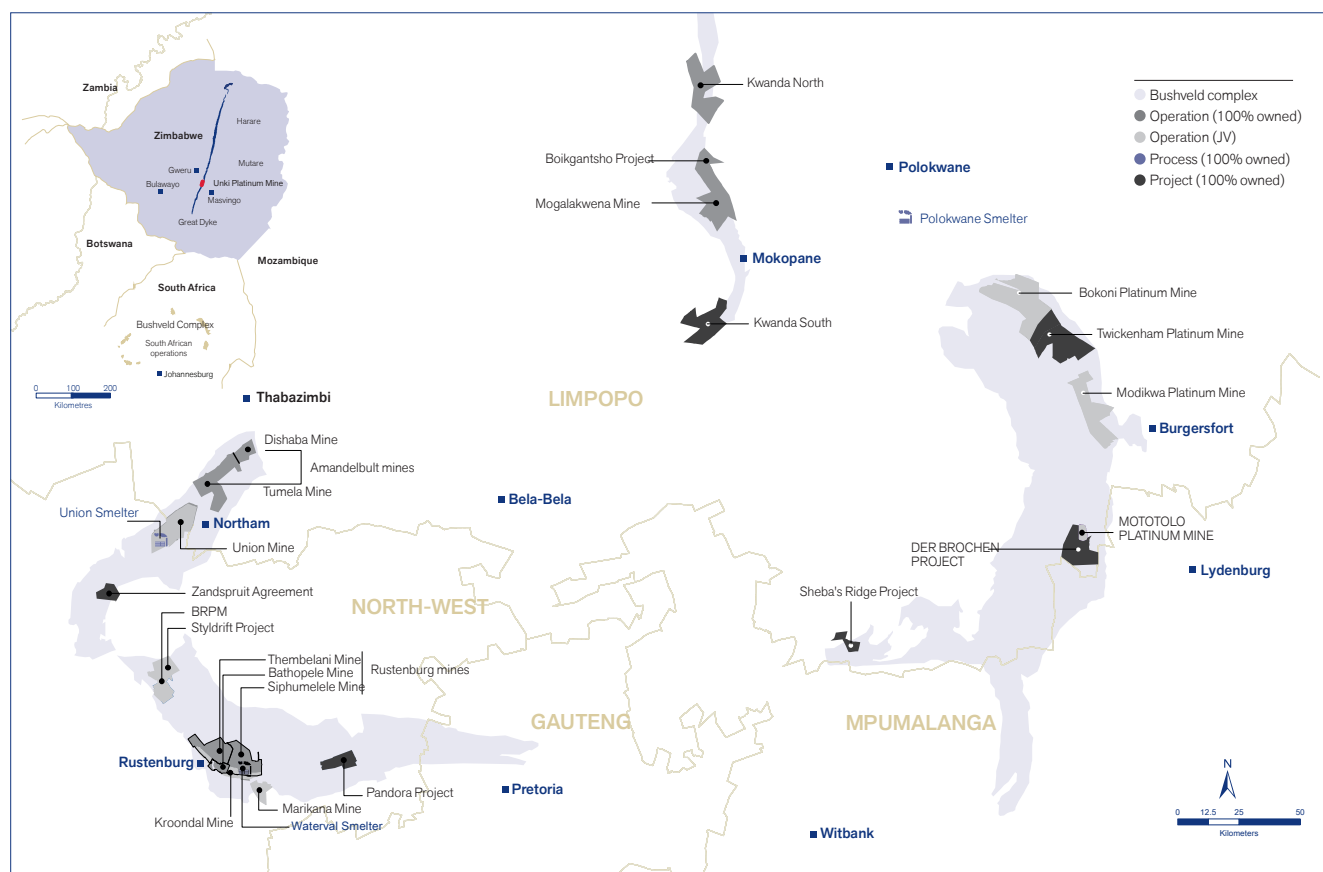
- Bafokeng-Rasimone Platinum Mine (33%) and the Styldrift project, with Royal Bafokeng Platinum.

In addition, Amplats is involved in the following JV partnerships:

- The Bakgatla Ba Kgafela traditional community holds a 15% share in Union Mine.
- A 42.5% interest in the Pandora JV, with Mvelaphanda Resources and with Eastern Platinum Limited (a subsidiary of Lonmin plc).
- The Mototolo Platinum Mine (50%), in a partnership with the Glencore Kagiso Tiso Platinum Partnership.
- A pooling-and-sharing agreement with Aquarius Platinum (South Africa), covering the shallow reserves of the Kroondal and Marikana mines that are contiguous with its own Rustenburg mines.

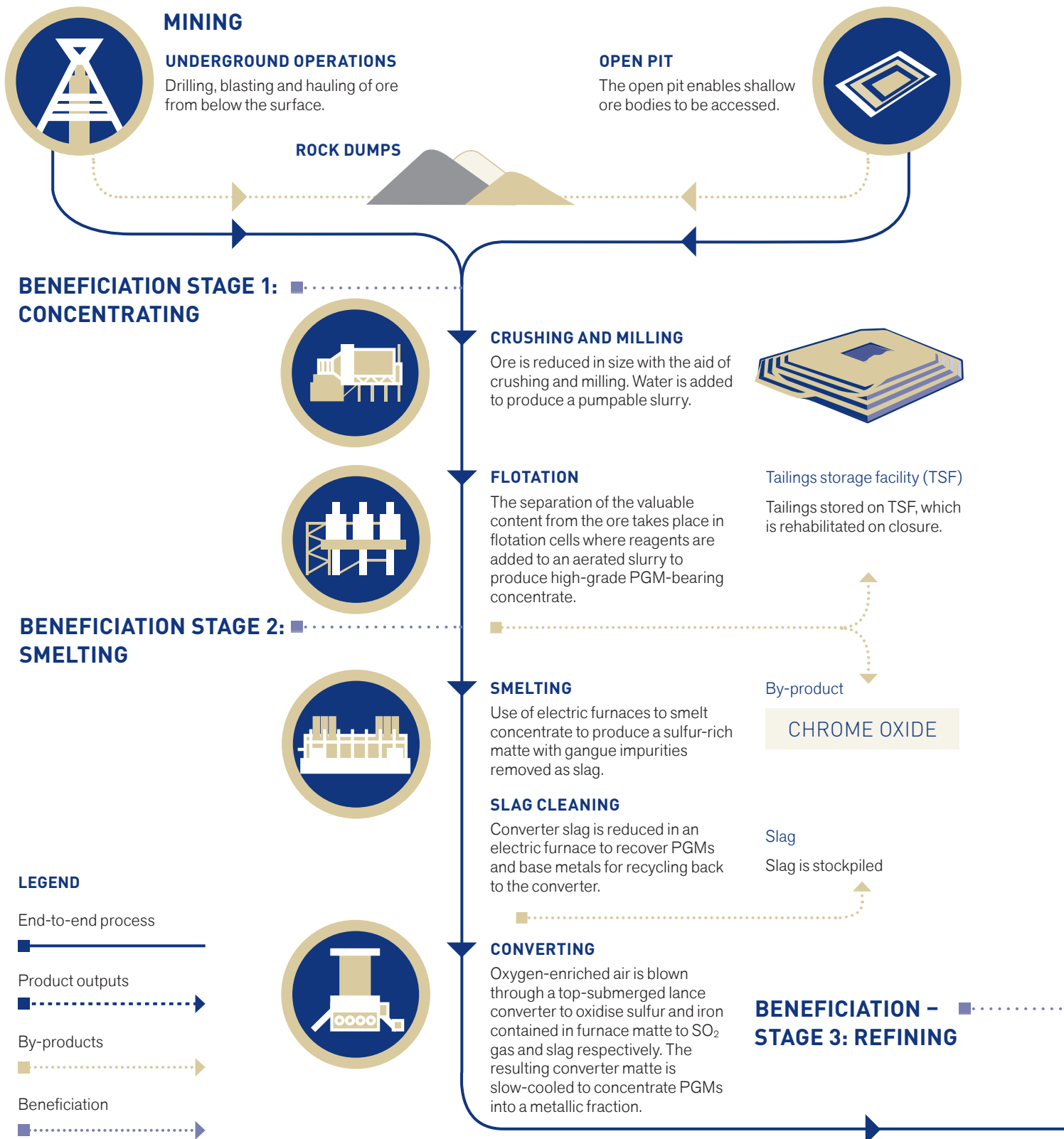
Our smelting and refining operations are wholly owned through Rustenburg Platinum Mines Limited. They treat concentrates from JVs and third parties as well as those of our wholly owned operations.

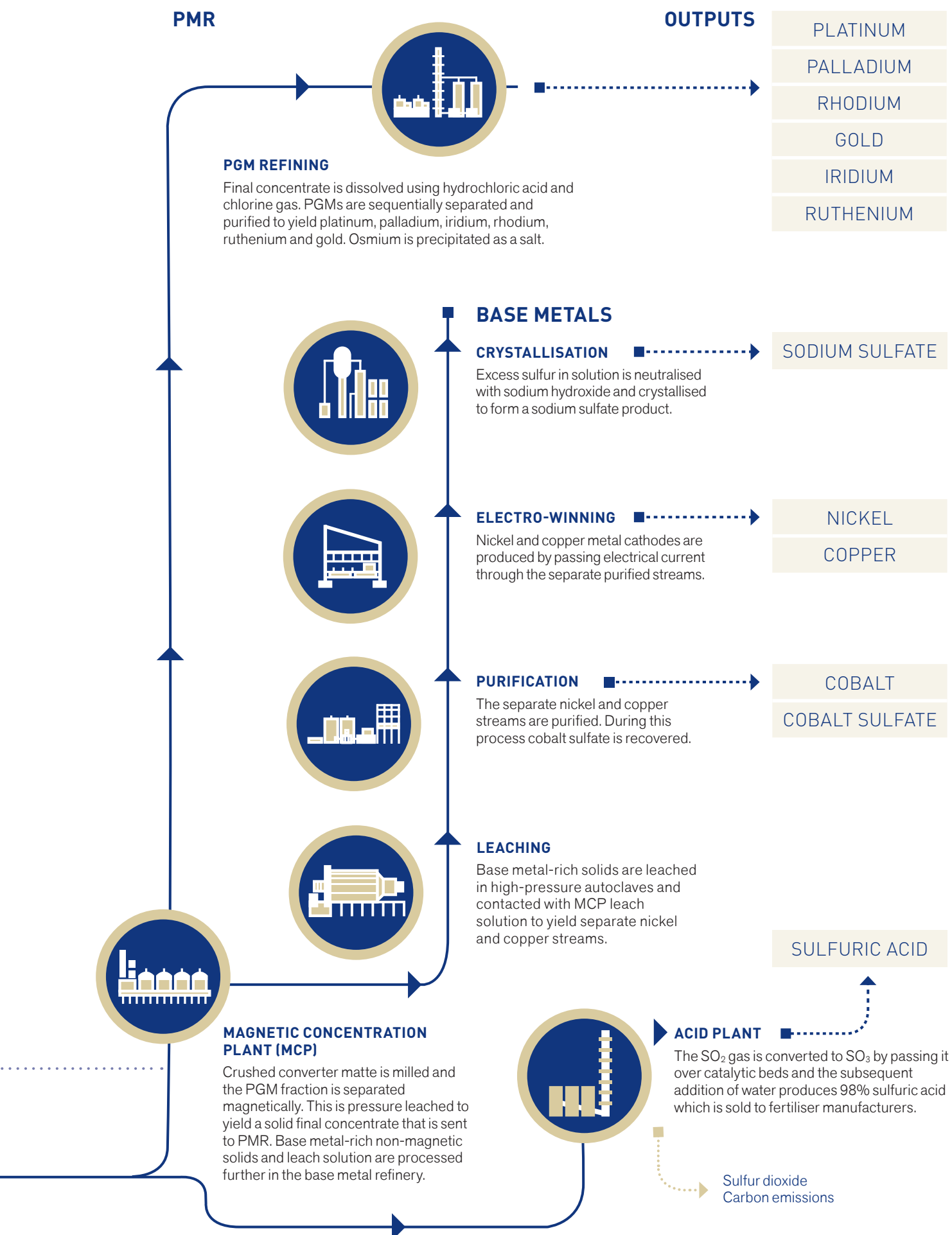
Location of operations



OPERATIONAL FLOW CHART

Our operational flow chart shows how we conduct our mining, concentrating and smelting processes. At each stage in the process there lies the opportunity for us to create value through beneficiation.





BUSINESS MODEL

Together we create sustainable value that makes a real difference to our stakeholders.



SAFETY

We take personal accountability to ensure that we work and live safely



CARE AND RESPECT

We treat each other with respect and dignity in words and action



INTEGRITY

We walk the talk – our actions are consistent with our words

OUR VALUES



OUR VISION:
TO BE THE GLOBAL
LEADER IN PGMs, FROM
MINE TO MARKET,
FOR A BETTER FUTURE
FOR ALL



ACCOUNTABILITY

Individual accountability drives team and business accountability



COLLABORATION

We align and collaborate across functions to ensure collective high performance



INNOVATION

Innovation is key to our future and is a central part of our drive for sustainability

INPUTS

FINANCIAL CAPITAL

Capital reinvested in the Company in 2014 amounted to R4,943 billion.

HUMAN AND INTELLECTUAL CAPITAL

49,763 appropriately qualified and trained employees.

Collective knowledge and research enables the Company to reach its strategic goals. 4.9% of total payroll spent on training and development in 2014 (2013: 4.7%).

NATURAL CAPITAL

Mineral resources, surface land, water and energy are critical natural capital components required to sustain the business. 205.3 4E Moz Ore Reserves and 913.6 4E Moz Ore Resources.

MANUFACTURED CAPITAL

Investment in engineering and technical solutions to reduce risk and increase efficiency. Management systems in place to manage hazards and risk. Capital expenditure was R6.3 billion during the year.

SOCIAL CAPITAL

Society needs PGMs for various industrial, environmental and jewellery applications. Society ultimately gives the Company its licence to operate. Expenditure on community development totalled R236 million.

OUR MATERIAL PRIORITIES



Our ability to optimise production, cost-effectively and efficiently, within a changing and complex business and socio-political environment.



Our ability to understand, manage and meet stakeholder expectations and bridge trust gaps.



Safeguarding the health and safety of our employees and communities.



Seeking to ensure access to affordable infrastructure and natural resources, and minimising our footprint.



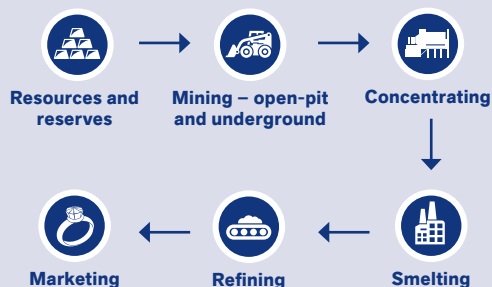
Meeting our obligation to comply with legislation, regulation, voluntary codes and social compacts.



For more information
see pages 42 – 57



OUR OPERATING PROCESS



See our operational flow chart on pages 60 – 61

OUTCOMES AND OUTPUTS

FINANCIAL CAPITAL

- R12,304 million to salaries, wages and other benefits, net of tax
- R3,736 million to taxation
- R1,159 million to providers of capital

HUMAN AND INTELLECTUAL CAPITAL

- Average attrition rate for critical and scarce roles in the Company was 6.7% (2013: 10.32%)
- Turnover rate in all other roles was 3.23% excluding VSP (2013: 4.96%)
- To date 20,998 A to D1 employees have an individual development charter, based on identified development needs (2013: 14,078)
- 34 new cases of noise-induced hearing (2013: 68)
- Three fatalities (2013: 6)
- 0.69 LTIFR (2013: 1.05)
- All value drivers are supported by technical excellence
- Progress reported in technology development to enhance mechanisation
- Proof of concept of an alternate ore sorting technology (to improve recovery efficiency) being progressed
- Successful deployment of technology to eliminate collisions between locomotives in underground mining
- Progress reported in testing underground fuel-cell locomotives

NATURAL CAPITAL

- Energy consumption decreased by 1.25% to 22.6 peta joules
- Water consumption reduced by 26% to 27.1 million m³
- Waste to landfill 18.11 kilotonnes
- CO₂ emissions 5,364 kilotonnes
- SO₂ emissions 15.46 kilotonnes

MANUFACTURED CAPITAL

Total refined production:

- Platinum 1,889.5 Moz
- Palladium 1,225.4 Moz
- Rhodium 229.4 Moz
- Nickel 28.2 tonnes
- Copper 18.7 tonnes

SOCIAL CAPITAL

Selected sustainability indicators:

- Public healthcare: 24,586 received primary healthcare by Company-funded mobile clinics
- Education: bursaries and graduate in-training programmes provided to 451 people
- Adult Basic Education and Training (ABET) was provided to 700 employees, 39 contractors and 198 community members
- Infrastructure development: 1,300 employee houses built to date

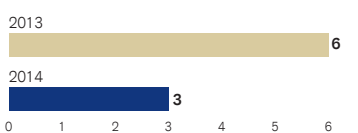
PERFORMANCE AGAINST OBJECTIVES

PERFORMANCE AGAINST OBJECTIVES

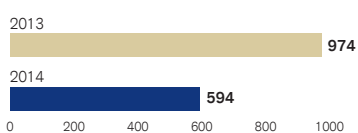
Objective areas	2014 target	2014 performance	2015 target
Safety and health	Zero fatalities	Three fatalities	Zero fatalities
	Reduce number of total injuries by 20%	Number of total injuries reduced by 57%	1.62 (TRCFR)
	No new cases of noise-induced hearing loss (NIHL)	34 new cases of NIHL	No new cases of NIHL
	Lost time injury frequency rate (LTIFR) lower than 1	LTIFR of 0.69	LTIFR lower than 0.9
Financial stability	Produce 2.2 to 2.4 Moz refined platinum	1.9 Moz refined platinum produced, 532,000oz lost during the strike	Produce 2.3 to 2.4 Moz refined platinum
	Maintain costs to below R19,000 per platinum ounce	Cost of R18,494 per platinum ounce after adjusting for the strike	Maintain costs below R19,500 per platinum ounce
	Generate R3.8 billion savings over three years	Achieved savings one year ahead of target	N/A
Mineral policy and legislative compliance	26% ownership of Reserves and Resources by historically disadvantaged South Africans (HDSAs) by 2014	26% achieved and verified by a third party at 34%	Mining Charter review pending
	BEE procurement expenditure of 58%	BEE procurement of 61.3%	BEE procurement expenditure of 60%
	Maintain ISO 14001 certification in 2014	All operations maintained their ISO14001 certification	Maintain ISO 14001 certification in 2015
	All operations to have approved water use licences	All our managed operations have water-use licences, with the exception of our Amandelbult Mine. The licence application continues to be reviewed by the Department of Water and Sanitation (DWS)	All operations to have approved water use licences
Labour relations and our performance	30 refined platinum ounces per employee	23.3 refined platinum ounces per employee	30 refined platinum ounces per employee
	Labour unavailability to be below 15.5% benchmark* <i>* Labour unavailability included all leave, training, absence without permission and absence during industrial action</i>	Labour unavailability at 36% due to strike action	Labour unavailability to be below 15.5% benchmark
Community development	All Socio-economic Assessment Toolbox (SEAT) assessments to be conducted	All SEAT assessments have been conducted	All SEAT assessments to be conducted against SEAT 3
	1% pre-tax profit to be spent on community development	R236 million spent on community development, above our 1% pre-tax profit	1% pre-tax profit to be spent on community development
Access to and allocation of natural resources	Reduce energy consumption per unit of production by the end of 2014	We reduced our absolute energy consumption by 9.2%	Reduce absolute energy consumption by 1% to achieve 7% reduction by 2015
	Reduced CO₂ emissions intensity by the end of 2014 per unit of production (tonnes of CO ₂ per tonne of ore milled)	Our emissions intensity was 0.18 m³ compared with 0.16 m³ in 2013	Reduce CO ₂ emissions intensity by 1.9% to achieve 10% reduction by 2015
	Achieve new-water consumption target of 33.1 million m³	Our total new-water consumption decreased from 33.4 million m³ in 2013 to 27.1 million m³ * <i>* The decrease was dominated by the reduction in water demand as a result of the strike.</i>	Achieve an absolute water consumption of 39.4 million m³

2014 performance

Fatalities

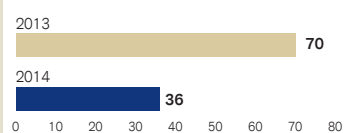


Total injuries

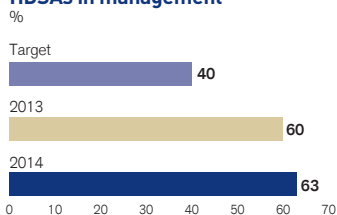


* Total injuries include all injuries requiring any form of treatment.

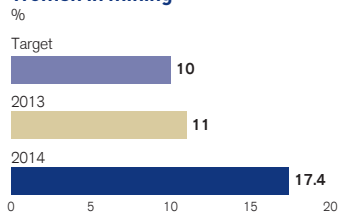
Section 54 stoppages

NET SALES
REVENUE R billionOPERATING
PROFIT R millionCAPITAL
EXPENDITURE R billion

HDSAs in management



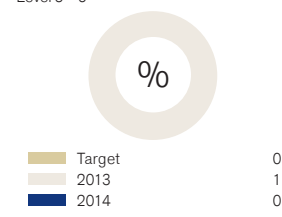
Women in mining*



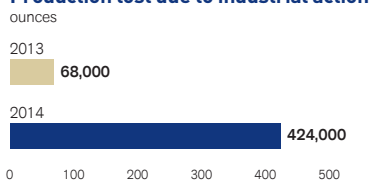
* Includes core disciplines of mining, engineering, projects and metallurgy.

Environmental incidents

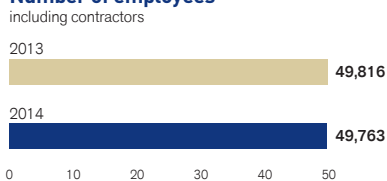
Level 3 – 5



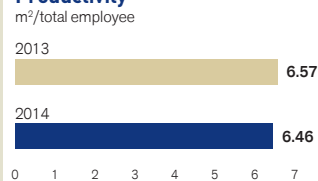
Production lost due to industrial action



Number of employees



Productivity

LOCAL ENTERPRISE
DEVELOPMENT EXPENDITURECOMMUNITY
DEVELOPMENT R million

ENERGY USE

peta joules (PJ)

NEW WATER-
USE INTENSITY

m³/oz PGMs and gold



GHG EMISSIONS

CO₂/tonne ore milled
(Scope 1 and Scope 2)



CHALLENGING SOCIETAL CONTEXT

We continue to operate in a complex macro-economic and societal landscape.

It has been a particularly difficult year for the South African platinum sector, and we continue to operate in a complex macro-economic and societal landscape. Challenging global market conditions persist and the crippling five-month strike across the platinum belt in Rustenburg in 2014 magnified societal challenges that still need to be addressed in South Africa.

We are confident that our business structure and our value-driven strategy position us to continue to deliver on our business objectives. Despite the tough market conditions (a detailed review of the global and South African PGM environment is provided in our *Integrated Report 2014*), demand for platinum in 2014 exceeded supply for the third successive year, reinforcing our confidence in the longer-term future of PGMs. The deficit in production as a result of the strike was made up with stocks, resulting in contained PGM prices.

At the same time, we recognise that markets for all commodities are cyclical. As a result, we operate our mines cost-effectively, ensuring their profitability throughout the commodities cycle. We will seek to exit operations that cannot meet these requirements.

In the remainder of this section, we reflect on the five key issues pertaining to sustainable development that we see impacting the South African PGM sector:

- The socio-political environment.
- Labour instability.
- Compliance with the South African Mining Charter.
- Community expectations.
- Energy security.

SOCIO-POLITICAL ASPECTS

South Africa's political environment is experiencing robust parliamentary interaction between the ruling African National Congress (ANC) and the two largest opposition parties, the Democratic Alliance (DA) and the Economic Freedom Fighters (EFF). This should not be confused with a situation of political instability.

Nor should it be confused with a situation where democratic standards are being eroded. The very robustness of the interaction is evidence of the primary objective of free speech. And where procedures have been exercised in state structures that might seem to threaten adverse impacts on the institution of free speech, our independent judiciary, at all levels, has proven more than willing and capable of affording protection.

South Africa's stable political situation was demonstrated by the fifth peaceful general election of the democratic era.

THE LABOUR MARKET

Labour relations remains a particular challenge for the economy, with the five-month AMCU platinum strike and the one-month NUMSA engineering sector strike standing out as indications of an adversarial situation in 2014.

In his state of the nation address immediately following the election, President Jacob Zuma mandated his deputy, Cyril Ramaphosa, to convene and manage an engagement between government, organised labour and business in a quest to seek solutions to these challenges. An initial gathering was held in early November, and will proceed during 2015. Amplats will be represented through Business Unity SA and the Chamber of Mines.

Labour instability has been exacerbated by inter-union conflict which has become a feature of the labour relations environment. Competition between the NUM and AMCU has already given rise to conflicts in the platinum sector. Business is concerned that competition between unions often manifests in industrial action, some of which is unprotected.

Relationship building with union representatives at all our operations is ongoing. Rebuilding severed trust after the strike and restoring relationships is the focus for 2015.

COMPLIANCE WITH THE SOUTH AFRICAN MINING CHARTER

We operate in a stringent regulatory regime, which includes pressure for quicker progress on black economic empowerment (BEE). A prominent issue anticipated for 2015 is the review of the Mining Charter after 10 years of existence. The review will take place under the leadership of the new minister of mineral resources, Advocate Ngoako Ramatlhodi. Critical issues likely to be raised in terms of the Charter relate to BEE ownership; employee housing and living conditions; and local economic development.

Amplats has met all the Mining Charter's requirements for 2014. Our performance is reviewed on page 76.

COMMUNITY EXPECTATIONS

In a country with one of the highest levels of inequality globally, where unemployment and poverty remain high and where service delivery by local government has been slow, mining companies are facing heightened expectations – for jobs and the provision of services – from neighbouring communities.

Dissatisfaction in communities around our operations is often directed at our mines, and we seek to address this through community forums. Access to infrastructure such as electricity, water and transport is critical both for the industry and for the communities around our mines. Government has allocated significant funding towards improving infrastructure and service delivery. In 2014 we invested R107 million in infrastructural development and in building capacity in municipalities, mainly through public-private sector partnerships. Our broader efforts to deliver benefits to communities and meet their expectations are reviewed on page 36.

ENERGY SECURITY

Eskom, the national power utility, is struggling to balance the delivery of adequate supply while undertaking necessary maintenance of its ageing infrastructure and constructing two new power stations. Increasingly frequent interruptions of supply to mines and industry, as well as to ordinary consumers, are expected over the next year or two. Our operations collaborate closely with Eskom so that power outages can be planned for and managed. We also manage our electricity loads so as to diminish our impact on the electricity grid.

Amplats supplies roads, electricity and water reticulation to neighbouring communities, such as this informal settlement in Rustenburg.





FOCUS: LEADERSHIP



CEO's STATEMENT



Chris Griffith
Chief executive officer

During the strike we made concerted efforts to manage challenges to the health and well-being of our employees.

In what was a very tough 2014, we withstood serious challenges to our business, both internal and external. We are pleased to be able to affirm that we dealt with them to the benefit of everyone invested, directly or indirectly, in Anglo American Platinum Limited (Amplats).

The year was dominated by the unprecedented five-month strike across the platinum belt in Rustenburg in South Africa, in which about 35,000 of our employees participated. The strike reflected the difficult state of industrial relations across the sector, and compounded the existing challenges associated with tough market conditions and a demanding societal context. This context remains characterised by a persistent mix of legacy issues, political and inter-union rivalries, dissatisfaction with basic service delivery, high levels of inequality, and a need for proactive collaboration between government, labour and business in addressing these challenges.

Having completed most of the restructuring of the business in 2013 and having returned the Company to profitability, we were in a stronger position to contend with the difficulties we faced this past year. This new resilience, however, was tested by the extended strike, which resulted in a significantly weaker financial performance for the year.

In this message to our stakeholders I reflect on key areas of our performance as it relates to sustainability over the year, and provide an outlook on our prospects going forward.

MANAGING THE IMPACT OF THE STRIKE

The five-month strike by the Association of Mineworkers and Construction Union (AMCU), the majority union at Amplats, was concluded with a three-year agreement signed on 24 June 2014. While we acknowledge and support the mutual dialogue and collaboration that resulted in an agreement, the strike exacted a significant toll. Amplats lost approximately R11.28 billion in revenue while employees lost billions of rands in wages. Estimates suggest that it will take many workers decades to recoup lost wages. The communities close to our operations certainly felt the impact of reduced economic activity in the region, and the country as a whole saw a resulting drop in GDP growth and reduced global investor confidence.

During the strike, we maintained direct communication with striking employees through various channels. We also

made concerted efforts to manage challenges presented to the health and well-being of employees and their families. A particular problem was the interruption of chronic illness management programmes. We provided access to in-house medical services and engaged with clinics in the areas where our employees reside to provide medication. Amplats also guaranteed the payment, throughout the strike, of medical insurance cover to employees absent from work.

Following the conclusion of the strike, our focus was on reintegrating employees and resuming production in a safe and sustainable manner at our strike-affected operations. General managers led the welcome-back programme personally and delivered reconciliatory and safe start-up messages. All employees received medical assessments until cleared to resume their specific duties. The effective reintegration of employees and careful production planning enabled us to achieve better-than-planned ramp-up within two months.

The strike further impacted on the living and social conditions of many employees. We continue to work with unions and government to provide additional housing and build municipal capacity to improve living conditions.

IMPROVING EMPLOYEE RELATIONS

The strike reflected the need for us to improve relations with our employees and their representative bodies. Following the strike we initiated the Tshiamo (meaning 'wellness') process, which aims to facilitate the rebuilding of relationships in the workplace and reinforce our leadership commitment to ensuring safety and promoting wellness.

A number of long-term interventions are being implemented, aimed at developing a more democratic and transparent industrial relations climate based on a culture of trust and respect that recognises and esteems all employees as equals. Our approach focuses on building relationships with union leadership and jointly driving visible-felt-leadership programmes; implementing a proactive employee-relations programme to improve relationships with employees directly; and rolling out a values- and culture-change programme.

We continue to communicate closely with employees and unions regarding our progress as a Company; and also about the implications of our intended exit from our Rustenburg and Union operations during 2015/2016, either through a sale or by listing these operations separately.

Many of our employees, particularly in the Rustenburg area, are struggling with a level of debt that is difficult to manage, and the protracted strike resulted in a large number of them increasing their dependence on credit. In August we introduced Nkululeko, a financial wellness programme for employees that is designed to assist them in understanding and managing their debt. This initiative builds on the first wave of our financial wellness

We are building durable relationships with the communities in which we operate.

programme, which focused on emolument attachment orders (garnishees) and has saved our employees more than R3 million. We are also working in partnership with local authorities across the most affected operations to curtail the abuse of employees by credit providers and debt collectors, and to abolish irresponsible microlenders. We have instituted legal proceedings against a major debt administrator and a number of related parties. We believe that these parties engaged in unlawful and unscrupulous practices, to the prejudice of both heavily indebted persons and their creditors.

PROVIDING A SAFE WORKING ENVIRONMENT

It is with great sadness that we report that three of our employees died at our operations during 2014. Any loss of life is unacceptable, and our deepest condolences go to the families of Mr Willie Smit, Mr Bongile Ludziya and Mr Manito Seneta.

We continue to dedicate considerable effort to achieving – and maintaining – zero harm. We have made steady progress in managing safety over the last few years and are encouraged by an improved performance in our major risk areas.

During the strike production at our Rustenburg, Union and Amandelbult operations were placed in shutdown mode. Essential maintenance at the mines continued, and considerable planning and effort went to ensuring that safety was not compromised once operations resumed.

Our safety-risk-management approach is being incorporated into the Anglo American Group-wide process of operational risk management that is being integrated into our business processes. A priority going forward is to improve our reporting of, and learning from, high-potential incidents, as a preventative tool in improved safety performance. Other focus areas are the further entrenchment of the behavioural component of our safety strategy and reinforced frontline supervision, both of which are critical to ensuring strict adherence to planned work. New technologies are being implemented to reduce risks associated with operational activities, and our projected growth through more mechanised and shallower opencast mines will lead to safer jobs.

We are proud of the fact that we have progressive health programmes in place, related to the management of TB and HIV/Aids specifically. We have extended our disease-management plan, including the provision of ART, to the partners of HIV-positive employees. At the same time, we focus on managing other chronic diseases such as diabetes and hypertension.

Our trauma and emergency team's response times are in line with those of world best practice, and we extend this service to our neighbouring communities.

PROMOTING TRANSFORMATION

In South Africa, we have continued to engage with government and other stakeholders to further our contribution towards a better, more equitable and participative society. While many of our initiatives were necessarily put on hold during the strike and until production stability resumed and people returned to work, we nonetheless made good progress and by year end had met or exceeded all the targets for 2014 set out by the Mining Charter. We invested R580 million in training and development (4.9% of payroll); and increased the representation of historically disadvantaged South Africans (HDSAs) to 63% of management (2013: 60%).

The strike had a major impact on our procurement expenditure and our supplier-development expenditure. In 2014 we spent R11.9 billion with BEE-compliant companies, which represented 61.3% (2013: 59%) of total discretionary procurement expenditure.

Alchemy, our R3.5 billion initiative, is designed to provide direct participation in the Company by local communities, and to promote sustainable socio-economic development in the areas where we mine and in the labour-sending areas. The project is being successfully implemented in various phases in four mining areas: development trusts to serve the respective communities of Tumela/Dishaba and Rustenburg have been established, and trusts are being established to serve Mogalakwena and Twickenham. Alchemy received international recognition this year as a community engagement and development initiative. Once fully operational, it is expected to reach more than one million beneficiaries.

In Zimbabwe, we continue to engage with government regarding the issue of indigenisation.

LEAVING A LASTING LEGACY

We are building durable relationships with the communities in which we operate, by delivering developmental benefits and opportunities aimed at increasing their capacity. Most of Amplats' operations are located in rural areas characterised by low levels of formal economic activity, inadequate infrastructural provision and poor service delivery. Our mines represent a centre of socio-economic activity and an important source of welfare, thereby raising particular expectations of the Company.

We supplement the value generated through our core activities with initiatives designed to develop host communities in the long term, including investments in health facilities, jobs, skills and infrastructure. In 2014 we invested R236 million in community development in South Africa, including R16 million on education and youth development and R107 million on infrastructure. We spent an additional R417 million on improving the accommodation and living conditions of our employees.

The events of the past year underlines the importance of maintaining a strong focus on sustainability.

Our Mogalakwena Mine is setting a leading example in building resilient communities. Three years ago the mine established the Groenfontein farm and training centre, offering courses in permaculture and cattle management to communities close to the operation. These projects provided a springboard for the mine's establishment of an agri-ecological 'incubator' in 2014. The incubator supports agricultural and sustainable-development projects in neighbouring communities in becoming sustainable businesses, thereby promoting an economy separate from that of mining.

We are investing directly, and through our PGM Development Fund, in the start-up of a local fuel-cell industry that will create employment; provide clean, reliable power for South Africa; and support the government's drive for more effective in-country beneficiation. Among our projects is the development of a fuel-cell-powered home generator able to bring electricity to remote communities with no access to the national grid. A pilot project, testing a fuel-cell prototype generator fuelled by methanol in a local community near the town of Kroonstad in the Free State province in 2014, has proved truly promising. Because this development has the potential to allow platinum mining to leave a lasting developmental legacy in South Africa, our aim in 2015 is to expand this pilot project to 200 to 300 units in villages across rural South Africa.

MANAGING OUR ENVIRONMENTAL IMPACTS

We have been on a four-year journey to reduce our water use and our energy use, while our waste to landfill has been tracked since 2008. To date, as a result of the initiatives we have been implementing, we have seen a reduction of 20% in our use of new water; a reduction of 6.67% in our use of energy; and a reduction of 55% in our waste to landfill.

In 2014 our direct environmental impacts were reduced significantly as a result of the strike-related 22-week shutdown in production at the Rustenburg, Union and Amandelbult operations. The decline in production translated into a decrease in the levels of water and energy consumed: total new-water consumption decreased from 33.4 million m³ in 2013 to 27.1 million m³ in 2014, and total energy consumption declined from 25 PJ in 2013 to 22.6 PJ in 2014. We are on track to meet our 2015 energy and carbon-reduction objectives and targets. Security of energy supply presents an acute risk in South Africa and our operations periodically assess their preparedness for power disruption.

Through proactive waste-management programmes, we continue to make progress towards our target of striving to achieve zero hazardous and general waste to landfill by 2020.

In 2014 the International Platinum Association, to which Amplats is affiliated, completed a life-cycle assessment on the impacts and benefits of PGMs. This study is important

in highlighting that even though the environmental impacts of PGM primary production appear to be high, these impacts are significantly mitigated by the high recyclability of PGMs; and by the wide benefits of PGM mining for the environment and for society.

LOOKING AHEAD

The events of the past year have further highlighted the business significance of societal issues, and underlined the importance of maintaining a strong focus on sustainability. We will continue the good work we have done, reflected in this report, in building relationships with our employees, unions, government and local communities. In pursuing this goal, we will draw on all our past and present investments: in safety, employee development, union engagement, community housing, enterprise development and environmental management.

Despite the challenges currently facing the platinum industry, I am confident that there will be sustained future demand for PGMs owing to their inherent value as catalysts for chemical processes. Our restructured organisation and value-driven strategy aim to create a sustainable, competitive and profitable business that will deliver value to all our stakeholders in the short, medium and long term. As part of 'operating smarter', we plan to complete our exit from the Rustenburg and Union assets in 2015; optimise the remaining portfolio; and in the longer term grow by exploiting more mechanised mines.

The modernisation approach we are following will contribute significantly to Amplats' move towards becoming a more sustainable and socially acceptable company. Our workforce will become better skilled in order to perform specialised work associated with this modernisation, and therefore more highly paid. Furthermore, there are significant safety and health benefits to be gained by removing our employees from high-risk areas and from exposure to harmful substances and noise.

The year ahead will continue to be challenging and I thank all our employees for their continued commitment to the Company. I also wish to thank our partners, shareholders, contractors and suppliers for their substantial contributions in supporting our efforts to create sustained value. We will continue to work closely with all our stakeholders, to ensure optimal outcomes for our assets, employees and the South African platinum industry as a whole.



Chris Griffith
Chief executive officer

Johannesburg
5 February 2015

SOCIAL, ETHICS & TRANSFORMATION COMMITTEE REPORT



Nombulelo Moholi
Social, Ethics &
Transformation Committee
chairman

Over the past months the Company has embarked on a process of organisational cultural transformation.

The Board of Amplats and the Social, Ethics & Transformation Committee (the Committee) have pleasure in submitting this report for the financial year ended 31 December 2014. The composition of the Committee is in line with the requirements of section 72(8) of the Companies Act, No 71 of 2008 (the Act), and its associated regulations. The Committee fulfils its duties with a deep-seated understanding and desire to address the many social, ethical and transformational aspects prevalent in a South African resources company.

THE ROLE OF THE COMMITTEE

As required by the Companies Act, the role of the Committee is to:

- Oversee and monitor activities relating to:
 - social and economic development: including the principles set out in the United Nations Global Compact, the OECD's recommendations regarding corruption, employment equity and broad-based black economic empowerment;
 - good corporate citizenship: including the promotion of equality, the prevention of unfair discrimination, and corporate social responsibility;
 - consumer relationships; and
 - labour, employment and skills development.
- Recommend to the Board, key policies and guidelines for the management of the abovementioned social, ethics and transformation (SET) priorities.
- Consider reports and feedback from any other Board committees in relation to SET priorities and contribute to other committee initiatives where there is an overlap of responsibility.
- Evaluate management's performance against Board approved targets and/or policies on matters relating to SET priorities.
- Report to shareholders at the Company's annual general meeting on matters relating to SET priorities.

COMPOSITION

The composition of the Committee is in terms of Regulation 43(4) of the Act. The Committee is made up of a mix of independent non-executive and executive directors, and includes the following members: Nombulelo Moholi (chairman), Richard Dunne, Dorian Emmett (advisor to Anglo American plc CEO), Khanyisile Kweyama, Lorato Mogaki (executive head: HR) and Valli Moosa.

Invitees to the Committee include the chief executive, executive head: corporate affairs, head of human resources development and transformation, legal counsel and the company secretary.

2014 IN OVERVIEW

The Committee has executed its duties and responsibilities during the financial year in accordance with its terms of reference as they relate to good corporate citizenship, ethics management, labour and employment as well as broad-based black economic empowerment.

The Committee has carried out the following activities during the year:

- Monitored and reviewed:
 - the 10 principles set out in the United Nations Global Compact;
 - the OECD recommendations regarding corruption;
 - the Employment Equity Act, 55 of 1998, as amended; and
 - the Broad Based Economic Empowerment Act, 53 of 2003.
- Received reports from the Safety and Sustainable Development (S&SD) Committee to gain assurance on progress towards achievement of Board approved objectives.
- Monitored the Company's activities relating to good corporate citizenship.
- Reviewed the community strategy, key performance indicators and objectives and agreed to the annual community investment budget. Periodically reviewed performance against these key indicators.
- Reviewed all community investment strategic sponsorship, donations and charitable contributions.
- Received reports from the Audit and Risk Committee to gain assurance on progress towards achievement of Board-approved objectives as they relate to SET.

- Reviewed the Company's ethical policies and processes and considered the effectiveness thereof.
- Monitored the Company's activities relating to labour and employment.
- Monitored the correct balance between transformation activities, provision of adequate skills and maintenance of stability within the Company.
- Monitored the performance of the Company in terms of the requirements of the Mining Charter.
- Attended the combined S&SD site visits.

MAIN INITIATIVES UNDERTAKEN DURING THE YEAR

Alchemy Day

The Company co-sponsored an Alchemy reflection day together with other stakeholders on 14 October 2014. The day, themed 'Building Mutual Value through Mining and Beyond Mining', focused on new approaches to community-owned development and social transformation, with particular emphasis on the potential contribution of the Amplats Alchemy initiative. Speakers included mining sector thought leaders, community relationship and development practitioners and community leaders. The following themes were addressed:

- our common landscape – community development challenges, opportunities and tools;
- finding new ways – leads, lessons and challenges from Alchemy; and
- finding new ways – community development and development trust case studies (from Alchemy and elsewhere).

A round table discussion on securing mutual value through Alchemy concluded the day. Around 70 delegates participated in the event, drawn from the Company, the Alchemy support team, Alchemy development structures, and government and community leadership involved in the development and roll-out of the Alchemy initiative.

Employee relations: during the strike

During the strike the Committee was kept apprised of the strike and its social impact and evaluated aspects of the Company's humanitarian programme. This included the provision of health care, chronic medication and a schools feeding programme for the striking workers' dependants.

Employee relations: post-strike normalisation

Following the five-month long Association of Mineworkers and Construction Union (AMCU) strike in June 2014, employees returned to work and relations between the recognised unions and management were, to a great extent, normalised. Further work to improve relations continued in the form of relationship building exercises between management levels of the Company and unions. This work will continue in 2015.

Task teams were formed to deal with unresolved wage negotiations issues and formal terms of reference exist for the task teams. It is expected that all the task teams will complete their work before the end of the current wage agreement on 30 June 2016.

Organisational cultural transformation

The Company has embarked on a process of organisational cultural transformation. The transformation process aims to create a culture of *Tshiamo* – the Tswana word for overall wellness or wellbeing – with the end goal of improving employee psychological wellbeing. We believe that our people and their wellbeing are fundamental to our strategic success and that it is imperative that all employees be taken on this journey of transformation so that they are productive and engaged to deliver.

Employee financial wellness

To support our value of care and respect, the employee financial wellness programme was launched on 15 October 2014 at Siphumelele Mine and thereafter followed by individual operational launches. The programme is called 'Nkululeko' which means freedom – a reference to freedom from the bondage of over-indebtedness.

Key elements of the programme include:

- Addressing the issue of over indebtedness.
- Providing a debt relief programme, which covers:
 - debt consolidation;
 - debt rescheduling;
 - debt audit;
 - debt negotiation; and
 - debt counselling.
- Providing financial wellness training.

Summit Financial Partners, a company with experience in conducting debt relief programmes, including challenging illegal emoluments and negotiating with lenders, has been appointed to implement the programme for a two-year period. A detailed case study can be found on page 35 of the Sustainable Development Report.

COMMITTEE'S REPORT CROSS-REFERENCING TABLE

As some of the Committee's responsibilities and deliberations overlap with the responsibilities of other Board committees, detailed policy and performance information may be included in other sections of both the Integrated and Sustainable Development Report.

The following table sets out items where they are cross-referenced in either the Integrated or Sustainable Development Reports (both of which are available on www.angloamericanplatinum.com), highlighting the Committee's role in contributing to these responsibilities.

Social, Ethics & Transformation Committee priorities	Other specific reports	Page reference
		Integrated Report (IR) Sustainable Development Report (SD)
Social and economic development	Performance against UN Global Compact principles and OECD anti-corruption:	
	Human rights	SD pages 40 and 44
	Labour	SD pages 32 and 36
	Environment	SD pages 59 to 73 IR pages 52 to 55
	Anti-corruption	SD page 44
	Employment equity performance report	SD pages 34, 76 and 82
	Broad-based black economic empowerment report	SD pages 34 and 37
Good corporate citizenship	Equity and unfair discrimination policy, strategy and performance report	SD pages 34
	Corruption and business integrity policy, strategy and performance report	SD page 29
	Community development policy, strategy and performance report	SD pages 36 to 40 IR pages 46 to 48
Environment, health and safety	Safety policy, strategy and performance report	SD pages 47 to 50 IR pages 49 and 50
	Health policy, strategy and performance report	SD pages 52 to 57 IR pages 51
	Environmental policy strategy and performance report	SD pages 59 to 73 IR pages 52 to 55
Consumer relationships	Product stewardship policy and performance report	SD pages 74 and 75
Labour and employment	Employment and labour practices policy and performance report	SD pages 32 to 34 IR page 47

The Committee is satisfied that the overall principles laid down by the King Code of Governance for South Africa (King III) and the Companies Act, 2008, have been adhered to unless specifically stated. This Committee's report has been approved by the Board on the recommendation of the Committee.


Nombulelo Moholi

Chairman
Social, Ethics & Transformation Committee

Johannesburg
5 February 2015

SAFETY & SUSTAINABLE DEVELOPMENT COMMITTEE REPORT



Dorian Emmett
Safety & Sustainable
Development Committee
chairman

The Committee's objectives are to assist the Company in its endeavours to conduct its operations in a responsible manner.

ROLE OF THE COMMITTEE

The S&SD Committee (the Committee) is a committee of the Board of directors. The Committee's objectives, which are guided by its Terms of Reference, are to assist the Company in its endeavours to conduct its operations in a responsible manner, and in a manner that achieves a sustainable balance between economic, social and environmental development, with due regard to:

- the safety of its employees and those who work at the operations;
- the health of its employees and those closely associated with the operations;
- the impact of its operations on the environment from a safety, health and environmental (SHE) perspective; and
- by referral from the SET Committee, the communities surrounding Company operations.

The Committee also provides strategic oversight on S&SD issues, reviews the Group's performance on material risks and implementation of policy, and monitors relevant national and international regulatory and technical developments. It further provides input into the Audit and Risk and Social, Ethics and Transformation Committees with a written report after each Committee meeting on salient matters as they relate to such matters that fall within the respective Committee's terms of reference.

COMPOSITION

The Committee comprises three independent non-executive directors and the executive head: safety, health and environment, the chairman, an Anglo American Plc representative who has been co-opted to the Committee, the chief executive. The Committee is chaired by Dorian Emmett, who was formerly the global head of safety and sustainable development at Anglo American and during the year was appointed as the advisor to the chief executive of Anglo American. Collectively the members possess the necessary expertise and knowledge to equip the Committee to perform its functions. The Committee was of the view that it had fulfilled its statutory and regulatory obligations.

The executive head: joint ventures, executive head: mining, executive head: process and the executive head: technical attend the Committee meetings as permanent invitees. The following executive heads attend by invitation as and when required: executive head: corporate affairs, executive head: HR, executive head: projects.

2014 IN OVERVIEW

The Committee has executed its duties and responsibilities during the financial year in accordance with its terms of reference and workplan as they relate to the SHE function and SHE audits, risk management, the Integrated Report, reporting and policy. During the year the Committee reviewed its terms of reference and the detailed work plan for the ensuing year.

In respect of the S&SD function, during the year under review, the Committee among other matters:

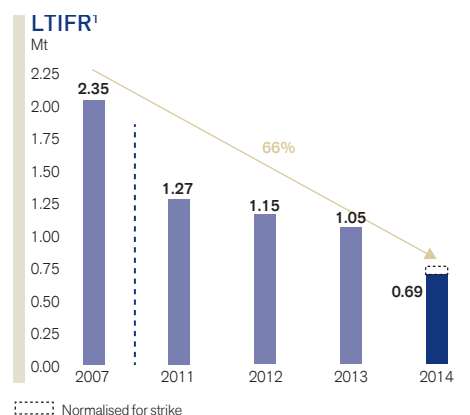
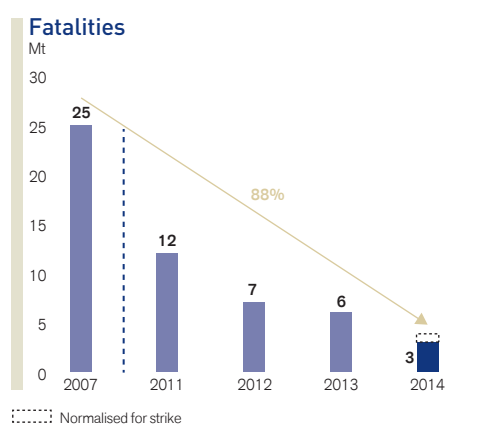
- recommended objectives in the field of SHE to the Board;
- monitored key indicators and learnings from major incidents and ensured that these were shared across the Group and the JV partners;
- considered the performance of the Company's individual operating units in the field of SHE performance and compliance;
- monitored and reviewed the safety management, health management, environmental management and performance of the operations;
- considered the appropriateness of the SHE strategy, framework policy and guidelines for management of sustainable issues including SHE and management systems; and
- reviewed the SHE elements of the Company's strategic and business plan.

In the area of SHE management and performance the Company continued to show progress. While any injury on duty is unacceptable it was pleasing to note the significant overall improvement in safety performance over the past five years.

In the context of managing occupational and non-occupational health risks, occupational health, health promotion, disease management, emergency medical care and public health remained the five key areas of intervention. A collaborative approach is used to deal with HIV/AIDS and tuberculosis (TB).

In respect of SHE and S&SD audits, the Committee among other matters:

- considered the sustainable development audit findings and reviewed the results of the transformation sustainable development audits carried out in terms of legal and Company requirements; and



- reviewed the results of the audit process to verify compliance with the Company's health and safety policies, guidelines and appropriate local and international standards and relevant local laws in safety and health related matters.

In respect of risk management, the Committee:

- played an oversight role in identifying material SHE risks and ensuring that the risk-management processes that are used to identify and mitigate safety and sustainable risks are appropriate. It also conducted an internal assurance role. The processes are aligned with those of Anglo American plc, whose business assurance unit is responsible for auditing the integrated risk management process.
- In order to identify material SHE risks and give the Board assurance, PricewaterhouseCoopers Inc (PwC) was engaged by the directors to perform an independent assurance engagement in respect of selected identified sustainable development information reported in the Sustainable Development Report for the year ended 31 December 2014. PwC had concluded that, based on the results of their procedures:
 - 'the identified sustainable development information for reasonable assurance for the year ended 31 December 2014 was stated, in all material respects, in accordance with the reporting criteria;
 - nothing had come to their attention that caused them to believe that the identified sustainable development information for limited assurance for the year ended 31 December 2014 was not stated, in all material respects, in accordance with the reporting criteria.

In respect of sustainability issues contained in the Sustainable Development Report 2014, the Committee has:

- approved the health and safety report to shareholders as envisaged in Section 2 (1) (c) of the Mine, Health and Safety Act;
- overseen the process of sustainability reporting and reviewed and considered the information contained in the Sustainable Development Report;
- considered the PwC findings on assurance and made the appropriate enquiries from management; and
- received the necessary assurances through this process that material disclosures are reliable.

In respect of reporting, the Committee:

- reviewed bi-annually, a report reflecting relevant benchmarking against other SHE best practice.

KEY HIGHLIGHTS

Safe start-up process

The Association of Mineworkers and Construction Union's (AMCU) protected strike began on 23 January 2014 and ended on 25 June 2014. Following the strike, we placed an emphasis on the safe Return to Work programme which focused on the re-integration of the workforce at the operations and a safe start-up. Amplats developed a safe start-up process with a very good track record that went hand in hand with a Return to Work campaign which covered the humanitarian aspect. As a large number of employees' medical certificates had expired during the strike period there was a comprehensive programme to attend to the employees' health issues after the strike. With regards to the humanitarian initiatives pre and post-return, the medical cover for all employees continued during the

strike. All employees on chronic medication received food parcels and Amplats embarked on school feeding programmes during the strike. In the region of 30,000 food and hygiene packs were issued to employees and transport cash vouchers of R550 were provided. A comprehensive proactive communication plan to employees covering a multitude of aspects, including health, safety and employee relations issues, was implemented.

Noise reduction

Noise reduction plans intensified during the year and noise sources exceeding 110dB(A) were reduced. A six-point plan for noise exposure reduction was introduced during the year, driven as part of the Mining Industry Occupational Safety and Health (MOSH) strategy.

Health

Post the strike, the voluntary counselling and testing uptake increased significantly in the second half of 2014. There was a major reduction year-on-year in terms of HIV/AIDS and TB related deaths. Sadly in 2014, 51 TB deaths, of which 49 were HIV related, were recorded compared to 63 TB deaths in 2013.

INITIATIVES

Zero harm in action implementation

The zero harm in action initiative continues to be rolled out. The three components are people, systems and technology. Under people the six categories are: risk management, stakeholders, personal enrolment, health, visible felt leadership and best practice visits.

Carbon footprint

Amplats has determined its carbon footprint by measuring its greenhouse gas emissions in accordance with ISO 14064-1 standards.

Awards received during the year

- (i) In November 2014 the JSE announced that Amplats was a top ranked mining company on the Socially Responsible Investment (SRI) Index for 2014 and the only mining company to be included in the top six best performers. This ranking is testament to the Company's openness and transparency in dealing with environmental, social and governance aspects of the business.
- (ii) Amplats participates annually in the Carbon Disclosure Project. In 2014, the Company qualified for the Climate Performance Leadership Index and, for the second year running, was placed second in the JSE Top 100 Carbon Disclosure Leadership Index with a disclosure score of 99 out of 100.
- (iii) The Company won a number of awards at the annual SAIMM (South African Institute of Mining and Metallurgy) MineSAFE awards. The first five awards were to Amplats mines:

Winners of the MineSAFE Significant Safety Award (Mining)

5th:	Anglo American Platinum School of Mines
4th:	Siphumelele Mine
3rd:	Dishaba Mine
2nd:	Bathopele Mine
1st:	Union Mine

MineSAFE Significant Safety Award (Process)

2nd:	Mogalakwena Concentrators
------	---------------------------

- (iv) Amplats achieved first place in the JSE Sustainability Data Transparency Index in the Metals and Mining sector for our 2013 Sustainable Development Report. It achieved second place overall with a score of 81.08%.

Site visits

The following combined S&SD Committee and SET Committee site visits to operations were arranged during 2014. The invitation to attend the site visits was extended to the Amplats Board members.

- (i) *Site visit to Bathopele Platinum Mine in August*
There was an underground visit where the focus was on mechanisation and a visit to the Tlhabane West Primary School in Rustenburg. The school, opened in 2011, was one of Amplats' flagship SLP projects.
- (ii) *Site visit to Rustenburg School of Mines in November*
The focus of the visit was around training and included an overview of the training programme for new employees as well as the ABC of mining. In line with the waste awareness campaign there was a presentation on the waste policy and an overview of the work that had been done in terms of waste management and a visit to the salvage yard.

Global safety day on 26 November 2014

The annual global safety day at Amplats was a powerful reminder of the need to keep aiming for zero harm in action at every operation, every day. The theme for 2014 was 'Managing Change' and reflected the fact that there is a close link between how well change is managed and whether or not the resulting outcome is a safe one.



Dorian Emmett

Safety & Sustainable Development Committee chairman

5 February 2015



FOCUS: OUR STRATEGY



OUR VALUE-DRIVEN STRATEGY

VALUE-DRIVEN STRATEGY

In 2014, we continued our change from a volume-driven strategy to a value-driven strategy, and have further aligned our strategic framework with that of Anglo American.

The implementation of the value-driven strategy will deliver a sustainable, competitive and profitable business that is able to deliver value for all stakeholders in the short, medium and long-term. This shift in strategy emanated from the Platinum Review undertaken in 2012 which concluded that the platinum industry had undergone structural supply and demand changes. This led to the value-driven strategy that seeks to:

- reposition our assets into a value optimising portfolio;
- develop the market for platinum group metals; and
- deliver the full potential from our operations through our people.

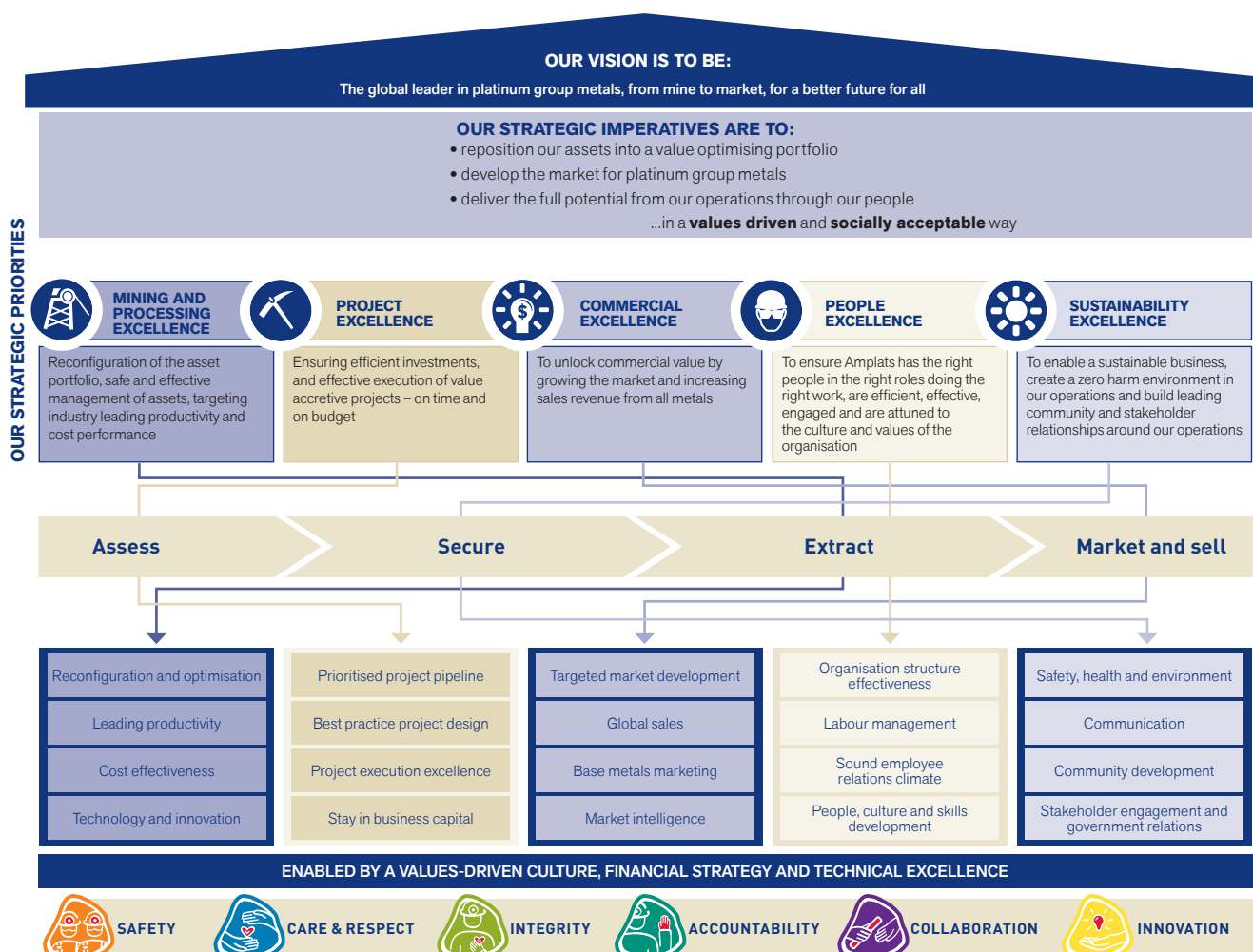
For progress made on the implementation of the strategy in 2014, see the chief executive's review on page 16.

By following this strategy, we will create a company that:

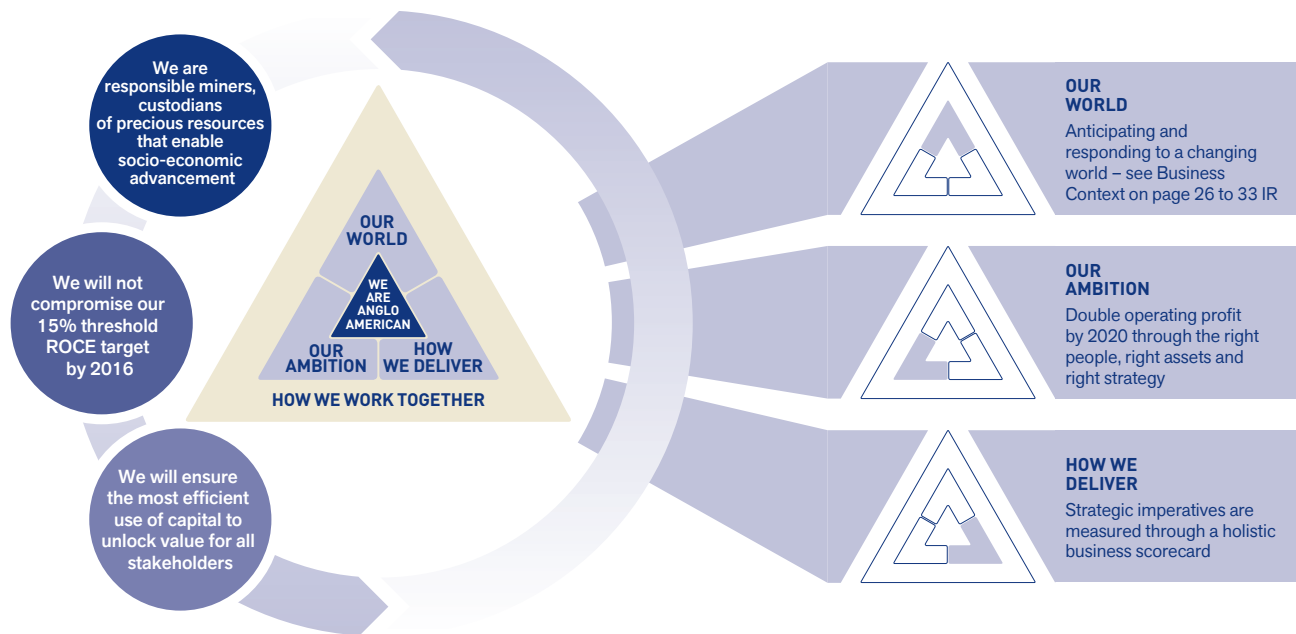
- delivers the majority of production from mechanised mines;
- operates in the lower half of the cost curve;
- achieves improved margins and return on capital employed (ROCE); and
- offers a more rewarding and overall safer, more sustainable environment for our employees.

The delivery of our strategy will allow us to focus capital efficiently on the remaining portfolio, achieving a more profitable, sustainable and more socially acceptable Company in the future. The Company will continue to work closely with stakeholders to ensure optimal outcomes for assets, employees and the South African platinum industry as a whole.

OUR STRATEGY



OUR STRATEGY SUPPORTS ANGLO AMERICAN'S STRATEGIC DIRECTION



UNPACKING THE AMPLATS STRATEGY

Our world

Amplats is the world's **leading supplier** of PGMs, **reliably fulfilling** a quarter of the world's needs. PGMs are used in pollution control (autocatalysts), jewellery and industrial use.

Our competitive advantage lies in the diversity of our world class mineral assets and processing capability. Through our marketing strategy, we actively promote demand for the metals we produce and are responsive to market changes.

We are developing a **socially acceptable organisation** by creating an environment of zero harm while building mutually beneficial relationships with communities, stakeholders and delivering good returns to shareholders.

Our ambition

To achieve our ambition, we will drive value to become the global leader in platinum group metals. To achieve this, we will:

- reposition our assets into a value optimising portfolio;
- develop the market; and
- deliver the full potential from our operations through our people in a values driven and socially beneficial way.

How we deliver and value success

To succeed, we will focus on our core mining assets that have the potential for long-term value creation. We seek mining and operational excellence to achieve safe, effective management of our assets, targeting industry-leading productivity, cost performance and delivery of our plans.

Our simplified and lean structure which will be put in place, will be supported by **people excellence**. We will develop the critical core skills to improve returns.

Our strategic mindset **will be one that is highly competitive**, focusing on innovation and delivery.

OUR STRATEGIC APPROACH TO SUSTAINABILITY

Our overarching business objective is to extract and create the maximum value from our full basket of metals in a safe, profitable, competitive and sustainable way for the long-term benefit of all our stakeholders. Our pursuit of excellence in matters of sustainability is a fundamental part of our business strategy and one of our five primary business levers. We focus on building and sustaining good relations with our stakeholders; striving for zero harm in the workplace; and promoting sustainable businesses, communities and environments around our operations.

Sustainability is integrated into our overall Company strategy, and principles of sustainability underpin all the key aspects of our business.

In assessing our business environment and considering how wider social and environmental issues could affect our long-term profitability, we have once again employed the useful 'five capitals' review framework for sustainable wealth creation. The outcomes of these reviews inform our sustainability-management plan.

The five capitals, and the prevailing issue we associate with each of them, are as follows:

1. **Natural capital:** Natural resources, mainly land, water and energy, are becoming increasingly scarce.
2. **Societal capital:** Most mining activities take place in developing countries characterised by high levels of poverty, underdevelopment and inequality.
3. **Human capital:** We face labour challenges associated with historical practices within the industry.
4. **Financial capital:** Africa is increasingly being perceived as the next frontier for economic development.
5. **Manufactured capital:** The recycling of PGMs and waste has been a strong growing trend.

To ensure that Amplats will secure and maintain its social licence to operate, and contribute to sustainable development, we:

- conduct our business in accordance with the strict ethical and good governance standards detailed in our business principles;
- perform our activities in accordance with our safety, health, environment and community policies to ensure a safe and healthy work environment, and to minimise adverse impacts on the natural environment for the benefit of our shareholders, our employees and the communities living next to our operations;

- actively promote workplace equality, and seek to eliminate all forms of unfair discrimination;
- support the fundamental human rights of employees, contractors and the communities in which we operate;
- promote efficiency and innovation in our use of resources so that our environmental footprint is reduced;
- engage with communities and local government to facilitate and participate in socio-economic development to ensure sustainable communities and economies when the life of a mine comes to an end;
- advise on the responsible use of our products; and
- publicly report our performance in accordance with applicable guidelines of the Global Reporting Initiative (GRI).

STRATEGY INTO ACTION

In order to execute our strategy, effectively manage our risks and ensure our legal compliance, we have management systems in place at all our operations, as well as Group management systems that are compliant with the requirements of OHSAS 18001 and ISO 14001. These management systems are supported by our governance structures, business principles and risk-management processes. They include our safety, health and environment (SHE) and sustainable development (SD) policies, guidelines, procedures and technical standards, all of which are aligned with Anglo American policies, guidelines, procedures and standards. Each operation has its own SHE policy in place. Operations also have agreements with organised labour in respect of safety and health, training and development, and employment equity (among other aspects).

The Company's executives and operations are supported by two dedicated corporate departments – the SHE Department and the SD Department – both of which provide strategic advice and specialised technical support. The corporate departments are supported by functional centres in the geographic regions (Johannesburg, Polokwane, Rustenburg and Amandelbult). These functional centres are tasked with undertaking a range of skilled, grouped and transactional activities for and on behalf of the operations. They are centres of excellence and expertise, optimising the use of scarce skills, and ensuring that processes are more efficient and consistent, and to standard. The corporate departments are responsible for defining strategy for the Group, and for enabling the functional centres to provide the operations with the required support.

IDENTIFYING OUR MATERIAL SUSTAINABILITY ISSUES

The content of our *Integrated Report 2014* and our *Sustainable Development Report 2014* has been informed by a materiality assessment. Our approach to identifying and prioritising our material issues draws on the guidance in respect of materiality provided by the International Integrated Reporting Council and the G4 guidelines of the GRI.

A Company matter is regarded as material if – in the view of senior management, the Board and key stakeholder groups – it could, in the short, medium or long term:

- have a significant influence on, or be of material interest to, our stakeholders;
- substantively influence the Company's ability to meet its strategic objectives; and
- have a high degree of interconnectivity with other material issues.

As we determine our material issues, we take into account various internal and external sources. The process includes a review of the findings of our internal risk-management process; a consideration of the priority interests and concerns raised by our key stakeholders; and a thorough review of our external environment. Based on our assessment, we have clustered our material issues into five strategic focus areas:

- Optimising production.
- Stakeholder relationships.
- Health and safety.
- Environmental impact management.
- Compliance.

The first strategic priority, optimising production, is addressed in our *Integrated Report 2014*, with aspects



Our ability to optimise production cost-effectively and efficiently within a changing and complex business and socio-political environment

Our business performance is directly linked to actual and anticipated global demand for our metals, which in turn influences current and forecast prices. Legislative amendments and uncertainty contribute to this ever-changing external environment. Internally, rising input costs, most particularly electricity and labour costs, combined with declining productivity as a result of structural issues and unplanned stoppages, has placed pressure on margins.



Case study: Mechanised innovation to improve productivity

Following a safety incident in 2013 at Bathopele Mine, we decided to remove its employees from high-risk tasks and areas, which meant that the installation of rope anchors had to become mechanised. We also realised that we would have to develop the required method ourselves: although equipment exists in the market, it is used for mining activities where the stopping width is much greater than that of Bathopele Mine. Subsequently, the team has produced a product and process that will not only increase safety at the mine, but will also have benefits in terms of costs and productivity. For more information, see page 48.



Our ability to understand, manage and meet stakeholder expectations and bridge trust gaps

We recognise that stakeholders have certain expectations of the Company. These may not all be appropriate or possible to meet, particularly where they apply to large-scale socio-economic development in the context of poor local service delivery. We understand that it is our role to understand and manage stakeholder expectations through credible and effective stakeholder engagement. We also ensure that we live up to the promises we have made and, where it is not possible to do so, that we engage constructively and openly with stakeholders. Some of the issues we need to deal with are: job security and loss, and limited access to jobs for locals as a result of skills gaps; reputational and relationship damage to the industry as a result of sector-wide violence and conflict; and sector issues such as migrant labour, housing and accommodation.

NKULULEKO FINANCIAL WELLNESS PROGRAMME



Case study: Launch of indebtedness programme

Indebtedness is a serious and complex social challenge in South Africa. Many of our employees are struggling with a level of debt that is difficult to manage, with large amounts being deducted from their monthly wages, by court order, as debt repayments. In 2014 we created an employee financial wellness programme, Nkululeko, to help employees understand and manage their debt. For more information, see page 35.

covered in the review of our operating context on page 62. In this report, we focus on the three strategic priorities that pertain directly to sustainability issues (as identified below). We review future prospects and objectives in each area as well as our management activities and performance in 2014. The fifth strategic priority, compliance with legislation and voluntary codes, is addressed within the context of these three reviews.

OUR MATERIAL SUSTAINABILITY FOCUS AREAS

Building trust with our stakeholders

- Maintaining effective stakeholder relations
- Investing in employee relations
- Delivering benefits for local communities
- Engaging with government
- Transforming our supply chain

Safeguarding health and safety

- Safety
- Workplace health and well-being
- Community healthcare

Managing our impact on the environment

- Water stewardship
- Energy and climate change
- Air quality
- Waste management
- Responsible land management and mine closure



Safeguarding the health and safety of our employees and communities

We aim to achieve zero harm at our operations and by our operations. We want to eliminate all fatalities, and to sustain the improvements in safety that we have achieved in recent years. We want to prevent and treat occupational health exposure (noise-induced hearing loss, and exposure to airborne pollutants), as well as public health-related threats such as tuberculosis and HIV/Aids. We seek to improve the living conditions of employees.



Case study: Managing the impact of the strike

During the five-month strike, thousands of certificates of fitness expired and hundreds of employees on chronic medication defaulted on treatment. To mitigate the negative impact of the strike, the Company guaranteed the payment of medical insurance cover and continued to provide access to in-house medical services to all employees. At the end of the strike, the implementation of the safe start-up process, the risk-based medical screening process and the distribution of nutrition and hygiene packs went as planned.



Seeking to ensure access to affordable infrastructure and natural resources, and minimising our footprint

We will use our natural resources sparingly and responsibly, and minimise our environmental footprint. We will continue to secure access to affordable and reliable electricity supply, while at the same time seeking alternative energy sources. We recognise South Africa's water-supply constraints, and will seek consistent access to water for our current operations and any expansion projects.



Case study: Ensuring long-term water security for our operations and surrounding communities

South Africa's water resources are increasingly under pressure, and water needs to be used with care. We have developed a bulk-water strategy and infrastructural plan to protect, manage and maintain water supplies. Our flagship project is a collaboration with the South African Government to provide 1.9 million people with clean water through the Lebolelo Water Scheme and the Flag-Boshelo and De Hoop dams in Limpopo province. For more information, see page 60.



Meeting our obligation to comply with legislation, regulation, voluntary codes and social impacts

We will meet our social, environmental and other licensing obligations. Our approach to the Mining Charter is not just to tick the boxes, but to ensure real transformation. We will meet and entrench our obligation to respect human rights, including rights relating to land issues and sexual harassment. We will contribute to South Africa's beneficiation policy and practice.



Case study: Fuel-cell pilot project

Platinum-based fuel cells provide significant economic and environmental development opportunities by facilitating the provision of clean, reliable and cost-effective power. We are developing a commercial stationary fuel cell home generator designed to provide efficient, reliable power to rural communities that are not connected to the electricity grid. A field trial is currently under way outside Kroonstad in the Free State; this is a world-first demonstration of a fuel cell mini-grid application for rural electrification. For more information, see page 41.

GOVERNANCE FOR SUSTAINABILITY

Integrity and accountability are core values at Amplats.

We are committed to promoting the highest standard of corporate governance, and to ensuring that our practices are materially aligned with the expectations of the King Code of Governance for South Africa of 2009 (King III). Our approach to business is underpinned by our core values.

The Board of Anglo American Platinum Limited (Amplats) assumes overall responsibility for the effectiveness of internal controls, risk management and governance; and for ensuring that our business objectives are met. Our governance structures relating specifically to sustainable development provide clear lines of accountability from the Board through to the operations, as shown in the diagram. Our open reporting lines also allow issues that are encountered at an operational level to be communicated back up through the organisation. A comprehensive overview of the Company's governance structures and processes is provided in our *Integrated Report 2014*.

Amplats' Executive Committee is responsible and accountable to the Board for ensuring that resources are allocated effectively, and that the Company's sustainability policies and strategies are implemented.

The Safety & Sustainable Development (S&SD) Committee and the Social, Ethics & Transformation (SET) Committee provide policy direction and guidance, and monitor Company performance in terms of safety, health, the environment and social responsibility. Additional information on the activities and responsibilities of the

S&SD and SET Board committees is provided on pages 16 to 21 of this report.

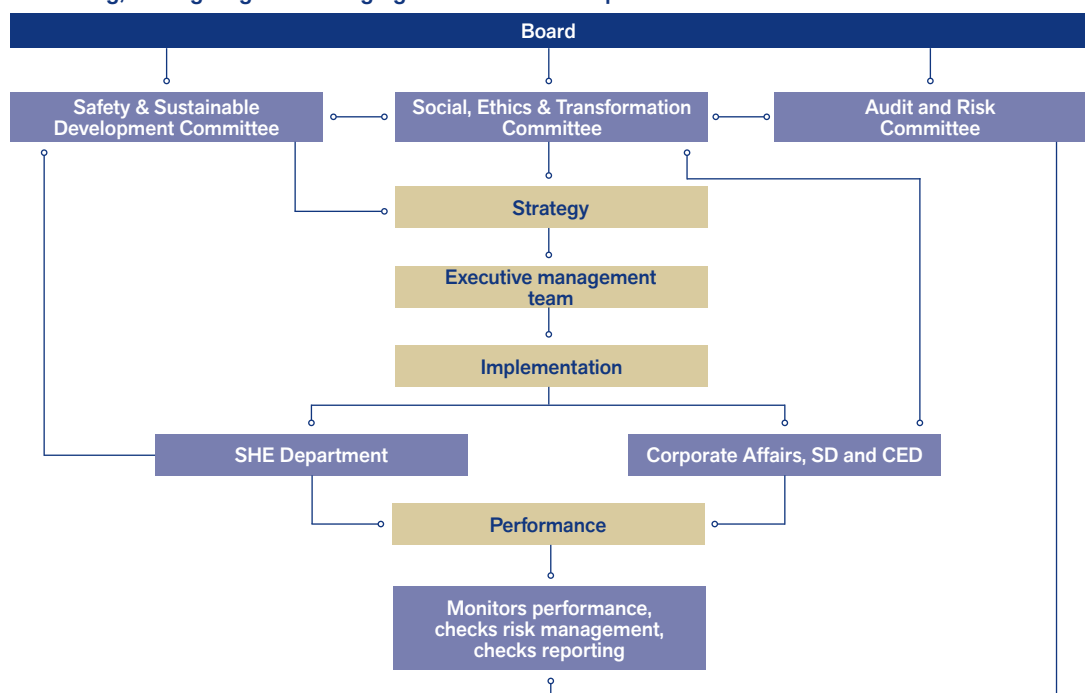
Our Audit and Risk Committee reviews and monitors the effectiveness of our internal controls and risk-management systems, which have a direct impact on how we identify and manage sustainability issues. It also oversees the review of our reporting on sustainability, including the third-party assurance process.

The executive management team relies on the sustainability function and on the Safety, Health and Environmental (SHE) Department to implement company policy and ensure that all material issues are addressed.

GLOBAL GUIDANCE, LOCAL ACCOUNTABILITY

Amplats' policies, principles and performance standards are aligned to those of Anglo American, the Company's majority shareholder. The Anglo American Good Citizenship Business Principles (Business Principles) guide our approach to the following: business integrity; safety, health and the environment; human rights; and community development. A set of Group Technical Standards and the Anglo American 'Ways' guide our investment decisions, how we plan and implement projects, and the way in which we manage and close our operations. They set out our vision, principles, policies, frameworks, system requirements and mandatory performance requirements for managing our core sustainability risks and opportunities. All service providers acting on the Company's behalf are

Governing, strategising and managing sustainable development



expected to adopt and follow our Group standards and policies. We also promote comparable standards in our joint ventures and associate companies.

ENSURING BUSINESS INTEGRITY

Integrity and accountability are core values at Amplats. Along with a commitment to transparency and engagement, living up to these values is essential in earning and maintaining trust with our stakeholders.

Our commitment to integrity and accountability, and our zero tolerance of corruption, are given effect through our business integrity policy and our Business Principles. Our business integrity policy states that we will neither give nor accept bribes, nor permit others to do so in our name, in our dealings either with public officials or with our suppliers and customers. We are committed to working with stakeholders in government, business and civil society to promote good governance and the responsible use of mineral wealth; and to prevent corruption.

Our employees are required and encouraged to report any breaches, or potential breaches, of our business integrity policy. Our independently managed Speak Up facility is a confidential and secure means of encouraging our employees, contractors, suppliers, business partners and other external stakeholders to report concerns about conduct that is contrary to our values and integrity standards. Any allegation of harassment or intimidation as a result of contacting Speak Up is investigated. If required, appropriate disciplinary action is taken, which can include the dismissal of those responsible for reprisals.

RISK MANAGEMENT

Risk management forms an integral part of our governance framework. The objective is for sustainability and other operational risks to be addressed in an integrated and consistent manner.

This integrated risk-management approach is aimed at identifying, prioritising and controlling risks that threaten our ability to meet business objectives. For a comprehensive account of our risk-management approach and key risks, see our *Integrated Report 2014*, page 34.

Our methodology requires that all the key risks we identify are reflected in a structured framework and systematically managed in accordance with the principles of the King III Code of Corporate Practices and Conduct for South Africa, and with other guidelines. Risk management is an ongoing process that includes risk-based internal audits (which require external input), the compilation of risk registers and associated action plans. Our risk-management process is audited by Anglo Business Assurance Services on an annual basis.

Sustainable development risks form a substantial part of our risk profile. Of the 16 key organisational risks identified in 2014, nine (56%) relate to sustainable development topics. The significant organisational risks for the Company, as well as our response measures, are reviewed in our *Integrated Report 2014*, on page 35.

Our risk-management approach is illustrated in the schematic below.

Risk-management process





FOCUS:

OUR STAKEHOLDERS

Top image

Studying with an electric light generated by the Amplats fuel-cell in Kroonstad.

Bottom image

Farming at Mogalakwena Groenfontein Incubator





BUILDING TRUST WITH OUR STAKEHOLDERS

OUR APPROACH TO ENGAGING STAKEHOLDERS

Understanding, and being responsive to, the interests and concerns of our stakeholders is a key sustainability consideration at Anglo American Platinum Limited (Amplats).

Maintaining effective stakeholder relations

Our ability to create a sustainable business is inextricably linked to our stakeholders – most directly to our employees and the communities close to our operations, but equally to the stakeholders who indirectly affect, or are affected by, what we do, including governments, shareholders, partners and suppliers. We are committed to working with our stakeholders in government, business and civil society to promote good governance and the responsible use of mineral wealth, and to prevent corruption, for the benefit of society in general.

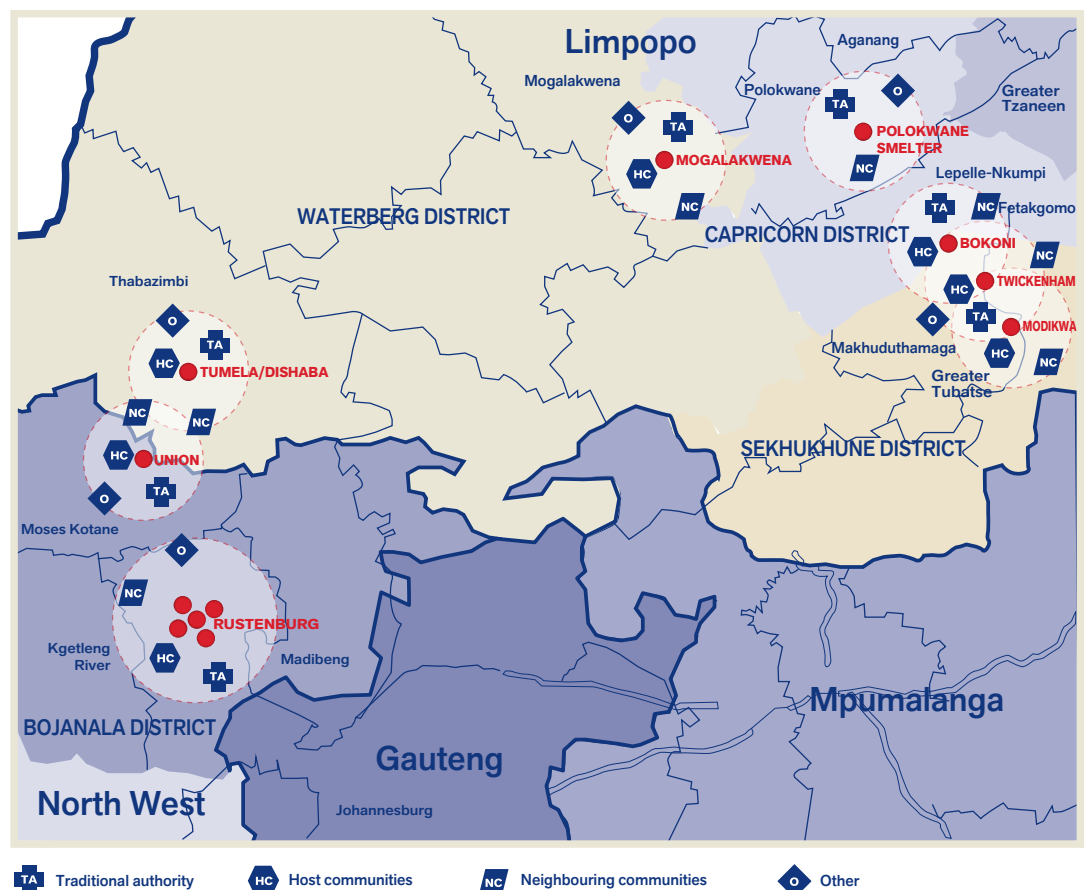
We believe that establishing relationships built on trust and respect is fundamental to our ability to create value.

The need to invest in building mutually beneficial relationships is of increasing importance. The five-month strike in the first half of the year demonstrated that much needed to be done to improve relationships and since the end of the strike our focus has been on re-establishing relationships, and building and maintaining trust. Some of the key issues we have been addressing include the following:

- Job security, and the limited opportunities for local recruitment that result from skills gaps.
- Reputational and relationship damage to the industry as a result of strike-related violence and conflict.
- Industry-wide issues such as migrant labour, indebtedness, and employee housing and accommodation.
- Communication with the South African Government, our employees, the unions and the communities close to our mines regarding our intended sale of non-core assets.

We believe that establishing relationships built on trust and respect is fundamental to our ability to create value.

Geographical stakeholder map



We continue to encourage collaborative engagements with employees to find solutions to their issues of concern.

Our strategic approach to engaging with stakeholders

Our stakeholder engagement processes are underpinned by the following three strategic intents:

1. To become a partner of choice in promoting integrated, sustainable local economic development in the provinces where we operate.
2. To build a reputation for consistent and reliable delivery – whether related to production or to social or environmental commitments we make to stakeholders.
3. To effectively engage stakeholders in obtaining the right to, and support for, responsible platinum group metal (PGM) mining.

In addition to ensuring regular and ongoing engagement with a broad range of stakeholders, we have mechanisms in place for reporting, addressing and resolving grievances. We implement the Anglo American Group-wide complaints and grievance procedure, which uses a standardised, web-based approach for recording stakeholder feedback. This procedure classifies the nature of the stakeholder, the complaint made and the severity of the issue raised. The material interests and concerns of our stakeholders form part of our materiality assessment process, reviewed on page 26 of this report.

In 2013 we undertook a comprehensive exercise to review and update our stakeholder-engagement processes. This entailed an initial engagement process across the Eastern Limb section (more than 140 communities) and the Western Limb section (more than 56 communities) of the Bushveld Igneous Complex. Through this process we sought to identify, categorise and profile our stakeholders in these areas, and to register their respective concerns, needs and interests. We also reviewed governmental expectations, preferences and regulations impacting the Company's engagement in both South Africa and Zimbabwe. The outcome of these activities informed the development of guidelines for engaging with stakeholders that are in line with industry best practice. The exercise culminated in the development of an overall high-level Amplats stakeholder engagement strategy.

A review of the nature and outcomes of our engagements with each group is provided on our website.

The map on page 31 provides the latest information on the geographical location of our stakeholders.

INVESTING IN EMPLOYEE RELATIONS

Delivering on our ambition to be the employer of choice depends on ensuring that we maintain positive relations with all our employees and trade unions; offer safe, worthwhile and stimulating work; provide opportunities for personal development; pay people competitively; recognise and reward excellence; encourage diversity; and protect employee rights.

Managing the impact of the strike on employees

The five-month strike across the platinum belt in the greater Rustenburg area in South Africa, by the majority union AMCU (the Association of Mineworkers and Construction Union), was concluded with a three-year settlement agreement signed on 24 June 2014. The strike had a material socio-economic impact on our employees (about 35,000 participated in the strike), their dependants and communities; and reflected the need for us to improve relations with our employees and their representative bodies.

During the strike we maintained direct communication with striking employees through various channels. We made concerted efforts to manage challenges presented to the health and well-being of employees and their families, and to work with unions and government in providing additional lower-cost housing in Rustenburg.

Following the conclusion of the strike, our focus was on re-integrating employees and on resuming production at our strike-affected operations in a safe and sustainable manner. General managers personally welcomed back employees and delivered reconciliatory and safe start-up messages. All employees received medical assessments until cleared to resume their specific duties. Effective planning relating to the re-integration of employees and production enabled us to achieve better than planned ramp-up within two months. We continue to encourage collaborative engagements with employees to find solutions to their issues of concern.

Our strategic approach to employees

A number of longer-term interventions are being implemented, aimed at developing a constructive and peaceful industrial relations climate. Our strategic focus areas involve:

- implementing a proactive employee relations programme to improve communication and relationships with our employees directly;
- fostering collaborative relationships with the four representative unions in a multi-union environment (this includes training union leaders and addressing inter-union rivalry);
- building the people leadership skills of our supervisors and mine managers to enable them to engage effectively with employees and build trust and respect;
- rolling out a values and culture change programme; and
- providing employees with the necessary training to deliver sustainable value as we further embrace mechanisation.

Other focus areas include reviewing how we provide decent housing and accommodation for our employees, and addressing high levels of employee indebtedness, which is an ongoing concern and challenge. (See the case study on page 35.)

To resource the organisation with an engaged, productive workforce, we seek to offer safe, meaningful and stimulating work; provide opportunities for personal development; pay people competitively; recognise and reward excellence; encourage diversity; and protect employee rights. Resourcing our business, both now and in the future, is a key strategic priority for human resources (HR). Our approach is underpinned by our HR standards, management systems and processes.

Workforce movement

Amplats' organisational restructuring in 2013 achieved a simplified, leaner structure that resulted in a total of 6,892 jobs becoming redundant. During this process we went to great lengths to ensure that job losses were mitigated wherever possible, and that the restructuring was carried out in an inclusive way that minimised harm to employees and communities.

At the end of 2014 Anglo American Platinum employed 45,662 permanent employees (2013: 47,032) and 2,857 contractors (2013: 2,784). A further 1,244 employees are employed at our Unki operations in Zimbabwe. Total workforce turnover in South Africa was 3.58% (2013: 11.64%) including voluntary severance packages (VSPs); and 3.23% excluding VSPs (2013: 4.96%).

Currently 91% of our permanent workforce is covered by collective bargaining agreements.

As a result of the Company's portfolio review exercise of 2013, which concentrated on the Rustenburg and Union operations, there was a headcount reduction of 5,778 in these two regions. There was a further headcount reduction of 1,114 across the rest of Amplats' operations. Details of what we are doing to address migrant labour are included in our online case study.

Talent management and skills development

Skills shortages within the mining industry continue to be a challenge. To meet its skills requirements, Amplats follows an integrated approach to recruitment, talent management and retention. We focus on rewarding good performers, developing skills, providing career advancement opportunities, and developing leadership capacity. Our robust skills development pipeline is driven by initiatives including our graduate development and 'fast tracking' programmes. The demand for skills at managerial level, particularly for historically disadvantaged South Africans (HDSAs) and women, is an ongoing challenge.

As we shift towards mechanised mining, our operating and training departments are working together to understand the skills that our workforce will need. To support the

Learners receiving engineering training at Amplats ESTC (Engineering Skills Training Centre) in Randfontein.



Amplats embraces all forms of diversity and complies with relevant legal obligations wherever it operates.

process, we are aligning strategies, processes and systems relating to recruitment, selection, training, development and remuneration. The transition to modernisation will be managed in collaboration with employees, labour unions and government as we work together to grow the skills base.

Expenditure on training and development amounted to 4.9% of total payroll in 2014 (2013: 4.7%), while on average each employee received 88 hours of training (2013: 79 hours).

All Amplats' employees are provided with the opportunity to obtain skills and competencies to advance along a predetermined career path based on opportunity and suitability. Our performance management process and system align individual objectives with the Company's strategy. Moreover, Amplats' management and professional employees have regular performance and career development reviews with their managers. For other employees, performance management is largely team based. The Company operates a system of incentives designed to enhance operating practices, both financial and non-financial. Our remuneration practices are reviewed in our *Integrated Report 2014*.

Key training performance figures in 2014

The following is a summary of our performance in a selection of training and development programmes:

- **Engineering training:** There were 432 learners enrolled in the various engineering training schemes, and 164 of them qualified during the year. The number of learners who participated in six specialised trades-related short courses was 2,098.
- **Leadership development:** A total of 43 senior managers graduated from the programme for management excellence (PME). Some five senior managers completed the Anglo Management Programme (AMP) and three senior managers completed the Leaders in Anglo American (LiA) programme. A further six senior managers began the next AMP, to be completed during 2015, and another seven senior managers started the LiA programme, to be completed by the end of the year. Some 1,361 supervisors attended programmes targeting specific supervisory level performance skills.
- **Developing our young professionals:** We provided bursaries and graduate in-training programmes in specific fields for 451 people (2013: 500).
- **Operational risk-management process (ORMP):** A total of 3,880 people completed the ORMP programme (0 in A4, 83 in A3, 1,561 in A2 and 2,236 in A1) and 764 employees received the required training as occupational health and safety representatives.
- **Access to adult basic education and training (ABET):** ABET was provided to 700 employees, 39 contractor

employees and 198 community members (2013: 1,320 employees, 87 contractors and 408 community members). ABET is provided on both a part-time and a full-time basis, and accommodates workers who work shifts.

A diverse workforce

Amplats embraces all forms of diversity, and complies with relevant legal obligations wherever it operates. We seek to diversify our workforce through targeted recruitment and development campaigns for women in mining, HDSAs and people with disabilities. We continue to improve levels of representation in all these groups.

By the end of 2014, 63% of our managers were HDSAs (2013: 62%), exceeding the South African Mining Charter's requirement that HDSA employees make up 40% of each management level and 40% of core and critical skills by the end of 2014.

Women made up 20.9% of our management (2013: 20%), and 14% of our overall workforce (2013: 13%), with 17.4% in the core disciplines of mining, engineering, projects and metallurgy (2013: 11%). Additional detail on women in mining is provided in an online case study.

Addressing housing and living conditions

In South Africa, Amplats has made great strides in moving away from the traditional mining hostels to today's single accommodation villages (SAV) and family units. While some 6,400 employees currently reside in converted hostels, the level of occupancy in these hostels is steadily decreasing. In all cases, single-room occupancy has been achieved.

We have ambitious employee housing development projects in progress, and an increasing number of employees are seeking home ownership. To date, 1,300 units for employees to own have been built. Besides houses, the model has involved the provision of water supplies, sewerage, electricity reticulation, roads and stormwater systems. About 1,000 of the units form part of the Seraleng project in Rustenburg in North West province, while the balance of 300 is located in Northam in Limpopo province.

The Amplats employer-assisted housing scheme assists qualifying employees to acquire home loans for a residential property in locations within close proximity of the mines and integrated into existing communities. During 2014, 350 employees participated in the scheme.

Owing to levels of employee indebtedness, many employees are unable to secure loans for housing through the Company's facilitated scheme. An ongoing concern relates to the more than 26,000 employees who receive living-out allowances. In most cases, only a portion of the allowance of R1,840 per month is spent on accommodation; the balance is used to supplement

MITIGATING EMPLOYEE INDEBTEDNESS



Indebtedness is a serious and complex social challenge in South Africa. Many of our employees are struggling with a level of debt that is difficult to manage, with large amounts being deducted from their monthly wages, by court order, as debt repayments.

Indebtedness has a deep impact on our employees and their families. It can be an underlying cause of low morale, stress and labour unrest across the mining industry. The five-month-long strike resulted in many employees increasing their dependence on credit. Despite the salary increase received by workers (15% on basic wages and almost 11% on the total package), the cumulative loss of wages during the strike will have a long-term impact on employees.

Amplats works with labour union representatives, among other stakeholders, to find solutions to employees' financial struggles. Our aim is to ensure that our employees' debts are settled and to foster a responsible culture of spending and borrowing. Many of our employees are in financial difficulty owing to personal circumstances and do not know how to resolve their situation. Debt concerns are often attributed to a lack of basic financial literacy skills and poor understanding of the legal implications of poor debt management, as well as to reckless unsecured lending by unscrupulous credit providers who give workers too much credit.

We have engaged Summit Financial Partners (Summit) since 2012 to audit and determine the validity of garnishee orders that employees have been paying.

Building on this initiative, we have created an employee financial-wellness programme – Nkululeko – together with Summit to help employees understand and

manage their debt. Launched in October 2014, this free service has been rolled out at most of our operations. By granting Summit power of attorney, employees can rely on its consultants to check garnishee orders for their legality, negotiate with creditors, reduce monthly repayments and tax penalties, and provide training in managing personal finances.

Mineworkers are often vulnerable to irresponsible lenders who act outside the law or exploit borrowers who have limited understanding of personal financial management. Debts from unregistered or illegal credit providers are difficult to manage as the practice is difficult to track and there are no legal or formal processes to arrange debt repayment. We are working in partnership with local authorities to curtail the abuse of employees by credit providers and debt collectors, and to abolish irresponsible microlenders. These activities extend across all our operations in Rustenburg, Twickenham, Mogalakwena and north of Pilanesburg, including our smelters, concentrators and refineries.

We continue to work with government and other stakeholders such as the Chamber of Mines to address broader employee-debt issues. This includes seeking solutions by influencing the regulatory environment and taking legal action to protect and enforce the legal rights of employees.

Amplats CEO, Chris Griffith initiated legal proceedings against an administrator whom we believe has engaged in unlawful and unscrupulous practices. We would like the courts to clarify the law regulating administrators, and to hold accountable administrators who have overstepped the bounds of the law or are exploiting ambiguity in respect of their entitlements.

Mining is a key driver of economic growth and can play a significant role in socio-economic development.

earnings. Many of the recipients live in informal settlements or backyard accommodation in villages around the mines, both of which were a focus of instability and unrest during the strike.

We are reviewing our accommodation strategy, including the practice of paying living-out allowances, and we continue to actively participate with government at all levels in addressing these challenges. Additional details about our housing programme are included in the online housing case study.

DELIVERING BENEFITS FOR LOCAL COMMUNITIES

The sustainability of our mining activities depends on our ability to contribute to the well-being and prosperity of our host communities. The challenging social context in South Africa and Zimbabwe highlights the need for sustainable community development as both a commercial and a social imperative around our operations.

Our strategic approach to community development

Inclusive stakeholder engagement underpins our approach to ensuring that we are respectful of human rights, and responsive to stakeholder aspirations and concerns in the communities in which we operate. We are building durable relationships with these communities and delivering developmental benefits and opportunities aimed at increasing their capacity now and in the future.

Most of our operations are located in rural areas characterised by low levels of formal economic activity, the inadequate provision of infrastructure and poor levels of service delivery. Our mines represent a centre of socio-economic activity and an important source of welfare.

Our approach to community development is based on understanding local contexts and using our core business to promote development. It typically involves:

- developing local procurement and local suppliers;
- building local capacity;
- providing access to infrastructure, education and health facilities; and
- investing in enterprise and skills development.

Many of these programmes are undertaken in partnership with non-governmental organisations (NGOs), communities and local governments. Our approach is informed by regulatory requirements such as those of the South African Mining Charter and our social and labour plans (SLPs), and is implemented through a comprehensive set of social performance requirements detailed in the Anglo American Social Way. Anglo American's industry-leading Socio-Economic Assessment Toolbox (SEAT) is the primary means by which we address practical elements of social-impact management and socio-economic development at our operations. We use

SEAT to improve our operations' understanding of their positive and negative socio-economic impacts; enhance stakeholder dialogue and the management of social issues; build our ability to support local socio-economic development; and foster greater transparency and accountability. Engagement with local stakeholders is central to the process.

Our Social Performance Department works closely with our Sustainability, Supply Chain and Local Procurement departments to promote socio-economic upliftment in communities close to our operations and in the areas from which we draw our labour (Lesotho, Mozambique and South Africa's Eastern Cape province). In South Africa, every mining operation has a Social and Labour Plan that is developed through a consultative process with local municipalities and through regular interaction with host communities. We seek to align our social and infrastructural investment projects with South Africa's National Development Plan. All our operations have functioning community engagement forums that meet at least quarterly. We continually monitor the quality of our engagement and the structures and communication channels in place, especially at community level, to ensure that these are effective.

Our commitment to social development in Zimbabwe parallels our commitment in South Africa. At Unki Platinum Mine operations, our corporate social investment includes investments in sports, arts and culture, health and food security, and the support of vulnerable groups.

Sharing the benefits of mining

Mining is a key driver of economic growth and can play a significant role in socio-economic development. Our licence to operate depends on our ability to ensure that our stakeholders participate in the economic benefits generated during the time of our operations, and that our activities leave our host governments and communities with a firm foundation for a sustainable future. The fact that we are a major mining company raises particular expectations in this respect.

It is through our core business activities – employing people, paying taxes to governments and procuring from host communities – that we make our most significant positive contribution to the South African and Zimbabwean economies.

The value distributed directly by Amplats in 2014 amounted to R22,319 million. For a breakdown of this figure, see the table on page 37.

Through the multiplier effect, the positive economic contribution of our operations extends significantly further than these direct forms of value distribution.

In advancement of broad-based black economic

VALUE ADDED STATEMENT

for the year ended 31 December 2014

	2014 R million	%	2013 R million	%
Value added				
Net sales revenue	55,612		52,404	
Less: Purchase of goods and services needed to operate the mines and produce refined metal, including market development and promotional expenditure	(32,391)		(22,659)	
Other net expenditure	(767)		(4,127)	
Value added by operations	22,454	101	25,618	101
Losses from investments net of interest received	(135)	(1)	(241)	(1)
	22,319	100	25,377	100
Value distributed				
Salaries, wages and other benefits	12,377	55	14,122	56
Tax charges	3,736	17	5,996	23
Taxes borne and collected	3,663		5,835	
Other tax costs	73		161	
Providers of capital	1,159	5	956	4
Interest paid	1,075		921	
Dividends	84		35	
Total value distributed	17,272		21,074	
Reinvested in the Group	5,047	23	4,303	17
Amortisation and depreciation	4,897		4,878	
Accumulated profits/(losses)	150		(575)	
	22,319	100	25,377	100

empowerment (B-BBEE), the Company has entered into a number of empowerment transactions and joint ventures. (See page 82 of our *Operations Review Report* online for more information.) To empower our communities, Project Alchemy, a R3.5 billion initiative that promotes sustainable socio-economic development both in the areas where we mine and in the labour-sending areas, is designed to provide direct participation in the Company by local communities.

Project Alchemy's initial implementation was undertaken in four mining areas: Tumela/Dishaba, Rustenburg, Mogalakwena and Twickenham. In December 2013, the Dikuno Tsa Sechaba Development Trust was established to serve the host communities situated around Amplats' Tumela and Dishaba mines. The trust has already held several board meetings, and is in the process of approving two projects that would support the community in meeting key health needs. The value of the support to these projects is around R1 million.

The Rustenburg Community Development Trust was established in June 2014 and its inaugural meeting was held on 21 August. A community-mapping process is under way in the Rustenburg area, assisting the trust to understand the development profiles and assets of residents in the benefit areas.

The establishment of development trusts in Twickenham and Mogalakwena is under way. Alchemy, and especially the trusts, will continue to apply the principles of inclusive and collectively planned local development; and of open, participative and empowering engagement. Once fully operational, all the Alchemy community development structures will reach more than one million beneficiaries in the four benefit areas and the labour-sending areas. Additional detail provided in an online case study.

Our socio-economic performance summary

In 2014 Amplats spent R236 million (2013: R204 million) on community development in South Africa. This exceeded the Mining Charter's 1% pre-tax target. In Zimbabwe, we invested R8 million in community projects.

Our capacity development activities promote robust, self-sufficient local economies long after our mines have closed.

Mine community development expenditure in South Africa 2014

- Education and youth development: R16 million
- Infrastructure: R107 million
- Anglo American Chairman's Fund: R7 million
- Other: R106 million
 - Community trusts including Alchemy
 - Enterprise development
 - Farmer (agriculture) support
 - Discretionary funds and other donations
 - Health

Since 2010 the total number of projects related to our social and labour plans (SLPs) amounted to 101. By year end we had completed 62 SLP projects. Another 39 projects are due for completion during 2015.

Building local capacity

Our capacity-development activities focus on strengthening the skills, competencies and abilities of employees and community members to promote robust, self-sufficient local economies long after our mines have closed. In South Africa, where capacity constraints in municipalities potentially jeopardise our ability to deliver on SLP commitments and promote broader social stability, we continue to engage effectively with government in the North West and Limpopo provinces to resolve challenges that arise when implementing projects.

In 2014 we invested approximately R30 million towards institutional capacity development. We are engaged in public-private partnerships with the Development Bank of Southern Africa (DBSA) to support capacity-building and service delivery in host municipalities. In 2014 we also engaged the DBSA to develop and deliver leadership and governance training for 540 members of traditional councils on 29 sites where we operate. A total of R20 million is to be invested in the project over five years (2014 to 2018).

Our initiatives to support localised procurement and supplier development have a positive impact by contributing to skills development, creating jobs and supporting emerging businesses. Our enterprise development programmes are designed to build resilience within host communities and a more robust and competitive supply chain for Anglo American. Our activities in these areas are discussed on page 43 of this report.

In 2014 our Mogalakwena operation trained almost 400 local entrepreneurs through its supply chain. Mogalakwena Mine's highly successful Groenfontein community farm and training centre have been developed into an agri-ecological incubator to support agricultural and sustainable development projects in neighbouring communities. The aims of the project are to demonstrate:

- that new business models, founded on the principles of sustainable community farming, can operate profitably; and
- that primary production integrated into value chains can create a second economy driving sustainable wealth and new employment for local communities within the mine's zone of influence.

The leading community empowerment project has been extended to Twickenham, and currently comprises 10 SLP projects. See the case study on page 72.

We are investing directly, and through our Platinum Group Metals Development Fund, in the development of a local fuel-cell industry. This is intended to support job creation and provide clean, reliable power for South Africa, and will also support the government's drive for more effective in-country beneficiation of South Africa's mineral resources. See page 41 for more details on the fuel-cell project we launched in 2014.

Our Union Mine partnered with the Department of Art and Culture in North West and Bakgatla ba Kgafela traditional authority to develop a R25 million community centre in Sefikile village.

We also invest in youth-development and education programmes that contribute to developing non-mining portable skills at community level. In addition, ABET training was provided to 198 community members and 70 attended hospitality learnerships in 2014.

Infrastructure development

Working with partners to provide infrastructure that can be put to use during mining activities and after these have been completed is an important way in which we are creating sustainable value for our host communities. Our mines are often situated in areas that are underdeveloped and remote, where we can share infrastructure – such as roads, health facilities and water – with local communities.

Major infrastructure development projects include the construction, in partnership with the government, of two bulk raw water pipelines totalling 350 km to our mines and other mines in Limpopo province. This will provide 1.9 million people with access to a reliable source of potable water for the first time. We also invest in delivering a temporary water supply to our immediate communities. Recent projects were implemented for two communities in Limpopo – the Solomondale community close to the Polokwane Smelter and the Regorogile community near Amplats' mines in Thabazimbi.

Critical needs that are not linked to operational infrastructure, such as health and education infrastructure and community housing, are addressed through our SLP programme. In the Limpopo and North West provinces in

THIS SCHOOL HAS
BEEN PROUDLY BUILT BY
ANGLO AMERICAN PLATINUM



Teachers and pupils at Naomi Baba Crèche in Thabazimbi, sponsored by Anglo American Platinum.

particular, our operations partner to develop schools, crèches, clinics and community halls. Our efforts to strengthen healthcare facilities in communities are discussed on page 57 of this report.

In partnership with local and provincial government, we are helping to alleviate the dire shortage of affordable housing in South Africa. We engage in developing properly serviced land to facilitate housing development in areas where services are inadequate or do not exist. Our progress in improving employee accommodation is reviewed on page 34.

Responding to community complaints and incidents

Responding effectively to community complaints and expectations is important for maintaining good relations. Community expectations and the lack of development in some of our neighbouring communities continue to pose challenges for respective operations, as the demands placed on the mines to provide basic services and employment continue to increase.

In 2014, 42 community complaints were submitted through formal procedures at our various operations. All were assessed and 36 of them were resolved. The six unresolved incidents relate to Mogalakwena resettlement issues that are ongoing and opportunities of employment for youth groups. The majority of community grievances were related to employment, procurement opportunities and environmental impacts.

During 2014 incidents of community discontent included demonstrations at the Rustenburg, Modikwa, Mogalakwena, Bokoni and Twickenham mines. We seek to resolve grievances through effective engagement with community leadership. To resolve incidents of social unrest, our priority is to use force only as a last resort.

All protests were undertaken without acts of violence or damage other than two protests at Mogalakwena Mine on 13 May 2014, during which Motlhotlo village members blocked haul roads to the mine and started to damage equipment and disrupt production processes. Requests by security personnel for community members to vacate the premises were disregarded and when equipment and people were endangered, mine security was compelled to fire rubber and pepper balls to disperse the protesting group. In the second incident, protesters retaliated by throwing stones. Six people incurred minor injuries, and a number of arrests were made by the South African Police Service (SAPS) for acts of public violence, trespassing and malicious damage to property.

Also at Mogalakwena Mine, communities continued to allege that a leakage of tailings into the Mohlosane River in 2013 was causing the death of livestock. Autopsies of a number of animals concluded that their deaths had been caused by the ingestion of plastics and disposable nappies. An investigation into the incident by the Department of Water Affairs is in progress. The mine continues to engage with the community to resolve the conflict.

We do not tolerate any form of unfair discrimination, inhumane treatments, forced labour, child labour, harassment or intimidation in the workplace.

At Twickenham Mine, community members raised concerns relating to, for example, the process of appointing the members of the community engagement forum; the quality of reporting on progress to the communities; and the mine recruitment process. The mine held several direct meetings with the community representatives to address concerns and misconceptions, and trust is being restored.

Progress on resettlements and improving land access

During the development phase of our mines we plan and design projects in a way that avoids or minimises any resettlement. Our standards, which align with Anglo American's, require that all resettlement exercises must meet or exceed the requirements set out in the International Finance Corporate (IFC) Performance Standard 5 on Land Acquisition and Involuntary Resettlement, and must lead to a demonstrable improvement in the livelihoods of resettled people. In accordance with the IFC Performance Standard, each resettlement must also be planned and implemented in a participatory manner.

In 2014 Amplats concluded the voluntary resettlement of seven households living close to Twickenham Mine. At Mogalakwena, 85 households from Motlhotlo who had not moved earlier (2002), were relocated. A further 68 households, eligible for relocation assistance, will be relocated in 2015 to a new village that is being built on an agricultural farm. The vacated land, impacted by environmental impacts from the mine, will provide an additional rock-dump area of some 700 hectares, which is required to prolong the life of the mine. Efforts and discussions with relocated households are ongoing to address the issue of people's security of livelihood following their resettlement.

During 2014 we conducted resettlement discussions with the Langa community in Mogalakwena and by the end of the year had concluded an agreement that will improve land access for Mogalakwena Mine.

Respecting human rights

Our first duty is to behave in a way that respects the human rights of employees, host communities and business partners. Human rights' requirements are integrated into the Anglo Social Way, and in all other relevant policies, systems and tools throughout the business. A stand-alone human rights policy, which is aligned with the 'Protect, Respect and Remedy' Framework provided in the United Nations Guiding Principles on Business and Human Rights, was launched at the end of 2014 and will be implemented across our operations during 2015.

We do not tolerate any form of unfair discrimination, inhumane treatment, forced labour, child labour,

harassment or intimidation in the workplace. It is a matter of principle for us that people have the right to freedom of association. We have incorporated these principles into our code of ethics and business principles, which apply to all our operations in South Africa and Zimbabwe.

As part of an Anglo American Group human rights due diligence initiative, in 2015 we will undertake a risk-and-impact identification and prioritisation process at our Twickenham and Mogalakwena mines. This will inform the development and implementation of mitigation measures across the Company.

Security and human rights

We are a long-standing supporter of the Voluntary Principles on Security and Human Rights (VPs). Security-related human rights issues in South Africa and Zimbabwe have heightened our concern around risks and potential impacts at our operations and in the broader community. Our strategic partner International Alert (Alert) continues to help us strengthen our implementation of the VPs. Alert conducted a gap analysis against the VPs at our operations in South Africa in 2013, and we are working with Alert's recommendations to further embed the VPs in risk-management processes. During 2014 all permanent protection services employees (a total of 1,172 employees) underwent either initial or refresher training on the voluntary principles on security and human rights.

Our crowd-management policies and procedures incorporate a set of guidelines on managing incidents at our mines, which were developed in collaboration with the SAPS. These were strictly adhered to during the five-month strike.

ENGAGING WITH GOVERNMENT

Effective, constructive and open engagement with government at all levels is essential to unlocking value. We believe that we have a responsibility to understand the expectations of government and to be clear about what we as a company need to do to be successful. We also believe that, in turn, governments have a responsibility to listen to what we have to say, engage with us and create an environment in which our industry can make a positive long-term difference to the countries in which we operate.

Maintaining effective relations with government

Amplats engages constructively with the South African Government at all levels, both directly and through industry representative bodies such as the Chamber of Mines. Key issues on which we regularly engage with government include:

- compliance with our mining licence and its related requirements;
- labour relations and safety;

SUPPORTING GOVERNMENT'S DRIVE TO INCREASE LOCAL BENEFICIATION



Mineral beneficiation: The transformation of a mineral (or a combination of minerals) into a product of higher value that can either be consumed locally or exported has become one of the major drivers in advancing the empowerment of historically disadvantaged communities in South Africa. It also presents opportunities for the development of new entrepreneurs in downstream and sidestream industries. Our business has been collaborating with government in investing in market development and beneficiation since 2009.

Research collaborations: Amplats engages with various government departments on the development of PGM technologies in South Africa. The business supports various PGM research programmes aimed at accelerating local product development and creating new applications for PGMs, driving demand in the longer term, and helping to establish new industries in South Africa. The Company supported various PGM research programmes at South African institutions during the year, including North-West University, the University of Cape Town and the South African Medical Research Council. Together with its customers, the Company co-invests in the development of new applications. To date, the E+ ethylene scavenger has been commercialised. It uses palladium as an active ingredient and finds application in the fresh-produce industry by extending the shelf life of fresh produce.

Over the year under review the focus has been on converting promising laboratory results into commercially viable products.

Developing the platinum jewellery market: We continue to support training institutions that help build the design and manufacturing capacity of local platinum jewellery.

We also support local jewellery manufacturers through a metal consignment scheme that allows for extended payment terms and affords jewellers the opportunity to manage price volatility. In 2014 we celebrated the Company's 16th annual PlatAfrica design and manufacture competition, established primarily to give jewellery design students the opportunity to work with platinum metal.

Developing the fuel-cell market: A key development area for platinum is the use of fuel cells to provide power, both in stationary applications (e.g. residential power) and in mobile applications (e.g. power trains for vehicles). Fuel cells are efficient, versatile and scalable, and offer several advantages. They have the potential to boost demand for platinum, which is used as a catalyst in the cells. Fuel cells do not require electricity, do not emit noxious gases, and could reduce levels of reliance on coal-fired power plants. In August we launched our world-first fuel-cell rural electrification pilot project, together with the Deputy Minister of Mineral Resources, in the Mqhasha municipality in the Free State. We are also developing and testing fuel-cell-powered mining equipment. Pending the outcome of underground testing, the business aims to commercialise this technology in South Africa, which would enable local manufacturing and generate jobs and a new skills base.

Amplats is among six leading South African platinum companies to have launched the World Platinum Investment Council in 2014. The aim was to provide the market with data and insight into the industry, in order to stimulate a more sustainable platinum investment market. (See page 31 of *Integrated Report 2014* for detail.)

- contribution to national developmental priorities such as job creation, skills development, public health and economic and socio-political transformation in South Africa;
- B-BBEE legislation;
- taxation policy, including royalties and carbon taxes; and
- Company developments, including strategy and repositioning.

Our business has made strides in building and strengthening relations with the South African Government. This has been achieved through proactive and transparent engagement and by encouraging joint ventures and collaborative efforts for social upliftment.

South Africa is a well-developed mining jurisdiction, with comprehensive legislation in place to cover areas such as health and safety; concessions and permitting; environmental performance; labour practices; and corporate governance and taxation. In order to maintain our licence to operate, we need to ensure that our relations with government are regular and effective. We work with government stakeholders to ensure that regulatory/legislative developments are balanced and promote transparency, consistency and stability, and thereby support long-term investment and competitiveness in the international market place.

Amplats supports the principles of the Extractive Industries Transparency Initiative on the disclosure of payments. In 2014, R3.7 billion was paid to the South African Government as taxes; and US\$21.4 million was paid to the Zimbabwean Government. We do not support any political party and we do not make any political donations.

In Zimbabwe, where we face uncertainty regarding indigenisation, we maintain regular contact with government officials, ensure full legal and regulatory compliance in a continually changing environment, and invest in community and social development initiatives.

Focus developments and activities

Throughout the five-month platinum wage strike this year, we kept government stakeholders informed regarding developments, and business and government worked closely in an effort to resolve the impasse. The strike exacted a significant toll on the greater Rustenburg area communities and the economy. A focus this year and going forward is to build trust and respect between

business, government and labour; and to work together in stabilising the industry.

We continue to partner with government in contributing towards the goals of the National Development Plan (NDP) and support the Deputy President's Framework Agreement for a sustainable mining industry. We work with the integrated development plans of government at the various levels (local and provincial). This includes addressing social and labour issues such as employee indebtedness, health and safety, the migrant labour system, and employee housing and living conditions. It also entails economic imperatives such as beneficiation, infrastructural constraints, and the supply of energy and water.

In 2014 we initiated engagements to advise all relevant government stakeholders of our redefined business strategy. We will continue to engage with them on progress made in relation to the consequent asset sales of our Union and Rustenburg mines and, possibly, of select JV operations.

Specific public-policy issues we are engaging on include providing input, through the Chamber of Mines, into the amendment process for the Mineral and Petroleum Resources Development Act. We also provide input on the proposed carbon taxes in South Africa.

We engage with various government departments on the development of platinum group metal (PGM) technologies in South Africa. We continue to support the government's efforts to ensure that the current PGM industries in South Africa – the autocatalytic converter and jewellery industries, and also a fledgling fuel-cell industry – are maintained and set on a growth path, with appropriate support. (See case study on page 41.)

Amplats is also working on developing industrial demand through the PGM Investment Programme. The programme was created to invest in entities that use or enable the use of PGM-based technology in their products or processes. The programme provides start-up and growth capital to innovators and entrepreneurs during the early-stage development and commercialisation of PGM technology. Amplats established the fund in 2009, with a US\$10 million commitment to invest in alternative technologies that use PGMs. Over the last four years, the fund has delivered successfully on this mandate. In 2014, Amplats committed a further US\$100 million to the fund, with US\$20 million to be invested each year over five years.

The programme of empowering local and BEE companies continues as part of our business process.

TRANSFORMING OUR SUPPLY CHAIN

Supporting local and BEE-compliant businesses through preferential procurement, supplier development and enterprise development is an important part of our contribution to promoting transformation. Our local and preferential procurement initiatives are a value-adding instrument for the business, and provide the impetus for boosting economic growth in communities close to our operations.

Our strategic approach to transforming our supply chain

In striving to deliver on our transformation objectives and to comply with the requirements of the South African Mining Charter, we have a strong tradition of seeking to ensure that we procure goods and services from BEE-compliant companies, and from companies operating in and contributing to the communities in which we operate.

Our local procurement policy and framework, our key principles and our local procurement strategies are designed to optimise opportunities to integrate local businesses into our supply chain and advise them on how to compete successfully for new business. In doing so, we believe that we can:

- 1) make a significant socio-economic contribution to our host communities; and
- 2) improve efficiencies in our supply chain by lowering logistical costs and securing access to critical goods and services.

Post the Mining Charter

Although the Mining Charter's reporting period comes to a close early in 2015, the programme of empowering local and BEE companies continues as part of the Amplats business process. We have sharpened our focus and increased our efforts in creating sustainable local businesses. A local procurement toolkit has been launched across all Anglo American operations, and this will continue to influence procurement decisions at Amplats.

Several processes were introduced in 2014, ranging from our contract unbundling process, through the establishment of a Procurement Steering Committee and the implementation of 'set asides', to the amendment of payment terms in support of local companies run by historically disadvantaged South Africans (HDSAs). Companies that fall within Amplats' definition of a 'local HDSA supplier' qualify for a shortened payment cycle.

Strategic alliance

In our drive to create a solid and sustainable relationship with our communities, we view the establishment and legitimisation of the Procurement Steering Committee as a key enabler. Strategy and planning workshops were held

with local communities in 2014 to obtain their buy-in and support of the programme.

One of the key developments after the steering committee was established was the alignment of all activities across our operations, including structure, process and communication with communities. Following this intervention, our supply chain activities are now positioned as pivotal in improving our relationship with communities and ensuring that communities in the areas around our mines participate in meaningful economic activity.

Creating an enabling environment

The design of an internet-based database of local suppliers has created an accessible database for buyers across the different regions. One of the key elements of this database is that, from the first quarter of 2015, suppliers will receive communication regarding work opportunities via sms on their cell phones. This enhancement will increase the participation of local businesses in procurement. It will also support transparency in the procurement process and enable communities to position themselves to capture these opportunities.

Local entrepreneurial workshops were set up across all Amplats' operations in 2014, with a view to developing a clear understanding of what businesses are operating in the communities near our mines. We have now completed a gap assessment across all the communities in the areas where we operate, assessing their business capabilities and the capacity of their businesses.

As a result, we improved our supplier development programme to assist new entrepreneurs to become fully aligned with Amplats' business processes, policies and values. A successful supplier development programme, piloted at our joint-venture Modikwa Platinum Mine, is now being rolled out across all Amplats' operations.

Strategic approach to creating opportunities for local people

One of the approaches we used to support our aggressive transformation programme was to set up engagement meetings with our supplier base to discuss the unbundling of contracts. This unbundling process has been extremely successful. In cases where larger supplier companies have taken on our approach of partnering with local businesses, they have been able to transfer skills and knowledge to people in communities, and to increase the capability of communities overall.

Our supplier development programme

Suppliers have the opportunity to obtain loans from us at preferential rates through Anglo Zimele. Established in 1989 to provide funding and support for HDSA businesses, and with the aim of creating and developing

In promoting preferential procurement practices, we do not compromise on quality, delivery, service, safety, health and environmental performance or any technical requirements.

commercially viable and sustainable small and medium enterprises (SMEs), Zimele also provides mentoring and coaching to companies that they fund. Sixty-eight transactions were approved in 2014, with companies funded to the tune of R27.98 million. This led to the creation of 477 new jobs and sustained 366 existing jobs.

One of our key drivers is to ensure that local companies are developed to a point where they will have the capacity and capability to execute projects successfully. Our approach is a holistic one that includes: tailor-made solutions for individual companies; training modules in various technical and business skills; matching the capabilities of local suppliers with opportunities; and identifying funding opportunities through Anglo Zimele. The programme intends to create local suppliers who are responsive to the Company's needs and who are able to become growth-oriented, sustainable entities over time. Key indicators of the programme's impact include the following:

- Job creation.
- The value of the funds spent on local supplier companies.
- The increase in the number of local businesses benefiting from the Company's operations.
- The creation of role model companies within the communities near which we operate.

Responsible sourcing

At Amplats we are committed to upholding fundamental labour and human rights within our own operations and those of our supplier partners. In promoting preferential procurement practices, we do not compromise on quality, delivery, service, safety, health and environmental performance or any technical requirements.

In 2009 we initiated an ambitious responsible sourcing programme with our suppliers. By 'responsible sourcing' we mean the process of purchasing goods and services without causing harm to or exploiting humans, and without engaging in irresponsible or non-sustainable exploitation of the natural environment. The programme comprises these six 'non-negotiable pillars':

- Labour standards and human rights
- Workplace safety
- Environmental management
- Employee wellness
- Business integrity
- Economic development

Our programme consists of several elements, including: the communication of our expectations to our suppliers; a supplier self-assessment process; and a comprehensive assurance process that is conducted by neutral, accredited third-party audit firms. Its intent is to ensure supplier compliance both with legal requirements and with best-practice sustainable development principles.

The following were our most important achievements in 2014:

- In all supplier contracts, clauses were embedded that referenced our expectations in relation to supply chain sustainable development.
- Fifty-six suppliers were selected to complete a self-assessment questionnaire.
- Through face-to-face sessions, we communicated our responsible sourcing requirements to over 470 supplier representatives. These communications ranged from community workshops with SME suppliers to individual engagements with large multinational suppliers.
- Third-party audits were conducted on 19 supplier sites, and corrective action plans were agreed to at sites where non-compliances were detected.

Through the self-assessments and audits, we noted several trends. In some cases, suppliers were not able to manage working hours (with several suppliers working beyond the maximum 55-hour limit per week in South Africa). In others we identified issues of workplace safety, including poor usage of protective equipment, fire hazards and poor emergency preparedness. Where the issues were detected, corrective action plans were agreed to with the management of the supplier's site. These matters also became part of our overall supplier development focus. As a base principle, we expect all our suppliers to take action to rectify areas of non-compliance, many of which are driven by legal requirements.

As we move forward into 2015, our commitment to working with suppliers who demonstrate responsible sourcing principles in their employment practices will intensify. Our broader focus will be on further supplier engagement, and on working across the mining industry to align supply chain standards. During 2014 we achieved the following

- The Supply Chain Department approved a budget for the implementation of the activities related to supplier development.
- A supplier development partner was appointed.
- The roadshow linked to our local procurement toolkit took place.
- A high-level exercise mapping local suppliers was conducted across five operations (the Amandelbult mines, Mogalakwena Mine, the Rustenburg mines, Twickenham Mine and the Polokwane Smelter).
- Approximately 300 local suppliers went through individual Company interviews aimed at understanding their capabilities, and how these could be matched with identified current and future opportunities.
- We exceeded our internal Amplats' HDSA target of 60%, by achieving a result of 61.3%. There was an improvement in performance across all measured areas, except for Services. (See the text and table under 'Our progress' below for detailed information.)

A total of R11.9 billion (61.3%) was spent with HDSA companies in 2014.

Our progress

Dealing with the strike

The impact of the five-month strike on procurement activities cannot be ignored, as the strike led to several local companies being negatively affected. Additional measures had to be put in place to avoid retrenchments and the closing of businesses.

Some of the measures Amplats implemented in order to mitigate the impact of the strike were to:

- write off outstanding interest on loans (on a case-by-case basis);
- freeze interest on loans given to local HDSA companies by Anglo Zimele and write off some loans (also on a case-by-case basis);
- extend the loan repayment period by 12 months; and
- re-allocate businesses to unaffected Amplats operations in the Eastern Limb.

Our reporting under the Mining Charter

The year 2014 marked the end of the reporting period under the Mining Charter. With HDSA targets set as follows: capital 40%, services 70% and consumables 60%, all efforts within the Supply Chain Department were directed towards going beyond compliance. Recognised BEE spend within Amplats is with companies that have more than 25% HDSA ownership and are controlled by HDSA individuals and groups. Such spend is not recognised unless accompanied by a valid BEE verification certificate from a rating agency accredited by the South African National Accreditation Systems (SANAS).

Despite our rigorous BEE supplier-vetting process, there have been instances where fronting by unscrupulous suppliers has been brought to our attention. These cases are investigated. If suppliers are found to be fronting, they are removed and flagged on our supplier database from doing further work for the Company.

The comparative expenditure table below gives a clear indication of how Amplats performed in line with Mining Charter requirements in 2014. The figures in the table indicate that the 2014 targets were met and exceeded in all areas, except for 'Services', where the target was missed by 3.9%. The entire mining industry has found meeting the procurement targets in the Services category a challenge.

We exceeded our target of 22% for 'Regional spend' by achieving 24.23%. The target 'Spend with local companies' was also exceeded when we achieved 18.21% against a target of 18%. And, as stated earlier, the Amplats internal target of 60% for total BEE expenditure was exceeded by achieving 61.3% overall.

A total of R11.9 billion (61.3%) was spent with HDSA companies in 2014, out of a total discretionary spend of R19.4 billion. Of the total HDSA spend, R2.79 billion (14%) was spent on companies that are black-owned (50% plus one share and above). Spend with black-empowered companies (25% plus one share and above) was R9.1 billion (47%).

BEE expenditure (R million)

	2014	% target	% achieved	2013	%	2012	%	2011	%
Consumables	3,880	60	60	3,418	46	3,900	55	3,789	50
Services	5,441	70	66.1	3,361	46	4,347	53.4	4,029	21
Capital	2,591	40	54.8	1,706	40	2,615	51.7	2,467	46
HE ¹	9,115	40	47	7,003	82.5*	8,467	41.2	7,789	35.6
HO ²	2,798	10	14	1,482	17.5*	2,508	12.2	2,598	11.9
BEE regional	4,736	22	24.23	3,310	23	3,433	16.7	3,340	15.3
BEE local	3,559	18	18.21	2,644	18	2,771	13.5	2,449	11.4
BEE total	11,913	60	61.3	8,485	59	10,975		10,387	
Total discretionary procurement	19,425	—		19,309		20,563		21,854	
Total BEE %			61.3		59.0		53.0		47.5
Internal target		60		56.0		49.0		43.0	

* Figures represented as percentage of Total BEE spend as opposed to Total discretionary spend.

¹ HDSA empowered

² HDSA owned



Top image

The new nickel tankhouse at RBMR significantly reduces tankhouse emissions.

Bottom image

Tip cover at Dishaba Mine to mitigate the risk of working at tips.

FOCUS:

SAFETY AND HEALTH





SAFEGUARDING SAFETY AND HEALTH

Our strategy is focused on improving our ability to anticipate and prevent harm to our employees.

Effectively managing health and safety risks in the workplace first and foremost protects our people. It also enhances our productivity and helps us to maintain our licence to operate. Our main priority is to prevent loss of life and serious injuries or disability.

SAFETY

Our strategic approach to safety

Our strategy and management approach to safety focuses on improving our ability to anticipate and prevent harm to the people of Anglo American Platinum Limited (Amplats). Our principal safety risks relate to transportation and rock falls (falls of ground) in underground mines. Other main risks include dangers in handling equipment, worker fatigue and working at heights.

Our approach to safety and health risk is supported by the Anglo American Group Safety Way, a comprehensive framework of roles and responsibilities supported by a set of safety principles and mandatory safety standards. This underpins the delivery of our safety strategy, which is founded on three key principles: a mindset of zero harm; the elimination of repeat incidents; and the consistent application of simple, non-negotiable standards. Our strategy, which we have been implementing for a number of years, focuses on the following four main areas:

- Implementing management systems to eliminate and mitigate risk.
- Investing in engineering and technology solutions, with a focus on eliminating or reducing the risks associated with the use of equipment.
- Creating a culture of operational discipline and compliance, with all employees taking ownership of their own safety and that of their colleagues, supported by managers through coaching.

Yolande Muller, industrial psychologist at the Amandeubult Functional Centre, received the individual category safety award at the 2013–2014 Anglo American Group Applaud Awards, for developing the SPPI psychological assessment tool.

IN MEMORIAM

We extend our sincere condolences to the families, friends and colleagues of the three employees who died in the course of their work at Anglo American Platinum Limited during 2014. We remember:

- Mr Willie Smit, who was electrocuted at our Waterval Smelter on 9 April 2014.
- Mr Bongile Ludziya, who died in an incident involving moving equipment at Khuseleka Shaft, Thembelani Mine, on 15 August 2014.
- Mr Manito Seneta, who died in a fall-of-ground incident at Dishaba Mine on 11 September 2014.

- Promoting trusted relationships and well-being in the workplace.

Our strategy is the foundation of Amplats' operational safety, health and environment (SHE) management systems, which comply with the requirements of the international OHSAS 18001 and ISO 14001 standards. To enhance our management of risk, we are moving from a more limited SHE focus to a broader business approach, as described in more detail below.

Progress made against safety action plans and various lagging indicators is included in our CEO's performance targets and influences the remuneration of our executives and managers.

Safety focus areas

Our approach to safety risk management is being incorporated into the operational risk management (ORM) process that is being integrated into our business processes. ORM helps to create a performance step-change by providing a consistent and effective way of identifying, prioritising and controlling risk.

A priority going forward is to improve our reporting of, and learning from, high potential incidents (HPIs) as a preventative tool to improve safety performance.

Our efforts to further entrench the behavioural component of our safety strategy have come to the fore. Following the strike in the first half of 2014, we initiated the 'Tshiamo' (Wellness) process, which aims to foster an effective safety climate in the workplace. Tshiamo is based on building trusting relationships – through visible felt leadership among other approaches and methods – and on raising the levels of consciousness and knowledge around safety across our operations. We anticipate that a psychological assessment tool we developed and introduced, and which was recognised at the Anglo American recognition programme for best practice (Applaud Awards), will result in significant progress. This



FLEXIBOLT INNOVATION AT BATHOPELE MINE



Installation of a flexibolt at Bathopele Mine.

Bathopele Mine is a mechanised mine using a bord-and-pillar mining method to exploit the UG2 Reef. Its safety record is good.

However, the mine tragically lost two employees in a massive fall-of-ground incident on 20 July 2013. The event took place while the two employees were installing rope anchors manually.

Following the incident, the on-mine team decided that the Company had to remove its employees from such high-risk tasks and areas, which meant that the installation of rope anchors had to become mechanised. It also realised that it would have to develop the required method itself: although equipment exists in the market, it is used for mining activities where the stopping width is much greater than that of Bathopele Mine.

Subsequently, the team has produced a product and process that will not only improve safety at the mine, but will also have benefits in terms of costs and productivity. It is also fairly simple to use and easily replicable.

The process employs the current mechanical bolters to install the typical bolts used as primary supports, but utilises a new tensioning and a new GV grouting system. The stabilising cement is delivered via a tube and from a safe distance. With this system, the change of crimping pipes becomes minimal.

The new approach is being further refined as part of Amplats' continuous striving towards zero harm. The innovation was nominated for an award at the Anglo American Applaud Awards of 2014.

In 2014 LTIFR was 0.69 and TRCFR was 1.21.

assessment technique is designed to identify those behavioural characteristics that are predictive of at-risk/unsafe work behaviours; and to address these through individualised developmental interventions. It is related to our concept of a safe, profitable product index (SPPI), which is derived from assessments in the three key areas of values, connectivity and risk management.

We continue to embed and reinforce frontline supervision, which is critical in ensuring strict adherence to planned work. Our 'ABC' of Mining training programme aims to equip our frontline supervisors and managers with the necessary technical and people skills to consistently deliver safe production and achieve operational excellence.

New technologies are being implemented to reduce risks associated with operational activities. These include, for example, anti-collision technology for underground trackless equipment, a flexi-bolt mechanism that was developed to remove employees from hazards and risks when installing anchors in the mechanised environment, and enhancements on winch signalling devices. (See the case studies on page 48 and page 51.)

A key focus is to mechanise our operations progressively. This will present significant safety and health benefits by limiting employee exposure to potentially harmful interactions with machinery, and with potentially harmful emissions and noise levels.

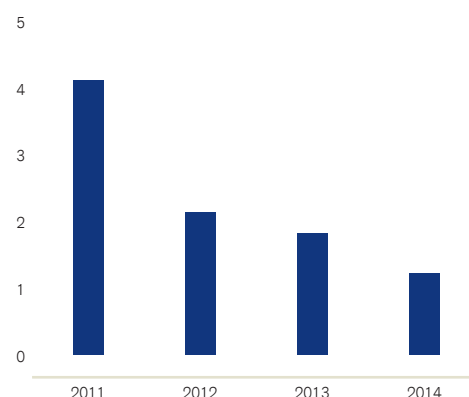
Road safety is another area of general concern. Improving safety on public roads in the communities close to our operations has now become a part of our plans to improve our operational safety. A pilot project is under way aimed at improving safety on a high-risk stretch of road serving our Mogalakwena operation.

The management of worker fatigue is an ongoing concern and challenge. To mitigate the risk of fatigue as a contributing factor to safety incidents, we have developed a protocol based on the Anglo American Group technical standard and guidelines for fatigue management.

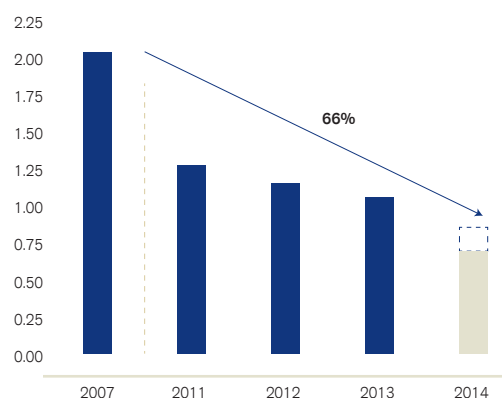
Our safety performance

It is with great sadness that we report that three of our employees died at our operations during 2014 as a result of work-related accidents. While this represents an encouraging reduction on the six employee fatalities in 2013, any loss of life is unacceptable to us. For each event resulting in loss of life, a critical injury, or a high potential incident (HPI), an independent investigation is conducted and remedial actions are taken. We continue to dedicate considerable effort to achieving, and maintaining, zero harm.

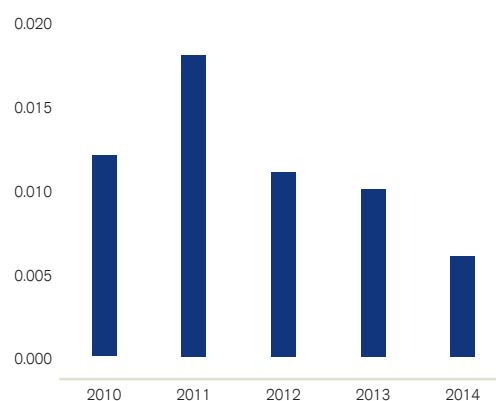
Total recordable case frequency rate (TRCFR)



Lost-time injury-frequency rate (LTIFR)



Fatal-injury frequency rate (FIFR)



The five-month strike in the platinum sector presented additional safety challenges. In order to protect the safety and security of employees who faced the risk of violence and intimidation, most production activities at Rustenburg, Union and Amandelbult operations were suspended throughout the strike. The mines were safely shut before the strike and considerable planning and effort went into ensuring that safety was not compromised once work resumed. In collaboration with diverse stakeholders, including the Department of Mineral Resources, we ensured the safe return to work of our employees. The strike nonetheless impacted on our safety performance, including several of our leading indicators. Among these was the number of HPIs reported.

We have made steady progress in managing safety over the last few years and are encouraged by an improved performance in our major risk areas. In 2014 we exceeded our targets for all key lagging safety performance indicators. While all of our managed mines showed a noticeable improvement in their lagging indicators, we aim to improve our performance at some of the process operations and at Twickenham Mine.

Our fatal-injury frequency rate (FIFR), which was influenced by the limited production during the protracted strike, impacted to 0.006 in 2014 (2013: 0.010).

Our total recordable case frequency rate (TRCFR), which includes any injury that requires any treatment, improved to 1.21 (2013: 1.83), while our lost-time injury-frequency rate (LTIFR) was 0.69 (2013: 1.05). Categories of injury management that require particular attention include transportation and falling objects.

During 2014, 36 regulatory stoppages (section 54 instructions) and 18 non-compliance notices (section 55 instructions) were issued across our operations.

The Amplats Trauma and Emergency Care (T&EC) system is in place to ensure optimal outcomes for ill or injured persons at our mining operations. Our T&EC annual audit results have improved consistently, from 74% in 2011 to 93% in 2014. On 23 February 2014 our T&EC system was activated when a bus transporting Unki Mine employees and contractors on a public road off mine property went off the bridge over the Umtebekwi River. Tragically the accident resulted in the death of four of our employees and in 69 people being seriously injured. The survivors were evacuated to nearby hospitals to receive rehabilitation, appropriate monitoring and ongoing support.

Amplats Trauma and Emergency Care drill in progress, together with Netcare 911.



WINCH SIGNALLING INTERACTING WITH CAP LAMPS TO IMPROVE SAFETY



The winch signalling system has light sensors that detect LED lights on caplamps and automatically shuts down winches when a caplamp shines on it.

Mining can be a very dangerous career. In the past this was often accepted as a truism, and accompanied by a good deal of resignation. An example of a common danger in the mining environment were the risks associated with the gathering of blasted rock in mines.

As our sustainable development reports of previous years attest, there has been a revolutionary shift away from this approach over more recent years, one that Amplats embraced with energy, passion and creativity.

In our underground mines, blasted rock is cleared using scrapers pulled by winches. Winch drivers have no clear line of sight into the scraper paths, and this can create hazards for anyone who inadvertently moves into the paths when winches are in operation.

In order to mitigate this risk, a system was developed based on light sensors that detect LED lights on employees' cap lamps; and that trigger the automatic shutdown of winches whenever people working near

them enter a space that is potentially risky. The system also incorporates a feature that makes safety signalling less ambiguous.

Following a successful trial phase, during which it was noted that it was being well received by staff and easy to teach, the system was installed at Tumela Mine in 2013. It had an immediate impact on safety at the mine, which saw a significant reduction in winch-related incidents. The system will now be rolled out as best practice at all Amplats' underground mines, improving safety in some 700 km of scraper paths.

The system has been presented to industry partners such as the Department of Mineral Resources, Mineco and the Association of Mine Managers of South Africa (AMSSA), all of which were enthusiastic about adopting it. The system saves lives, and looks set to make a major contribution to underground safety in Anglo American and throughout the mining industry.

We recognise the relationship between diseases, workplace exposures, fatigue and injuries.

EMPLOYEE HEALTH

In South Africa, many communicable and non-communicable diseases contribute to the country's high per capita health burden. They range from the interrelated HIV/Aids and TB epidemics, through maternal and child mortality, to injuries and occupational diseases.

To respond to these challenges, our health strategy covers the full spectrum of health interventions. These include:

- Prevention
- Care
- Rehabilitation

The ultimate objectives of our health initiatives are as follows:

- To drive health promotion with a view to influencing behaviour (human agency).
- To manage aspects of the working environment to eliminate or reduce worker exposure to certain risks.
- To implement surveillance aimed at mitigating disease progression.
- To offer rehabilitation that prioritises return to work.

Our workplace programmes recognise the relationship between diseases, workplace exposure, fatigue and injuries. To respond to this complex interplay, the Company prioritises the cornerstone health programmes, which include the following: occupational hygiene, occupational medicine, public health, wellness and disease management, and trauma and emergency care.

The management of occupational health forms the foundation of Amplats' health strategy. Our approach is driven through the application of two disciplines:

- Occupational hygiene
- Occupational medicine

The two work in tandem through a process of health-risk assessment and management. Occupational hygiene is about proactively identifying sources of, and quantifying exposure to, health hazards in the workplace; profiling the associated risks; and controlling employees' exposure to hazards. Occupational medicine entails the assessment of fitness to work, ongoing medical surveillance and rehabilitation with the aim of expediting a person's return to work.

Our Company's approach is also governed by a series of standards, guidelines and assurance processes. The Anglo American Group Occupational Health Way is underpinned by three guiding principles: that all occupational illnesses are preventable; that in order to prevent further harm we will learn by assessing and monitoring the exposure and surveillance of occupational disease incidence; and that we will apply, without fail, the common, simple and non-negotiable standards we have developed.

In response to the HIV/Aids and TB epidemics and the increasing burden of non-communicable diseases, the Company continues to drive health promotion, voluntary counselling and testing (VCT); for TB active case finding and screening for chronic diseases. Appropriate and timeous referral to disease-management programmes remains a priority.

In 2014, the Company continued to focus on prevention, care and rehabilitation. Generally, medical surveillance and disease-management programmes are longitudinal in nature and rely on the results and analyses of serial tests and assessments. A prolonged strike, such as the five-month strike experienced by the Company in the first half of 2014, inadvertently affects programme implementation. From March, the Company embarked on a continuous and relentless health promotion and wellness drive. This was further intensified during the return-to-work process, and in the period leading up to World Aids Day.

The most recent figures published by Statistics South Africa on mortality and cause of death in South Africa indicate that TB remains the leading cause of death and HIV is the third-most common cause. To respond to these public health challenges, the Company will continue to explore innovative interventions aimed at programme enhancement. These will include behavioural, biomedical and structural interventions. In 2015, cross-functional and external resources will be leveraged to expand the scope of workplace initiatives and, where appropriate, to extend key interventions to the community.

Regulatory framework

One of the seminal events of 2014 was the Mine Health and Safety Council (MHSC) Summit. The Mine Health and Safety Act of 1996 makes provision for the MHSC to arrange and coordinate a tripartite summit to review the state of health and safety in the mining industry. Of significance is that this summit coincided with the 10th anniversary of the 2003 occupational health and safety milestones. It offered an opportunity to take stock and reflect on the significant progress made by government, union and employer stakeholders in the journey towards zero harm.

In support of the National Development Plan of South Africa, the summit committed to new milestones that will further accelerate our journey towards zero harm. To this end, action plans on occupational health and safety, HIV/Aids and TB, and cultural transformation have been developed. The intent of the new milestones is to ensure that every mine worker returns from work unharmed every day.

On the regulatory front, new regulations and guidelines on emergency care, fitness to work, and fatigue were completed in 2014. These new requirements, together

MANAGING THE IMPACT OF THE STRIKE ON THE HEALTH OF EMPLOYEES

The public health burden of communicable and non-communicable diseases in South Africa is reflected in our TB, HIV/Aids and chronic disease data. When employees go on strike, inadvertently a number of health considerations arise. These include entitlement to uninterrupted health insurance benefits, access to health services, expired certificates of fitness and compliance with chronic medication.

During the five-month strike thousands of certificates of fitness expired and hundreds of employees on chronic medication defaulted on treatment. To mitigate the negative impact of the strike, the Company guaranteed the payment of medical insurance cover and continued to provide access to in-house medical services to all employees. Active case-finding and management were intensified for TB, and employees on chronic medication were offered food parcels after they collected chronic medication from dressing stations.

A concerted communication drive was launched in March and continued throughout the strike. The channels of communication included bulk SMS messages, radio adverts and interviews, voice recordings, billboards and news flashes.

In anticipation of the strike coming to an end, a cross-functional team put together an implementation plan aimed at addressing the backlog of expired medical and chronic defaulters. In preparation for the return to work the team developed safe start-up and risk-based surveillance processes. These took into account the gearing up, risk assessment and change management associated with the return to work.

Estimates of the volumes of chronic defaulters, expired medicals and heat-tolerance screening tests were determined for June, July and August. Taking the maximum capacity (throughput) of our clinic facilities, the duration of clearing the backlog was determined. The gearing-up process entailed:

- stakeholder engagement: discussing the implementation plan with the Department of Mineral Resources (DMR);
- optimisation of operating capacity: extending operating time and securing additional personnel;
- logistics: ensuring the availability of transport to and from the clinics; and
- the management system: adopting a risk-based process flow and prioritising information management support in the event of downtimes.

In addition the team, with the help of a dietician, put together a nutrition and hygiene pack to support the miners upon their return to work.



Amplats branded truck used for communication during the strike

At the end of the strike, the implementation of the safe start-up process, the risk-based medical screening process and the distribution of nutrition and hygiene packs went as planned. The medical process included the following activities:

- Over 10,000 employees went through a medical screening process.
- Approximately 15,000 expired medical certificates were renewed.
- Sixty-one new cases of TB were diagnosed and treated.
- In excess of R14 million was spent on providing employees with groceries and hygiene packs.

After the safe return to work of employees, activities initiated included the following:

- Two two-day training sessions were held, focused primarily on the management of HIV.
- Site visits included a review of the administration of directly observed therapy for TB and the follow-up of patients. Sessions were held with the laboratory service to streamline the submission of laboratory results.
- Chronic treatment defaulters were worked up.
- There was ongoing review of all TB deaths.
- TB and HIV audits were conducted at all the health facilities.

Some observations:

- The registration on the disease management programme improved consistently from April until year end
- The spike in new TB cases reported in July was followed by a reduction in the following months.
- VCT participation improved during the return-to-work period.

In 2014 we recorded 34 new cases of NIHL.

with changes in social security, in particular workers' compensation, will inform the review of our management system in 2015.

Health-risk management

Exposure reduction, medical surveillance and disease management

The primary aim of the occupational hygiene programme is to reduce exposure at source and to monitor control effectiveness. In addition to the legal requirement to establish and maintain a personal sampling programme, hygiene collaborates with ventilation, engineering and production to drive exposure-reduction initiatives and the monitoring of control effectiveness. The latter entails ensuring control availability and monitoring control performance – namely guaranteeing that controls work in accordance with design specifications.

In 2014 the information system used to monitor exposure – IRM.net (hygiene module) – was enhanced to improve its link with human resource information that features occupations and their related workplaces.

Focus areas for occupational health

Throughout 2014 we educated employees and reinforced messages around the management of health hazards, particularly noise-induced hearing loss (NIHL). The elimination of NIHL remains a priority. To mitigate exposure to excessive noise, we focus on eliminating noise at source (silencing noisy equipment) through the following three methods: the re-engineering of existing equipment; the sourcing of alternative, 'quiet' equipment; and the use of modern protection devices.

The reduction of sound pressure levels for all noise-emitting equipment to below 110 dB(A) has been completed. We are investing R6 million in a project with suppliers this year to further improve sound suppression in rock drills. This forms part of a noise-control strategy which, in addition to engineering controls, includes providing customised hearing protection to employees and contractors, and ensuring that they are trained to use it effectively and adhere to the relevant requirements.

All patients diagnosed with early signs of NIHL (a 5% to 9.9% loss of hearing) on screening audiograms are investigated, counselled and monitored. The findings of these investigations inform any required revisions to our hearing conservation programme. The same procedure is followed where over-exposures to airborne pollutants are identified. Additional detail is available in an online case study.

A strategy for managing diesel particulate matter, which is classified as 'respirable' matter that may be deposited in the lungs' alveoli, is being rolled out at the relevant operations. Specific health improvement plans are developed for those employees identified as being at risk,

with defined implementation dates and clear lines of responsibility. All cases as defined by the Department of Health's Medical Bureau for Occupational Diseases – including all silicosis and all other occupational lung diseases – are investigated. Most of the investigations reveal historic exposures emanating from previous employment at a variety of commodity mines other than those of Amplats. Dust-monitoring programmes, which include the analysis of silica, are in place and are conducted in accordance with the requirements of the guideline for a mandatory code of practice for occupational hygiene programmes for personal exposure to airborne pollutants.

Our process operations are establishing registers for occupational hygiene risks. The registers identify the key risks at each of these operations and describe the controls in place. Routine measurements are undertaken to determine the effectiveness of the engineering controls being used to manage hazardous substances. In 2014 we also developed a guiding document to advise employees, occupational hygiene practitioners and others who operate, service, maintain and test the effectiveness of local exhaust ventilation systems.

Our occupational health performance

We report on the estimated number of people potentially exposed to health hazards that could result in occupational illness. We measure exposure against occupational exposure limits (OELs) set per individual health risk, above which no employee may be exposed without the use of personal protection equipment (PPE). Because individual non-compliance with the correct use of PPE remains one of the most significant challenges in occupational health, our performance indicators reflect the number of workers that would be exposed to conditions that exceed those limits if they were not protected by PPE. This helps to identify those hazards where we can improve controls, perhaps to the point where, subject to available technology, we can eliminate the need for PPE altogether.

In total, 52% of our employees were reported to be working in environments with noise levels in excess of the OEL of 85 dB(A). In 2014, we recorded 34 new cases of NIHL (2013: 68), with rock-drill operators accounting for 39% of new cases. We recorded two cases of chronic obstructive airways disease (2013: 9) and four cases of occupational dermatitis (2013: 1).

Our strategy to manage the effectiveness of our controls has delivered a marked improvement in the elimination of fugitive emissions, resulting in a reduction in personal exposures to such. There has been an overall downward trend in the number of overexposures; and a correlated reduction in new cases of occupational diseases associated with airborne pollutants.

Our health and wellness programmes encourage a healthy lifestyle.

The reporting of health incidents continues to improve. These incidents signify failing controls in systems of health-hazard management and are the best leading indicator of occupational health performance. Health incidents range from employee complaints about the working environment and observed (or measured) failures of control mechanisms, early signs of exposure and diseases identified during medical surveillance. The indicators are used to ensure that the effective control of exposure to health hazards takes place at source.

Rehabilitation and functional assessment

Twickenham Mine: functional job-analysis project

The 'fitness to work' status of employees should be based on an informed decision by the occupational medical practitioner, supported by objective assessment findings. Job specifications form an integral part of the process to ensure appropriate health risk assessments, taking all risk factors into consideration in line with legislative requirements. The inclusion of physical and functional work requirements in Man Job Specifications, and the assessment thereof as part of medical surveillance, allow for a holistic approach to determining fitness to work – one that is not limited to clinical examinations only.

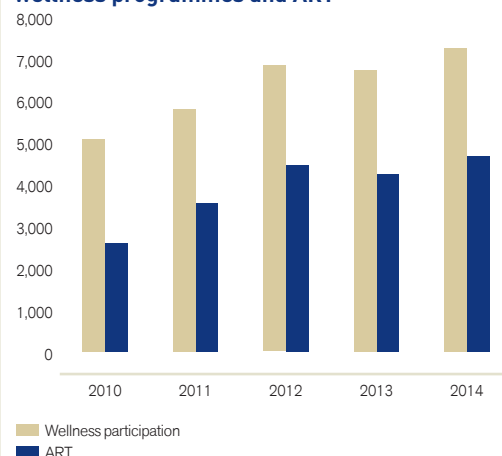
Minimum physical and functional work-fitness requirements for each occupation are required in order to measure the severity of health risks in relation to inherent job requirements.

In developing a job profile against which physical and functional work assessments are conducted, it would be apparent that distinctions are made with regard not only to tasks, but also to the specific nature of the task, the environment in which it is undertaken and how critical it is to the satisfactory overall platinum performance of the job under review. Functional analyses of high-risk occupations address the need to match workers' capabilities with inherent job requirements, and to re-assign workers if necessary.

In 2014 all occupations considered to be high risk owing to their physical demands were analysed at Twickenham Platinum Mine to determine the required physical and functional fitness levels of each occupation. Twickenham Platinum Mine is unique in the fact that its mining operations include both trackless and conventional mining in a decline shaft. The diversity of high-risk occupations at this site is therefore greater than at other mining operations. The operations at Twickenham are currently in the development phase, with infrastructure not yet fully in place, thus posing higher physical demands on workers in certain occupations.

Therefore, the physical and functional work requirements of specific occupations at this site do not automatically correlate with the generic requirements of these occupations. This necessitated worksite visits and interviews with the relevant role players to determine site-specific job

Number of employees participating in wellness programmes and ART



Voluntary counselling and testing (VCT)



tasks. These aspects place additional emphasis on the need for the regular analysis of occupations in order to maintain accuracy within changing infrastructure and management.

Employee wellness

Our health and wellness programmes encourage a healthy lifestyle and provide support for the management of chronic illnesses – including HIV and TB. We offer all our permanent employees subsidised health insurance.

The five-month strike that affected our mines in the first half of the year created a particular challenge for the health and well-being of our employees and their families. A major problem was the interruption of chronic disease management, which includes the treatment, care and support provided to employees with diabetes, HIV, hypertension and TB. Concerted efforts were made to manage the challenges (see the case study on page 53). Following the strike we launched our Tshiamo process to

Amplats is a recognised leader of TB and HIV/Aids programmes in the workplace.

facilitate the rebuilding of relationships in the workplace and reinforce our leadership commitment to ensuring safety and promoting wellness at the Company.

Through our wellness programmes, we strive to address the rising incidence of diabetes, hypertension and obesity in our workforce, which is attributed to an ageing population, sedentary lifestyles and unhealthy diets.

In 2014 levels of absenteeism remained high at 6.17% (2013: 7.05%), owing to labour instability. Absenteeism for illness (as opposed to injury) accounted for 99% of all medical absenteeism.

Managing TB and HIV/Aids

TB and HIV are inextricably linked epidemics in southern Africa. Amplats is a recognised leader of TB and HIV/Aids programmes in the workplace, and more recent performance indicators show an encouraging improvement in this area of employee health. This has been attributed mostly to improved management and capacity, and to progress in case detection and reporting. The situation in 2014, however, may to some extent reflect the impact of the strike on case detection and reporting.

Despite changes for the better, challenges remain – and a need for even greater efforts. Our most serious challenges are to ensure that people with HIV/Aids enrol on the programme in the early stages of the disease; and that they adhere to treatment in the long term.

Testing (through our wellness programme) is the entry point to our comprehensive programme of prevention, care, support and treatment for HIV and Aids. In 2014 we tested and counselled 41,822 employees and 33,601 contractors (2013: 34,238 and 27,424 respectively). Owing to the strike impacting the uptake of voluntary counselling and testing in the first half of 2014, the wellness team intensified its VCT campaigns from August

to December. On World Aids Day, all sites arranged a session that included the viewing of video messages from the CEO, the executive head of Safety, Health & Environment and the head of Health.

The percentage of estimated HIV-positive employees enrolled in our treatment programme has increased steadily from 57% in 2011 to 78% in 2014, and we aim to improve on this further. The annual number of new HIV infections within our workforce increased to 334 in 2014 (from 319 in 2013), and remains unacceptably high. In 2014, 476 new cases of TB were reported (357 of which were HIV positive), giving an annual incidence rate of 999 per population of 100,000 (2013: 1,427 per 100,000). This rate remains in line with the national average, and well below the mining industry average. Regrettably, 51 employees died of TB in 2014, 49 of whom were HIV positive. Treatment interruptions have led to drug-resistant strains of TB, which are increasingly difficult and costly to treat. During the year we recorded 10 multi-drug-resistant TB cases, representing a significant decrease on 2013 (25), and we recorded seven new extremely drug-resistant TB cases (2013: 5).

Using an estimated prevalence of 19%, the number of employees who should be on disease management is 8,879. At the end of 2014, 7,238 (82%) were registered on the programme.

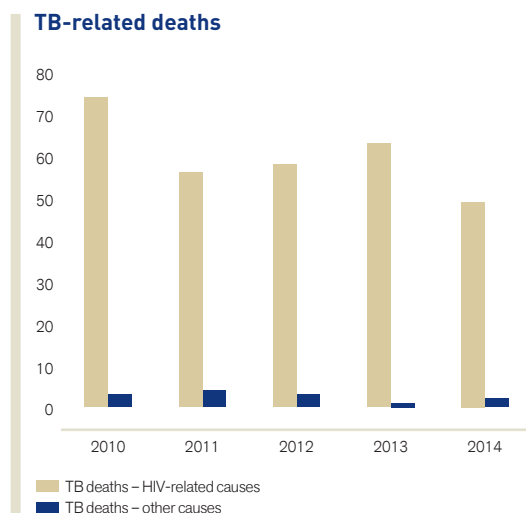
The accurate, real-time healthcare statistics we capture through our health information systems help in managing the treatment and care of our employees. At the end of 2014 more than 4,666 employees were on antiretroviral therapy (ART) (2013: 4,231). A further 291 dependants are on ART sponsored by Amplats. We have also extended our ART programme to include the partners of HIV-positive employees.

Rehabilitation and medical incapacity

Medical incapacity

The focus on acute and vocational rehabilitation through the implementation of RFA, physiotherapy, wellness and other health programmes is designed to optimise the return to work of all affected employees after illness or injury. Those employees who are unable to recover fully from their injuries or diseases are referred to the medical boarding process.

During the consideration of medical incapacity, alternative placement of employees who have been declared unfit for a specific job is prioritised. In 2014, 273 applications went through the medical incapacity OUMAEC process. As a result, 238 (87%) employees were offered alternative placement and the contracts of 35 (13%) employees were terminated. Of the 273 applications for medical incapacity, 29 (11%) were associated with occupational injuries and diseases. Twenty-three (79%) of these employees were offered alternative employment.





At Amplats' Bleskop Hospital (Rustenburg), auxiliary nurse Elizabeth Monegi screens and counsels a patient.

Public health

Public health continues to focus on the microbiological monitoring of all ablution facilities and food-handling facilities, nutritional support and analysis at all single accommodation villages (SAVs), monitoring of potable water quality provided on the surface, and the monitoring and investigation of food and water-related outbreaks.

With the burden of non-communicable disease (hypertension, diabetes and associated cardiac disease) increasing rapidly among our workforce, the ability to influence diet and nutrition remains a priority.

In 2014 one food outbreak was reported and investigated. It involved a food supplier who was contracted to supply our training centre. Although no pathogenic organisms were detected in the sample that was analysed, a number of recommendation-related to food handling were made.

COMMUNITY HEALTHCARE

Our internal health drive will have limited effect if undertaken in communities where health systems are weak. Our activities to promote healthcare thus include the investments we make in strengthening health systems in the communities near our operations, as well as activities aimed at supporting healthcare in South Africa and Zimbabwe more broadly.

We continue to fund the provision of primary healthcare services from mobile clinics to people in the informal settlements around our operations in Rustenburg, in partnership with the Department of Health (DoH). These mobile clinics are staffed by nurses and provide primary

care services (basic acute ambulatory care, chronic medication and family planning).

In 2014 we finalised agreements with government to build two clinics in North West province and three clinics in Limpopo province. The Sefikile Clinic in North West province was completed during 2014 and will be handed over in the first quarter of 2015. The construction of Seraleng Clinic in the North West province and of the three clinics in Limpopo province will commence in the first quarter of 2015.

As part of a temporary public-private partnership arrangement, the public sector occupies two of the wards at the Company's Rustenburg Platinum Mine hospital in Rustenburg.

We also seek to address water-related health issues in communities. Mogalakwena Mine continues to focus on water and sanitation projects in schools close to it. We are also purchasing a mobile water purification plant and a wastewater treatment plant for the Schilpadnest settlement near Thabazimbi.

Our trauma and emergency centre's services extend to the communities around our Amandelbult, Mogalakwena and Twickenham mines. These medical services are rendered free of charge to medically uninsured persons, and respond to all emergency cases, including road traffic accidents, medically related cases and incidents of domestic violence. In 2014, 125 casualties of road traffic incidents on public roads were managed and transported by Amplats' ambulances.

FOCUS: OUR NATURAL RESOURCES

Top image
Der Brochen project

Bottom image
Farming at Mogalakwena
Groenfontein Incubator





MANAGING OUR IMPACT ON THE ENVIRONMENT

We aim to leave a positive legacy when our mines conclude their operational lives.

RESPONSIBLE ENVIRONMENTAL MANAGEMENT

Mining by its nature has a high impact on the environment. An important and growing body of research has shown that this impact is borne largely by communities living around mines, many of which rely on the land and its ecosystems for their well-being and very livelihoods. Anglo American Platinum Limited (Amplats) thus has a legal and social responsibility to minimise its impact on the environment, and to do this through all the life-cycle stages of a mining operation. It also has to aim to ensure that it will be leaving and processing a positive legacy when its mines conclude their operational lives.

Our principal risks and opportunities

Growing regulatory and social pressure, increasing demands for limited natural resources, and the changing costs of energy and water all highlight the business imperative of responsible environmental management. Within this context, the principal environmental risks facing our business relate to the ways in which our activities impact on communities, and to water and climate change. The identification of our material sustainability issues can be found on page 26.

In this section we also report on land management, biodiversity, waste and air quality as issues that require specific management. These are areas, however, in which we also see substantial opportunities. For example, the metals we mine are increasingly being applied in innovative environmental technologies; communities without access to water and sanitation can benefit from our mine infrastructure; and some of the land under our management control has yet to be used to its fullest potential.

Our strategic approach

Our overall aims are to manage our environmental risks effectively by minimising our impact; and to create opportunities that deliver long-term benefits to our stakeholders. This is central to our commitment to maintain positive relationships and engage effectively with our surrounding communities and other stakeholders, and to manage concerns and deliver benefits. Our vision is to ensure a sustainable environment post the closure of our mines – an environment that is not harmful to the safety or health of surrounding communities, and an environment where:

- prospects to utilise infrastructure are maximised;
- land uses are optimised to provide opportunities for commercial as well as subsistence agriculture; and
- natural heritage resources are conserved.

Our environmental performance, risks and activities are managed in line with the mandatory performance requirements on social and environmental impacts of the Anglo American Environment Way, which cover water, air quality, mineral and non-mineral waste, hazardous

substances, biodiversity, rehabilitation and mine closure. These environmental standards, which apply throughout the mining life-cycle, are underpinned by rigorous pre-development social and environmental impact assessments to ensure that we consider social and environmental matters in the planning of all our business activities. Environmental managers at our functional centres support operations through the effective implementation and execution of our strategies.

Each project requires an environmental management programme (EMP) process to be undertaken in consultation with interested and affected parties. We engage regularly with government at all levels to ensure compliance with environmental authorisation and related requirements; and, when required, concerning environmental incidents or grievances. We also engage with government to seek opportunities to collaborate on projects to benefit communities.

Compliance and certification

All our managed operations are expected to attain ISO 14001 certification within two years of commissioning or acquisition. Compliance is assessed annually by an independent certification body. In 2014 all operations retained their certification. Our Twickenham Platinum Mine has completed the first phase of the ISO 14001 certification process and will be audited for full certification in 2015. (Note that ISO 14001 certification is not an Amplats' requirement of joint-venture (JV) partners.)

We adhere to all relevant legislation regulating the management of environmental impacts. In South Africa, this focuses primarily on the requirements of the Minerals and Petroleum Resources Development Act (MPRDA), the National Environmental Management Act, and the National Water Act. In Zimbabwe, the Mines and Minerals Act is equivalent to the MPRDA. During 2014 many pending regulations were finalised and published by South Africa's Department of Environmental Affairs. They included regulations on waste classification and management; landfill assessment and disposal; and an updated list of waste licensing activities.

In the same year, no fines or non-monetary sanctions for non-compliance with environmental regulations, licences or permits were imposed by authorities on any of our managed operations in South Africa or Zimbabwe.

Incident management

We use a well-established incident and non-conformity procedure to manage the reporting, reviewing and, where necessary, remediation of environmental impacts related to incidents and substandard acts and conditions. We employ a five-tiered scale to report on the level of impact of an environmental incident (any unplanned or unwanted event that results in negative environmental impacts).

In 2015 no significant environmental incidents were recorded.

Level 1 and 2 incidents are minor in nature and only those classified as Level 3 and above (significant incidents) are reported publicly.

All incidents are investigated internally, and steps are taken to remediate negative impacts and prevent repeat incidents that could lead to legal action or environmental fines. The reporting and management of substandard acts and conditions represent an important leading performance indicator and assist us in being more proactive in anticipating and pre-empting potential incidents. Incident trends are tracked in order to monitor performance and progress.

In 2014 no significant environmental incidents were recorded. The clean-up of the spill at the Mogalakwena concentrator tailings dam in 2013 was completed in 2014, and the Mhlosane River was rehabilitated. During the year nine community complaints were reported relating to our environmental impacts.

Environmental grievances from external parties are managed in line with our corporate communications policy and with the complaints-reporting process of our Corporate Affairs Department. In Rustenburg, we received five complaints related to airborne dust from tailings dams during windy conditions. Unki Platinum Mine recorded three complaints related to water pollution and erosion control, and one complaint related to waste management.

Each complaint was investigated and feedback was provided to the complainants. Remedial action was taken where required.

Environmental expenditure and provisions

All the environmental cost centres for 2014 were analysed, with a focus on costs for waste disposal, emissions treatment, remediation, prevention and environmental management. The 2014 environmental expenditure for Amplats' managed operations was as follows:

- R80.7 million for waste disposal, emissions treatment and remediation.
- R75.9 million for prevention of pollution and environmental management.

The Company's total environmental expenditure of R157.1 million was R4.6 million higher than in 2013, owing mainly to an increase in waste-disposal and treatment costs. The total excludes the costs of non-product output as defined in the International Federation of Accountants' document, *International Guidance Document on Environmental Management Accounting*.

WATER STEWARDSHIP

Water is fundamental to our business: without it we cannot operate our mining, processing or refining operations. Moreover, it is of increasing significance given that more than 90% of our mines are in water-stressed areas.

Water monitoring at Mogalakwena Mine.



To maintain our licence to operate, we cannot degrade water quality, or compromise other users' right of access to this precious commodity.

Our strategic approach to water stewardship

Our use of water in water-stressed areas, however, has also provided us with the opportunity to play a leadership role in some of South Africa's key water-catchment areas, through partnerships and innovation. Our 10-year water strategy, launched in 2010, is aligned with the water strategy of the Anglo American Group and reflects our aspiration to demonstrate leadership in water stewardship. It includes a commitment to make our operations water-resilient; invest in water treatment and relevant technological innovation; build water infrastructure for mutual benefit; and partner proactively with key stakeholders.

As a responsible water steward we continually strive to manage our water usage so as not to compete with other users for the same water resource; and to maintain the environmental reserve. Our approach aims to prevent material impacts on the environment, downstream ecosystems and food security. As part of our commitment to reducing our water demands, a key feature of our water strategy is our pursuit of zero consumption of potable water in process operations (excluding our domestic use demand).

In seeking to maximise the value we obtain from water resources and to achieve no long-term net harm in places where we operate, we strive to:

- develop new water resources and secure alternative water resources for mutual benefit;
- identify and secure post-consumer domestic effluent for use as industrial-grade water;
- use water resources efficiently by adopting our waste-hierarchy principles of reduce, reuse and recycle;
- achieve water targets; and
- protect water-quality resources and manage water quality within our operations.

Progress is driven through our water management programme, which is supported by a mandatory Anglo American Group water standard and delivered via operational water action plans. Each operation works towards a 2020 water-reduction target that was initially determined in 2011 using WETT, our water-efficiency target tool which forecasts the projected business-as-usual demand of individual operations and also registers water-savings projects. Operational targets are aggregated at the business unit level, and included in the performance contracts of the CEO and other executives.

All our managed operations have water-use licences, with the exception of our Amandelbult Mine, the licence application for which continues to be reviewed by the Department of Water and Sanitation (DWS). We engage regularly with the DWS on the review process and seek to assist in expediting the granting of the outstanding licence.

Until such time as this licence is granted, the mine will operate under the water permit issued in terms of previous legislation.

In fulfilment of our commitment to transparency on performance, we once again participated in the annual South Africa water programme of the Carbon Disclosure Project (CDP). Our submission to the CDP is available at www.cdproject.net.

Water supply surety

We have designed water supply scenarios for the next 20 years for each of our water-stressed operations, based on our latest production predictions. To ensure the long-term security of water availability for our operations, for other users and for surrounding communities, we have developed a bulk-water strategy and infrastructural plan to protect, manage and maintain the water supplies. We focus on implementing water-saving projects; developing new water sources; augmenting current water supplies with post-consumer treated wastewater; and working with partners to ensure security of supply for all users within our catchment areas.

Our flagship project is a collaboration with the South African Government to provide 1.9 million people with clean water through the Lebolelo Water Scheme and the Flag-Boshielo and De Hoop dams in Limpopo province. To ensure water surety for the mines and the communities in the area, a new dam is needed by 2019. Alternative water sources under investigation include the availability of groundwater and the treatment of acid mine drainage from coal mines in the Emalahleni area. In addition, water conservation and water-demand management are being driven in the relevant municipalities.

We continue to participate in a number of important water-related forums. One example is the South Africa Strategic Water Partners Network, which aims to address the country's water shortages.

Water consumption

Amplats' total new-water consumption decreased from 33.4 million m³ in 2013 to 27.1 million m³ in 2014. The decrease was dominated by the reduction in water demand as a result of the protracted labour strike. By the end of 2014 we had achieved an estimated 26% water saving against our projected water usage.

The following figures apply to 2014 for each refined ounce of platinum group metals (PGMs) and gold from managed operations:

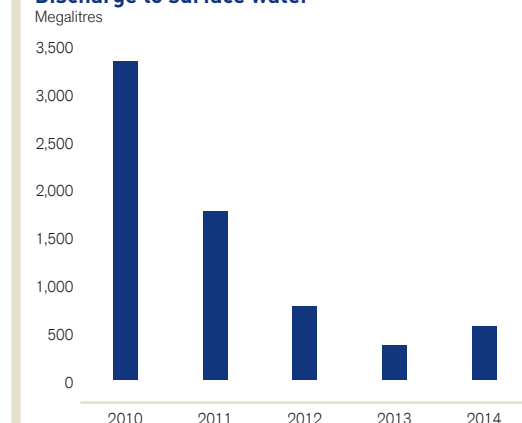
- Our new-water intensity was 10.9 m³ in 2014, exceeding the target of 10.7 m³ by 2%.
- Water-use intensity for primary activities increased by 5%, from 8.8 m³ in 2013 to 9.2 m³ in 2014.
- The potable water-use intensity increased by 3% to 5.5 m³ (2013: 5.3 m³).

We have developed a bulk water strategy and infrastructural plan to protect, manage and maintain the water supplies.

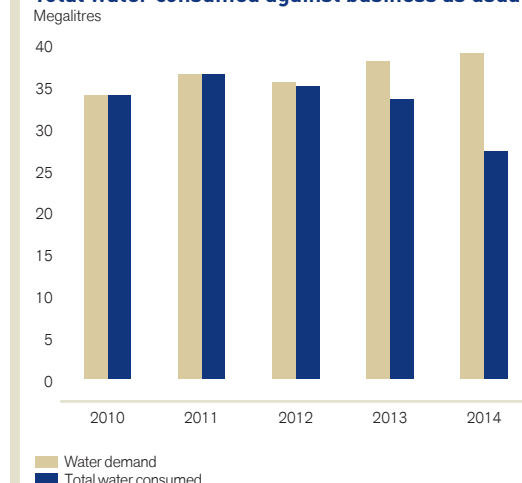
These figures show that our performance was impacted by production losses and operational disruptions during the strike.

Potable water, used for both primary and non-primary activities, is sourced from water utilities such as Rand Water, Magalies Water, Lepelle Northern Water and the Rustenburg municipality. In no instances do our abstractions account for more than 3% of the average annual yield of these water sources. Currently, potable water accounts for 50% of our total water requirements (2013: 51%). No water source, ecosystem (such as a Ramsar-listed wetland) or habitat is materially affected by our extraction and use of water. No significant water incidents were reported in 2014.

Discharge to surface water



Total water consumed against business as usual



Of our operational water requirements, 65% were met by recycling/reusing water (2013: 60%) from internal sewage plants, tailings return-water dams, mine service water and other internal water sources, such as pollution-control and stormwater dams. The total quantity of recycled water used in 2014 was 51.4 million m³, level with the 50.2 million m³ in 2013. Additional quantitative data on our water usage can be found on page 84 of this report.

Our operations seek to reduce their dependency on high-quality water, through water switching and the use of lower-quality treated sewage water, where practicable. Operations are at different stages of implementing and upgrading stormwater-management plans and systems to ensure compliance with regulations.

Our absolute water consumption target for 2015 is 39.4 million m³, while our 10-year water strategy target is 9.53% (2.5 million m³) in water savings against the 2020 business-as-usual projected demand of 26.7 million m³. The sale of our Rustenburg and Union assets will influence the WETT business-as-usual demands.

The water consumption intensity for 2015 is expected to increase to 11.3 m³/ounce of PGM and gold as a result of a lower production forecast.

Water discharge and quality

We seek to minimise the adverse effects of our mining activities on surrounding surface and groundwater. Poor-quality water that is harmful to the environment and human health can affect mining and processing equipment and may present closure liabilities.

The volume and the quality of the water that is allowed to be discharged by our operations are predetermined through regulatory processes. Any unplanned discharges or breaches of legal agreements are reported as environmental incidents and addressed promptly.

The quality of groundwater is affected at some mining operations, mainly as a result of seepage from the tailings-storage facilities. The impact is, however, localised around the facilities and no external groundwater users are affected. Seepage contributes mainly to an increase in the salinity of localised groundwater bodies.

Surface water and groundwater are monitored at all our mines and process plants, both upstream and downstream of operations, as well as inside and outside the mining areas in the catchments where we operate. Groundwater-monitoring results are used to model groundwater flows and contaminant plumes, if any, and surface-water and groundwater monitoring results are compared with various regulatory standards. Biomonitoring of surface-water bodies is conducted at several operations. The tailings return-water dams at all operations continue to provide a habitat for fish, birds and plant life.

MANAGING THE WATER SUPPLY TO RUSTENBURG



The supply of water to Rustenburg is a concern, owing to a steady increase in the demand for potable water by other users in the area. To reduce our potable water demand, we signed an offtake agreement with the Rustenburg Water Services Trust in 2006 to use 15 MI/day of treated sewage effluent from its sewage treatment plant at a cost of R2.1 million per month. However, inconsistent water quality and supply are limiting the optimal use of this water.

To address this challenge, in 2011 we commissioned a R15 million water-treatment plant to improve the quality of the treated sewage water introduced into our water-reticulation system. In 2014 additional pipelines

were installed to promote the use of a further 3 MI/day of treated sewage water and simultaneously offset the use of an equivalent volume of potable water. We aim to increase the supply of treated sewage water to 20 MI by installing a device that will release 6 MI to 8 MI of potable water. Construction of the plant began in January 2015.

We continue to collaborate with other stakeholders in exploring and implementing opportunities to manage water supply and demand in the area. Our average consumption of Rand Water potable water has been decreasing steadily, from about 900 MI/month in 2009 to about 600 MI/month in 2014.

Reduced milling as a result of the strike led to an increase of 54% in total excess water discharged over the year under review, from 0.36 million m³ in 2013 to 0.53 million m³ in 2014. The average discharge for 2014 was 1.5 Mℓ/day in contrast to 1.0 Mℓ/day in 2013. A further contributing factor to the increase was the release of water from the stormwater dam at Rustenburg Base Metal Refiners in March 2014. This was done as a safety measure to protect the dam against failure following

the slumping of a section of its wall. Discharges to a receiving water resource occurred from Dishaba Mine, the concentrator at Mogalakwena Mine, the refineries in the Rustenburg mining area and Twickenham Platinum Mine. All these incidents were investigated and confirmed as low-impact Level 2 incidents. Appropriate remediation was undertaken and current controls have been improved in order to avoid repeats.

ENERGY AND CLIMATE CHANGE

Climate change has potentially significant implications for our activities. These relate to governmental policy measures; changing demand for our products; and the physical impacts of a changing climate – such as water scarcity – on our operations and neighbouring communities.

Our strategic approach to energy and climate change

Our climate change strategy guides our response to the key climate change issues we face. Our four main aims in this regard are the following:

1. Reducing our exposure to emerging carbon regulation and increases in energy costs.
2. Improving our ability to influence the development of effective government policy.
3. Increasing commercial opportunities in our markets.
4. Driving greater resilience to the physical impacts of climate change.

This year was the fourth in our 10-year strategy, which is aligned with the Anglo American Group strategy. Our approach focuses on three areas: reducing energy consumption; recovering and reusing some of that energy; and using alternative energy sources. Achieving our long-term milestones in energy management hinges on identifying and implementing innovative, step-change technologies. We also continue to investigate opportunities for carbon offsetting.

Progress on operational energy and carbon management is driven through our energy and carbon management programme, ECO2MAN. The programme enables us to analyse our performance; identify where energy is being used and where there are opportunities for energy savings; and report performance in a consistent manner. ECO2MAN is supported by a mandatory Anglo American carbon and energy technical standard.

Amplats' overall targets for reductions in the emission and energy consumption of greenhouse gases (GHGs), from the base year of 2010 and against the projected business-as-usual levels in 2015, are 10% and 7% respectively. We are now defining our longer-term performance objectives and targets for energy and carbon.

Amplats achieved a near-perfect score of 99% in the CDP's *South Africa Climate Change Report 2014*, and band 'A' performance for leadership in respect of energy and climate change. Our CDP submission is available at www.cdproject.net.

Our energy and carbon performance

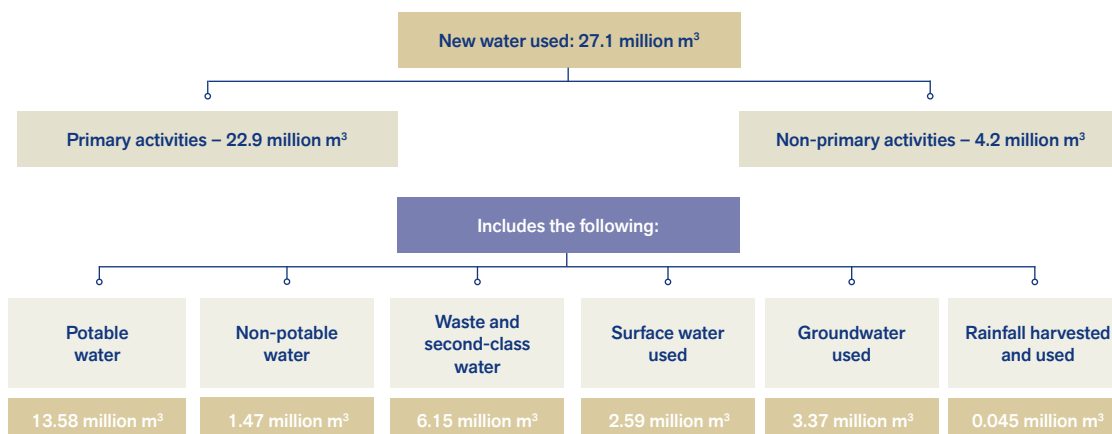
We are on track to meet our 2015 energy and carbon reduction objectives and targets. An 11% saving in electricity consumption this year is attributable mostly to a decrease in production at the Rustenburg, Union and Amandelbult operations for 22 weeks of 2014 during the protracted strike.

In 2014 we consumed 22.6 million GJ of energy (2013: 24.9 million GJ). Our total Scope 1 and Scope 2 greenhouse gas (GHG) emissions consequently declined by 9.6% to 5.36 Mt of carbon dioxide equivalent emissions (CO₂e) (2013: 5.9 Mt CO₂e). More than 90% of our GHG emissions are indirect and attributable to our consumption in South Africa of the electricity generated by the national power utility, Eskom. Our Scope 3 emissions for 2014 were 1.3 Mt CO₂.

Our emissions intensity (tonnes of CO₂ per tonne of ore milled) in 2014 was 0.18, as compared with 0.16 in 2013. Additional data on our direct and indirect GHG emissions and our energy usage can be found on page 84 of this report.

We continue to implement projects to enhance our energy efficiency and track associated reductions in

WATER ALLOCATION



REDUCING OUR TRANSPORTATION REQUIREMENTS



Hydrogen fuel cells for underground loco, being tested for fuel-cell stack voltage before being piloted at Tumela Mine

Our transportation requirements present significant impacts on the environment. Our greatest impact is through the large amounts of oil-based resources that are used for transport, which account for approximately 10% of our total emissions of CO₂. All our product (concentrate), employees and supplies (mining consumables) are conveyed by road. Other environmental impacts associated with transportation include waste generated (such as vehicles, fluids and tyres), local emissions (including dust), as well as land use and water impacts. Transportation is also one of our principal safety risks.

In 2014 we developed a transport strategy aimed at reducing our transport-related safety and health risks, environmental impacts, operational costs and inefficiencies. The strategy focuses on reducing our transport requirements (people and materials/product movement) through improved leadership behaviour and commitment to integrated planning, stakeholder partnerships, technology enhancements and alternative transport modes.

Environmental and safety-related initiatives under consideration, or development and implementation, include:

- teleconference/video conference solutions to reduce the amount of business travel;
- mobile device technology to improve journey management, information and planning;
- interventions to mitigate poor human behaviour;
- piloting fuel-cell technology for underground locomotives;
- investigating biofuels and gas fuels to reduce environmental and cost impacts;
- improving integrated spatial and transport planning in collaboration with stakeholders;
- consolidating supply-chain logistical infrastructure;
- assessing alternative transport modes – transitioning, where possible and viable, from road to rail;
- improving transport infrastructure and other assets that provide safer, more accessible, efficient and reliable transport modes;
- improving the management and control systems and processes that cover off-site transport safety, and environmental and cost-efficiency components; and
- new and updated standards, including the Group technical standard for light vehicles, buses and mini-buses, and the Group travel policy.

energy consumption. The total of 42 projects completed to date accounted for energy savings in 2014 of 315,603 million GJ (2013: 20,813 million GJ), equivalent to a 1.25% reduction against our business-as-usual consumption in 2014. The resultant avoided-energy cost is estimated at R456 million.

Energy efficiency

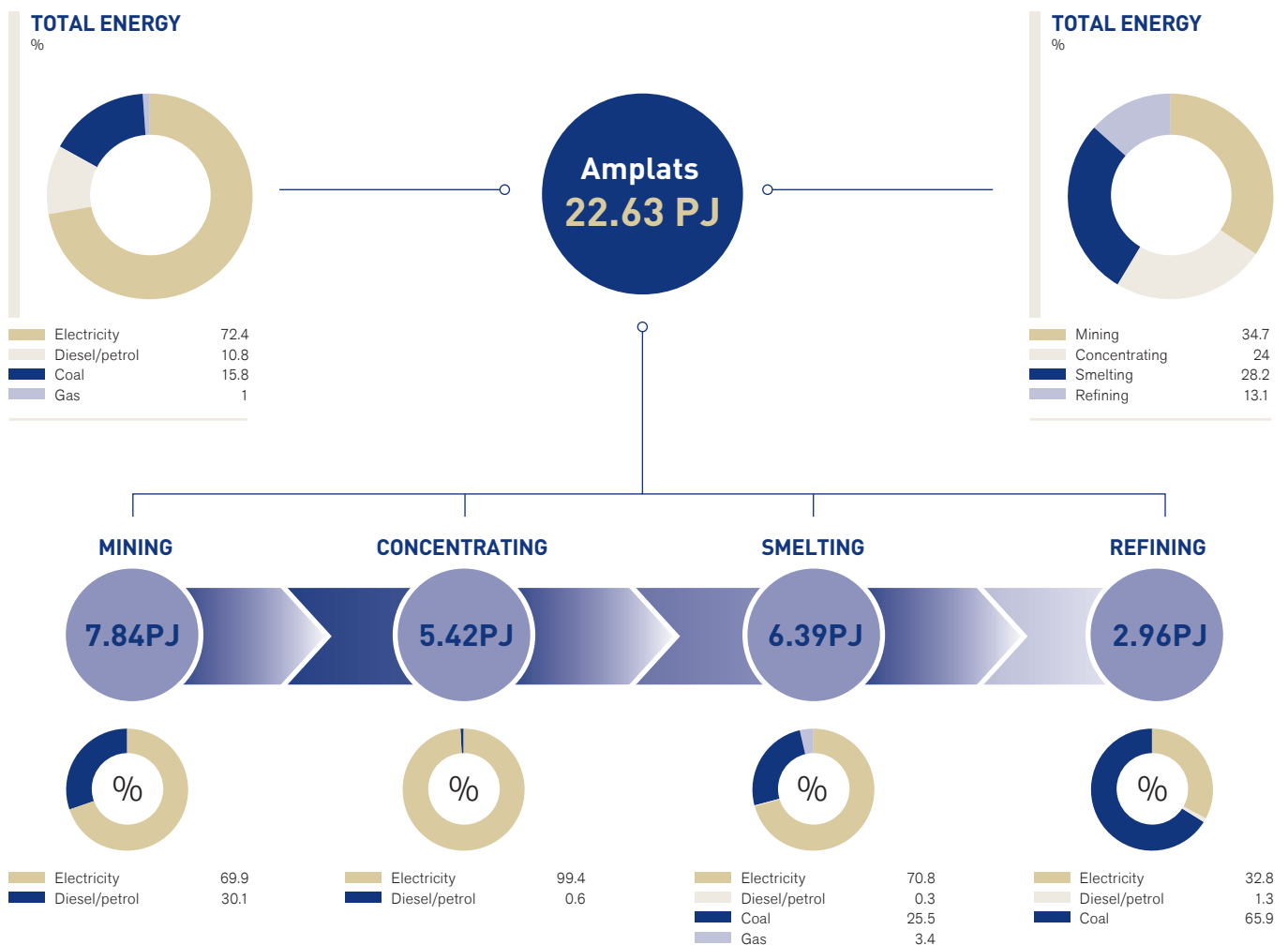
In implementing our strategy, our focus remains on energy-efficiency projects. Mining and processing are energy-intensive, and energy accounted for 86% of our utility cost and 11% of our operating cost base in 2014. Security of energy supply and rising prices are significant material risks for our operations in both South Africa and Zimbabwe. The planned implementation of a carbon tax in South Africa in 2016 would introduce a higher carbon cost for our business. Our projected growth through shallower, more mechanised opencast mining will potentially entail further pressure, owing to the increased levels of GHG

emissions and carbon costs that will result from greater hydrocarbon requirements.

Amplats' South African operations work closely with Eskom and participate in demand-side management programmes. We seek to improve our operational and design efficiencies by incorporating best-practice technology and processes. In 2014 we committed to investing R36 million on energy-reduction initiatives.

The reduction in our use of energy at our operations is being achieved primarily through the optimisation of compressed air systems, smelter processes and mine ventilation, as well as through fuel efficiency. We are piloting a demonstration prototype slurry pump to save on pumping costs.

Renewable energy initiatives under way include the installation of a 30 MW solar photovoltaic power plant and an initiative to supply electrical energy from a 60 MW



In 2014 we committed to investing R36 million on energy reduction initiatives.

biomass thermal power plant. We are also investigating the use of biodiesel to replace as much as 5% of our diesel usage.

A focal area is our participation in collaborative efforts to develop fuel-cell technology.

Fuel-cell technologies

Platinum-based fuel cells provide significant economic and environmental development opportunities by facilitating the provision of clean, reliable and cost-effective power. The diverse applications of fuel cells include: rural electrification; back-up power for telecommunications; combined heat and power applications for residential, commercial and industrial buildings; portable power; and battery charging.

We are developing a commercial stationary fuel cell home generator designed to provide efficient, reliable power to rural communities that are not connected to the electricity grid. A field trial is currently under way outside Kroonstad in the Free State. This is a world-first demonstration of a fuel-cell mini-grid application for rural electrification. (See the case study on page 41 for details.)

In addition, we are piloting platinum-based fuel-cell technology in mining equipment, for example as an alternative power system for underground locomotives.

We have longstanding research partnerships with Alteryg, the US-based fuel-cell company, and with the South African Government, on fuel-cell systems. Through our PGM Development Fund, we invest in platinum-based technology companies, many of which look at using PGMs in energy supply.

Risk and adaptation management

In South Africa and Zimbabwe, where security of energy supply presents an acute risk, our operations periodically assess their preparedness for power disruption. The first unit of Eskom's new coal-fired Medupi Power Station is expected to become commercially operative in 2015, and this will partially alleviate the pressure on the country's power system.

The mine project investment decisions we make today are well within timescales that could be significantly affected by weather variability associated with long-term climate change. We have assessed the potential impacts of climate change at our high-risk operations situated in the Olifants River catchment in South Africa. These risks included a slight increase in ambient temperatures, lower annual average rainfall and an increase in intensity of storms. From this risk assessment appropriate controls have been put in place. At all our operations we have begun to improve our assessment and response to extreme weather and climate change.

AIR QUALITY MANAGEMENT

Our operations generate gaseous and particulate emissions. We strive to minimise our negative impacts on air quality and adhere to legislative requirements.

Our most material air quality issue relates to sulfur dioxide (SO₂) emissions around our three smelters in South Africa, which are subject to the Air Quality Act. Amended air quality standards to be introduced in April 2015 require the greater disclosure of performance data. We continue to work with the Chamber of Mines on the implications of the legislative developments for our operations and on how to manage

Fuel-cell at Kroonstad



THE ENVIRONMENTAL PROFILE OF PLATINUM GROUP METALS (PGMs)



The International Platinum Group Metals Association (IPA) conducted a life-cycle assessment (LCA) to assess the environmental impacts of the primary and secondary production of PGMs as well as the benefits of using PGMs in catalytic converters (autocatalysts) to control vehicle-exhaust pollution.

The PGMs are highly resistant to wear, tarnish, chemical attack and high temperature, and have outstanding catalytic and electrical properties. All these unique characteristics have made them indispensable in many industrial applications. By far the largest use of PGMs today is for automobile catalytic converters (autocatalysts), a pollution-control device fitted to cars, trucks, motorcycles and non-road engines. In this application, PGMs are coated onto a substrate housed in the exhaust system, where they act as catalysts to reduce levels of harmful emissions to legislated levels. PGMs enable car manufacturers to comply with emissions standards and help regulators to implement tightening emissions regulations.

The extraction and refining of PGMs is a capital-, energy- and labour-intensive process. PGMs are produced in low volumes and are used in very tiny quantities. The high and repeatable recyclability of PGMs means that the environmental burden of PGM production decreases with each recycling round.

Power consumption during mining and ore beneficiation has been identified as the major impact (72%) of the production of PGMs on the environment; a further 27% of the impact comes from smelting and refining.

Only 1% of impacts are attributed to recycling. The low footprint of recycling compensates for the higher footprint of primary production.

The LCA illustrates that even though the impacts of PGM production appear to be high from a life-cycle perspective, these impacts are significantly mitigated by the in-use benefits, as indicated in the following findings:

- Over 1.3 tonnes of toxic and harmful polluting gases, including CO, HC, NO_x and PM, are reduced by the catalytic converter systems in one EURO 5 gasoline and one EURO 5 diesel vehicle in use over 160,000 km; these emissions are reduced by up to 97%.
- Emissions of CO₂ are slightly increased through the use of autocatalysts; this is due to the conversion of CO and HCs into CO₂ during vehicle use; however, this increase is small (2% to 6%) when compared to CO₂ emissions from the combustion of the fuel used to drive the vehicle.
- The emissions reductions as a result of the use of an autocatalytic converter outweigh the emissions generated during the production of the catalyst, including the PGMs and other related materials used in the wash-coating process. (The wash coat is the carrier of catalytic materials on the catalyst's surface.)

The LCA study, therefore, supports the industry's commitment to understanding and improving the sustainability performance of PGMs.

We apply the “avoid, reduce, reuse and recycle” management hierarchy in our management of waste.

these. Our Mortimer and Polokwane smelters are submitting postponement applications for compliance with the 2015 minimum emission standards, owing to the need for both to install SO₂ abatement technology in order to meet the 2020 limits. Waterval Smelter installed the required technology in 2002.

Our aim is to ensure that our performance in relation to air quality remains within legal limits. SO₂ emissions emitted from our smelters (as well as minor contributions from the refineries) amounted to 15.46 kt in 2014 (2013: 19.15 kt). The significant decrease is attributed in greatest part to the impact of the strike, which resulted in zero SO₂ emissions for Mortimer Smelter from February to June 2014.

The SO₂ emissions for the smelters during 2014 were as follows:

Name	Emission limits (t/d)	2014 average (t/d)
Mortimer	24	2.74
Polokwane	25	20.91
Waterval	20	19.16

In 2014 we experienced no significant incidents relating to air quality.

We also monitor and report on levels of dust fallout. The main sources of dust within mining operations are unpaved haul roads, opencast activities and tailings storage facilities (TSFs). All sites with a high dust potential have dust-monitoring and dust-control programmes in place.

In 2012 the Waterberg district in Limpopo province was declared a high-risk area in terms of air quality. Our Rustenburg, Union and Mogalakwena operations have enhanced their air quality management to ensure that no additional restrictions are placed on them.

Our air quality performance requirements are based on European Union standards and World Health Organization guidelines, and apply throughout the life-cycle of our projects and operations. We do not report on ozone-depleting compounds or persistent organic pollutants as these are not used or are not material at our operations.

WASTE MANAGEMENT

Our operations produce significant quantities of non-mineral waste. We strive to manage our waste impacts effectively in order to prevent potential harm to the environment and human health, and to ensure that we adhere to tighter legislation.

Our strategic approach to waste management

Our waste risks and activities are managed in line with the mandatory requirements of the performance standards of the Anglo American Environment Way – on mineral residue, non-mineral waste, hazardous substances,

rehabilitation and water. We apply the ‘avoid, reduce, reuse and recycle’ management hierarchy during both the operational and post-closure phases to guarantee the least possible impact on human health and the environment.

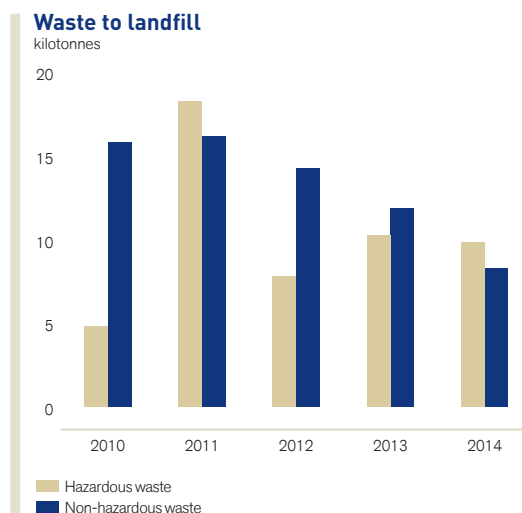
Given the nature of our business, our efforts are focused on mineral residue as our most material waste-related risk. Our vision is to achieve zero mineral hazardous and general waste to landfill by 2020. Although the elimination of waste will not be feasible, we aim to reach a point where waste recovery, reuse and recycling, and alternative disposal technologies overtake landfills as the preferred method of disposal.

In South Africa the Department of Environmental Affairs has introduced new regulations on waste classification and management. All mine residue deposits and stockpiles are now governed by the Waste Act, and are subject to a broad range of licensing requirements, regulations and standards. This has placed additional administrative demands on our operations and presents potentially significant costs.

We have programmes in place to separate our non-mineral waste streams and well-established internal reporting parameters for all key waste streams.

Mineral waste

We carefully monitor the structural stability of TSFs through regular inspections and monitoring. Key environmental risks, including dust generation and impacts on surface water and groundwater, are mitigated through appropriate technical measures. Regular internal and third-party risk assessments and audits are undertaken at our facilities. Where significant risks are identified, measures are put in place to address them.



RUSTENBURG COMMUNITIES PARTNER WITH GREENFOOT AND AMPLATS TO ACHIEVE ZERO WASTE TO LANDFILL



A domestic waste-management project being implemented in the communities close to Amplats' Rustenburg mines is delivering diverse benefits to the various stakeholders involved.

Importantly, the project combines environmental principles and objectives with community development goals. By facilitating and promoting the efficient sorting of domestic waste, it is reducing the amount of waste sent to landfill by Amplats. It is also increasing levels of environmental awareness at the Company's mining operations and among people living in neighbouring communities.

The partnership initiative is being driven by Greenfoot, a community-based recycling company that provides jobs for unskilled or low-skilled persons. Greenfoot strives to ensure a reduction of 80% in waste removed to landfill, and does this through the triple approach of 'reducing, reusing and recycling'.

The Greenfoot project aims to deliver the following important benefits:

- Reducing the amount and the cost of waste transported to landfill sites.
- Increasing waste-stream awareness at source to ensure the most effective waste-management process possible.
- Reducing the amount of domestic waste generated at source.

- Facilitating the measurement of the waste stream.
- Increasing job opportunities for unskilled residents of local communities.
- Establishing buy-back centres so recyclables can be purchased from the community.
- Reducing pollution in the environments next to the mines.

Greenfoot sorts various types of waste into colour-coded wheelie bins placed in villages, offices, change-houses and lamp-rooms. Its representatives collect the bins daily and place the waste in bags at the operation's salvage area. From there the waste is taken to a central salvage yard for specialised sorting and baling by recycling companies.

Projects of this type also benefit manufacturers financially, as less energy is used when recyclables are included in the manufacturing process. More than that, the South African economy benefits from a reduced need for imported raw materials.

For Amplats, Greenfoot and the Rustenburg communities, the ultimate target is to achieve zero waste to landfill by 2020.

More information on Greenfoot is available at www.greenfootenviro.co.za.

We have halved the amount of waste we send to landfill since 2008 (39.8 kt) to 18.11 kt in 2014.

Some waste-rock dumps at Mogalakwena Mine are a source of low-grade PGMs and are remined, crushed and reprocessed. The waste rock is also a resource that is processed for aggregates used in construction and road building. The waste rock at the Rustenburg, Amandelbult and Union operations forms the basis of small-scale crushing projects that reduce the waste-rock footprints at these operations, resulting in reduced closure liability.

Non-mineral waste

The non-mineral waste we generate is categorised as domestic (non-hazardous), industrial or hazardous waste. Our objective is to stabilise the quantity of waste disposed to landfill and then to reduce this volume by increasing our reuse and recycling of waste. To this end, we have set waste-to-landfill reduction targets against a 2008 baseline. Through proactive waste-management programmes, we have halved the amount of waste we send to landfill, from 39.8 kt in 2008 to 18.11 kt in 2014 (marginally below our target of 18.9 kt). The protracted strike impacted on our zero waste-to-landfill waste-target programme.

More than half of our waste disposed to landfill is hazardous. The management of hazardous substances is strictly regulated and controlled at our operations and at the receiving waste facilities, which are regularly audited by third parties.

In 2015 we aim to improve our management of hazardous waste significantly. Mogalakwena Mine has completed successful trials for the bioremediation of hydrocarbon-

polluted soil at its open-pit operation. The site has also been authorised to develop a bioremediation facility in 2015, which will enable the operation to remediate all polluted soil on site, to be used for rehabilitation purposes. This development will reduce environmental impacts as well as disposal costs, and retain soil as a valuable resource at the mine.

In 2014 Amplats reused/recycled 21.3 kt of waste, representing 54% of total waste generated. We collected 147 tonnes of waste paper, 22 tonnes of glass, 13,578 tonnes of steel and 292 tonnes of plastic for external recycling. A further 745 tonnes of other metal waste were refurbished for internal reuse. To date, mining-related equipment to the value of R209 million has been reclaimed for reuse from our operations.

In response to regulations in South Africa concerning waste tyres and in order to address the stockpiles at our operations, we are aligning with the government's plan to manage the recycling of waste tyres. In 2014 an agreement was concluded with government to trial the downsizing of tyres at Mogalakwena Mine, which has a substantial stockpile of haul-truck tyres. The tyres will be downsized to allow for the easy management and transportation of the tyre rubber. The aim is to engage local communities in transforming the rubber into valuable commodity by-products such as biofuel, steel and carbon black. Each of these by-products has a market within South Africa, which is currently serviced partly by imports.

Open-pit rehabilitation.



CHAMPIONING AGRICULTURE-RELATED SUSTAINABLE LIVING IN COMMUNITIES



Community members receiving training on agricultural practices at Mogalakwena Groenfontein Incubator.

Our Mogalakwena Mine is pioneering various land stewardship projects aimed at promoting socio-economic resilience in its neighbouring communities. The mine's Groenfontein farm and training centre offers courses in permaculture and cattle management to communities surrounding the operation. For the youth, it offers a sustainable development course, which is linked to the international Eco-Schools Programme. Mogalakwena Mine sponsors and supports 22 eco-schools in the area and plans to support a further 10 schools in 2015.

Building on the success of its agricultural and conservation projects, in 2014 the mine established an agri-ecological incubator to support agricultural and sustainable development projects in neighbouring

communities. The incubator is currently managing 10 projects (eight at Mogalakwena and two at Twickenham) involving nearly 200 people.

The successful implementation of the incubator and related projects will facilitate the implementation of sustainable businesses in communities surrounding the mine, thereby promoting an economy separate from that of mining. The incubator is progressing well and has significant potential to expand.

Mogalakwena Mine is also developing a tool to provide guidance on project choices and opportunities in the context of sustainability. An example of such an opportunity is the waste wood being chipped at the mine with the aim of using it in a composting project linked to the agricultural projects.

Mogalakwena Mine has forged enterprising agriculture-related livelihood projects that are helping rural communities to live sustainably.

RESPONSIBLE LAND MANAGEMENT AND MINE CLOSURE

We own large areas of land, with some operations in environmentally sensitive areas. Ensuring responsible land stewardship throughout the life-cycle stages of an operation can positively influence our future access to land and capital, and our legal and social licence to operate. It also reduces our operational risks and mine-closure liabilities.

Our strategic approach to land stewardship and mine closure

Amplats' approach to land stewardship focuses on the conservation and rehabilitation of biodiversity, and on managing water, mineral/non-mineral waste and hazardous substances responsibly. Beyond that, we aim to exploit ecosystem-related opportunities and use the land under our management for wider benefit.

Our land stewardship risks and activities are managed in line with the mandatory performance requirements related to various environmental aspects of the Anglo American Environment Way. These environmental standards, which apply throughout the mining life-cycle, are underpinned by rigorous predevelopment social and environmental impact assessments and ensure that we consider social and environmental matters in our planning. Responsible and proactive land stewardship practices can mitigate the risk and impact of social disruption, land disputes and issues around resettlement, such as those that have arisen at some of our operations. Our approach to managing these risks is discussed on pages 39 and 40.

With the exception of Mogalakwena Mine, which is an open-pit operation, all our mines are underground operations. Our most significant surface disturbances are TSFs and waste-rock dumps, as well as roads and infrastructure. Disturbed land is rehabilitated concurrently, where possible, to agreed land-use specifications. Rehabilitation is a key regulatory requirement for us. It is linked to annual closure liabilities, which are reviewed and updated annually in line with regulations.

Our mine-closure performance requirements and toolbox offer specific guidance on mine-closure planning. Our aim is to reduce long-term risks and liabilities to our business from an environmental and socio-economic perspective, and to ensure that we leave a positive legacy when our mines conclude their operational lives. The Anglo American mine-closure toolbox is designed to be used in conjunction with the Anglo American Socio-Economic Assessment Toolbox (SEAT), which means that it supports an integrated approach to mine-closure planning, one undertaken in consultation with the communities around our mines and other stakeholders.

Our performance and focus areas

Amplats has 28,544 hectares of land under its management control. Of this, 8,612 hectares have been disturbed. During 2014 we experienced no significant environmental incidents involving land or biodiversity.

All TSFs have concurrent rehabilitation plans in place that include revegetation, dust management and water management. Our South African operations follow the prescribed norms and standards for the remediation of contaminated land in terms of the Waste Act. The Mogalakwena and Bathopele mines are undertaking trials for the bioremediation of soil contaminated by hydrocarbons. Trials have also been done on the Paardekraal TSF to test the use of indigenous grass species for rehabilitation purposes.

Mogalakwena Mine, the Der Brochen Project and Twickenham Mine have been identified as posing a moderate risk to biodiversity. The risks are being addressed through biodiversity action plans, which seek to balance ecological considerations and community needs. Mogalakwena is offsetting its biodiversity risk by managing three farms as conservation areas, which are also used for environmental education purposes. It is also undertaking rehabilitation trials so as to guide future rehabilitation programmes. Twickenham Mine relocates indigenous species and removes invasive exotic species found on mine property. The mine is also involved in stabilising eroded areas in the surrounding community. The Der Brochen Project is situated in a biodiversity-rich area. It focuses on removing alien and invasive species, and protecting indigenous and endemic floral species in the area. We are committed supporters of the annual Arbor Week in South Africa, and tree-planting is undertaken across our operations and within neighbouring communities throughout the year. Following an intensive awareness programme, over 1,000 trees were planted by our managed operations in 2014.

Mogalakwena Mine has forged enterprising agriculture-related livelihood projects that are helping the rural communities around its mining operations to live sustainably. (See case study on page 72.) Identifying alternative uses for land once mining comes to an end is an important part of our land-stewardship agenda. Based on a mutual agreement with the Rustenburg local municipality in 2014 and an approved EIA, the municipality began converting our open pit at Waterval into a domestic landfill site in order to provide long-term landfilling capacity to the town of Rustenburg.

Preliminary closure plans, with financial provisioning, are in place for the Rustenburg, Mogalakwena and Amandeult operations, and being compiled for Twickenham Mine. All closure plans and costs are assessed regularly; and provision for liability is adjusted as necessary. The total undiscounted rehabilitation liability for all our operations at the end of 2014 was estimated to be R3.3 billion.

POSITIVE ENVIRONMENTAL BENEFITS OF PGMs

IPA conducted a life cycle analysis

Industry-wide cradle-to-gate assessment of the environmental impacts of primary and secondary production of 1 kg of platinum, palladium and rhodium each and the impacts and benefits of production and use of a car catalyst:

- in a three-way catalyst in a 1.6 l Euro 5 gasoline engine over 160,000 km
- in a diesel oxidation catalyst and 1 catalysed soot filter in a 2.0 Euro 5 diesel engine over 160,000 km

There was high industry participation. Over 70% of IPA membership supplied data, covering:

- >70% of primary PGM production;
- ~60% of secondary PGM production; and
- >90% of autocatalyst fabrication.

Benefits

PGMs are rather used than consumed. Primary production is an investment – up to 95% of PGM content can be recovered for subsequent reuse in the next product cycle.

Positive effect of emissions reductions

Due to the catalytic properties of PGMs it has been possible for legislators to mitigate the effects of exhaust pollution from increasing numbers of vehicles on our roads. Emissions regulations have been progressively tightened to the extent that just one car sold in the 1960s would have produced as many harmful exhaust emissions as one hundred of today's automobiles equipped with catalytic converters.

This tightening will continue in the future. For example, EURO 6 regulations for light-duty diesel vehicles, which start in 2015, require more than a 50% reduction in NOx emissions over the current EURO 5 regulations. For gasoline engines, the California LEV III (SULEV III) regulations, which also start in 2015, require more than a 70% reduction in CO emissions compared to the US Federal Tier 2 Bin 5 regulations.

Significant reduction of emissions mitigates impacts of primary and secondary production. Over 1.3 tonnes of toxic and harmful polluting gases including CO, HC, NOx and PM are reduced by auto cat systems in one Euro 5 gasoline and one Euro 5 diesel vehicle in use over

Over 98% of new cars sold worldwide each year are fitted with catalytic converters and autocatalysts account for 51% of total world PGM demand.

51%

of total world
PGM demand

37m

lives potentially
saved

Catalytic converters reduce outdoor air pollution in both cities and rural areas which was estimated by the WHO to cause 3.7 million premature deaths worldwide in 2012.

Over 1.3 tonnes of toxic and harmful polluting gases are avoided by the catalytic converter systems in one EURO 5 gasoline and one EURO 5 diesel vehicle in use over 160,000km, representing 7.86 days of healthy life gained.

1.3t

of toxic and
harmful gases
are avoided

Info

www.meca.org
www.aecc.eu

For more information on autocatalysts and emissions regulations, please visit: Association for Emissions Control by Catalyst www.aecc.eu
Manufacturers of Emission Controls Association www.meca.org

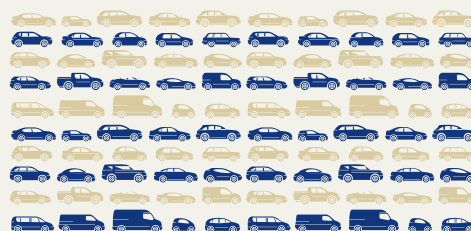
The use phase of PGMs and recycling mitigate the impact of primary production. Secondary production saves energy and minimises the overall environmental impact of PGM supply. While secondary production also enables meeting growing demand without excessively increasing primary production, thereby complementing primary production as a source of metal.

160,000 km. Examples: NOx and particulate emissions. High and repeatable recyclability of PGMs reduces environmental impact of PGM production with each recycling round.

Emissions from 1 car sold in **1960**



Emissions of 100 cars sold in **2014**



Additional benefits of catalytic converters

The increasing use of catalytic converters required the introduction of more sophisticated engine control technologies. These have allowed automobile manufacturers to design engines for higher fuel efficiency, promoting a continuous rise in fuel economy which will continue to be important as manufacturers strive to meet more demanding fuel economy and CO₂ regulations.

Sulfur in gasoline and diesel fuel has a major negative impact on catalyst performance and also contributes to the mass of particulate matter (PM). The effect of sulfur on catalyst performance becomes more critical as lower tailpipe emissions are targeted and the loss of catalyst efficiency caused by sulfur in the fuel has a greater impact at the very low emissions levels required in the most advanced emissions regulations. For this reason European legislation has limited on-road and non-road fuel sulfur content to 10 ppm (max.). In the US, the limit is 15 ppm (max.) for diesel and will be 10 ppm for gasoline when EPA Tier 3 regulations take effect from 2017.

In addition, because the catalyst is poisoned by lead, the introduction of catalytic converters on vehicles helped bring about the elimination of lead-containing gasoline additives, which were found to be a serious health hazard.

Autocatalysts help to avoid over 1.3 tonnes of toxic and harmful polluting gases

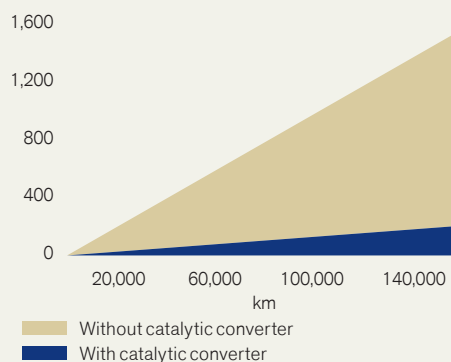
The effect of the use of catalytic converter in vehicle systems on human health can be quantified by the World Health Organization's (WHO) metric, Disability-

Adjusted Life Year or DALY. A DALY is used to quantify the burden of disease or morbidity on human life. Based on this method, an LCA study conducted by the IPA has shown that over 1.3 tonnes of toxic and harmful polluting gases are avoided by the catalyst systems in one EURO 5 gasoline and one EURO 5 diesel vehicle in use over 160,000 km, representing 7.86 days of healthy life gained assumed as days of healthy life per person.

Carbon dioxide (CO₂) is the final product of all combustion processes and the major contributor to climate change. Autocatalysts, although they generate some CO₂, do not increase overall carbon emissions from cars. These emissions can only be limited by reducing the amount of fuel used.

Tailpipe emissions

(kg) CO₂, HC, NO_x, PM



MINING CHARTER SCORECARD

Description	Measure	2014 progress against target	Compliance target
Reporting			
Has the Company reported the level of compliance with the charter for the calendar year?	Documentary proof of receipt from the department	Reports submitted on a quarterly basis	Annually
Ownership			
Minimum target for effective HDSA ownership	Meaningful economic participation	In advancement of BEE, the Company has entered into a number of disposal transactions and joint ventures. We have established an employee share-ownership scheme and various community trusts as part of Amplats' major transaction relating to community economic empowerment. The result of these transactions was the transfer, to HDSAs, of 32% of the Company's forecast attributable production as it would have been in 2014 had it not entered into these transactions	26%
	Full shareholder rights	Good progress to achieving 2014 target	26%
Housing and living conditions			
Conversion and upgrading of hostels to attain the occupancy rate of one person per room	Percentage reduction of occupancy rate towards 2014 target	100% of employees in single-room accommodation	Occupancy rate of one person per room
Conversion and upgrading of hostels into family units	Percentage conversion of hostels into family units	All hostels converted into family units	Family units established
Procurement and enterprise development			
Procurement spent from BEE entity	Capital goods	55%	30%
	Services	66%	60%
	Consumable goods	60%	40%
Multinational suppliers' contribution to the social fund	Annual spend on procurement from multinational suppliers	Work on this programme is under way. Suppliers have been identified and classified and a strategy is being developed	0.5% of procurement value
Employment equity			
Diversification of the workplace to reflect the country's demographics to attain competitiveness	Top management (Board) level	45.5%	40%
	Senior management (Exco)	45.4%	40%
	Middle management	61%	40%
	Junior management	69%	40%
	Core skills	82%	40%

Description	Measure	2014 progress against target	Compliance target
Sustainable development and growth			
Improvement of the industry's environmental management	Implementation of approved environmental management programmes	Regulation 55 performance reviews are done by the environmental managers and are submitted to the DMR by the operations. The schedules are aligned with the EMPR commitments	100%
Improvement of the industry's mine health and safety performance	Implementation of the tripartite action plan on health and safety	Implementation of action plans aligned	100%
Utilisation of South African-based research facilities for analysis of samples across the mining value chain	Percentage of samples in South African facilities	100%	100%
Beneficiation			
Contribution of a mining company towards beneficiation (this measure is effective from 2012)	Additional production volume contributory to local value addition beyond the baseline	The Company continues with the implementation of its beneficiation strategy. The offset guidelines have not been finalised by the DMR and therefore the Group cannot calculate what offsets it qualifies for. Furthermore, the DMR has released its beneficiation strategy with no reference to baseline levels or targets	Section 26 of the MPRDA (percentage above baseline)
Human resource development			
Development of requisite skills, including support for South African-based research and development initiatives intended to develop solutions in exploration; mining; processing; technology efficiency (energy and water use in mining); beneficiation; and environmental conservation and rehabilitation	Human resources development expenditure as percentage of total annual payroll (excluding mandatory skills development levy)	3.9% achieved (impacted by 22-week-long strike)	5%
Mine community development			
Conduct ethnographic community consultative and collaborative processes to delineate community needs analysis	Implement approved community projects	Projects in communities close to our operations implemented to the value of R236 million	1% of pre-tax profit

ECONOMIC INDICATORS

as at 31 December 2014

ANGLO AMERICAN PLATINUM LIMITED

	2014	2013	2012	2011	2010
Total workforce¹					
Full-time employees	45,662	45,884	50,873	52,152	48,807
Contractors ²	2,857	2,646	4,245	6,237	5,513
Total capitalisation, as at 31 December, R million					
Debt	15,820	12,618	12,665	5,958	6,645
Equity	50,526	50,008	50,100	56,743	55,018
Total assets, as at 31 December, R million	89,999	89,027	85,947	87,280	83,801
Property, plant and equipment	44,297	43,298	43,946	44,499	37,438
Capital work-in-progress	10,736	9,810	9,149	12,940	17,065
Investment in associates	7,637	6,816	6,653	6,870	7,339
Investments held by environmental trusts	842	732	642	662	569
Other financial assets	3,120	3,422	4,204	3,931	2,904
Other non-current assets	54	54	58	69	93
Inventories	17,451	19,668	15,937	12,525	12,558
Trade and other receivables	3,220	3,624	2,708	3,066	2,988
Other assets	1,440	441	472	419	305
Other current financial assets	—	—	4	3	8
Cash and cash equivalents	1,202	1,162	2,174	2,296	2,534
Refined production					
Platinum 000 oz	1,890	2,380	2,379	2,530	2,570
Palladium 000 oz	1,225	1,381	1,396	1,431	1,449
Rhodium 000 oz	229	295	311	338	329
Gold 000 oz	96	100	105	105	81
Nickel – Refined 000 tonnes	21	17	18	20	19
Nickel – Matte 000 tonnes	8	6	—	—	—
Copper – Refined 000 tonnes	13	8	11	13	11
Copper – Matte 000 tonnes	6	6	—	—	—
Gross revenue, R million	55,626	52,822	43,148	51,484	46,352
North America	3,561	2,030	2,023	4,189	3,438
Asia	18,695	15,010	12,716	18,322	15,068
Europe	20,590	26,540	20,164	18,884	19,564
Africa	7,482	5,584	6,381	8,215	7,783
Other	5,298	3,658	1,864	1,874	499
Total cash operating costs, R million	42,622	41,555	37,482	34,976	32,447
Limpopo	16,976	15,763	12,858	12,180	10,234
Mpumalanga	2,022	1,820	1,599	1,425	1,302
North West	22,123	22,958	21,382	20,550	20,245
Non-South Africa	1,501	1,014	1,643	821	666
Value added, R million	22,319	25,377	14,928	25,066	26,648
To salaries, wages and other benefits, net of tax	12,377	14,122	11,511	10,651	9,649
Taxation	3,736	5,996	3,831	3,742	1,985
To providers of capital	1,159	956	1,250	3,821	966
Reinvested in the Company	5,047	4,303	(1,664)	6,852	14,048

¹ Workforce numbers based as at 31 December 2014.² By definition part-time employees are contractors.³ A further 1,244 employees and contractors are employed at our Unki operations in Zimbabwe.

DIRECT VALUE ADDED TO SOUTH AFRICA

	2014	2013	2012
Employees			
Total payroll and benefits paid in South Africa (R million)			
Gauteng	806	1,367	1,373
Limpopo	5,707	5,891	4,847
North West	7,114	8,147	6,441
Mpumalanga	428	286	224
Total	14,055	15,691	12,885
Wages ¹	11,905	12,755	10,972
Pension	1,075	1,047	924
Other benefits	548	513	391
Share-based payments	353	502	572
Redundancy payments	174	874	26
Total	14,055	15,691	12,885
Donations in South Africa (Rm)			
Health	0.89	—	2.9
Education and youth projects	16	15.6	27.1
Environment	—	0.1	1.0
General community development (including infrastructural projects)	192.1	107.2	138.1
Arts, culture and heritage	5	—	—
Housing	—	—	—
Other	15	71.0	30.4
Chairman's Fund contribution	7	10.0	15.0
Total	236.1	203.9	214.5
¹ Anglo American Platinum Limited is an equal-opportunity employer and, to this end, remunerates its employees competitively irrespective of race or gender.			
Private sector			
Suppliers			
Costs of goods, materials and services purchased (Rm)			
Total	32,391	27,636	27,636
Of which sourced in South Africa	30,792	26,297	25,954

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

SAFETY INDICATORS

for the year ended 31 December 2014

Operations	Number of fatalities					Fatal-injury frequency rate (FIFR)				
	2014	2013	2012	2011	2010	2014	2013	2012	2011	2010
Bathopele Mine	0	2	0	2	0	0.00	0.08	0	0.084	0
Khomanani Mine	0	0	1	2	0	0.00	0	0.028	0.050	0
Thembelani Mine	0	0	0	2	0	0.00	0	0	0.044	0
Khuseleka Mine	1	1	2	0	0	0.04	0.02	0.040	0	0
Siphumelele Mine	0	1	0	0	2	0.00	0.03	0	0	0.05
Central Services ¹	0	0	0	0	0	0.00	0	0	0	0
Tumela Mine	0	1	0	1	2	0.00	0.01	0	0.010	0.02
Dishaba Mine	1	0	0	1	2	0.03	0	0	0.017	0.03
Union Mine	0	1	2	2	1	0.00	0.01	0.030	0.029	0.01
Mogalakwena Mine	0	0	1	0	0	0.00	0	0.061	0	0
Unki Platinum Mine	0	0	0	1	—	0.00	0	0	0.091	—
Rustenburg Concentrators	0	0	1	0	1	0.00	0	0.163	0	0.13
Amandelbult Concentrators	0	0	0	0	0	0.00	0	0	0	0
Union Concentrators	0	0	0	0	0	0.00	0	0	0	0
Mogalakwena Concentrators	0	0	0	0	0	0.00	0	0	0	0
Unki Concentrator	0	0	0	0	0	0.00	0	0	0	0
Mototolo Concentrator	0	0	0	0	0	0.00	0	0	0	0
Polokwane Smelter	0	0	0	0	0	0.00	0	0	0	0
Waterval Smelter	1	0	0	0	0	0.07	0	0	0	0
Mortimer Smelter	0	0	0	0	0	0.00	0	0	0	0
Rustenburg Base Metal Refiners	0	0	0	1	0	0.00	0	0	0.050	0
Precious Metals Refiners	0	0	0	0	0	0.00	0	0	0	0
Western Limb Tailings Retreatment	0	0	0	0	0	0.00	0	0	0	0
Greenfield projects	0	0	0	0	0	0.00	0	0	0	0
Total/aggregate	3	6	7	12	8	0.006	0.010	0.011	0.018	0.012

Four off-mine road deaths (refer to page 50).

¹ Central Services includes all services departments.

Operations	Lost-time injury-frequency rate (LTIFR)					(TRCFR) ¹			
	2014	2013	2012	2011	2010	2014	2013	2012	2011
Bathopele Mine	0.40	0.98	0.79	0.84	1.09	0.58	3.09	3.12	2.90
Khomanani Mine (Reclamation)	0.65	1.46	1.32	1.49	1.35	1.94	1.94	2.13	5.04
Thembelani Mine	1.64	1.86	2.41	2.04	1.53	2.58	2.47	3.13	3.89
Khuseleka Mine	0.78	1.38	2.02	1.65	1.43	1.02	1.57	3.52	15.163
Siphumelele Mine ²	1.35	2.00	2.49	2.61	2.02	1.55	2.37	3.05	5.91
Central Services ³	0.25	0.55	0.40	0.44	0.39	0.38	0.80	0.82	1.05
Tumela Mine ⁴	0.78	1.24	1.56	1.60	1.77	0.98	1.65	1.85	2.09
Dishaba Mine	0.86	1.11	0.90	1.94	2.03	1.60	1.67	1.73	2.24
Union Mine ⁵	0.90	1.26	1.12	1.31	1.16	1.52	3.76	2.09	5.82
Mogalakwena Mine	0.15	0.83	0.67	0.49	0.40	1.31	2.13	2.33	2.25
Unki Platinum Mine	0.11	0.11	0.12	0.18	—	0.86	0.85	1.04	2.28
Rustenburg Concentrators	0.00	0.75	0.16	0.00	0.26	0.63	1.24	1.30	1.03
Amandelbult Concentrators	0.00	0.64	1.57	0.10	0.26	0.37	0.93	2.69	1.30
Union Concentrators	0.00	0.45	0.55	0.34	0.12	0.00	1.01	0.69	0.90
Mogalakwena Concentrators	0.37	1.32	0.13	0.17	0.43	1.11	0.92	1.01	1.71
Unki Concentrator	0.46	0	0.38	0.00	0	0.91	1.46	1.88	1.79
Mototolo Concentrator	0.00	0	0	0.66	0.61	0.00	0	0.37	2.30
Polokwane Smelter	0.39	0.20	0.37	0.64	1.08	1.16	0.61	1.30	1.37
Waterval Smelter	0.92	0.79	0.57	0.57	0.57	1.28	1.14	1.14	1.72
Mortimer Smelter	0.00	0.39	0.80	0.00	—	0.74	0.78	1.19	0.58
Rustenburg Base Metal Refiners	0.40	0.58	0.71	0.74	0.50	0.96	0.93	1.20	2.31
Precious Metals Refiners	0.26	0.39	0.48	0.70	0.22	1.18	1.41	1.58	3.02
Western Limb Tailings Retreatment	0.00	0.77	0.27	0.86	0.67	0.26	1.03	1.07	1.14
Greenfield projects ⁶	0.61	0.43	0.48	0.56	0.44	1.39	1.34	3.20	1.53
Shared support	1.16					1.68			
Total/aggregate⁷	0.69	1.05	1.15	1.27	1.17	1.22	1.82	2.13	4.09

¹ The TRCFR is the sum of the number of medical treatment cases plus lost-time injuries plus fatal injuries per 200,000 hours worked. It includes all suspected gassings admitted for the mandatory 24-hour observation. Khuseleka Mine had more than 650 people exposed to smoke during the fire in October 2011, hence the spike in TRCFR.

² Siphumelele Mine includes Siphumelele 1 and Platinum School of Mines. Reclamation sites in 2014: Khomanani Mine, Khuseleka 2, Siphumelele 3 and Thembelani 2. (Khuseleka Mine above is Khuseleka 1).

³ Central Services = Rustenburg Central Services (Siphumelele lease area).

⁴ 2014 Tumela Mine (including Amandelbult Services).

⁵ 2014 Union Mine above includes Union Services.

⁶ Shared support includes Protection Services, AGP, SAVs, ASSU, ADC, OSD, RPM Hospital, ESTC, Hex River Complex, administrative offices not on mine property, functional centres, Whiskey Creek and the Equestrian centre. (Consolidated separately from 2014.)

⁷ Central Services for 2010 includes all services departments and Rustenburg functional centre.

HUMAN RESOURCES INDICATORS

for the year ended 31 December 2014

EMPLOYMENT STATISTICS

	2014	2013	2012	2011	2010
Breakdown of South African workforce, numbers^{1,2}					
Gauteng	377	417	532	559	488
Limpopo	24,822	24,577	24,645	24,654	23,416
North West	20,323	20,762	25,555	25,913	24,463
Mpumalanga	140	128	141	143	142
Total own employees	45,662	45,884	50,873	51,269	48,509
Contracting staff²					
Labour hire	435	495	610	516	400
Contractors	2,422	2,151	3,635	5,721	5,113
Total contracting staff	2,857	2,646	4,245	6,237	5,513
Employment creation in provinces, numbers					
Gauteng	(40)	(115)	(27)	71	(69)
Limpopo	245	(68)	(9)	1,238	181
North West	(439)	(4,793)	(358)	1,450	(2,281)
Mpumalanga	12	(13)	(2)	1	(3)
Total own employees	(222)	(4,989)	(396)	2,760	(2,172)
Labour turnover in South Africa, percentage (including voluntary separation packages)					
Gauteng	0.06	0.2	0.12	6.12	11.99
Limpopo	1.61	4.09	2.39	6.70	9.17
North West	1.40	7.09	0.02	7.13	8.96
Mpumalanga	0.01	0.13	3.05	1.86	9.68
Labour turnover in Zimbabwe	0.15				

¹ Workforce numbers based as at 31 December 2014 and excludes JVs and associate operations.² Workforce breakdown numbers reviewed against published Group statistics.³ A further 1,244 employees are employed at our Unki operations in Zimbabwe.**BREAKDOWN OF EMPLOYMENT EQUITY PER OCCUPATIONAL LEVEL**

(2013 employment equity statistics submitted to the Department of Labour in 2014)

Occupational levels	Male				Female				Foreign nationals		TOTAL
	African	Coloured	Asian	White	African	Coloured	Asian	White	Male	Female	
Top management	1	—	1	4	2	—	—	—	2	0	11
Senior management	136	9	2	247	19	—	12	19	16	2	485
Professionally qualified and experienced specialists and mid-management	713	23	25	769	249	10	17	211	34	6	2,057
Skilled technical and academically qualified workers, junior management, supervisors	3,712	44	11	1,341	1,056	17	7	367	350	7	6,912
Semi-skilled and discretionary decision-making	23,933	29	5	178	3,118	18	7	147	4,877	2	32,314
Unskilled and defined decision-making	2,557	5	—	31	1,088	—	—	—	171	3	3,855
Total permanent employees	31,052	110	68	2,570	5,532	45	43	744	5,450	20	45,634
Temporary employees	15	—	—	5	8	—	—	—	—	—	28
Grand total	31,067	110	68	2,575	5,540	45	43	744	5,450	20	45,662

Note: All numbers are for the period March 2012 to February 2013.

TURNOVER PER REGION

Region	2014 excluding VSPs		2014 including VSPs		2013 excluding VSPs		2013 including VSPs	
	Total	%	Total	%	Total	%	Total	%
Gauteng	29	0.06	41	0.09	52	0.10	119	0.20
Limpopo	758	1.61	865	1.84	1,071	2.26	2,056	4.09
Mpumalanga	6	0.01	6	0.01	54	0.11	60	0.13
North West	656	1.40	703	1.49	1,118	2.36	3,349	7.09
Zimbabwe	71	0.15	71	0.15	67	0.13	67	0.13
Grand total %	1,520		1,686		2,362		5,651	

TURNOVER BY GENDER AND AGE IN 2014

	Age group					
	20 – 30	31 – 40	41 – 50	51 – 60	61 – 72	Total
Turnover excluding VSPs						
Women %	0.10	0.20	0.09	0.05	—	0.44
Men %	0.39	0.87	0.74	0.70	0.09	2.79
Grand total	0.49	1.07	0.83	0.75	0.09	3.24
Turnover including VSPs						
Female %	0.10	0.20	0.10	0.06	—	0.46
Male %	0.40	0.92	0.83	0.88	0.09	3.12
Total contracting staff	0.50	1.12	0.93	0.94	0.09	3.58

TRAINING IN 2014

Type of training	Black		Coloured		Asian		White		Total HDSA trained	Total trained
	Males	Females	Males	Females	Males	Females	Males	Females		
Graduates	107	44	3	1	3	3	32	8	169	201
Bursars	106	55	1	1	4	8	51	24	199	250
Leaderships (Engineering)	252	127	5	0	2	0	58	2	388	446
Leaderships (Mining)	85	23	0	0	0	0	3	0	107	111

MEMBERSHIP OF RECOGNISED UNIONS AND ASSOCIATIONS

as at 31 December 2014	2014	2013	2012	2011	2010
AMCU	24,815	26,916			
National Union of Mineworkers (NUM)	9,463	9,560	30,043	29,937	28,538
United Association of South Africa (UASA)	6,518	5,077	7,230	6,905	5,098
National Union of Metalworkers of South Africa (NUMSA)	359	465	777	247	859
Total	41,155	42,018	38,050	37,089	34,495
Total percentage of workforce represented, excluding management	91	94	81	79	76

AVERAGE TRAINING HOURS in 2014

	Average training hours per employee
Professionally qualified and experienced specialists and mid-management	65
Semi-skilled and discretionary decision-makers	89
Senior management	15
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	107
Unskilled and defined decision-makers	68
Total per employee	88

ABSENTEEISM

	Absenteeism owing to work- related injuries %	Total %
Gauteng	0.00	8.57
Limpopo	0.15	36.15
Mpumalanga	0.00	15.25
North West	0.13	36.51

ENVIRONMENTAL INDICATORS

for the year ended 31 December 2014

	2014	2013	2012	2011	2010
MATERIALS			Kilotonnes		
Rock broken – managed operations (100%)	143,219	126,329	107,235	111,379	102,393
Ore milled – managed operations (100%)	29,593	36,120	35,431	36,547	37,530
Accumulated low-grade stockpiles	37,586	33,364	24,634	19,626	16,273
Coal	134.2	140.3	138.9	140.0	125.25
Liquid petroleum gas (LPG)	4.65	4.81	6.23	4.48	5.16
Grease	0.33	0.38	0.39	0.54	0.87
			Megalitres		
Fuels	67.46	65.15	55.63	59.68	52.31
Lubricating and hydraulic oils	8.31	26.75 ¹	6.92	7.91 ²	14.21
ENERGY			Terajoules		
Energy from electricity purchased	16,376	18,594	18,362	19,049	18,556
Energy from processes and fossil fuels	6,257	6,348	6,031	6,119	5,600
Total energy consumed	22,633	24,942	24,392	25,168	24,156
WATER			Megalitres		
Total new water use	27,137	33,412	34,911	36,340	33,817
Water used for primary activities	22,876	28,311	28,755	31,248	28,874
Water used for non-primary activities	4,215	5,101	6,156	5,092	4,943
Potable water from an external source	13,581	17,138	18,437	18,983	18,483
Non-potable water from an external source	1,470	1,484	1,326	924	935
Waste or second-class water used	6,148	8,034	9,142	10,638	10,673
Surface water used	2,590	1,507	1,502	1,535	—
Groundwater used	3,369	6,372	4,407	4,323	3,636
Water recycled in processes	51,462	50,159	53,731	51,260	53,014
LAND			Hectares		
Land under company charge for current mining activities*	116,792	117,382 ³	91,827 ⁴	54,640	39,049 ⁵
Land utilised for current mining and related activities	8,612	9,337	14,530	14,791	14,186
Total tailings dam area	2,326	2,152	2,444	2,848	2,555
Total waste rock dump area	1,043	931	933	790	772
All land owned (new parameter from 2007)	33,543	27,902	43,212	40,136	40,136
EMISSIONS			Kilotonnes		
GHG emissions, CO ₂ equivalent (Scope 1 and 2 only)	5,363	5,936	5,743	5,991	5,611
From electricity purchased	4,817	5,378	5,210	5,450	5,154
Internally generated	547	558	533	541	457
Nitrous oxides	NM ⁶	NM	NM	NM	NM
Sulfur dioxide	15.46	19.15	20.08	18.77	17.65
Particulates (point sources)	0.15	0.19	0.43	0.42	0.46
DISCHARGE			Megalitres		
Discharge to surface water	557	363	765	1,761	3,327
			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?	No	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

*Includes Der Brochen.

	2014	2013	2012	2011	2010
WASTE					
Mineral waste accumulated in:			Kilotonnes		
Tailings dams (active and inactive)	830,176	849,895	893,600	810,639	869,616
Rock dumps	972,125	898,074	840,266	752,349	715,437
Slag dumps	4,257	4,975	3,985	3,047	5,054
Non-mineral waste generated					
Hazardous to landfill	9.85	10.22	7.82	18.26	4.83
Hazardous incinerated	0.01	0.01	3.71	0.80	0.01
Non-hazardous to landfill	8.27	11.87	14.26	16.18	15.80
Non-hazardous incinerated	—	—	—	—	—
ENVIRONMENTAL INCIDENTS AND COMPLAINTS			Number		
Level 1 ⁷	525	590	476	309	477
Level 2	37	—	—	—	—
Level 3	0	1	—	—	—
Level 4 and 5	—	—	—	—	—
Formal complaints	9	10	10	20	16
Substandard acts and conditions ⁸	1,957	2,092	1,175	976	875
PRODUCTS			Ounces		
Total refined PGMs and gold ⁹	3,626,867	4,047,672	4,423,639	4,726,682	4,660,176

¹ Increases as a result of bulk purchases.

² Number lower owing to overstated figures in previous years. Data for 2007, 2008 and half of 2009 includes Bokoni Platinum Mine and BRPM.

³ Land parameters were reviewed and restated.

⁴ Increase owing to revised definition that includes privately owned land above mining right.

⁵ Reduction is the result of the exclusion of BRPM and Bokoni JVs.

⁶ Not measured.

⁷ Prior years included Level 2 incidents and complaints.

⁸ Substandard acts and conditions reported in 2010.

⁹ Excludes toll refining from Anglo American Platinum Limited marketing.

INDEPENDENT ASSURER'S REPORT

TO THE DIRECTORS OF ANGLO AMERICAN PLATINUM LIMITED

We have been engaged by the directors of Anglo American Platinum Limited (Amplats or the Company) to perform an independent assurance engagement in respect of Selected Sustainability Information reported in Amplats' Sustainable Development Report for the year ending 31 December 2014 (the Report). This report is produced in accordance with the terms of our contract with Amplats dated 13 August 2014.

Independence and expertise

We have complied with the International Federation of Accountants' (IFAC) Code of Ethics for Professional Accountants, which includes comprehensive independence and other requirements founded on fundamental principles of integrity, objectivity, and professional competence and due care, confidentiality and professional behaviour. Our engagement was conducted by a multi-disciplinary team of health, safety, environmental and assurance specialists with extensive experience in sustainability reporting.

Scope and subject matter

The subject matter of our engagement and the related levels of assurance that we are required to provide are as follows:

Reasonable assurance

The following Selected Sustainability Information in the Report was selected for an expression of reasonable assurance:

- Fatal- injury frequency rate (FIFR) (page 80)
- Total work-related fatal injuries (page 80)
- Lost-time injury-frequency rate (LTIFR) (page 81)
- Total recordable case frequency rate (TRCFR) (page 81)
- Number of new cases of noise induced hearing loss (NIHL) reported (page 54)
- CO₂ Emissions in kilotonnes (Scope 1) (page 84)
- CO₂ Emissions in kilotonnes (Scope 2) (page 84)
- CO₂ Emissions in kilotonnes (Scope 3) (page 64)
- Number of level 2, 3, 4 and 5 environmental incidents reported (page 85)
- Total energy used in terajoules (page 84)

Limited assurance

The following Selected Sustainability Information in the Report was selected for an expression of limited assurance:

- Total water use by source in megalitres (page 84)
- Total hazardous and non-hazardous waste to legal landfills in kilotonnes (page 85)

- Total SO₂ from processes in kilotonnes (page 84)
- Number of employees participating in voluntary counselling and testing (VCT) (page 56)
- Total amount spent on community development in ZAR (page 37)
- Total employee turnover by region (page 83)
- Employment Equity per the Mining Charter requirements (page 76)
- Total BEE expenditure per the Mining Charter requirements (page 45)
- Specific statements from two case studies as set out below:
 - Mitigating employee indebtedness (page 35)
- We have engaged Summit Financial Partners (Summit) since 2012 to audit and determine the validity of garnishee orders that employees have been paying.
- Building on this initiative, we have created an employee financial-wellness programme – Nkululeko – together with Summit to help employees to understand and manage their debt. Launched in October 2014, the free service has been rolled out at most of our operations.
 - Managing the impact of the strike on the health of employees (page 53)
- At the end of the strike, a cross-functional plan was implemented to ensure employees' safe return to work. This included a safe start-up process, a risk-based medical-screening process, and distribution of nutrition and hygiene packs. The medical process included the following activities:
 - Over 10,000 employees went through a medical screening process.
 - Approximately 15,000 expired medical certificates were renewed.
 - Sixty-one new cases of TB were diagnosed and treated.
 - In excess of R14 million was spent on providing employees with groceries and hygiene packs.

We refer to this information as the Selected Sustainability Information.

We have not carried out any work on data reported for prior reporting periods, nor have we performed work 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 Selected Sustainability Information.

Respective responsibilities of the directors and PricewaterhouseCoopers Inc.

The directors are responsible for selection, preparation and presentation of the Selected Sustainability Information in accordance with the criteria set out on page 89 of the Report, referred to as the 'Reporting Criteria'. The directors are also responsible for designing,

implementing and maintaining of internal controls as the directors determine is necessary to enable the preparation of the Selected Sustainability Information that are free from material misstatements, whether due to fraud or error.

Our responsibility is to form an independent conclusion, based on our reasonable assurance procedures, on whether the Selected Sustainability Information for Reasonable Assurance has been prepared, in all material respects, in accordance with the Reporting Criteria.

We further have a responsibility to form an independent conclusion, based on our limited assurance procedures, on whether anything has come to our attention to indicate that the Selected Sustainability Information for Limited Assurance has not been prepared, in all material respects, in accordance with the Reporting Criteria.

This report, including the conclusions, has been prepared solely for the directors of the Company as a body, to assist the directors in reporting on the Company's sustainable development performance and activities. We permit the disclosure of this report within the Report for the year ended 31 December 2014, to enable the directors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the Report. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the directors as a body and the Company for our work or this report save where terms are expressly agreed and with our prior consent in writing.

Assurance work performed

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements 3000: Assurance Engagements other than Audits and Reviews of Historical Financial Information (ISAE 3000), and, in respect of greenhouse gas emissions, International Standard on Assurance Engagements 3410: Assurance Engagements on Greenhouse Gas Statements (ISAE 3410), issued by the International Auditing and Assurance Standards Board. These standards require that we comply with ethical requirements and that we plan and perform the assurance engagement to obtain assurance on the Selected Sustainability Information as per the terms of our engagement.

Our work included examination, on a test basis, of evidence relevant to the Selected Sustainability Information. It also included an assessment of the significant estimates and judgements made by the directors in the preparation of the Selected Sustainability Information. We planned and performed our work so as to obtain all the information and explanations that we considered necessary in order to

provide us with sufficient evidence on which to base our conclusion in respect of the Selected Sustainability Information.

Our work consisted of:

- reviewing processes that Amplats have in place for determining the Selected Sustainability Information included in the Report;
- obtaining an understanding of the systems used to generate, aggregate and report the Selected Sustainability Information;
- conducting interviews with management at the sampled operations and at head office;
- applying the assurance criteria in evaluating the data generation and reporting processes;
- performing control walkthroughs;
- testing the accuracy of data reported on a sample basis for limited and reasonable assurance;
- reviewing the consolidation of the data at head office to obtain an understanding of the consistency of the reporting processes compared with prior years and to obtain explanations for deviations in performance trends; and
- reviewing the consistency between the Selected Sustainability Information and related statements in Amplats' Report.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement under ISAE 3000. Consequently, the nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement, and therefore less assurance is obtained with a limited assurance engagement than for a reasonable assurance engagement.

The procedures selected depend on our judgement, including the assessment of the risk of material misstatement of the Selected Sustainability Information, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation of the Selected Sustainability Information in order to design procedures that are appropriate in the circumstances.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusions.

Inherent limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining, calculating, sampling and estimating such information. The absence of a significant body of established practice on which to draw allows for the

selection of different but acceptable measurement techniques which can result in materially different measurements and can impact comparability. Qualitative interpretations of relevance, materiality and the accuracy of data are subject to individual assumptions and judgements. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time.

Conversion factors used to derive energy used from fuel and electricity consumed, is based upon information and factors derived by independent third parties. Our assurance work has not included an examination of the derivation of those factors and other third party information.

Conclusions

Reasonable assurance

Based on the results of our reasonable assurance procedures, in our opinion, the Selected Sustainability Information for the year ended 31 December 2014, has been prepared, in all material respects, in accordance with the Reporting Criteria.

Limited assurance

Based on the results of our limited assurance procedures nothing has come to our attention that causes us to believe

that the Selected Sustainability Information for the year ended 31 December 2014, has not been prepared, in all material respects, in accordance with the Reporting Criteria.

Other matters

The maintenance and integrity of the Amplats Website is the responsibility of Amplats' Directors. Our procedures did not involve consideration of these matters and, accordingly we accept no responsibility for any changes to either the information in the Report or our independent assurance report that may have occurred since the initial date of presentation on the Anglo American Platinum Limited website.



PricewaterhouseCoopers Inc.

Director: Jayne Mammatt
Registered Auditor

Johannesburg
23 February 2015

GLOSSARY

ABET: Adult basic education and training, aimed at improving literacy levels and providing adult learners with nationally recognised qualifications.

ACP: Amplats Converting Process, a pyrometallurgical process used at the Waterval Smelter Complex in Rustenburg.

Aids: Acquired Immune Deficiency Syndrome, a disease of the immune system caused by HIV infection.

AMCU: Association of Mineworkers and Construction Union.

AMMSA: Association of Mine Managers of South Africa.

Amplats: Anglo American Platinum Limited.

Anglo Zimele: Anglo American's enterprise development initiative.

ART: Anti-retroviral therapy, used to mitigate the effects of Aids.

Aspect: Element of an organisation's activities, products or services that can interact with the environment.

Au: The symbol for the chemical element commonly known as 'gold'.

Base metal: A common metal that is not considered precious, e.g. copper, tin or zinc.

B-BBEE: Broad-based black economic empowerment. This represents a broadening of earlier BEE (see below) policy and attempts to spread the benefits of economic empowerment to the widest possible spectrum of black South Africans.

BEE: Black economic empowerment. BEE is a policy of the South African Government, aimed at increasing the access black South Africans have to productive assets. It seeks to 'promote new opportunities for and increase the levels of participation of black people in the ownership, management and control of economic activities'.

Bioremediation: Treatment or waste-management technique that uses naturally occurring organisms to break down hazardous substances into less toxic or non-toxic substances.

BRPM: Bafokeng-Rasimone Platinum Mine.

CCMA: Commission for Conciliation, Mediation and Arbitration.

CDP: Carbon Disclosure Project. An independent not-for-profit organisation that acts as an intermediary between shareholders and corporations on all issues related to climate change. It provides the global marketplace with primary climate-change data gathered from the world's largest corporations.

CED: Community Engagement Department.

CEO: Chief executive officer.

CO₂: Carbon dioxide.

Company-managed land: An area of land under the direct management of the Company. It includes 'Company-owned land', land managed/mined on behalf of third parties, land leased from third parties, company land leased to third parties, land under servitude, land set aside for biodiversity offsets, etc., as at the end of the reporting period. The parameter excludes privately owned land above Company mineral/mining rights areas, and undeveloped projects/prospects where the land does not yet fall under the direct management or ownership of the Company. It also excludes prospecting licences and claims.

Concentrating: The process of separating milled ore into a waste stream (tailings) and a valuable mineral stream (concentrate) by flotation. The valuable minerals in the concentrate contain almost all the minerals found in base and precious metals. They are treated further through smelting and refining to obtain the following pure metals: Au, Cu, PGMs and Ni. (See entries above and below for the full names of these metals.)

CPI: Consumer price index.

CSI: Corporate social investment.

Cu: The symbol for the chemical element commonly known as 'copper'.

DMR: Department of Mineral Resources.

DWS: Department of Water and Sanitation.

EBIT: Earnings before interest and tax.

EIA: Environmental impact assessment.

EITI: Extractive Industries Transparency Initiative.

Equivalent refined platinum: Mine production and purchases of metal in concentrate, converted to equivalent refined platinum production using Amplats' standard smelting and refining recoveries.

Employee turnover rate: Calculated from the number of employees who left the Company during the reporting period.

EMP: Environmental management programme.

EMS: Environmental management system.

Energy use: Sum of energy from electricity purchased, total energy from fossil fuels and total energy from renewable fuels.

ERRA: Employee Relations Recognition Agreement.

ESOP: Employee Share Ownership Plan.

Exco: Executive Committee.

FIFR: The rate of fatalities, calculated as the number of fatalities per 200,000 hours worked.

Flotation: In the flotation process, milled ore is mixed with water to form pulp, which is passed through a series of agitating tanks. Various chemicals are added to the pulp in a sequence that renders the valuable minerals hydrophobic (water-repellent) and the non-valuable minerals hydrophilic (possessing a strong affinity for water). Air is dispersed through the tanks and rises to the surface. The hydrophobic particles attach themselves to the rising air bubbles and are removed from the main volume of pulp as a soapy froth. In this manner, various combinations of flotation cells in series are utilised to produce a concentrated stream of valuable mineral particles, called the 'concentrate', and a waste pulp stream, called 'tailings'.

FOG: Fall of ground.

FOGM: Fall-of-ground management.

Functional Centre: A regional centre of excellence and expertise, tasked with assisting operations in the implementation of policies and procedures, best practice, problem-solving and people development. There are four such centres at Amplats, providing services to the operations in the geographic regions: Polokwane, Rustenburg, North of Pilanesberg and Johannesburg.

Fuels: Diesel, petrol and paraffin consumed by processes and utilities.

GHG: Greenhouse gas. Greenhouse gases comprise the following, as outlined in the Kyoto Protocol to the United Nations Framework Convention on Climate Change (1998): Carbon dioxide (CO₂); methane (CH₄); nitrous oxide (N₂O); hydrofluorocarbons (HFCs); perfluorocarbons (PFCs); and sulphur hexafluoride (SF₆). The term refers to gaseous constituents of the atmosphere, both natural and anthropogenic, that absorb and reemit infrared radiation.

GJ: Gigajoule (109 joules).

Grade: The mass of desired metal(s) in a given mass of ore. Ores bearing PGMs are normally low-grade. Grades are usually expressed as grams per tonne, equivalent to parts per million.

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 generated internally. Conversion factors used are those recommended by the Intergovernmental Panel on

Climate Change. Gases include CO₂, CH₄, NO₂ (nitrogen dioxide), HFCs, PFCs, SF₆ and other CO₂ equivalents. (See 'GHG' above.)

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

ha: Hectares.

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 Company definition of HDSAs includes employees who are classified as African, Asian, Coloured or female.

HIV/Aids: Human immunodeficiency virus/acquired immune deficiency syndrome.

ICMM: International Council on Mining and Metals.

IDP: Individual 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.

IFC: International Finance Corporation.

ILO: International Labour Organisation. The specialised UN agency that seeks to promote social justice and internationally recognised human and labour rights. It was founded in 1919.

ISO: International Standard for Organisation. Published in 1996 by the International Organisation for 14001 Environmental Standardisation, it specifies the actual requirements for an environmental management system.

ISO 14000: An EMS standard published by the ISO (see 'EMS' above).

IUCN Red Data List: An inventory of the global conservation status of plant and animal species developed by the International Union for the Conservation of Nature and Natural Resources.

JSE: JSE Limited, the Johannesburg Stock Exchange.

JV: Joint venture. A contractual agreement between two or more parties for the purpose of executing a business undertaking. The parties agree to share in the profits and losses of the enterprise.

JWF: Joint Water Forum.

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

with Mervyn King as chair) to promote the highest standards of corporate governance in the country. Corporate governance in South Africa was institutionalised by the publication of the King Report on Corporate Governance in 1994, by the release of an updated version (King II) in 2002 and, more recently, by the release of King III in September 2009. The King Report features a Code of Corporate Practices and Conduct; and the JSE (see above) stipulates that all listed companies should apply this or explain why they have not done so. The Global Reporting Initiative (see entry above) is referenced in this code.

Kt: Kilotonne.

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 its direct management. It also excludes prospecting rights.

LED: Local economic development.

Level 1 incident: An unplanned or unwanted event that results in minor impact, defined as: lasting for a week or less; and/or affecting a small area (measured in metres); and/or impacting a receiving environment that is highly altered with no sensitive habitats; and/or occurring in an area with no biodiversity value (urban/industrial area). All Level 1 incidents should be classified and investigated to the appropriate level of detail to determine the root cause of the event and to prevent a repeat occurrence. They do not have to be reported to the authorities. Repeat or continuous Level 1 incidents must be escalated to Level 2 if the impact is not mitigated within the scheduled period of time appropriate to the severity of the impact.

Level 2 incident: An unplanned or unwanted event that results in low impact, defined as: lasting for weeks; and/or affecting a limited area (measured in hundreds of metres); and/or impacting a receiving environment that is altered with little natural habitat; and/or occurring in an area with low biodiversity value. All Level 2 incidents should be classified and investigated to the appropriate level of detail to determine the root cause of the event and to prevent a repeat occurrence. They do not have to be reported to the authorities. However, repeat or continuous Level 2 incidents must be escalated to Level 3 if the impact is not mitigated within the scheduled period of time appropriate to the severity of the impact.

Level 3 incident: An unplanned or unwanted event that results in medium impact, defined as: lasting for months; and/or affecting an extended area (measured in kilometres); and/or impacting a receiving environment that comprises largely natural habitat; and/or occurring in an area with moderate biodiversity value (determined using the Anglo American 'Guideline for preparing

biodiversity action plans'). All estimated Level 3 incidents should be classified and internally investigated to the appropriate level of detail to determine the root cause of the event and to prevent a repeat occurrence. Repeat or continuous Level 3 incidents must be escalated to Level 4 if the impact is not mitigated within the scheduled period of time appropriate to the severity of the impact. A Level 3 incident triggers specific reporting and investigative procedures. It is reported to senior Amplats management and to the authorities in terms of the National Water Act and the National Environmental Management Act.

Level 4 incident: This is termed a 'significant incident' and refers to an unplanned or unwanted event that results in major impact, defined as: having a long term and/or affecting the catchment on a sub-basin scale; and/or impacting a receiving environment that has a sensitive natural habitat; and/or occurring in an area with high biodiversity value (determined using the Anglo American 'Guideline for preparing biodiversity action plans'). All estimated Level 4 incidents will trigger a formal independent investigation as covered in Anglo American plc's 'Procedure for incident reporting and investigation', and will be subject to specific reporting and investigation protocols. Reporting to the authorities is done in terms of the National Water Act and the National Environmental Management Act.

Level 5 incident: This is termed a 'significant incident' and refers to an unplanned or unwanted event that results in major impact, defined as: having a permanent impact on the environment; and/or affecting a catchment area on a whole-basin scale; and/or impacting a receiving environment classified as having highly sensitive natural habitats; and/or occurring in an area with very high biodiversity value (determined using the Anglo American 'Guideline for preparing biodiversity action plans'). All estimated Level 5 incidents will trigger a formal independent investigation as covered in Anglo American plc's 'Procedure for incident reporting and investigation', and will be subject to the same reporting and investigation protocols. Reporting to the authorities is done in terms of the National Water Act and the National Environmental Management Act.

LPG: Liquid petroleum gas.

LRA: Labour Relations Act No 66 of 1995.

LTJ: Lost-time injury. Refers to an injury resulting in the injured person being unable to attend/return to work to perform the full duties of his/her regular work, as per the advice of a suitably qualified medical professional, on the next calendar day after the injury.

LTIFR: Lost-time injury-frequency rate. The number of lost-time injuries (see above) per 200,000 hours worked.

LWUA: Lebalelo Water Users' Association.

m3: Cubic metre(s).

mg/Nm3/hour: Milligrams per cubic metre per hour under normal conditions, where normal conditions are defined as a temperature of 20.0°C and a pressure of 1.01 bar.

Mineral Resources: See Integrated Annual Report 2014.

Mining area: The area for which a mining authorisation/right has been granted.

Mining Charter: The promulgation of the Mining Charter in 2004 was intended to bring the mining industry in line with South Africa's overall social and economic transformation. The charter went through a revision in 2010. It re-emphasised that 26% of South Africa's mining assets would have to be BEE (see above) compliant by 2014; provided for the complete elimination of hostel accommodation on the mines; and introduced a sustainable element, on the understanding that mines' social licence to operate would be linked to their environmental, health and safety performance. It also made provision for penalties for non-compliance. The Codes of Good Practice and The Housing and Living Conditions Standard for the South African Minerals Industry were gazetted in 2009.

ML: Megalitre (one million litres).

Moz: Million ounces.

MPRDA: Mineral and Petroleum Resources Development Act No 28 of 2002.

Mt: Million tonnes.

NWS: National Waste Strategy.

NEMA: National Environmental Management Act No 107 of 1998.

NEMWA: National Environmental Management: Waste Act No 59 of 2008.

NEMAQA: National Environmental Management: Air Quality Act No 39 of 2004.

NGO: Non-governmental organisation.

Ni: Nickel.

NIHL: Noise-induced hearing loss.

NRF: National Research Foundation.

North of the Pilanesberg: A term used to refer to Amplats' operations to the north of Rustenburg, i.e. Tumela Mine, Dishaba Mine, Union Mine and the Amandelbult Concentrators.

NOx emissions: Emissions of nitrogen oxides from diesel engines.

NUM: National Union of Mineworkers.

NUMSA: National Union of Metalworkers of South Africa.

OECD: Organisation for Economic Co-operation and Development.

OHSAS 18001: Occupational Health and Safety Assessment Series, which provides specifications for management systems for occupational health and safety.

Ore: Rock from which metal or minerals can be extracted at a financial profit.

Oz: 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: chlorofluorocarbons (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 hydrobromofluorocarbons.

PAEL: Provisional air emission licence.

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 named PM10. 'Small' particles are under 2.5 micrometres in size. They are named PM2.5 and cause more severe health effects. Amplats' data on particulates refers to the mass of particulates released to atmosphere from point sources during the reporting period.

PGMs: Platinum group metals. Six elemental metals of the platinum group, nearly always found in association with one another. Some texts refer to PGEs (platinum group elements). The metals are platinum, palladium, rhodium, ruthenium, iridium and osmium.

PJ: Petajoule (1015 joules).

Platinosis: An allergy-like reaction to exposure to soluble salts of platinum.

Precious metals: All PGMs and gold. See above for definition of PGMs.

Primary activities: Those activities in which the operation engages to produce its product(s), including dust suppression within the operational area.

Pt: Platinum.

Pt oz: Equivalent refined platinum ounce(s). Equivalent ounces are mined ounces expressed as refined ounces.

RBMR: Rustenburg Base Metals Refiners.

RFA: Rehabilitation and functional assessment.

S&SD Committee: Amplats' Safety & Sustainable Development Committee.

SANS: South African National Standards.

SAPS: South African Police Service.

Scope 1 and 2 emissions: Total CO₂ emissions from fossil fuels and electricity purchased.

SEAT: Anglo American Socio-Economic Assessment Toolkit.

Section 54 stoppage: Issued when a mining inspector orders a work stoppage after a death or other accident at a mine, or when the inspector is of the opinion that working conditions are not safe. Such stoppages are legislated by section 54 of the Mine Health and Safety Act.

SET: Social, Ethics & Transformation Committee.

SHE: Safety, health and the environment.

SIMP: Social-impact-mitigation plan.

SLPs: Social and labour plans. Stipulated in the MPRDA (see above), these plans aim to promote employment in South Africa and to advance the social and economic welfare of all South Africans, while ensuring economic growth and socio-economic development in the country.

SO₂ emissions: Mass of SO₂ released from point sources and fugitive emissions to atmosphere during the reporting period.

Tailings: That portion of the ore from which most of the valuable material has been removed by concentration, and which is therefore low in value and rejected.

TARP: Triggered Action Response Programme.

TB: Pulmonary tuberculosis refers to tuberculosis of the respiratory organs of individuals, which is confirmed by positive sputa microscopy or culture for mycobacterium tuberculosis.

Tonne: Unless otherwise defined, this refers to a metric tonne (1,000 kg).

Total water use for non-primary activities: Total new or make-up water entering the operation and used for non-primary activities such as recreational facilities.

tpm: Tonnes per month.

TRCFR (total recordable case frequency rate): The sum of the number of medical treatment cases plus lost-time injuries plus fatal injuries per 200,000 hours worked.

TRIR (total recordable injury rate):

UASA: United Association of South Africa, a trade union.

UNG: The United Nations Global Compact is a 'strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, the environment and anti-corruption'.

Unprotected strike: The partial or complete concerted refusal to work, or the retardation or obstruction of work, by persons who are or have been employed by the same employer or by different employers, for the purpose of remedying a grievance or resolving a dispute in respect of any matter of mutual interest between employer and employee. In this definition every mention of 'work' includes overtime work, whether voluntary or compulsory.

VCT: Voluntary counselling and testing, a programme aimed at encouraging individuals to establish their HIV status.

Visible felt leadership: Process in which management regularly visits all workplaces/operations in an organisation, and engages with employees and contractors to address safety issues.

VPSHR: The Voluntary Principles on Security and Human Rights.

VSP: Voluntary severance package.

Water used for primary activities: Total new or make-up water entering an operation and used for the operation's primary activities. This definition includes mine dewatering water used for primary activities, but excludes internally recycled water and mine dewatering water discharged to surface or evaporated and not used for any primary activities.

CONTACT INFORMATION

SUSTAINABLE DEVELOPMENT AND REPORTING

Irene Caddy

irene.caddy@angloamerican.com

Telephone +27 (11) 373 6236

INVESTOR RELATIONS

Emma Chapman

emma.chapman@angloamerican.com

Telephone +27 (11) 373 6683

FRAUD LINE – SPEAKUP

Anonymous whistle-blower facility

0800 230 570 (South Africa)

angloplat@anglospeakup.com

SUSTAINABLE DEVELOPMENT REPORT FEEDBACK FORM 2014

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 Irene Caddy, sustainable development manager +27 (11) 373 6236, or PO Box 62179, Marshalltown 2107; or fill in your comments online at www.angloamericanplatinum.com.

Anglo American Platinum Limited

Incorporated in the Republic of South Africa

Date of incorporation: 13 July 1946

Registration number: 1946/022452/06

JSE code: AMS • ISIN: ZAE000013181

www.angloamericanplatinum.com

A member of the Anglo American plc Group

www.angloamerican.com



Find us on Facebook



Follow us on Twitter