



SUSTAINABLE DEVELOPMENT REPORT 2015

DRIVING CHANGE, DEFINING OUR FUTURE



ANGLO AMERICAN PLATINUM LIMITED

DRIVING CHANGE, DEFINING OUR FUTURE

The mining sector is facing considerable external challenges. The theme of our 2015 reporting suite: 'Driving change, defining our future' highlights how, despite the difficult external economic and social environment we face, we will continue to proactively develop our business's response in order to shape our own future.

The global mining industry is undergoing a fundamental transformation as a result of depressed commodity prices. We want and are determined to be at the forefront of that transformation.

We continue to shift our focus from a volume-driven to a value-driven strategy to deliver a sustainable, competitive and profitable business. In practice this means that, as a company, we are focused on improving cash flow and earnings by improving our margins. The reduction of operating costs and maximisation of sales underpins our focus on margins. We believe that through repositioning the business to align baseline production with long-term demand, focusing capital efficiently on a high-quality portfolio of assets, and maintaining flexibility for long-term growth options, we are indeed operating in a smarter way.

As we shape our future, we recognise the need to continually develop relationships with our stakeholders that will support our business.

We believe that by collaborating and building partnerships with our stakeholders that lead to mutual benefit, we create sustainable value for all.

LIVING OUR VALUES

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 actions

INTEGRITY

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

ACCOUNTABILITY

Individual accountability drives team and business accountability

COLLABORATION

We align and collaborate across functions to ensure collective high performance

INNOVATION

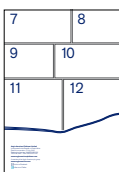
Innovation is key to our future and is a central part of our drive for sustainability

Sustainable development report



Front cover images

- 1 ESTC training – electrical – advanced training section – Shawn Selborne, Baby Ngwenya, Daniel Mahuma (training officer – electrical), Roderick Cloete, Johannes Marx and Hermanus Visagie.
- 2 Student, Alinah Malebo, studies by electric light in Naledi Trust Village which is powered by the fuel cell installation.
- 3 Mogalakwena business incubator, agricultural projects – Groenfontein Farm.



Back cover images

- 7 Mogalakwena Groenfontein training initiative, a partnership with local residents from surrounding villages: permaculture training at Mogalakwena Groenfontein training centre – practical in the field.
- 8 Mogalakwena business incubator, agricultural projects – Chairman Valli Moosa's visit to a successful community farm project.
- 9 Anglo American research labs – Siphon Hlatshwayo is a lab assistant in one of the wet test labs at AARL.
- 10 Waterval smelter – ACP – safety – employees showing work done on the separation of vehicles from pedestrians.

- 4 Environmental auditing at Mogalakwena North – taking photographs from fixed positions for environmental comparisons – Riaan van Zyl (water officer) and Calvin Shibusi (environmental assistant).
- 5 Tailings grass planting trials – results of planting different grass species for dust suppression being inspected at Paardekraal tailings dam – Alfred Khumalo (process leader) and Piet Botha (plant manager/projects).
- 6 Naledi Trust Village fuel cell installation, with the village that the power is supplied to in the background.

- 11 Rougher cells section of Mogalakwena North Concentrator – from left to right: Malesela Kutumela, Rhudzani Nepfumbada and Raesetja Teffo.

- 12 ESTC training – electrical – advanced training section – Shawn Selborne, Baby Ngwenya, Daniel Mahuma (training officer – electrical), Roderick Cloete, Johannes Marx and Hermanus Visagie.

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IBC	Administration



Other sources of information

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

 www.angloamericanplatinum.com

WORLD'S LEADING PRIMARY PRODUCER OF PGMs

Amplats is the world's leading primary producer of platinum group metals (PGMs), extracting some 37% of new platinum globally each year. We mine metals that make modern life possible in safe, smart and responsible ways. Amplats is listed on JSE Limited and headquartered in Johannesburg, South Africa. Our majority shareholder is Anglo American plc (79.9%).

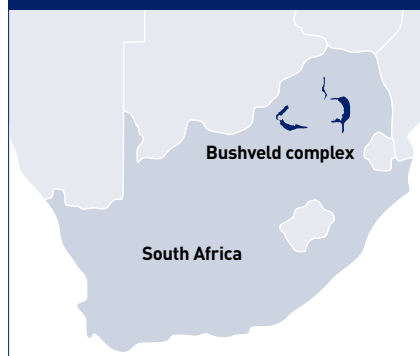
We own and operate four mining complexes in the Bushveld complex: Mogalakwena, Amandelbult, Rustenburg and Union mines. We are currently pursuing growth opportunities at Der Brochen, Boikgantsho and Sheba's Ridge projects. We also operate the Unki Platinum Mine on the Great Dyke in Zimbabwe. We have a number of joint ventures (JVs) in which we hold significant interests:

- Bafokeng-Rasimone Platinum Mine (BRPM) (33%) and the Styldrift project with Royal Bafokeng Platinum
- The Mototolo Platinum Mine (50%), in a partnership with the Glencore Kagiso Tiso Platinum Partnership
- Modikwa Platinum Mine (50%), with African Rainbow Minerals Mining Consortium Limited
- A pooling and sharing agreement with Aquarius Platinum (South Africa), covering the shallow reserves of the Kroondal and Marikana mines that are contiguous with our Rustenburg mines
- Bokoni Platinum Mine (49%), with Atlatsa Resources
- A 42.5% interest in the Pandora JV, with Eastern Platinum Limited (a subsidiary of Lonmin plc) and its partner, the Bapo-Ba-Mogale traditional community, and Northam Platinum.

Our smelting and refining operations are wholly owned through Rustenburg Platinum Mines Limited, treating concentrates from JVs and third parties, as well as our wholly owned operations.

Given the industry headwinds, the Amplats board on 4 February 2016, approved the commencement of the process of placing Twickenham project on care and maintenance.

SOUTH AFRICA: BUSHVELD COMPLEX



ZIMBABWE



In 2015, Amplats announced that Rustenburg Platinum Mines Limited (RPM) entered into a sale and purchase agreement with Sibanye Gold Limited. The transaction is subject to various approvals and is expected to become unconditional during 2016 with a back-stop date of 30 June 2017.

ABOUT THIS REPORT

This 2015 sustainable development report provides 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. This sustainable development report should be read in conjunction with the 2015 integrated report, which is available for viewing or downloading from the company's website at

www.angloamericanplatinum.com/investors/annual-reporting/2015

The report aims to inform a broad range of stakeholders as to the activities in the company over the past year and of its progress against sustainability-related goals so they can make informed assessments of the value Amplats creates in society and of the company's long-term sustainability.

With regard to comparatives, readers should note that during 2014 the company experienced a five-month strike at about 60% of its operations. Year-on-year comparisons need to be considered with this in mind.

OUR BUSINESS AT A GLANCE

Our vision

Our vision is to be a global leader in platinum group metals (PGMs), from resource to market, as we work towards a better future for all.

Our mission

Our mission is to:

- reposition our assets into a value-optimising portfolio
- develop the market for PGMs
- deliver the full potential of our operations through our people in a value-driven and socially acceptable way.

For more information on our reporting, see the section 'Our approach to reporting'.

We welcome your feedback on this report.

Please address your queries or comments to Matthew Chadwick +27 11 373 6495 or Matthew.chadwick@angloamerican.com.

ANGLO AMERICAN PLATINUM OPERATIONS LOCALITY MAP



- 1 **PANDORA MINE** – NORTH WEST*
- 2 **RUSTENBURG COMPLEX***
 - THEMELANI MINE – NORTH WEST
 - BATHOPELE MINE – NORTH WEST
 - SIPHUMELELE MINE – NORTH WEST
- 3 **KROONDAL MINE** – NORTH WEST
- 4 **BRPM MINE** – NORTH WEST
- 5 **UNION MINE** – LIMPOPO*
- 6 **AMANDELBULT COMPLEX** – LIMPOPO
 - TUMELA MINE – LIMPOPO
 - DISHABA MINE – LIMPOPO
- 7 **MOGALAKWENA MINE** – LIMPOPO
- 8 **BOKONI MINE** – LIMPOPO*
- 9 **TWICKENHAM PROJECT** – LIMPOPO
- 10 **MODIKWA MINE** – LIMPOPO
- 11 **MOTOTOLO MINE** – MPUMALANGA
- 12 **DE BROCHEN** – MPUMALANGA
- 13 **UNKI MINE** – ZIMBABWE
- A **WATERVAL SMELTER** – NORTH WEST
BASE METAL REFINERY – NORTH WEST
PRECIOUS METAL REFINERY – NORTH WEST
- B **MORTIMER SMELTER** – NORTH WEST
- C **POLOKWANE SMELTER** – POLOKWANE

* Exiting operations as announced in 2014.

Map key

- Bushveld Complex
- Operation (100% owned)
- Operation (JV)
- Process (100% owned)
- Project (100% owned)
- Project (JV)
- Provincial boundaries

Integrated report.
www.angloamericanplatinum.com

KEY SUSTAINABILITY INDICATORS

Environmental, social and governance (ESG)

2
fatalities

0.98 per
200,000 hours
lost-time injury
frequency rate

45,520
employees
(as at 31 December)

62%
HDSAs in management

18.0 kt
sulfur dioxide emissions

5.878 kt
GHG emissions,
CO₂ equivalents

29.570 Mm³
water used for primary
activities

25.178 GJm
energy used

Zero
number of level 3,
4 and 5 environmental incidents

1
Number of level 4 social incidents

Zero
Number of level 5 social incidents

21
Number of level 3 social incidents

R547 million*
corporate social
investment

* Including Unki Mine.

For more information see pages 70 to 75

WHO WE ARE AND WHAT WE DO

OUR BUSINESS MODEL

CAPITAL INPUTS

The five capitals are interrelated with our strategic priorities and fundamental to the long-term sustainability of our business.

FINANCIAL CAPITAL

Commercial excellence: Executing our marketing and commercial strategy to maximise value from our basket of metals, improve forecasts for demand and pursue effective market development initiatives.

Total value distributed directly by Amplats

R14.5 billion

HUMAN AND INTELLECTUAL CAPITAL

People excellence: Investing in people and skills in support of achieving our strategy.

Collective knowledge and research enables the company to reach its strategic goals

7.95

appropriately qualified and trained employees

4.3%

of total payroll spent on training and development in 2015 (2014: 4.9%)

NATURAL CAPITAL

Social and environmental excellence: Preventing harm to employees, community and environment; making a positive contribution during operation; and leaving a positive legacy after closure.

Mineral resources, surface land, water and energy are critical components in sustaining the business

205.3 Moz 4E and 913.6 Moz 4E

ore reserves and ore resources

MANUFACTURED CAPITAL

Mining and processing excellence: Creating and extracting maximum value from assets, safely. Achieving industry-leading productivity and cost performance targets; delivering to plan.

Project excellence: Ensuring efficient investment and the effective execution of value-accretive projects, on time and within budget.

Investing in engineering and technical solutions to reduce risk and increase efficiency

Management systems to manage hazards and risk

Capital expenditure of

R4.7 billion (2014: R6.3 billion)

SOCIAL CAPITAL

Sustainability excellence: Creating sustainable value for all stakeholders – a sustainable business, sustainable communities and sustainable environments.

Society needs PGMs for various industrial, environmental and jewellery applications.

Society ultimately gives the company its licence to operate

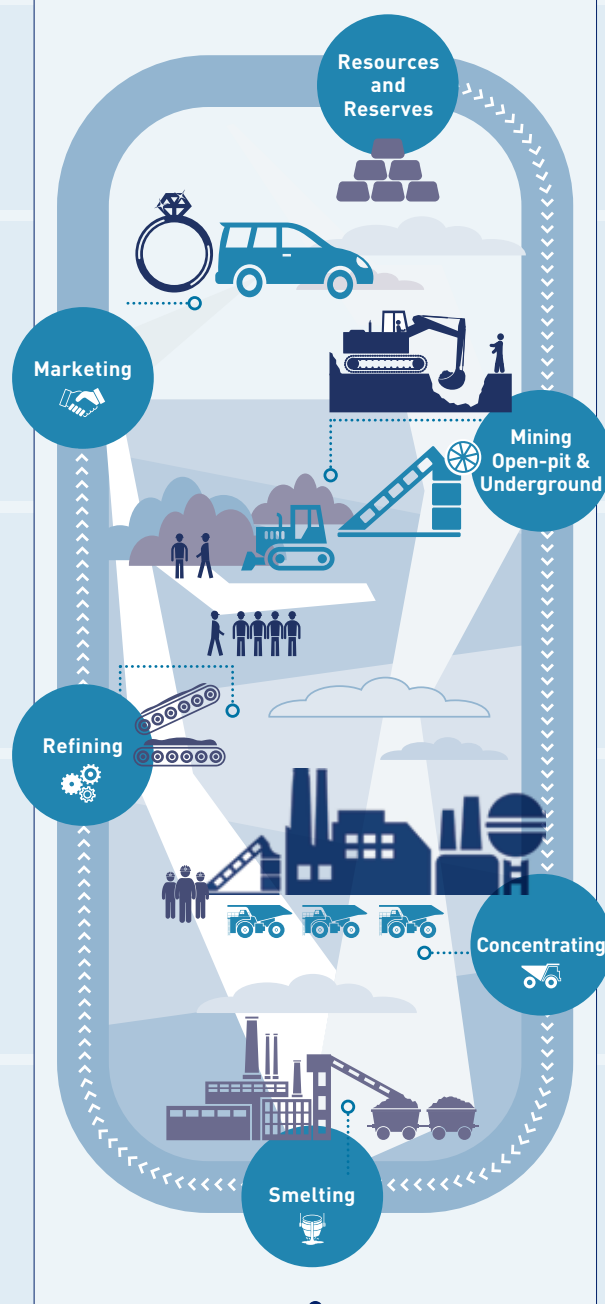
Community development spend

R547 million* (2014: R236 million)

* Including Unki Mine.

OUR OPERATING PROCESS

For more information on our operating process see pages 18 and 19 in the integrated report



OUR MATERIAL ISSUES

1 Understanding and navigating the macro-economic environment

2 Positioning the business for the future

3 Protecting the safety and health of our people and impacted communities

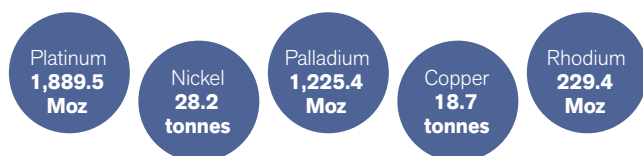
OUTPUTS

R12,3 billion
to salaries, wages and other benefits, net of tax
R3,7 billion
to taxation
R1,2 billion
to providers of capital
Rnil
to shareholders

Two fatalities
0.98 LTIFR (2014: 0.69)
36 new cases of noise-induced hearing loss (2014: 34)
Proof of concept of alternate ore-sorting technology (to improve recovery efficiency) being progressed
Successful deployment of technology to eliminate collisions between locomotives in underground mining

Energy consumption down 7.2%
to 25.18 gigajoules
Water consumption down 15.9%
to 33.192 million m³
Waste to landfill down 19.3%
to 18.86 kilotonnes

Total refined production



OUTCOMES

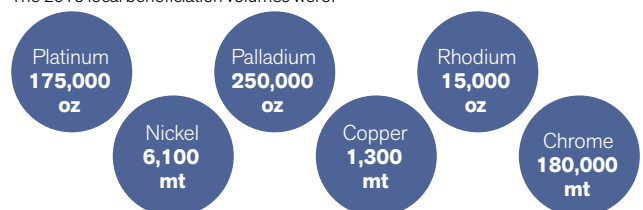
Total value distributed directly by Amplats
R14.5 billion

Turnover rate (all other roles) of **3.94%** (**1,776**) excluding VSP (2014: 3.2%)
Average attrition rate for critical and scarce roles of **6.47%** (7.98% in 2014) excluding VSPs
To date **3,156** employees have individual development charter based on identified needs (2014: 20,998). There is a significant decline in numbers because in previous reports, competitive numbers were used; in 2015 two shafts were closed; and a number of employees left the company as a result of restructuring (VSPs)
Progress in technology development to enhance mechanisation

CO₂ emissions down 7.3%
SO₂ emissions up 16.47%
205.3 Moz 4E ore reserves and
913.6 Moz 4E ore resources

Beneficiated

The 2015 local beneficiation volumes were:



Identified sustainability indicators

Public healthcare **for the reporting period, a total of 18,151 primary care consultations were offered, an average of 1,513 per month**
Education (**bursaries and graduate in-training programmes for 387 people**)
Adult basic education and training (ABET) **provided to 975 employees, 71 contractors and 432 community members**
Nkululeko financial wellness programme **44% of indebted employees were enrolled by the end of 2015 against the target of 30%**

4 Addressing stakeholder expectations and maximising community benefits

5 Being a responsible steward of our natural resources

6 Supporting government through cooperation and compliance with legislation, voluntary codes and social compacts

OUR MATERIAL ISSUES

OUR APPROACH TO REPORTING

This report provides a review of our sustainable development performance for the 2015 financial year. We focus on issues that affect the long-term success of our business, and the benefits and 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 issues and focus areas is described here.

This report covers the activities and performance of all operations managed by Amplats, as well as 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 on sustainable development performance, for consideration by the safety and 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 74. There have not been any material changes from previous reporting periods in the scope, boundary or measurement methods applied in this report.

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.

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 provider, PwC. The scope of the assurance, the selected performance information and the independent statement of assurance are on pages 72 and 73.

For additional information on the company's business strategy, performance and outlook as well as its governance and remuneration practices, refer to our 2015 integrated report available online at www.angloamericanplatinum.com.

DETERMINING MATERIALITY

In line with good reporting practice, the content of our integrated and sustainable development reports is based on a materiality assessment – determining what matters is sufficiently material to a company, or any of its key stakeholders, to warrant consideration and explanation. An effective process includes both an internal and external review.

- **Internal materiality** – an assessment of matters that directly affect the operations of a business, as discussed at board, committee and operational management level. An internal materiality review requires analysis of internal documentation covering matters raised at executive level and above.

Amplats engaged a third party to assist with this process. Minuted executive discussions were analysed to identify the most material issues identified and/or addressed during the reporting period. Whether impacting on input costs, material supply, customer demand, productive capacity, worker health, safety and retention, or direct environmental impact, internal material issues tend to be well known by the company through stakeholder engagement, guidance from consultants and advisers, or structured management strategy processes. This analysis supplemented the assessment of outcomes of the risk or audit committee process for risk identification and prioritisation, and adapted a materiality process to identify trends, business opportunities and emerging societal trends.

- **External materiality** – assessing issues that may not currently be affecting the company but could pose a future risk. This involves looking at the company, industry, product, labour market and reputation and assesses the broader context in which the company functions. It also includes a form of early warning mechanism for future issues and their resolution. The same third party also undertook an assessment of the external issues impacting the mining sector. They analysed media articles, research materials, industry benchmarking studies and economic outlook reports to identify gaps between what Amplats already considers in its materiality determination processes and what external trends are suggesting needs to be considered.

The list of proposed material issues was then presented to the executive team and board for debate. Once agreed, a multidisciplinary workshop refined the content and ranked the issues by potential impact and our ability to influence and manage these, forming the basis for our reporting.

Our material issues in 2015 were:

UNDERSTANDING AND NAVIGATING THE MACRO-ECONOMIC ENVIRONMENT

We strive to create and maintain a sustainable business, one that is agile and adaptable, responding to our challenging business context while shaping a more sustainable future.

POSITIONING THE BUSINESS FOR THE FUTURE

Within the current macro-economic environment, repositioning and optimising our asset portfolio is critical to delivering on our strategy to create value.

PROTECTING THE SAFETY AND HEALTH OF OUR PEOPLE AND IMPACTED COMMUNITIES

We remain committed to our goal of zero harm. Our main priority is to prevent loss of life, injuries and illness by creating safe and healthy work environments. Ensuring a safe and healthy workforce also has positive implications for productivity and efficiency and helps us to maintain our social licence to operate.

ADDRESSING STAKEHOLDER EXPECTATIONS AND MAXIMISING COMMUNITY BENEFITS

We are committed to working with our stakeholders to understand their legitimate needs and concerns and to integrate these into our business to create an organisation that can generate sustainable, shared value. This is, however, no small task. It requires us to stay abreast of the constantly changing landscape of relationships that constitutes our diverse group of stakeholders.

BEING A RESPONSIBLE STEWARD OF OUR NATURAL RESOURCES

We believe that, as a business, we have a legal and social responsibility to minimise our impact on the environment. We reduce our environmental footprint through research, planning and responsible

environmental management at every stage of our operational life cycle, from exploration to beyond closure. We aim to ensure that we leave a positive legacy when our mines conclude their operational lives.

SUPPORTING GOVERNMENT THROUGH COOPERATION AND COMPLIANCE WITH LEGISLATION, VOLUNTARY CODES AND SOCIAL COMPACTS

We strive to shape our legislative environment through participation and partnership with relevant bodies. We strive to meet our social, environmental and other licensing obligations and to pursue best practice in all spheres of our business.

MATERIAL ISSUE		WHERE THIS IS DISCUSSED	Primarily discussed in the integrated report
1	Understanding and navigating the macro-economic environment	This is primarily covered in the integrated report on pages 24 to 27 and in the CEO's review on pages 34 to 37. However, elements are covered in the sustainable development report, both in the contextual introduction and within the various material issues.	
2	Positioning the business for the future	This section is primarily covered in the integrated report on pages 20 and 21. However, elements are covered in the sustainable development report, both in the contextual introduction, the CEO's review and within the various material issues.	Primarily discussed in the sustainable development report
3	Protecting the safety and health of our people and impacted communities	This is detailed in the sustainable development report on pages 24 to 31 and in the CEO's review on pages 34 to 37, and covers employees and community health and safety.	
4	Addressing stakeholder expectations and maximising community benefit	This is detailed in the sustainable development report on pages 32 to 47 and covers employees, communities and governments.	
5	Being a responsible steward of our natural resources	This is detailed in the sustainable development report on pages 48 to 59 and covers water, power, air, land and waste.	
6	Supporting government through cooperation and compliance with legislation, voluntary codes and social compacts	These are covered under each material issue in the sustainable development report on pages 60 to 63. Mining charter compliance is addressed separately under this.	

LEADERSHIP PERSPECTIVES

CHIEF EXECUTIVE OFFICER'S STATEMENT



Over the last 12 months, the global mining industry has found itself under extraordinary financial pressure. The demand for all major commodities has slowed and prices have declined. While the price of platinum and other platinum group metals (PGMs) has not recovered to pre-financial crisis levels, input costs have continued to rise above consumer price index (CPI). Many who have been involved in the mining industry for several years, including myself, see this pressure as unprecedented. While we expect the coming year to remain challenging, I remain positive about our industry and Amplats in particular, because of the changes we have put in place. We continue to assess, evaluate and respond to the external conditions. We have had a number of successes this year, which, coupled with various initiatives to accelerate the delivery of our business commitments and rightsize the organisation, will ensure a sustainable future. We will continue to drive our zero-harm safety culture, and control both our operating costs and overheads, while modernising our business.

SHAPING OUR FUTURE

Surviving and thriving in this challenging operating environment requires above all else to be adaptable, to take on a different form more suited to the new environment in which we find ourselves. Our vision remains to be the global leader in PGMs, from resource to market, for a better future for all. In pursuing this goal, we seek to:

- Reposition our assets into a value-optimising portfolio
- Develop the market for PGMs
- Deliver the full potential from our operations through our people in a values-driven and socially acceptable way.

Over the last three years, we have been restructuring our portfolio by reducing loss-making ounces. In December 2015, our principal shareholder Anglo American announced further radical and aggressive portfolio restructuring across the organisation in 2016. In line with this, we will continue to look at the structure of our business, at how to further reposition our portfolio and adapt.

CONTINUED FOCUS ON IMPROVING RELATIONSHIPS

In last year's report, I referred to our efforts to manage stakeholder relations in the face of the strike. Those events and periods of community tensions in 2015 have reminded us of the need to manage and build relationships, if we are to maintain the trust and acceptance of our stakeholders. This is no easy feat, it takes time to achieve and yet is easily lost. It requires us to understand the changing dynamics and drivers and continually strive to improve our interactions with stakeholders and ensure we provide them with information. Yet this is crucial, our viability as a business is influenced by, and depends on us understanding our stakeholders' needs and concerns.

Following the 2014 strike, we initiated a process of organisational cultural transformation, changing our relationships with employees from a state of tshenyego (Tswana for hurt) to tshiamo (bridge to wellness) to ensure an engaged and productive workforce. A number of long-term interventions have been implemented, including ongoing communications and measurements to embed all aspects of our cultural transformation, making it an intrinsic part of how we do business and who we are as an organisation. Our approach also focuses on building relationships with union leadership and jointly driving visible-felt leadership programmes.

Our continued repositioning to create a sustainable, profitable and socially acceptable company. The repositioning is impacting employees and jobs. Throughout this process we have sought to engage our employees and unions on an ongoing, regular and open basis so that employees can make informed decisions about their future.

In 2016, we remain committed to ensuring job losses are mitigated where possible, and that restructuring is carried out in an inclusive way that minimises uncertainty, anxiety and harm to employees and communities.

PROVIDING A SAFE, HEALTHY WORKING ENVIRONMENT

We aim to achieve zero harm at our operations and continue to focus on our goal of eliminating all injuries to sustain continued improvements in our safety performance. Tragically, two Amplats employees were fatally injured in work-related incidents in the first half of 2015. Mr Michael Malesa lost his life when he was struck by a utility vehicle underground at Twickenham project on 26 January 2015 and Mr Joseph Khesa sustained fatal injuries in a fall of ground at Thembelani Mine on 12 May 2015. Our sincere condolences go to their families.

Post May 2015, we had the best fatality-free performance in the history of Amplats with no further fatalities recorded for 2015.

As we continue to pursue our goal of modernisation of our mines, there will be significant safety and health benefits by removing our employees from high-risk areas and exposure to harmful substances and noise.

The journey to zero harm includes achieving a target of zero tuberculosis-related (TB) deaths. We have aggressively focused on improving our disease awareness and prevention programmes. We have seen a significant increase in employee participation in our disease management programme in 2015, resulting in a 33% uptake in antiretroviral treatment. With respect to TB, the focus included among others, active case finding among all employees and the roll-out of INH prophylaxis to over 2,000 employees. There has been a reduction in new and retreatment TB cases accompanied by a 47% reduction in TB deaths. We have implemented support mechanisms, and increased our TB prevention efforts through various awareness and social campaigns, underpinned by active management of cases.

BRIDGING THE SKILL GAP

Another implication of the increasing modernisation of the mining industry is the need for skilled employees. As we shift to more mechanised mining, our operating and training departments are working together to understand the skills our workforce will need. To support this, we are aligning our processes for recruitment, training, development and remuneration. The transition to modernisation is being managed in collaboration with employees, labour unions and government so that we work together to grow our skill base.

Expenditure on training and development was 4.3% of total payroll in 2015 (2014: 4.9%), while on average each employee received 81 hours of training (2014: 88 hours).

DELIVERING TO COMMUNITIES

As the general community unrest of the past year has demonstrated, we have work to do to build stronger relationships with our communities, deliver real and lasting benefits to them and demonstrate that we are mitigating the impact on their lives as a result of our operations.

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 often represent a centre of socio-economic activity and an important source of welfare, thereby raising expectations of the company. We strive to meet the needs and address the legitimate concerns of our communities, including local economic development and jobs; promotion of education and health; infrastructure development; access to water; and land access rights and environmental protection.

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. During 2015, Amplats spent R547 million* (2014: R236 million) on community development in South Africa. This amount was significantly higher than previous years as the company sought to catch up on SLP. The spend amount going forward will decline to the norm as this catch-up has been achieved. This exceeded the mining charter's 1% pre-tax target. In Zimbabwe, we invested R1.25 million in community projects (2014: R8 million). The decline is related to a comprehensive review of the operations' operating expenses where all spend was affected.

Alchemy, our R3.5 billion broad-based black economic empowerment (BBBEE) ownership transaction benefiting mine host communities, has received international recognition as a community engagement and development initiative and, once fully operational, it is expected to reach more than one million beneficiaries. The project is assisting beneficiary communities to develop into self-sustainable entities for a life far beyond the life of mines, enjoying meaningful economic benefits from the onset. In October, we launched the Bohwa Bja Rena Developmental Trust to benefit the communities around the Twickenham project. The trust will be responsible for promoting sustainable community development in areas around the Twickenham project, and for participating in cooperative and integrated development in a wider benefit area. In 2016 we will complete the establishment of our remaining trusts at Mogalakwena.

We rely on good relations with our stakeholders, especially our host communities. Unfortunately at Mogalakwena mine in early September those relations were disrupted, leading to social unrest and production disruption (refer to the case study Mogalakwena – Forging a way forward on page 38).

We are working on achieving our goal of building trusting relationships with our communities and we continue to focus on promoting meaningful dialogue as the most valuable tool to bridge the gap between where we are and where we want to be.

MANAGING OUR ENVIRONMENTAL IMPACTS

We are committed to being a responsible steward of our natural resources by managing our impacts and use of water, energy, air and waste, as well as being legally compliant and engaging with regulators. We are reducing our water and energy use while the intent to cut the

amount of waste to landfill. As a result of the initiatives we have been further implementing in 2015, we have seen a reduced water consumption of 15.9% against our target of 39.449 Mm³ and a reduced energy consumption of 7.2% against our energy consumption target of 27.13 million GJ. The overall waste to landfill target was exceeded by 19%. The main reasons for exceeding the waste to landfill target relate to challenges with respect to contractor management, lack of sufficient infrastructure and access requirements that resulted in delays and related build-up of waste. More attention will be given to these aspects to ensure effective sorting and recycling going forward. This is because the focus was on treatment on site, specifically through bioremediation and reuse of items, ie oil drums.

GOING FORWARD

We continue to focus on ensuring the sustainability of the organisation in the context of current price levels and under the current macro-economic environment, reducing costs, improving efficiencies, reducing capital, while seeking to deliver value to our diverse stakeholder groups.

Our continued pursuit of modernisation will remain a focus going forward, prioritising skills development and training to equip our workforce to meet the changing needs of the industry.

Through our marketing strategy, we actively promote demand for the metals we produce and are responsive to market changes. Together with various partners, we invest in a portfolio of activities that drive PGM demand in the longer term. Considering the success of our fuel cell initiatives to date, the continued development and commercialisation of fuel cells will be a major focus. Through our beneficiation initiative, the PGM investment programme, we continue to invest in new technologies that use or enable the use of PGMs in products or processes, many of which address environmental issues such as pollution control and clean energy.

We expect the operating context to remain challenging in the year ahead but believe we are well positioned to continue driving our business successfully into the future.

APPRECIATION

We are committed to ensuring Amplats remains a sustainable business. To do so, we need the support of our stakeholders. I would like to thank our employees for their hard work and continued efforts throughout a very difficult year. I also thank our board for their guidance, as well as our partners, shareholders, contractors and suppliers for their substantial contributions in supporting our efforts to create sustained value.



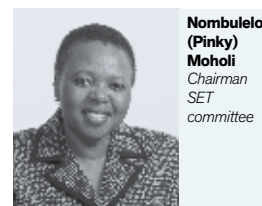
Chris Griffith
Chief executive officer

Johannesburg
4 February 2016

* Including Unki Mine.

LEADERSHIP PERSPECTIVES continued

STATEMENT FROM THE CHAIRPERSON OF THE SOCIAL, ETHICS AND TRANSFORMATION (SET) COMMITTEE



DEAR SHAREHOLDER

I am pleased to present the social, ethics and transformation (SET) committee report for the year ended 31 December 2015.

INTRODUCTION

The committee is constituted in terms of the requirements of section 72(8) of the Companies Act 71 2008 (the Act), and its associated regulations.

As a committee of the board, it assists the board in discharging its duties and makes recommendations to the board on social and economic development, good corporate citizenship, environment, health and public safety, consumer relationships, as applicable, and labour and employment issues. The committee also draws relevant matters to the attention of the board and reports to shareholders at the AGM.

COMPOSITION

The composition of the committee is in line with regulation 43(4) of the Act, and comprises a mix of independent non-executive and executive directors. These include the executive head: human resources (HR) and adviser to the CEO of Anglo American plc. Members in 2015 were: Nombulelo Moholi (chairman), Richard Dunne, Dorian Emmett, Andile Sangqu, Lorato Mogaki and Valli Moosa.

Invitees include Chris Griffith (chief executive), Seara Mkhabela (executive head: corporate affairs), Rahab Serepong (head: HR development and transformation), Tshepo Legodi (legal counsel) and Elizna Viljoen (company secretary).

MEETINGS

The committee held four meetings during the year, with attendance shown on page 73 of the integrated report.

2015 IN OVERVIEW

The committee has executed its duties and responsibilities for the financial year in line with its terms of reference for monitoring activities in social and economic development, good corporate citizenship, environment, health and public safety, consumer relationships, and labour and employment.

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
 - OECD recommendations on corruption
 - Employment Equity Act 55 1998, as amended
 - Broad-based Economic Empowerment Act 53 2003
- Received reports from the safety and sustainable development (S&SD) committee to gain assurance on progress towards achieving board-approved objectives
- Received progress reports on project Alchemy (establishing a broad-based transaction for economic community empowerment and ownership)
- Assured the board on the integrity of the company's annual sustainable development report and provided recommendations on material issues arising from the materiality assessment the board should consider to maintain the integrity of this report
- Reviewed the community strategy, key performance indicators and objectives and agreed the annual community investment budget

- Periodically reviewed performance against these key indicators
- Reviewed all community investment strategic sponsorships, donations and charitable contributions
- Monitored infringements of the company's corruption and business integrity policy to ensure robust controls remained in force
- Reviewed the company's ethical policies and processes, and considered their effectiveness
- Monitored the company's activities in terms of labour and employment
- Monitored the correct balance between transformation activities, ensuring adequate skills and maintaining stability in the company
- Monitored company performance against the requirements of the mining charter
- Attended the combined S&SD site visits.

MAIN INITIATIVES UNDERTAKEN DURING THE YEAR Organisational culture transformation (OCT)

Following the implementation of our restructuring process amid continuous economic challenges, we decided to continue embedding OCT through the focus areas of leadership, engagement and values for the retained business. A separate customised plan will be developed for the Rustenburg operations.

A high-level overview on progress in 2015 indicates a thorough awareness and understanding of OCT among our leadership, good awareness and understanding among senior management and some awareness on lower levels. Renewed focus in 2016 will ensure that all employees are taken along on this culture journey.

Project Alchemy

The committee received progress reports on project implementation and was pleased to note that the Zenzele Itereleng NPC and the two local development trusts (Amandelbult and Rustenburg), were recognised as public benefit organisations by SARS on 19 August 2015. The structures were active and progressing steadily with foundation deliverables. The Twickenham Development Trust was established in October 2015 and we expect that the final trust at Mogalakwena will be established in the first quarter of 2016.

The Amandelbult Trust is setting up structures and frameworks, pioneering community trustee selections. Service providers have been secured to lead and manage the selection process. Rustenburg is currently drafting a detailed scope and action plan; reviewing a proposed community trustee selection service level agreement and mobilising and briefing stakeholders.

Project identification and implementation is progressing well and 70% of funds received to date have been approved to be spent on projects. Of the R69 million in approved funds, R22 million was disbursed by end-2015. Project execution is a key priority, but delivery is constrained due to the need to enable appropriate capacity in the trusts, given the complexity of community project execution. This will remain a focus area in 2016.

Following the selection and appointment of community trustees, the foundation phase of the Alchemy trusts was completed.

Nkululeko financial wellness programme

The Nkululeko programme was implemented in the latter part of 2014. To date, more than 44% (5,665) of our targeted population of 13,500 employees have benefited from the programme. Of employees who have requested assistance, 46% were now spending less than 50% of their net income on debt commitments, while at the start of the programme the average spend was 53%. The programme continues to empower employees via training initiatives focused on assisting those employees who were still in a healthy financial state and those who may revert to a position of overindebtedness.

Employment equity post restructuring

The restructuring of the company affected the representation of designated groups, specifically in the project and technical functions.

Management had made commitments in terms of development and succession plans to address the impact in these two functions.

Post restructuring, the total impact on employment equity (representation of designated groups) was:


- Senior management: representation increased from 44% to 46%
- Middle management: representation decreased from 68% to 62%
- Junior management: representation decreased from 88% to 70%.

Review of the Farlam Commission report

The committee reviewed the findings of the Farlam Commission on disruptive events in the workplace and communities living close to our operations in 2012. The committee considered the recommendations of this report as they related to the practices of the company.

CROSS-REFERENCING TABLE

As some of the committee's responsibilities and deliberations overlap with those of other committees, detailed policy and performance information are included in other sections of the integrated and sustainable development reports.

 The table below shows items cross-referenced in either the integrated or sustainable development reports (both available on www.angloamericanplatinum.com), highlighting the SET monitoring committee's role in contributing to these responsibilities.

SET committee priorities	Activities monitored by the committee	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 page 46
	• Labour	SD pages 24 to 31, and page 34
	• Environment	IR pages 34 to 37
	• Anti-corruption.	SD page 20
	Employment equity performance	SD pages 62 and 63, and 68 and 69
	Broad-based black economic empowerment	SD page 61
Good corporate citizenship and community	Business integrity policy	SD page 20, and IR page 74
	Community development policy, strategy and performance	IR pages 34 to 37
Environment, health and safety	Safety policy, strategy and performance	SD pages 24 to 31
	Health policy, strategy and performance	IR pages 34 to 37
	Environmental policy, strategy and performance	SD page 48 to 59, and IR page 27
Stakeholder management	Addressing stakeholder expectations and maximising community benefit	SD pages 32 to 47 IR pages 28 and 29, and 34 to 37
Labour and employment	Employment and labour practices policy and performance	SD pages 34 to 37, and IR pages 34 to 37

CONCLUSION

The committee is satisfied it has considered and discharged its responsibilities for the financial year in line with its terms of reference, King III and the Act.

On behalf of the committee



Nombulelo (Pinky) Moholi
Chairman

Johannesburg
2 February 2016

LEADERSHIP PERSPECTIVES continued

STATEMENT FROM OUR SAFETY AND SUSTAINABLE DEVELOPMENT (S&SD) COMMITTEE CHAIRMAN



DEAR SHAREHOLDERS

I am pleased to present the safety and sustainable development committee report for the year ended 31 December 2015.

INTRODUCTION

As a committee of the board, its key objective is to assist the company to operate responsibly, and achieve a sustainable balance between economic, social and environmental development, with due regard to:

- The safety of employees and those who work at our operations
- The health of employees and those closely associated with our operations
- The impact of our operations from a safety, health and environmental (SHE) perspective.

It also provides a written report after each meeting to the audit and risk, and social, ethics and transformation committees on salient matters within their terms of reference.

COMPOSITION

The committee comprises three independent non-executive directors, the chief executive and the executive head: safety, health and environment. It is chaired by Dorian Emmett, former global head of safety and sustainable development at Anglo American and now adviser to the chief executive of that company. Collectively the members have the necessary expertise and knowledge to enable the committee to perform its functions.

The executive heads of joint ventures, mining, process and technical, attend committee meetings as permanent invitees. Other executive heads attend by invitation as required.

MEETINGS

The committee held four meetings during the year, with attendance shown on page 73 of the integrated report.

2015 IN OVERVIEW

The committee has executed its duties during the financial year in line with its terms of reference and work plan for the S&SD function, safety, related audit, 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.

For the S&SD function, during the review period the committee:

- Recommended objectives in the field of SHE to the board
- Monitored key indicators and learnings from major incidents and ensured these were shared across the group and its joint-venture partners
- Considered the performance of the company's individual operating units in terms of SHE performance and compliance
- Monitored and reviewed the safety management, health management, environmental management and performance of operations
- Considered the appropriateness of the SHE strategy, framework policy and guidelines for managing sustainability issues including SHE and management systems aligned with the company's strategic priorities.

To remain abreast of trends in the field, the committee also invited experts in key aspects of S&SD to share information at its meetings. In 2015, Mr Aidan Davey from the International Council on Mining and Metals (ICMM) presented an overview of issues facing the mining and metals industry and the focus areas the ICMM will be prioritising for the next three years, including:

- Recognition for a robust approach to water management and reporting

- Demonstrating the value of minerals and metals to society
- Engaging key stakeholders to realise inclusive economic opportunities
- Strengthening operational capacity to improve community support
- Demonstrating progress towards zero fatalities, occupational disease and catastrophic events.

In the area of SHE management and performance, the company continued to show progress. It was pleasing to note the significant improvement in safety performance over the past five years.

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

With SHE and S&SD audits, the committee:

- Considered audit findings and reviewed the results of specific audits conducted in terms of legal and company requirements
- 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.

For risk management, the committee:

- Played an oversight role in identifying material SHE risks and ensuring that risk management processes used to identify and mitigate safety and sustainability risks are appropriate. It also played 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 respect of the 2015 sustainable development report, the committee has:

- Approved the health and safety report to shareholders as stipulated in section 2(1)(c) of the Mine, Health and Safety Act
- Overseen the process of reporting and reviewed the information in this report
- Considered the PwC findings on assurance and made the appropriate enquiries to management
- Received the necessary assurances through this process that material disclosures are reliable.

Every six months, the committee also reviews a report on relevant benchmarking against other SHE best practice.

KEY PERFORMANCE AREAS

Safety

Tragically, we lost two colleagues in 2015 in work-related fatalities, and our deepest condolences go to the families, friends and colleagues of Mr Michael Malesa and Mr Joseph Khesa.

We started the year dealing with latent issues from the five-month strike of 2014, including a delay in appointing safety representatives after current terms expired in December 2014. The majority of our operations closed for the holiday break, and we again successfully shut down all operations safely, following our established, safe shut-down process. All operations started the new year safely, with the first shifts used to make all workplaces safe before production could resume.

This year was characterised by significant changes with a corresponding, albeit periodic, deterioration in safety performance. The combined impact of strategic reviews, operational restructuring and the announced sale of Rustenburg all generated significant uncertainty and

concern among our employees. Despite these challenges, we recorded several significant safety achievements in 2015:

- Own managed mines achieved 200 days fatality-free on 31 March
- Amplats-managed operations achieved 200 days fatality-free on 29 November, surpassing the previous best performance of 183 days
- Mogalakwena Mine achieved 2 million fatality-free shifts on 18 November
- Tumela Mine achieved 4 million fatality-free shifts on 29 October, and 815 fatality-free days on the same date (previous best was 656 days)
- At the Southern African Institute of Mining and Metallurgy (SAIMM) MineSAFE awards, School of Mines received second place for the best improved safety performance in the platinum class of mines. Bathopele Mine was ranked fourth for best improved safety performance and best safety performance in the platinum class of mines, and received the technical innovation safety award for its vehicle/person detection system
- Mototolo concentrator achieved 1,000 days total injury-free on 15 July
- Mogalakwena North concentrator has achieved 240 LTI-free days
- Western Limb Tailings Retreatment – Klipfontein Remining achieved two years LTI-free on 6 July
- ACP achieved one year total injury-free on duty on 14 October
- Polokwane Smelter achieved 365 LTI-free days on 14 October.

Health

In the fourth quarter of 2014, we conducted a detailed review of the effectiveness of the HIV and TB programmes. Despite the impact of the 2014 strike on disease management, the team critically reviewed the transitional phases in managing HIV and TB.

A detailed analysis of all TB deaths confirmed a critical gap between screening and enrolment, ie knowing one's HIV-positive status and enrolling on the wellness programme. Of the 51 TB deaths for 2014, a key finding was that 37 (72%) of cases had known their HIV-positive status for over a year. To turn this situation around required fundamental changes in managing TB and HIV.

During this period (Q4 2014) and following a stakeholder consultation process, UNAIDS adopted HIV treatment targets of 90% diagnosis, 90% treatment and 90% viral suppression (90:90:90) by 2020, aimed at ending the Aids epidemic by 2030. To achieve this will require all treatment programmes to aim for 90% diagnosis, 90% treatment and 90% viral suppression.

These targets resonate with the programme enhancements required to end TB deaths in Amplats. In line with this goal, our 2015 targets were: 90% diagnosis, 90% treatment and 70% viral suppression. In addition, we aimed for a 10% reduction in cases of TB and TB deaths. In 2015, 26 TB deaths were reported. The team is intensifying measures aimed at increasing active case finding and rolling out INH (Isoniazid) prophylaxis. By year end, 2,032 individuals had been given INH prophylaxis treatment.

A detailed strategic plan was developed and the incremental costs of additional resources were approved by the executive committee. The plan is premised on strengthening the health system, focusing on four key areas: clinical programme enhancement, strengthening the internal delivery system, employee awareness and participation, and community mobilisation.

Registration on the HIV wellness programme and enrolment on antiretroviral (ART) treatment continue to improve, with 8,912 (23% increase on 2014) on wellness and a corresponding increase to 6,197 (33% increase on 2014) in ART uptake. The latter comprises some new joiners in the wellness programme and existing wellness cases that require ART. The wellness disease management programme registration is over 90%.

Environment

The NBi (National Business Initiative) presented the annual CDP results on 4 November 2015. Amplats scored A- and received a gold certificate for its consistent high level of carbon disclosure for six or more years. It was also one of only four companies scoring 100% for disclosure.

We have obtained water use licences for all managed operations, including the Amandelbult complex, whose application was approved on 25 August 2015.

Site visits

The committee schedules two site visits to operations each year to give non-executive and executive directors the opportunity to engage with employees. This results in a better understanding of issues we discuss in meetings, as well as actual conditions at operations. The aim is to create an appreciation of the complexities of the platinum industry, focusing on challenges and positive interventions and initiatives.

The Tumela site visit started with a presentation on the mine's SHE performance, specific initiatives that have improved this performance in recent years, and ongoing challenges. This was followed by a visit to the Amandelbult concentrator, a first time for several of the visitors. They engaged with both management and workers in the plant where they heard what was working well for employees.

The Mogalakwena incubator visit showcased a programme aiming to create a second economy in neighbouring communities to reduce the dependence on mines to provide jobs. The programme involves teaching children about biodiversity, and empowering members of the local community to provide a livelihood for themselves and their community by training them to farm vegetables and eggs sustainably and by supplying them with land and resources. This has already produced several small businesses, and community members are creating cooperatives to market their produce.

Anglo American Tripartite

The Anglo American Tripartite is a collaborative health and safety partnership between Anglo American, unions and government, which started April 2008. At the beginning of 2015, we tried to focus on making the regional and local levels of the Tripartite more effective. This involved trying to align the activities of the Tripartite with group and operational needs and priorities in terms of safety, health, community development and social performance. In addition, the Tripartite over the year sought to broaden its workstreams from the original and successful stream on safety and health into environment, social and the overlap into human resources.

Interfaith initiative

Another initiative where there was a concerted focus in 2015 was the interfaith group initiative. The initiative, which started at the Vatican two years ago, when the Pontifical Council for Justice and Peace hosted a Day of Reflection in September 2013, has been followed by a series of subsequent reflection days in both Italy and the UK. On 9 October 2015, South Africa took a step along the path of reflection with the Archbishop of Cape Town, Dr Thabo Makgoba, hosting the South African Day of Courageous Conversation. Since then work has continued, including the development of a programme relating to integrated socio-economic development, which will progress in 2016.

Global safety day

Amplats hosted Mark Cutifani, CEO of Anglo American plc, at the annual global safety day on 8 October 2015. The theme for this year was critical controls, providing an opportunity for senior leadership to meaningfully engage with employees on risks and controls in the workplace.

CONCLUSION

The committee is satisfied it has considered and discharged its responsibilities in accordance with its terms of reference.

On behalf of the committee



Dorian Emmett
Chairman

Johannesburg
2 February 2016

OUR STRATEGY AND PERFORMANCE

UNDERSTANDING AND RESPONDING TO OUR CONTEXT

We strive to create and maintain a sustainable business, one that is agile and adaptable, responding to our challenging business context while shaping a more sustainable future.

ECONOMIC CONTEXT

Where we are

Mining industry

As commodity prices hit historically low levels, mining companies, both locally and internationally, continue to seek ways of reducing costs and driving productivity improvement.

The platinum market

During 2015, global demand exceeded primary supply, but the PGM industry continued to face economic headwinds.

Supply

– limited growth in supply

Escalating costs as a result of:

- Deepening pits
- Declining productivity
- Labour unrest resulting in stoppages
- Community action resulting in stoppages
- Increased regulation resulting in higher administration costs.


However, above-ground supplies and continued recycling of platinum have an impact on the available supply.

Set in the context of weak commodity prices, resulting in reduced profitability. To secure their continued financial sustainability, many organisations have closed, sold or restructured their operations.

Demand

– total demand expanded slightly

- Automotive demand for platinum increased during the year. However, the negative effect of the Volkswagen scandal has impacted demand
- Industrial demand increased year on year
- Jewellery demand declined as a result of weaker sales in China.

 For more information
Refer to pages 21 and 22

Our response

Ensuring our economic sustainability

The current global and local economic climate has resulted in strong economic headwinds for the platinum industry despite demand exceeding supply in the market. PGM prices continued to fall despite this unmet demand. This is primarily because demand is still being met by the sale of above-ground stockpiles managed by the exchange-traded fund (ETF) market and the Nymex (New York) futures market. While the persistent supply deficits have not yet influenced the platinum price, it has been reducing above-ground stockpiles.

In 2015, Amplats agreed the sale (subject to approvals) of its Rustenburg mines. It also announced the continued restructuring of its remaining business with the aim of reducing overall overhead staff numbers by a proposed 420 roles. Following the issuing of section 189 letters, the consultation process and the offer of voluntary retrenchment packages, the total staff reduction was 2,182.

In December 2015, Anglo American plc announced it would cut 85,000 jobs and sell as much as 60% of its mines over the next two years as part of a restructuring process necessitated by the prolonged slump in raw materials prices. Further details of the implications of this on Amplats will be announced in mid-February 2016.

SOCIAL CONTEXT

Where we are

Our social context remains challenging. In South Africa, the unemployment rate is around 25% although the rate is estimated to be significantly higher in the rural areas and in the same areas where most of our mines are. The underlying economic environment also impacts our communities as a result of fewer employment opportunities and job losses.

Consequently our communities continue to seek employment and training opportunities, procurement opportunities as well as support where there are service provision issues. Where these needs are not met in a reasonable time period, or there is a perceived lack of progress, social unrest often ensues. In severe cases, social unrest results in costly work stoppages, property damage and reputational impacts on the company.

Our response

Ensuring our social sustainability

Our challenging social context places increased pressure on our social licence to operate.

We have made good progress in delivering on our social and labour plan (SLP) commitments as we seek to deliver lasting positive benefits to our host communities and the country. We have provided benefits through infrastructure development in collaboration with government and provided training and employment procurement opportunities. However, we recognise that we need to explore new and novel ways to leverage additional funding as our ability to meet resourcing declines and to collaborate and partner on development initiatives. We are also aware that, under such conditions, meaningful engagement with our stakeholders becomes even more critical.

ENVIRONMENTAL CONTEXT

Where we are

The inherent nature of mining means it has a negative impact on natural capital stocks. Our external context is characterised by increasing legislation and stakeholder activity aimed at reducing the negative impacts of mining on the environment in the short, medium and long term.

The PGMs we produce are inputs to a range of technologies that contribute to environmental sustainability. The major contribution is of course the production of autocatalysts, which convert pollutants from the combustion of fuel into harmless gases. However, the increasing use of platinum-based fuel-cell technologies including fuel-cell electric vehicles are envisaged to provide increasing significant environmental benefits into the future.

Our response

Ensuring our environmental sustainability

We pursue a goal of minimising harm to the environment, partnering with relevant organisations and at all times seeking to comply with legislative requirements in terms of our environmental impacts, and to meet international best practice in reducing and mitigating our potential negative impacts on our host communities, other stakeholders and on valuable natural capital stocks.

OUR STRATEGY

OUR VISION IS TO BE:

The global leader in platinum group metals, from mine to market, for a better future for all

OUR STRATEGIC IMPERATIVES ARE TO:

- Reposition our assets into a value optimising portfolio
- Develop the market for platinum group metals
- Deliver the full potential from our operations through our people

... in a **values-driven** and **socially acceptable** way

OUR STRATEGIC PRIORITIES

MINING AND PROCESSING EXCELLENCE	PROJECT EXCELLENCE	COMMERCIAL EXCELLENCE	PEOPLE EXCELLENCE	SUSTAINABILITY EXCELLENCE
Reconfiguration of the asset portfolio, safe and effective management of assets, targeting industry leading productivity and cost performance	Ensuring efficient investments, and effective execution of value accretive projects – on time and on budget	To unlock commercial value by growing the market and increasing sales revenue from all metals	To ensure Amplats has the right people in the right roles doing the right work, are efficient, effective, engaged and are attuned to the culture and values of the organisation	To enable a sustainable business, create a zero harm environment in our operations and build leading community and stakeholder relationships around our operations

OUR VALUE LEVERS

Reconfiguration and optimisation	Prioritised project pipeline	Targeted market development	Organisation structure and effectiveness	Safety, health and environment
Leading productivity	Best practice project design	Global sales	Labour management	Communication
Cost effectiveness	Project execution excellence	Base metals marketing	Sound employee relations climate	Community development
Technology and innovation	Stay in business capital	Market intelligence	People, culture and skills development	Stakeholder engagement and government relations

OUR VALUES

SAFETY	CARE AND RESPECT	INTEGRITY	ACCOUNTABILITY	COLLABORATION	INNOVATION
ENABLED BY A VALUES-DRIVEN CULTURE, FINANCIAL STRATEGY AND TECHNICAL EXCELLENCE					

THE CHOICES THAT DEFINE OUR FUTURE

Reposition our assets into a value-optimising portfolio	Develop the market for PGMs	Deliver the full potential of our operations
NEAR-TERM GOALS		
Complete the current exit programme: <ul style="list-style-type: none"> ➔ Rustenburg ➔ Union ➔ Pandora JV ➔ Bokoni JV ➔ Kroondal JV 	<ul style="list-style-type: none"> ➔ Global and local development of platinum jewellery markets ➔ Product development and commercialisation of platinum containing fuel cell applications ➔ Investment in early-stage industrial applications and technology ➔ Stimulating investment demand through World Platinum Investment Council 	<ul style="list-style-type: none"> ➔ Achieve a zero-harm environment ➔ Leading employee and community engagement and relationship ➔ Entrench the culture and values of the organisation ➔ Optimise the performance of our operations to manage our business for the current environment ➔ Disciplined capital allocation ➔ Develop mining technologies ➔ Assess additional opportunities to rationalise the portfolio
HOW WE MEASURE THIS		
Return on capital employed (ROCE)	Operating profit	Use of capital
Sustainable returns for shareholders	Position on cost curve – lower half	Safety and health – do no harm to our workforce
Environment – minimise and mitigate impact	Mutual benefits from mining for local communities and government	Our people – engaged and productive workforce, competitively rewarded

HOW WE REWARD SUCCESS

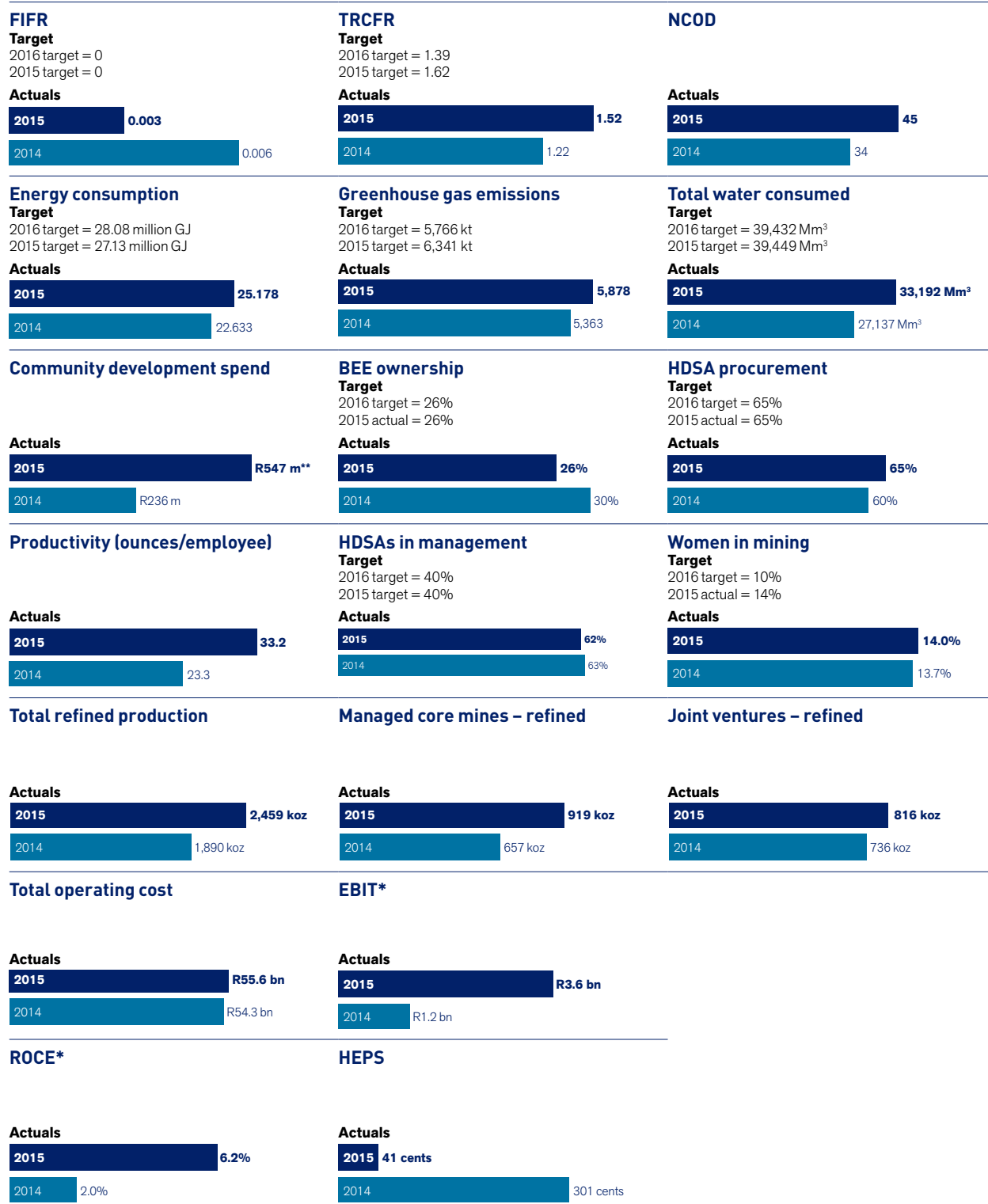
The CEO, finance director and prescribed officers are rewarded through incentives against specific formulae (pages 87 and 88) with 2015 outcomes shown on pages 91 to 93 in the integrated report.

➔ In progress

OUR STRATEGY AND PERFORMANCE continued

<p> Safety and health TO DO NO HARM TO OUR WORKFORCE</p>	<p>Work related fatal injury frequency rate (FIFR) FIFR is the number of employee and contractor fatal injuries due to all causes per 200,000 hours worked</p> <p>New cases of occupational disease (NCOD) Number of new cases of occupational disease diagnosed among employees during the reporting period</p>	<p>Total recordable case frequency rate (TRCFR) TRCFR is the number of fatal injuries, lost-time injuries and medical treatment cases for both employees and contractors per 200,000 hours worked</p>
<p> Environment TO MINIMISE HARM TO THE ENVIRONMENT</p>	<p>Energy consumption Measured in million gigajoules (GJ)</p> <p>Greenhouse gas (GHG) emissions Measured in million tonnes of CO₂ equivalent emissions</p>	<p>Total water consumed by source Total water consumed includes water used for primary and non-primary activities, measured in million m³</p>
<p> Socio-political TO PARTNER IN THE BENEFITS OF MINING WITH LOCAL COMMUNITIES AND GOVERNMENTS</p>	<p>Corporate social investment Social investment as defined by the London Benchmarking Group includes donations, gifts in kind and staff time for administering community programmes and volunteering in company time and is shown as a percentage of underlying EBIT, less underlying EBIT of associates and joint ventures</p>	<p>Enterprise development Number of companies supported, and number of jobs sustained, by companies supported by Anglo American enterprise development initiatives</p>
<p> People TO RESOURCE THE ORGANISATION WITH AN ENGAGED AND PRODUCTIVE WORKFORCE</p>	<p>Voluntary labour turnover Number of permanent employee resignations as a percentage of total permanent employees</p> <p>Productivity Achieve production of greater than 48.97 Pt oz M&C per employee</p>	<p>Gender diversity Percentage of women, and female managers, employed by the group. Meeting the requirements of the mining charter</p>
<p> Production TO EXTRACT OUR MINERAL RESOURCES IN A SUSTAINABLE WAY TO CREATE VALUE</p> <p>For more information see our operations review on page 46 in the integrated report</p>	<p>Production volumes Production volumes for the year are discussed for each operation in the operations section of this report (see pages 46 to 62)</p>	
<p> Cost TO BE COMPETITIVE BY OPERATING AS EFFICIENTLY AS POSSIBLE</p> <p>For more information see our financial review on page 38 in the integrated report</p>	<p>Unit costs of production Unit costs of production are discussed for each operation in the operations section of this report (see pages 46 to 62)</p>	
<p> Financial TO DELIVER SUSTAINABLE RETURNS FOR OUR SHAREHOLDERS</p> <p>For more information see our financial review on page 38 in the integrated report</p>	<p>Attributable return on capital employed The return on adjusted capital employed attributable to equity shareholders of Amplats. It excludes the portion of the return and capital employed attributable to non-controlling interests in operations where Anglo American has control but does not hold 100% of the equity. It is calculated as annualised underlying EBIT divided by adjusted capital employed</p>	<p>Headline earnings per share (HEPS) HEPS is an additional earnings number that is permitted by IAS 33. The starting point is determined in IAS 33, excluding separately identifiable remeasurements (as defined), net of related tax (both current and deferred) and related non-controlling interest, other than remeasurements specifically included in headline earnings.</p>

RESULTS AND TARGETS



* Normalised for impairments.

** Including Unki Mine.

OUR STRATEGIC APPROACH TO SUSTAINABILITY

OUR FOCUS ON SHARED VALUE

Each area where we operate has characteristics that are determined by its people, history, geography, culture, environment and economic conditions. We appreciate the importance of, and strive to fully understand, the details of the local context. We also appreciate the commonalities that determine the level of acceptance or approval granted to our operations and projects by local communities and other stakeholders (namely, our social licence to operate). Evidence suggests there are three main elements we need to get right:

- Benefits distribution
- Social and environmental risk and impact mitigation
- Relationship behaviour.

How well we do at this, whether we get it right or wrong, largely determines the sustainability of our business.

Benefits distribution

Communities expect to see direct employment and procurement contracts and community development projects that improve their quality of life through better health, education, and infrastructure constructed by the company or in collaboration with government. We seek to establish and continuously improve processes that embed sustainable value-creation mechanisms into the way we operate, maximising the benefits of our community development projects.

Social and environmental risk and impact mitigation

Our host communities and other stakeholders rightfully expect the company to mitigate the negative impacts on people's lives of our operations. This includes social impacts from the influx of people arriving in the community seeking employment and the related impacts on social cohesion. It also includes the environmental issues that potentially arise from our operations. We respect and value human rights across the business including throughout our supply chain, and should human rights be infringed, they are addressed.

Relationship behaviour

Local communities are often explicit about wanting employment and procurement opportunities and social service provisions, but, they are often less explicit on their concerns about transparency, respect and fairness. Often these concerns only emerge when issues arise. The quality of contact and engagement between stakeholders and the company is critical in building relationships. Transparency, respect and visible procedural fairness can similarly build trusting relationships and lead to acceptance or, if done poorly, result in a breakdown in trust.

GOVERNANCE OF SUSTAINABILITY

Effective governance is essential in ensuring we manage our operational impacts and our social and environmental impacts in a responsible manner. While the board is accountable and responsible for the performance and affairs of the company, the scale of our business necessitates that the board delegates certain functions to committees with suitably skilled non-executive directors as members that, in turn, allow the board to effectively fulfil its duties. These board committees act within agreed, written terms of reference that are reviewed and updated annually. The provision of shared services by Anglo American plc helps to ensure that the management and execution of key activities and controls to mitigate risk and achieve business objectives takes place.

A key element of this governance work is ensuring that our board and its committees perform their duties and that clear policies, principles and standards are in place and honoured daily. Amplats is proud of the logic and rigour of our governance processes, from the development of strategy, policies and procedures, to their implementation across our operations.

We seek to promote the highest standard of corporate governance, and to ensure that our practices are fully 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.

Overall responsibility for the effectiveness of internal controls, risk management and governance, and for ensuring that our business objectives are met, resides with the board of Amplats. Our governance structures relating specifically to sustainable development provide clear lines of accountability from the board through to the operations. A comprehensive overview of our governance structures and processes is provided in our integrated report.

Our executive committee (exco) is responsible and accountable to the board for ensuring resources are allocated effectively, and that sustainability policies and strategies are implemented. The safety and sustainable development (S&SD) committee and the social, ethics and transformation (SET) committee provide policy direction and guidance, and monitor our performance on safety, health, the environment and social responsibility. Additional information on the activities and responsibilities of these committees appears on pages 10 to 13.

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 and social performance disciplines in the corporate affairs department and the safety, health and environmental (SHE) department to develop, coordinate, implement and assess company policy and ensure all material issues are addressed and continual improvement is sought.

GLOBAL GUIDANCE AND LOCAL ACCOUNTABILITY IN OUR SYSTEMS AND PROCEDURES

Amplats' policies, principles and performance standards are aligned to those of our majority shareholder, Anglo American. The Anglo American good citizenship business principles guide our approach to: 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. This forms the basis of our vision, principles, policies, frameworks, system requirements and mandatory performance requirements for managing our core sustainability risks and opportunities.

To execute our business strategy, effectively manage our risks and ensure our legal compliance, management systems have been established at all our operations. These are supported by our

governance structures, business principles and risk management processes. They include our SHE and socio-economic development (SED) policies, guidelines, procedures and technical standards, all aligned with Anglo American policies, guidelines, procedures and standards. Operations also have agreements with organised labour as well as with government on safety and health, training and development, and employment equity (among other aspects).

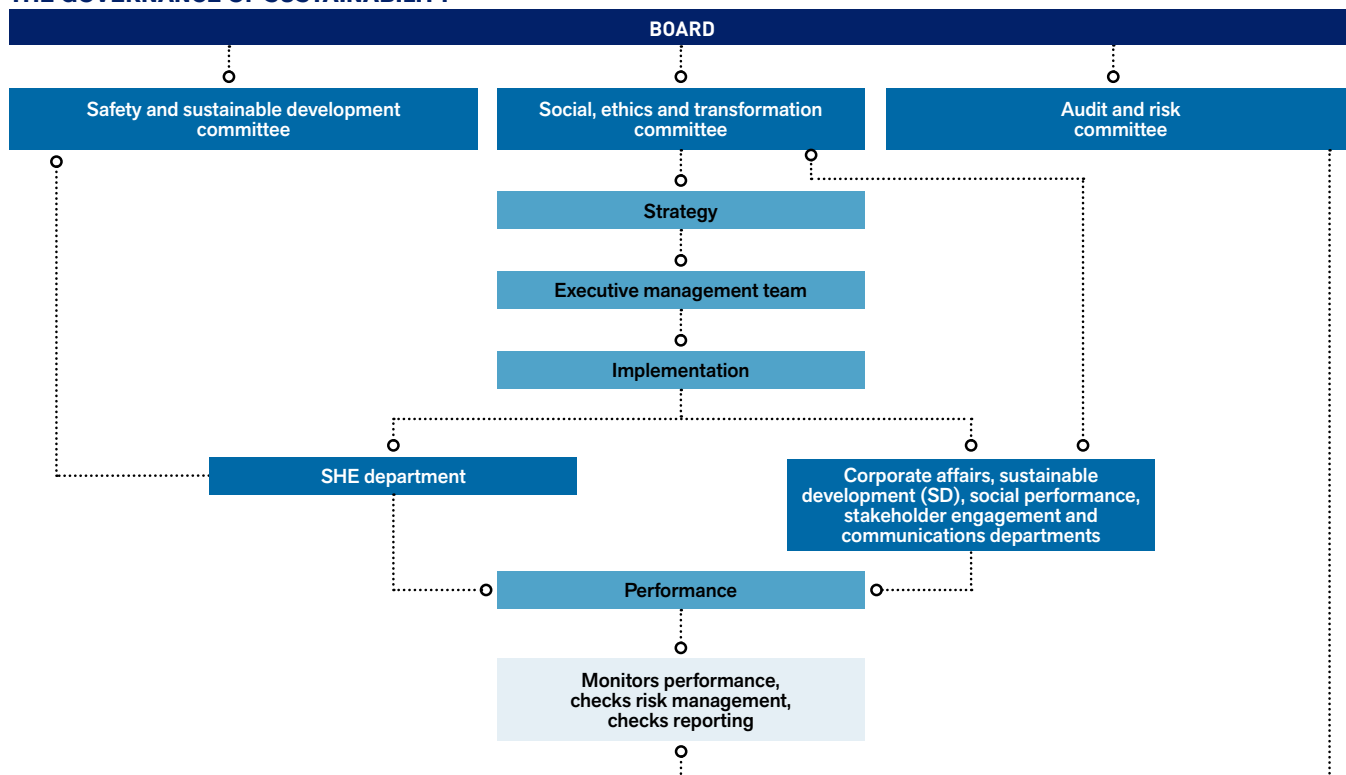
The company's executives and operations are supported on safety, health, environmental and social issues by two dedicated corporate departments – SHE and corporate affairs. Both provide strategic advice and specialised technical support. In 2015, the corporate departments were supported by functional centres in the geographic regions, namely, Johannesburg, Polokwane, Rustenburg and Amandelbult. These centres were tasked with undertaking a range of skilled, grouped and transactional activities on behalf of the operations. They are centres of expertise, optimising the use of scarce skills, and ensuring processes are more efficient, consistent, and to standard. The corporate

departments are responsible for defining strategy for the group, and for enabling functional centres to provide operations with the required support. As part of restructuring the business in 2015, the skill sets present in these functional centres were moved to the operations or, in some cases, the corporate centre.

All service providers acting on the company's behalf are expected to adopt and follow our standards and policies, and we promote comparable standards in our joint ventures and associate companies.

In 2015, Amplats was awarded the 2016 Best Corporate Governance in Mining in Africa award by the independent assessors of Ethical Boardroom. We view this as confirmation of our approach and processes and an indication that we are getting things right. However, good governance is a process and Amplats will continue to improve its corporate governance and advance best practices.

THE GOVERNANCE OF SUSTAINABILITY



OUR STRATEGIC APPROACH TO SUSTAINABILITY continued

ENSURING BUSINESS INTEGRITY

We recognise that all business relationships are built on trust – the belief in the reliability, truth and ability of our business.

We strive to build an integrity-rich organisation. This commitment, which is actively endorsed by the board, is based on a fundamental belief that business should be conducted honestly, fairly, legally and responsibly. Our commitment to integrity and accountability, and zero tolerance of corruption, are given effect through our updated business principles and integrity code.

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.

Employees are required and encouraged to report any breaches, or potential breaches, of our business integrity policy. We use an independently managed whistleblowing facility called 'Speak Up', which is confidential and secure to provide an easy, anonymous means of encouraging all those who come into contact with us – our employees, contractors, suppliers, business partners and other external stakeholders to report any concerns they have about our conduct that is contrary to our values and integrity standards. All allegations received through Speak Up are investigated and, if required, appropriate disciplinary action is taken, which can include dismissing those responsible for reprisals. Over 2015, 25 incidents relating to business integrity were reported. Of these seven incidents were referred to the South African Police Services to investigate, as they did not involve Amplats employees; seven incidents were unsubstantiated and 11 are still pending as they are under investigation.

The Amplats business integrity steering committee meets at least twice a year. Each year the policy is reviewed and any recommendations are put to the committee for review. The committee also routinely reviews and approves the annual business integrity audit findings and planned actions, and reviews any associated infringements and proposed responses.

RISK MANAGEMENT

Risk management is a critical and integral part of our governance framework. The objective is for all operational risks to be addressed in an integrated and consistent manner. The methodology involves identifying all key risks, which are reflected in a structured framework and systematically managed in line with the principles of King III, and other guidelines. Risk management is an ongoing process that includes risk-based internal audits, compilation of risk registers and associated action plans. Our risk management process is audited by Anglo Business Assurance Services annually.

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 2015, page 30.

Social risks form a substantial part of our risk profile. Of the 13 key organisational risks identified in 2015, six (46%) relate to typical sustainability topics. The significant organisational risks for the company, as well as our control measures, are reviewed in our integrated report 2015, on pages 31 and 32.

In 2015, we invested significantly in refining our social risk assessment and management process. Critical generic events, resulting from the loss of control of a hazard, were identified by looking at historical social risks and engaging with key staff. The 'bowtie' method of risk evaluation, used primarily for safety and environmental risk evaluation, was then adapted to develop a bowtie for each critical risk that identifies the hazard – in, around or part of the organisation – which has the potential to cause damage. The process covers the top events; the threats (factors that cause the event to occur); the consequences (result of the event occurring); and the control and recovery, as well as barriers (factors that interrupt the scenario of an event happening so that threats do not result in a loss of control (the top event) or escalate into an actual impact (the consequences). This process was undertaken using BowtieXP, a leading risk evaluation software tool.

The generic top event bowties give operational teams a starting template for risk evaluation and management. Through a workshop process, these top social event bowties are then adapted and refined to the specific circumstances of the mine or operation.

MATERIAL ISSUE: UNDERSTANDING AND NAVIGATING THE MACRO-ECONOMIC ENVIRONMENT

The global mining and metals sector, after having experienced a significant boom during the super cycle, is in the middle of what some have termed a 'super correction'.* Current PGM prices are as low as they were in 2005, while input costs are up around 85%.

**Business risks facing mining and metals 2015 – 2016, EY.*

In the wake of this period of continually rising commodity prices, we are now experiencing consistently lower and more volatile commodity prices, resulting in increasing pressure on profit margins. 2015 marked a year of much weaker demand growth for most mined commodities.

GLOBAL ECONOMIC ENVIRONMENT – UNDERSTANDING DEMAND

Demand for our products primarily comes from four major sources. Macro-economic factors that impact these four sources will impact our business.

AUTOCATALYST DEMAND	The catalytic converter is a device that is installed in the exhaust line of a vehicle, where it helps convert pollutants from combustible fuel into harmless gases, using a combination of PGMs.
JEWELLERY DEMAND	Platinum is a precious metal that is revered among jewellers for its strength and resistance to tarnish, both of which make it the ideal setting for diamonds and other gemstones.
INDUSTRIAL USE DEMAND	PGMs are used in a variety of industrial processes and products, including: <ul style="list-style-type: none"> the fabrication of vessels that hold, channel and form the molten glass owing to platinum's high melting point, strength and resistance to corrosion a platinum-based catalyst contained within the proton exchange membrane, forming the basis of fuel-cell technology in a variety of applications coating for industrial crucibles that are required to withstand extremely high temperatures in the manufacturing of chemicals and synthetics as a component in a process to upgrade the octane content of gasoline.
INVESTMENT DEMAND	Investors are able to invest in platinum in a number of ways; physical investment in the form bars and coins or traded as an exchange-traded fund (ETF) on several stock exchanges worldwide.

Factors impacting demand during 2015

Mining is a global business, with a few geographies rich in certain commodities supplying the global market. Global macro-economic trends therefore have a major impact on the mining and trade of mined products across the world.

While platinum and palladium demand exceeded supply from mining and recycling for the fourth consecutive year, PGM prices declined in a challenging year for the commodities. This in turn reflected lower global growth, while the prospect of monetary tightening in the USA weighed on non-interest-bearing asset classes. In addition, growth concerns in China, uncertainty surrounding Greece's possible exit from the euro, and the vehicle emissions scandal all dampened sentiment towards PGMs.

Autocatalyst demand grew driven by sustained growth in North American and western European car sales. However, challenging economic conditions in markets such as Brazil, eastern Europe and Japan weighed on local car sales. Vehicle sales in China slowed in mid-2015 as a result of the turmoil in the equity markets, before regaining momentum from stimulus measures. The vehicle emissions scandal was a key feature in the automotive industry in 2015. While this is expected to affect diesel penetration in the North American market, diesel share in Europe has remained relatively steady.

The platinum **jewellery** market was impacted by the economic slowdown in China, combined with the government's anti-corruption measures, particularly on jewellery gifting, and the negative wealth effect of falling equity markets saw China's share of the global platinum jewellery market fall to 62% over the year. This was partially offset by a decline in jewellery recycling. India reaffirmed its status as the leading growth market for platinum jewellery.

Investment demand includes ETF holdings and over-the-counter metal holdings in vaults. The liquidation of both platinum and palladium holdings in ETFs was symptomatic of market sentiment, with holdings of gold and silver also down. Liquidation took place in European, North American and South African funds. Physical investment in platinum bars in Japan offset these losses as low prices and a strengthening yen in the third quarter were perceived as a buying opportunity.

Industrial platinum demand increased in light of the expansion in the glass sector and steady growth in chemical and fuel cell applications, offsetting the fall in platinum use in the petroleum sector. Fuel-cell demand continues to grow, particularly in the telecommunications and off-grid sectors.

For more detailed information, refer to pages 24 to 27 of the integrated report.

THE SUPPLY OF PGMs IS DERIVED FROM BY TWO SOURCES:

EXTRACTION	Mining and refining performed by companies constitutes the primary supply of PGMs into the market.
RECYCLING	Where PGMs are used rather than consumed, PGM content can be recovered for reuse in the product cycle.

A number of means to reduce supply have been implemented across the mining industry. To date, however, such cuts have proved to be insufficient to stimulate a meaningful price recovery.

Platinum production recovered after a strike-affected 2014 levels, with primary production in South Africa recovering to levels above 2013. However, this recovery in South African production was partially offset by modest reductions in Russia and North America. Levels of recycling declined mainly due to reduced jewellery recycling volumes in China and lower automotive scrappage incentives owing to falling scrap steel and copper prices. Gross global platinum demand increased as a decline in jewellery demand was offset by strength in the automotive, investment and industrial sectors. The annual platinum market remained in deficit in 2015.

Gross global palladium demand decreased owing to a change in investor sentiment, in comparison to 2014, which resulted in the liquidation of holdings in ETFs after an exceptional year for investment in 2014. Growing demand from the auto sector and steady industrial demand was offset by lower investment demand and jewellery use. Palladium supply in South Africa recovered in 2015 but decreased in

North America and Russia. With lower recycling volumes, overall supply was only marginally higher than 2014. The annual palladium market remained in deficit by 228 koz.

We firmly believe that demand fundamentals for the long-term supply of PGMs remain attractive, despite current price levels. Rising demand from existing applications and those being developed, as well as stimulatory measures being used to market PGMs, will support sustainable demand and foster growth.

We continue with the strategic repositioning to create a high-quality asset portfolio with low-cost, high-margin production, low safety risk and high productivity through mechanisation. We continue to focus on our value-driven strategy, resulting in a portfolio which has been repositioned to generate attractive returns through the cycle. The restructuring of the portfolio has ensured that all operations are cash flow positive in the current weak commodity price environment.

For more detailed information, refer to pages 24 to 27 of the integrated report.

Development of PGM technologies

Amplats' global PGM market development initiatives continue to focus on derisking demand across the industrial, jewellery and investment demand segments, both in the short and long term. South African beneficiation objectives are supported as part of our broader market development activities.

We invest in market development and beneficiation across four broad demand segments:

- Global and local development of platinum jewellery markets
- Product development, commercialisation and marketing activities for platinum-containing fuel cells
- Equity investments in early-stage industrial applications or technologies that use or enable the use of PGMs
- Stimulating platinum investment demand through the World Platinum Investment Council (WPIC).

Together with other platinum producers, we invest in Platinum Guild International (PGI), which has provided market development, sales support and training to all levels of the global jewellery trade for over 30 years. Key targets are the growth markets of China and India. In South Africa, we support skills development and capacity building in the design and manufacture of platinum jewellery through the annual PlatAfrica design and manufacture competition. Together with Rand Refinery, we provide a metal financing scheme to local jewellery manufacturers for their working capital requirements.

Amplats continues to focus on accelerating the global adoption of platinum-based proton exchange membrane (PEM) fuel cells. We believe there is an opportunity to position South Africa both as a market and as a manufacturing location for fuel-cell products. The creation of a fuel-cell industry, along with manufacturing, installation and maintenance jobs, is aligned with the national development plan and government's industrial development priorities. The company and selected partners continue to operate the world's first methanol-based fuel-cell mini-grid system at the Naledi Trust community in the Free State. Fuel-cell systems are cost-effective replacements for conventional batteries or diesel generators in rural schools, clinics and communities far from existing power grids. In 2015, we sponsored three hydrogen-based fuel cells at three schools in the Cofimvaba district as part of the Department of Science and Technology's TECH4RED programme. Both Amplats and the government realise that only through strengthening research capacity and building skills in the fields of science and engineering can we enable the development of new PGM products. Accordingly, the company supported two fuelcell-related research programmes at North West University and University of Cape Town, both in partnership with the Department of Science and Technology's HySA programme.

The PGM investment programme was created to invest in new technologies that use or enable the use of PGMs in their products or processes. The programme provides start-up and growth capital to innovators and entrepreneurs in early-stage development and commercialisation of PGM technology. In 2015, the company continued to contribute via board participation in companies in which it invests and to originate and screen over 60 opportunities. We also sponsored research into PGM-based medical devices in partnership with the Medical Research Council and the Department of Science and Technology, as well as PGM-related research at the University of Loughborough and Columbia University.

In 2015, the WPIC established itself as a credible source of industry supply and demand data. It has also progressed a number of market development opportunities, including work on establishing new ETFs and platinum accumulation programmes in new Asian markets.

For more on PGM fundamentals and PGM market dynamics, please refer to pages 24 to 27 in the integrated report.

MATERIAL ISSUE: POSITIONING THE BUSINESS FOR THE FUTURE

The primary source of competitive advantage in the mining industry is to own large-scale, high-quality assets. Operating such assets efficiently is critical to delivering sustainable business returns. With the prospect of slower economic growth and depressed commodity prices remaining in the near to mid-term, we are continually assessing our portfolio to determine the relative merits of each individual asset. We are focused on the highest quality assets in our portfolio, positioning our company for long-term value creation, throughout the cycle.

MODERNISING OUR BUSINESS

Repositioning our business by asset sales is not enough. We need to modernise our business for the future. Our modernisation strategy has several strands to it. Firstly, we need to generate consistent, appropriate returns for our shareholders. Without attracting and retaining capital, none of the expectations of our other stakeholders can be met.

The second element of our strategy is the modernisation of labour relations. We need to move away from 'us' and 'them'. While labour and management will often be on opposite sides of a negotiation, we need to be on the same side when it comes to creating the platinum industry of the future. This requires a labour force that is given a sense of ownership and responsibility in the company.

To modernise our company, we also need to maintain the relationship with the communities that host our operations. Communities need to see and feel a positive impact on their lives as a result of our operations. Again there is a need to ensure that communities view our mines as part of the community not separate to it. Initiatives that we have commenced in recent times will bear fruit in the future to help address this.

The final element is the mechanisation of mining and extracting processes. We believe that better productivity is better for the economy, and ultimately society as a whole. While job loss is a concern, we strive to rather create jobs in new areas. With the current state of technology, mechanisation is both possible and affordable.

As industry margins are squeezed on all fronts, we have to embrace innovation, to find more productive, efficient and sustainable ways of extracting value from the minerals we mine. This will require us to move away from conventional labour intensive underground mining with its high demand for people, energy and infrastructure.

RESTRUCTURING OUR PORTFOLIO

Over the last three years, we have embarked on restructuring our portfolio by reducing loss-making ounces and aligning supply to market demand.

As part of this, in 2015 we announced that Rustenburg Platinum Mines Limited (RPM), a wholly owned subsidiary of the company, entered into a Sale and Purchase Agreement with Sibanye Gold Limited. The transaction is subject to various approvals and is expected to become unconditional during 2016 with a back-stop date of 30 June 2017. Once the sale is approved, the staff profile of Amplats will be significantly affected, as employees from RPM will be transferred to the employment of Sibanye.

Anglo American Platinum will also exit from the non-core assets of Union, Bokoni and Pandora. Further rationalisation of the portfolio will continue where it is deemed that an asset no longer forms part of our long-term strategy to ensure the company holds a leading position and high-quality portfolio in the PGM industry.

GROUP-WIDE RESTRUCTURING

During December 2015, Anglo American announced a more radical and aggressive portfolio restructure with a focus on downsizing its portfolio beyond previously advised targets. This will entail downscaling from a previously advised reduction from 162,000 employees to 100,000 to a revised estimate of approximately 50,000. Negative cash flow assets will either be closed, or placed on care and maintenance. However, there will not be fire sales. Anglo American has stated that it will articulate what exactly will remain in its portfolio during February 2016.

LOOKING AHEAD

We continue to review the structure of our business, repositioning our portfolio to make Amplats more investable by transitioning to a lower-cost, high-quality portfolio, while managing the business for the current prices. The repositioned mechanised portfolio will not only enable zero harm but will secure the financial sustainability of the business into the future.

For more information, see pages 20 and 21 of the integrated report, as well as the CEO's review in the integrated report on pages 34 to 37.

MATERIAL ISSUE: PROTECTING THE SAFETY AND HEALTH OF OUR PEOPLE AND IMPACTED COMMUNITIES

We remain committed to our goal of zero harm. Our priority is to prevent loss of life, injuries and illnesses by creating safe and healthy work environments. To this end, we continue to review and improve our safe, health and environment management systems.

However, our priorities go beyond this as we seek to ensure the overall wellness of our employees and their families as a wider contribution to society. We recognise that our employees often come from our communities, and thus, supporting community healthcare helps support our employees and helps us to maintain our social licence to operate.

Amplats' approach to sustaining good safety, health and environmental performance is based on a grounded strategy based on four thrusts:

Strategic thrusts

Management systems

Systems encourage proactive management to prevent incidents by focusing management attention on underperformance and high risk areas to tailor its interventions.

People

A personal change programme has been under way to change the culture and behaviour in various operations.

Engineering

Engineered solutions focus on eliminating or reducing the risks associated with equipment.

Wellness in the workplace

Various employee health programmes are offered to employees to ensure they are healthy and fit to perform their work safely.

For more information on our environmental management refer to page 48.

Employee safety

In memoriam

Tragically, two Amplats employees were fatally injured in work-related incidents in the first half of 2015. We extend our sincere condolences to the families, friends and colleagues of Mr Michael Malesa, who was fatally injured when he was struck by a utility vehicle underground at Twickenham project on 26 January 2015 and to the loved ones of Mr Joseph Khesa, who sustained fatal injuries in a fall of ground at Thembelani Mine on 12 May 2015.

In line with our goal of zero harm, we put safety first and believe that every employee, and every employee's family, have the right to expect them to return home unharmed every day. While we have made significant progress in improving our safety performance in recent years, we recognise that we still have much to do to achieve an environment of zero harm. While management takes ultimate accountability for safety, we believe safety is a joint responsibility, and that safe and healthy workplaces can only be achieved through joint responsibility by management, employees, unions and regulators.

Our approach to ensuring our people's safety

Our approach focuses on improving our ability to anticipate and prevent harm to the people of Amplats. Our approach to safety and health risk is supported by the Anglo American group Safety Way, shown below which is a comprehensive framework of roles and responsibilities supported by a set of safety principles and mandatory safety standards.

ZEROHarm

The Anglo American vision is to achieve zero harm through the effective management of safety at all its businesses and operations. This means simply that we do not accept that it is necessary for people to be injured while working for us and that all employees should be able to return home fit and well at the end of each shift. We believe that our operations should have fundamentally safe, well-designed plant, equipment and infrastructure with robust risk-based safety management systems driving desired outcomes and behaviours.

OUR SAFETY PRINCIPLES

Underpinning this vision are three fundamental safety principles:

ZERO Mindset

We believe that all injuries and occupational illnesses are preventable.

We are responsible for preventing and correcting unsafe behaviour and work conditions.

NO Repeats

All unsafe practices and incidents will be investigated to determine what happened and why.

All necessary steps will be taken to prevent recurrence.

SIMPLE Non-negotiable standards

We will adopt a common, simple set of non-negotiable standards and rules throughout the group.

Divisional line management at all levels has the responsibility of implementing and maintaining the standards and rules.

Our safety strategy is based on four pillars – systems; people and behaviour; engineering solutions; and wellness in the workplace. This 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.

Progress against safety action plans and various lagging indicators are included in our chief executive officer's performance targets and influence the remuneration of our executives and managers.

Our performance

In 2015 we achieved our best ever safety performance overall. However, despite this, it is with great sadness that we report that two of our employees died at our operations in 2015 in work-related accidents. We believe any loss of life is unacceptable. 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.

The fatal-injury frequency rate (FIFR) at the end of 2015 was 0.003. This is an improvement from 0.006 in 2014. We will continue to dedicate considerable effort to improving on this in the year ahead.

Our total recordable case frequency rate (TRCFR), which includes all injuries that require more than first-aid treatment, has increased to 1.52 from 1.4*. Our lost-time injury frequency rate (LTIFR) was 0.98, which is 9% above our 2015 target of 0.90 and 3% higher than the normalised 0.95 at end of 2014. We will continue to focus on improving our progress in these areas and categories of injury management.

In 2015, 52 regulatory (section 54) stoppages and 33 non-compliance, (section 55) notices were issued across our operations.

* Normalised rates to account for five-month strike during 2014.

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 90% in 2015.

Managing 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.

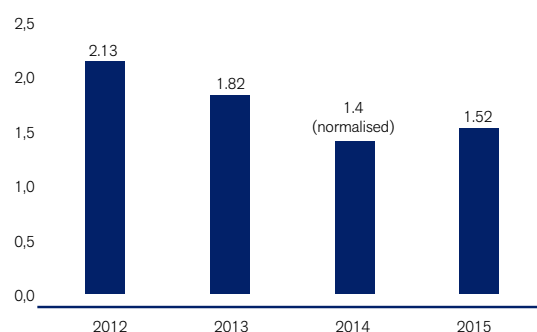
Road safety remains an area of general concern. As a result, improving safety on public roads in our local communities has now become a part of our plans to improve our operational safety. A pilot project is under way to improve safety on a high-risk stretch of road serving our Mogalakwena operation.

Our internally developed psychological assessment tool was recognised at the Anglo American recognition programme for best practice (Applaud awards). The tool consists of an assessment technique that is designed to identify behavioural characteristics that predict at-risk/unsafe work behaviours; and to address these through individualised developmental interventions. The Zero Harm mindset programme is derived from assessments in the three key areas of values, connectivity and risk management.

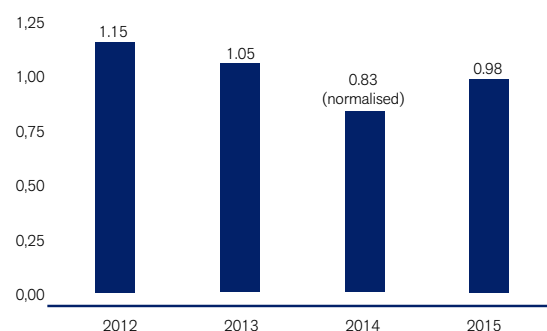
We continue to embed and reinforce frontline supervision, which is critical in ensuring strict adherence to planned work. Our 'ABC' of mining training programme aims to equip our frontline supervisors and managers with the necessary technical and people skills to consistently deliver safe production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



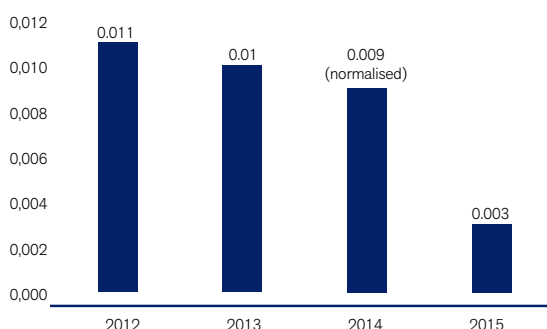
Total recordable case frequency rate (TRCFR)



Lost-time injury frequency rate (LTIFR)



Fatal-injury frequency rate (FIFR)



* Normalised rates to account for five-month strike during 2014.

MATERIAL ISSUE: PROTECTING THE SAFETY AND HEALTH OF OUR PEOPLE AND IMPACTED COMMUNITIES continued

Women in mining, custom-designed personal protective equipment

Personal protective equipment (PPE) is considered to be all equipment, including clothing, intended to be worn or held by people at work and which protects them against risks to their health and safety. The degree of protection PPE affords is determined by the way it is used, the task at hand, and by its conformity with the anthropometric features of the individual wearing the equipment.

A major barrier to increasing female representation in mining is the problem of ill-fitting PPE, which has been designed for men. In line with the objectives of our women in industry initiative, we sought to source suitable, comfortable and high-quality PPE that would fit properly and provide maximum protection, thereby promoting the health, safety and wellbeing of our female employees.



On 30 July 2015, 51 delegates, representing all Amplats operations, attended a function to showcase the new equipment. Various PPE products were displayed and approved. Final item coding is under way and then the equipment will be introduced at our operations.

Improving safety through modernisation

We remain committed to the modernisation of our operations progressively. New technologies are being implemented to reduce risks associated with operational activities.

For more information, please see the case study below.

The sustainability of modernisation

The pros and cons of modernisation through mechanisation have been debated at length. The truth, however, is that in a global economy, mechanisation is the only way for the South African mining industry to remain relevant and competitive.

Amplats' vision for modernisation of its mines is to mitigate the implications of job losses through improved employee benefits as well as health and safety, and job creation in areas related to mechanisation. We believe modernisation will create jobs in non-traditional areas such as the service industry related to equipment manufacture and servicing.

Benefits we have already seen include:

- Proximity devices control the safe movement of locomotives
- Personnel sensors and other sensory and lighting technology improve safety
- The installation of new nickel tank-house technology at the base metal refinery in Rustenburg has improved the work environment by reducing ambient tank-house acid-mist emissions
- Large-scale fine-grinding technology improve PGM liberation and downstream extraction, resulting in 3% additional recovery.

This is all part of our ongoing FutureSmart approach to technology and its potential.

Employee health and wellbeing

Our approach to promoting employee health and wellbeing

Our health programmes focus on managing both the occupational and non-occupational health risks prevalent among our workforce.

Our approach is also governed by a series of standards, guidelines and assurance processes. The Anglo American occupational health way sets out our vision for employee health and wellbeing: to achieve zero harm and a healthy and productive workforce through the effective management of occupational health risks in all our managed operations.

To achieve this, our health strategy covers the full spectrum of health interventions, including:

Prevention	Care	Rehabilitation
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Underpinning our vision are three fundamental principles of occupational health:

- All occupational illnesses are preventable
- Learning from monitoring exposure and surveillance of disease incidence and using this information to prevent occupational disease
- Consistent application of common, simple and non-negotiable occupational health standards throughout the group.

Our workplace programmes recognise the relationship between diseases, workplace exposure, fatigue and injuries. To respond to this complex interplay, Amplats prioritises the cornerstone health programmes, which include: occupational hygiene, occupational

medicine, public health, wellness and disease management, rehabilitation and disability management and trauma and emergency care.

On the regulatory front, new regulations and guidelines on PPE for women in mining care, fitness to work, and fatigue were completed in 2015. These new requirements, together with anticipated changes in social security – particularly workers' compensation – have informed the review of our management system in 2015.

Our 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 protective equipment (PPE) and considering all aspects of engineering control. 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 who would be exposed to conditions that exceed those limits if they were not protected by PPE. This helps to identify hazards where we can improve controls, perhaps to the point where, subject to available technology, we can eliminate the need for PPE altogether.

Investing in public health

Protecting the health and safety of our employees includes ensuring that the environment in which they work is as safe as possible. Our public health team monitors the quality of food, water and sanitation on site.

To protect the health of our employees, our public health team ensures food safety in respect of acceptable microbiological and chemical standards and quality of all food for human consumption, as well as optimal hygiene control throughout the food supply chain. Food is sourced from licensed and approved food suppliers and establishments. Food preparation sites are inspected and any incident of food poisoning is investigated. We invest in increasing public awareness to help people understand how to prepare food safely.

To ensure water safety and accessibility for domestic use as well for recreational, industrial and any human and animal use, we monitor water quality by taking samples for analysis and investigate any complaints related to the water quality.

Ensuring our employees have access to adequate sanitation while at work is a priority. Our underground sanitation remains a risk and we continue to upgrade the facilities to ensure adherence to health and hygiene requirements. Any suspected or reported spillages are dealt with immediately.

All cases of communicable diseases have the potential to spread through the workforce with the assistance of environmental factors such as food, water, air, soil, insects, pests and sanitation. Any cases are investigated to determine the source of infection, the level of risk to the public and to implement measures to prevent or control the spread of the disease in such a way as to safeguard the general workforce. Mobile clinics render primary healthcare services to Rustenburg mines' operations surrounding communities, including informal settlements.

Noise-induced hearing loss

In 2015, we continued with our education campaign for our employees and reinforced messages on managing health hazards, particularly

noise-induced hearing loss (NIHL). The elimination of NIHL remains a priority.

In total, 63% of our employees were reported to be working in environments with noise levels in above the OEL of 85 dB(A) (2014: 59%). In 2015, we recorded 36 new cases of NIHL (2014: 34), with rock-drill operators accounting for the majority of new cases.

Preventing noise-induced hearing loss (NIHL)

The most common occupational health risk associated with conventional underground mining remains high levels of noise exposure. The elimination of NIHL is therefore a priority. The six-point plan which prioritises control at source is made up of:

(1) Second generation attenuator roll out on current rock drills – reduce rock-drill noise levels to 103 dB(A), from 108 dB(A)

Modern drills are far more efficient than those previously available, wasting only minimal amounts of energy in producing mechanical vibration and noise.

In light of this, one of our main initiatives entails the migration from first- to second-generation rock drills. By upgrading to second-generation attenuators an improvement of 3–4 dB is obtained. Noise measurement in log scales and a 9.3 dB reduction translates to half the noise level.

(2) Customised hearing protection for all affected employees

Without the correct fitment, there is no guarantee that individuals wearing hearing protection devices (HPD) are protected to the full level of protection offered by the product. It is required that all employees that have an occupational noise exposure greater than 95 dB over an eight-hour shift, are issued with customised hearing protection devices. To date, we have achieved a 72% roll-out.

(3) Tracking employees with PLH (percentage loss in hearing)

Employees identified with a PLH shift >5% are currently tracked on whether a briefing session was conducted on the actual employee making them aware of the dangers associated when exposed to high noise levels. The tracker also includes the incident investigation portion where all basic and immediate causes are identified.

(4) Compliance monitoring – noise robot

It is imperative to track compliance on a simple dash board indicating conformance of the various operations to the noise six-point plan. Employees identified with a PLH shift >5% currently go through a counselling and an incident investigation process. The workplace review takes into consideration the roll-out of attenuators and hearing protection devices. The counselling covers training and awareness and emphasises the correct use of HPDs.

(5) Reviewing noise registers of equipment exceeding sound levels of 100 dB

We regularly review our noise registers to ensure we adhere to the Mine Health and Safety Council's noise milestones. Equipment that exceeds milestones is targeted to meet set noise milestones.

(6) Training, awareness and education

We continue to educate employees and reinforce messages on managing noise levels in and outside of the workplace. The correct insertion, maintenance and storage of hearing protection devices is emphasised.

[†] Number restated due to the inclusion of additional reporting parameters, which resulted in a 7% increase in 2014 numbers.

MATERIAL ISSUE: PROTECTING THE SAFETY AND HEALTH OF OUR PEOPLE AND IMPACTED COMMUNITIES continued

Airborne pollutants and chemical stressors in the working environment

The main airborne pollutants at our operations include – diesel exhaust emissions at our mechanised mining operations, platinum salts and different speciation of base metals, such as, nickel and cobalt at our refineries, and sulphur dioxide and heavy metal particulates at the smelters.

Exposure to diesel exhaust emissions

The tailpipe emissions from diesel engines of mobile equipment used in mechanised mining can result in high levels of diesel particulate matter (DPM). The monitoring and management of DPM emissions is also receiving attention through the tripartite structures under the Mine Health and Safety Act. The current internal combustion of diesel engines used in South Africa is not as efficient as the new fleet of engines used in other parts of the world and this contributes to sub-optimal emission standards.

A strategy for managing DPM has been rolled out at the relevant operations. The strategy involves optimisation of the ventilation systems, procurement of low sulphur containing diesel and a vigorous maintenance programme. A comprehensive personal exposure monitoring programme is in place with a focus on occupations with high-risk profiles, such as, operators of trackless mobile equipment.

Airborne pollutants at process operations

At the process operations, local extraction ventilation systems are used to prevent or reduce the levels of airborne hazardous substances. To manage high exposure requires a fundamental understanding of the ventilation system in place utilising airflow simulation to test actual ventilation conditions – such as – extraction and conveying velocities – against design parameters. The flow simulation makes it possible to predict or identify area of pressure build-up, restriction or inadequate capture velocities. This makes it possible to evaluate the fan performance and the appropriate diameter of the ventilation columns.

Through the CCAS (Critical Control at Source) programme that has been developed, the teams are now able to assess the effectiveness of onsite local exhaust ventilation systems located at various working areas.

As a result of the CCAS roll-out at PMR, a marked improvement was evident at the metal accounting laboratory. Employees raised concerns about fume exposure when performing daily activities in front of the laboratory fume cupboards. Using the CCAS programme the face and capture hood velocities and were found to be sub-optimal against the required conveyance standard. A ventilation assessment was performed on the complete local extraction system and recommendations to reduce the fumes in the cupboard area were discussed. The recommendations included a redesign of the surface area of the cupboard enclosure. This conversely increased the face velocity – resulting in a more efficient capture hood velocity that eliminated fume liberation around the fume cupboard area.

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.

With respect to airborne diseases related to airborne pollutants, there were 10 cases of chronic obstructive airways disease (2014: two) and one case of occupational dermatitis (2014: four). In addition, 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.

Platinum salt sensitivity (PSS) or platinosis is an allergy-like reaction to exposure to soluble salts of platinum. Symptoms are progressive and may include asthma, dermatitis, dyspnea (impaired breathing), conjunctival vasodilation (widening of blood vessels in the eye) and rhinopharyngitis (inflammation of the pharynx). We have put several controls in place to prevent PSS. In 2015 we had no cases.

Monitoring critical controls at source

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

We recorded ten cases of chronic obstructive airways disease (2014: two) and one case of occupational dermatitis (2014: four). 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 investigations reveal historical 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 line 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 key risks at each of these operations and describe the controls in place. Routine measurements determine the effectiveness of engineering controls being used to manage hazardous substances.

Employee wellness

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

As part of our education and awareness campaigns, we emphasise sound nutrition, which is essential for a healthy and productive workforce. Proper nutrition can have a positive impact on safety and is a strong feature of fatigue management and employee wellness programmes. Through these 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 2015, our levels of absenteeism remained high at 8.62% (2014: 6.17%), owing to labour instability as a result of our restructuring.

Managing TB and HIV/Aids

The journey to zero harm includes a target of zero TB deaths. Looking after the health and safety of our employees extends beyond working hours. In 2014 we found that of the 476 employees who were newly diagnosed with TB, the majority (75%) were HIV positive. We also found that of the 51 employees who died of TB, 96% were HIV positive. As TB is a treatable disease, this is an unacceptable loss of life. In response to these numbers, along with the HIV/Aids and TB epidemics and the increasing burden of non-communicable diseases, during the year Amplats aggressively drove health promotion, voluntary counselling and testing (VCT) for TB active cases and finding and screening for chronic diseases.

Amplats has well-entrenched and sizeable workplace TB and HIV/Aids programmes, and recent performance indicators show an encouraging improvement in the area of employee health.

This can be attributed to the implementation of a number of practical and tangible initiatives aimed at programme enhancement, healthcare system strengthening, employee awareness and participation, and community mobilisation.

With regard to programme enhancement, the team focused on the roll-out of INH prophylaxis, making use of protocols that advocate symptom screening, GeneXpert screening and the use of tuberculin testing. To drive adherence and prevent high pill burden, the one tablet 300 mg INH treatment was introduced. By the end of December, over 2,000 employees were on INH prophylaxis.

Using data trawling, all HIV-positive employees who were not registered on a programme were identified. An active case management process was put in place to enrol these patients on an HIV disease management programme. The significant increase in DMP registration and antiretroviral therapy (ART) enrolment was, in part, attributable to this initiative.

With respect to strengthening the healthcare system, seven additional nurses were added to the staff complement. A total of 29 doctors and 26 nurses went through the HIV management course offered by the Foundation for Professional Development. A total of 31 nurses attended the adherence counselling course. To strengthen leadership and governance, bi-weekly operational teleconferences, site visits and peer reviews were held.

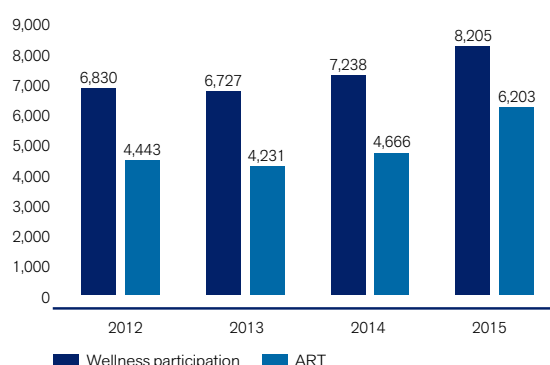
Employee awareness was driven through regular poster messages, incentivised HIV counselling and testing, and the use of peer educators. The peer educator programme is under review and will be enhanced through a more structured programme for wellness ambassadors.

Social/community mobilisation focuses on health-related media advertisements, partnerships with schools located around our operations and close collaboration with the Department of Health.

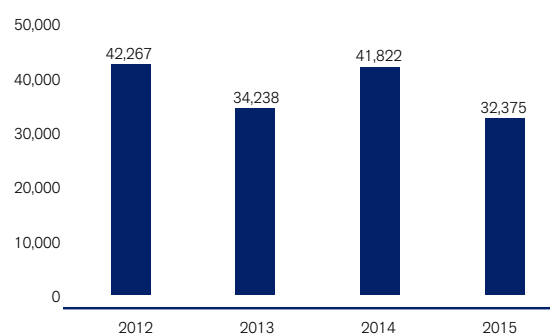
With regard to TB contract tracing, our facilities liaise with the district healthcare personnel. This, together with referrals, is an area that requires further enhancement.

Testing (through our wellness programme) is the entry point to our comprehensive programme of prevention, care, support and treatment for HIV and Aids. In 2015, we counselled and tested 32,375 employees and 28,924 contractors (2014: 41,822 and 33,601 respectively).

Number of employees participating in wellness programmes and ART (antiretroviral therapy)



Voluntary counselling and testing (VCT) (number of employees)



Currently 8,205 employees are enrolled in our HIV Disease Management Programme, 6,203 of whom are on antiretroviral treatment. The annual number of new HIV infections in our workforce

MATERIAL ISSUE: PROTECTING THE SAFETY AND HEALTH OF OUR PEOPLE AND IMPACTED COMMUNITIES continued

decreased to 135 in 2015 (from 334 in 2014), but, despite the decrease we still believe this number is unacceptably high.

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 2015, 6,203 employees were on antiretroviral therapy (ART) (2014: 4,666). A further 400 dependants are on ART sponsored by Amplats (2014: 291). We have also extended our ART programme to include the partners of HIV-positive employees.

Of the approximately 1,600 employees who had not joined the programme despite their positive status, 1,281 individuals were enrolled on the programme during the year. This partly explains the significant

increase in both the HIV DMP and ART numbers.

In 2015, 450 new cases of TB were reported (2014: 476), giving an annual incidence rate of 1,056 per population of 100,000 (2014: 999 per population of 100,000). The number of TB retreatment cases dropped from 101 in 2014 to 73 in 2015 – a 28% drop. This rate remains in line with the national average, and well below the mining industry average. Regrettably, 27 TB deaths were reported in 2015 (2014: 51), 26 of whom were HIV-positive (2014: 49).

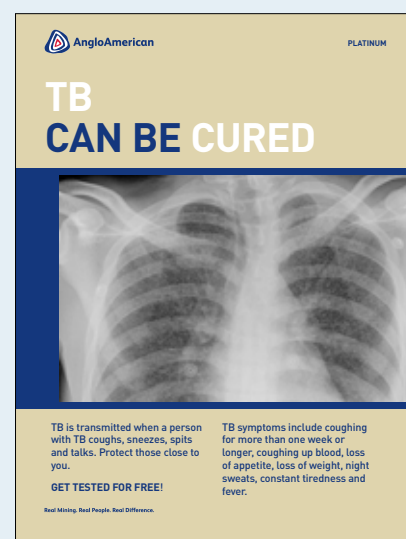
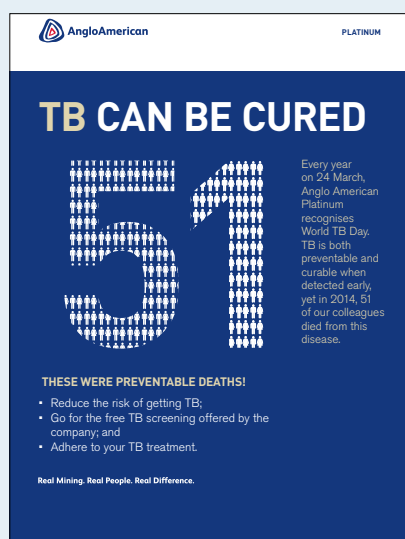
Fighting TB as part of our zero-harm journey

TB remains one of the main epidemics and the leading cause of death by natural causes in South Africa. Although TB rates are decreasing worldwide, including on average in Africa, the World Health Organisation's global report noted that the estimated TB incidence for South Africa continues to rise. About 1% of South Africans develop TB every year and more than 70% of cases are coinfecting with HIV. The highest prevalence of TB infection is among people aged 30–39 and living in townships and informal settlements.

The journey towards zero harm includes achieving a target of zero TB deaths. To achieve this target, a multipronged approach is required. We strive to enhance our TB and HIV programmes, get employee buy-in and participation and expand specific initiatives to our communities through partnerships. Active TB screening forms part of our annual medical examination and we provide comprehensive treatment for those infected. These interventions collectively address the biomedical, structural and social dimensions that influence the spread of TB.

Our education and awareness programmes play a vital role in promoting good health and, by extension, managing disease among our employees and their families.

Below are some examples of internal communications posters used to heighten awareness about the disease among our employees during the year.



While we are recognised leaders for our TB and HIV/Aids programmes in the workplace and have made substantial progress, there are still significant challenges to overcome.

Rehabilitation and medical incapacity

The focus on acute and vocational rehabilitation by implementing rehabilitation and functional assessment (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.

In considering medical incapacity, alternative placement of employees who have been declared unfit for a specific job is prioritised. In 2015, 335 applications went through the medical incapacity Operational Unit Medically Affected Employee Committee (OUMAEC) process (2014: 273). As a result, 266 (79%) employees (2014: 238, or 87%) were offered alternative placement and the contracts of 69 (21%) employees were terminated (2014: 35, or 13%). Of the total applications for medical incapacity, 26 (8%) were associated with occupational injuries and diseases (2014: 29, or 11%). 20 (77%) of these employees were offered alternative employment (2014: 23 or 79%).

During the year, the homes of 42 ex-employees with spinal-cord injuries were identified for renovation and sanitation installation. Of these, 38 renovations have been completed. Regrettably, two of the identified individuals passed away during the period, and we extend our sincere condolences to their families. The remaining homes will be completed in the first half of 2016.

In addition, the assessments of former employees with head injuries were completed, with 38 (95%) of the 40 employees contacted and assessed. Only one person with a head injury was assessed as needing home renovations. This was included in the 42 houses discussed above.

The head injury survey identified a number of unique problems affecting this group of former employees. These included cognitive dysfunction, regular headaches, epilepsy, mood disorders and other psychological problems. These findings will be taken up with the relevant institutions.

Community health and safety

Our approach to supporting community health and wellness

We support healthcare systems in under-served rural areas in close proximity to our mines and labour-sending areas, and focus on innovation and partnerships to improve access to healthcare. We work with the provincial health departments in Eastern Cape, Mpumalanga, Northern Cape and North West provinces, which are associated with our operations, to improve health services, as well as activities aimed at supporting healthcare in South Africa and Zimbabwe more broadly.

Our performance

During 2015, the Sefikile Clinic in North West province was completed. The construction of Seraleng Clinic in North West province and three clinics in Limpopo province was completed and will commence to be handed over in 2016. As part of a temporary public-private partnership arrangement, the public sector occupies two of the wards at our 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 nearby schools. We have also purchased 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 communities around our Amandelbult and Mogalakwena mines and Twickenham project. These medical services are rendered free to medically uninsured people, and respond to all emergency cases.

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). The Rustenburg mobile clinic continues to render primary care services to communities around the mines. The services include a wide range of basic ambulatory care, ie health education, acute and chronic illnesses, sexually transmitted diseases, family planning and child and maternal health. For the reporting period, a total of 18,151 primary care consultations were offered, ie an average of 1,513 per month.

Raising awareness around HIV/Aids

World Aids Day presents an opportunity for every community in the world to unite in the fight against HIV, learn about the disease, show support for people living with the virus and remember those who have passed away. This year, Amplats partnered with schools in and around its mining operations in Mogalakwena Mine and Twickenham project to commemorate World Aids Day.

The learners engaged in an interactive, fun and educational industrial theatre. The initiative aimed to raise awareness through interactive learner participation, which took place at Seritarita High School in the Mogalakwena Mine area. In the Twickenham project area, the theatre also took place at Masebudi Primary School, and a discussion was held with educators at the Ntwampe High School because the learners were writing end of year examinations.

Our community health programme ensures a comprehensive community health monitoring process to identify health-related risks. Health facilities such as home-based care and road safety projects, including scholar patrols, are also among the community projects we implement to ensure safety in our communities.

Sefikile Clinic

Amplats, through our SLPs, has built a clinic in Sefikile village. The original clinic was small and unable to meet community members' needs. The main objective of this project was to extend value to our communities and support the department in improving access to primary healthcare. The clinic will provide the necessary facilities to local communities, of Mantserre, Monono, Sefikile and Mopyane, who were unable to travel to government hospitals.

The construction of Sefikile Clinic has added value by creating short-term jobs in the construction stage and has provided the community with infrastructure in line with government strategy. The total cost of this project was R13,8 million, and its impact will be felt by some 15,000 people for many years to come.

MATERIAL ISSUE: ADDRESSING STAKEHOLDER EXPECTATIONS AND MAXIMISING COMMUNITY BENEFITS

Previously in business, the social licence to operate was an allegory for companies on the level of acceptance from their host communities. Today at Amplats, it is at the centre of our social management framework.

The mining industry is facing growing demands to demonstrate meaningful economic, social and environmental sustainability in the areas in which we operate. The question we face is how do we help take South Africa's mining industry forward amid growing – and often conflicting – expectations from a wide range of stakeholders?

The overarching challenge in this complex operational context is to find a balance between meeting the diverse needs of our stakeholders while remaining productive and profitable. We acknowledge that we still have a long way to go before achieving this goal but we continue to focus on meaningful engagement as the most important tool to bridge the gap between where we are and where we desire to be.

OUR APPROACH TO MEANINGFUL ENGAGEMENT

We are committed to working with our stakeholders to understand their legitimate needs and concerns and to integrate these into our business to create an organisation that is sustainable and shares the value generated. It requires us to stay abreast of the constantly changing landscape of relationships that constitutes our diverse group of stakeholders.

We believe that building quality relationships requires recognising two important factors:

- A relationship is only sustainable if it provides benefits to both parties (sharing value)
- Clear, consistent communication is the operating framework by which we are able to build and maintain quality relationships.

A list of key stakeholder engagements in 2015 can be found on page 29 of the integrated report.

The Anglo American Social Way

The Anglo American Social Way provides the governing framework for social performance, of which stakeholder engagement is an integral part at Amplats. It sets out clear requirements to ensure systems are in place to: engage with affected and interested stakeholders; avoid, prevent, mitigate and, where appropriate, remediate adverse social impacts; and maximise development opportunities.

UNDERSTANDING OUR STAKEHOLDERS

We have a variety of stakeholders on whom our business relies and who rely on us to meet certain needs. We use a variety of mechanisms to engage with this range of stakeholders to understand their legitimate needs and to communicate our goals. In this way, we seek to create relationships of reciprocal benefit.



Amplats	Our key stakeholders	Striving to meet needs
We want to create sustainable profit. This requires the following from our stakeholders:	Our stakeholders want sustainable benefit. This requires the following from Amplats:	We need to demonstrate our commitment to 'sharing value' to all our stakeholders. All our stakeholder interests are important to us, and we demonstrate our commitment to this ideal by treating them with equal attention and resourcing for plans and strategic activities.
The continued support and engagement of shareholders, investors and analysts	<i>Our investors</i> Clear and transparent engagement as well as long-term value creation.	Our clear strategy is designed to create long-term value for our shareholders. We engage with shareholders, investors and analysts through annual results presentations, annual general meetings, and individual meetings with investors, investor roadshows and through site visits organised at our operations.
The continued efforts of a productive and engaged workforce	<i>Our employees</i> Our employees want to work in a safe and healthy work environment and be assured of the security and increasing benefit of their employment.	<p>The mining industry in South Africa has experienced a series of extreme periods of labour unrest over wages, affecting exports and causing concern among some investors.</p> <p>We continue to introduce more modern equipment and machinery that enhance our employees' work environments while improving our operational efficiency. The other side of this modernisation process, however, is that certain jobs previously done by people, can now be done by machinery. Although this significantly benefits our people, by protecting lives, it impacts on job security in certain employment categories. We try to mitigate this impact by upskilling our workforce to meet the needs of the modern mechanised mining industry.</p> <p>The complexities in the PGM industry also create an environment where it is difficult to meet our employees' needs. We have had to restructure our organisation to secure our sustainability, resulting in a number of jobs becoming redundant or impacted in some way. Prior to any action, we engage in a comprehensive consultation process with stakeholders in terms of section 189A of the Labour Relations Act. To mitigate the financial and emotional impact on affected employees, we offer voluntary severance packages and comprehensive support measures, such as:</p> <ul style="list-style-type: none"> • Psychological support programme (Careways psychological support, Careways trauma debriefing sessions, employee assistance programme from Platinum Health) • Career support programme (career assistance workshops) • Financial support programme (Summit financial support programme and workshops and Zimele entrepreneurial support and workshops) • Academic support programme (own skills development at an accredited institution or bursary support for one dependant for one year) • Healthcare support programme (clinically indicated illness support) • Transitioning support programme (life coaching sessions).
A social licence to operate	<i>Our communities</i> Our communities want sustained social and economic benefit from our mines, including employment.	<p>We face growing demands by our communities to meet needs that typically fall within the realm of local government service delivery. This includes providing basic services, such as education and healthcare. Local communities also want more local employment opportunities. Where these needs are not met timeously, or there is a perceived lack of progress, social unrest ensues. Community protests in turn result in costly work stoppages, as well as property and reputational damage to the company, all of which put further strains on the profitability, which affects our other stakeholders including shareholders, investors and employees.</p> <p>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 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 regular interaction with host communities.</p> <p>There is still much work to be done in building more mutually transparent and beneficial relationships with our communities, but this is a goal we tirelessly pursue.</p>
A conducive legislative environment	<i>Government</i> The government seeks the enhancement of societal value through creating jobs and supporting the national development plan.	We seek to create and protect existing jobs as far as economically sustainable. We align our social and infrastructural investment projects with the national development plan and seek to continually engage with relevant government stakeholders to ensure collaboration towards national goals.

MATERIAL ISSUE: ADDRESSING STAKEHOLDER EXPECTATIONS AND MAXIMISING COMMUNITY BENEFITS continued

OUR EMPLOYEES

Meeting our strategic objectives depends on ensuring that we maintain positive relations with our employees and trade unions, allowing access to the relevant skills necessary to meet our business needs, and having the systems in place to develop and retain talent.

Engaging with unions to benefit our employees

Labour instability is an issue across the country, in all sectors, and is often exacerbated by inter-union conflict, which has become a feature of the labour relations environment. Approximately 95% of our permanent workforce in the bargaining units is represented by trade unions, covered by collective bargaining agreements. This stakeholder relationship is key to our ambition of fostering mutually beneficial relationships with our employees.

We strive to develop strong relationships with union representatives at all our operations through continuous, open and meaningful dialogue. We focus on developing collaborative relationships with the four representative unions in a multi-union environment (this includes training union leaders and addressing inter-union rivalry). We ensure relevant changes to our organisation or our practices are tabled with trade unions for discussion before implementation, and that, in turn, any employee concerns are brought up for discussion before they become the subject of disputes.

Growing stronger employee relations

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

We are currently implementing a number of longer-term initiatives for our employees, including:

- A proactive employee relations programme to improve communication and relationships with our employees directly
- 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
- Providing employees with the necessary training to deliver sustainable value as we further embrace mechanisation.

Other focus areas include reviewing housing and accommodation for our employees, and programmes looking at employee wellness such as addressing the high levels of employee indebtedness, which is an ongoing concern and challenge in our industry (for more information, see the case study on the Nkululeko financial wellness programme).

Nkululeko financial wellness programme – employee indebtedness programme gains momentum

Many of our employees struggle with a level of debt that is difficult to manage. Each month, large amounts are deducted from their earnings, by court order, as debt repayments. The protracted strike in 2014 exacerbated this problem, with many increasing their dependence on credit to meet their monthly expenses.

The stress of indebtedness has a destructive impact on employees' wellbeing at work and at home, as people who are financially stretched are often anxious and less focused. This can compromise their safety and performance in the workplace and put severe stress on family units. Employee indebtedness has also been identified as an underlying cause of industrial actions and labour unrest. We believe, however, that this cycle can be broken.

In 2014, we introduced a financial wellness programme designed to assist our employees in understanding and managing their debt. The programme is called 'Nkululeko', which means freedom – a reference to freedom from the bondage of over-indebtedness. The programme has been rolled out at most of our operations. Our target for 2015 was to enrol 30% of our indebted employees. The target was exceeded as 44% of indebted employees were enrolled by the end of 2015.

On average, employees who have had thorough financial assessments completed and are part of our debt relief solutions programme previously spent 53% of their net income on repaying their debts. Through the Nkululeko programme, we have reduced this (on average) to 26%, giving employees significantly increased net income to spend on living expenses and planning for their future.

Amplats has worked with Summit Financial Partners, a company with experience in conducting debt relief programmes, to provide financial support to our employees.

Key elements of the programme include:

- Addressing the issue of over-indebtedness
- Providing a debt relief programme, including:
 - Debt consolidation
 - Debt rescheduling
 - Debt audit
 - Debt negotiation
 - Debt counselling
- Providing financial wellness training.

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 remove illegitimate financial service providers.

Learning from the Marikana tragedy

August 2012, the time of the tragedy of Marikana, marked a 'tipping point' in the mining industry. The tragedy led to the establishment of the Marikana commission of inquiry to investigate matters of public, national and international concern arising from the tragic incidents at the Lonmin Mine in Marikana. The commission, often referred to as the Farlam Commission, after Ian Gordon Farlam, the retired judge of the Supreme Court of Appeal named as chairperson, released its report on 25 June 2015. Although Amplats was not the focus of, nor named in the report, we have reviewed the report in the context of our own approach and programmes regarding the underlying social issues that need to be addressed, employee relations and management practices, and

protection services practices. We have integrated our findings into our approach to our stakeholders:

Key lessons from the Farlam report:

- 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, unions and communities close to our mines on our intended sale of non-core assets.

Investing in our skills base

We invest in the development of our people, giving them the skills and resources they need to grow with our industry and with our company.

The following programmes provide a pipeline of suitably qualified, skilled and diverse professionals for the company.

INITIATIVE	DESCRIPTION
YOUNG PROFESSIONALS (BURSARS AND GRADUATES)	Amplats has a well-structured bursary and graduate development programme focused on ensuring a diverse pipeline of professionals into the business across all key disciplines.
MINING LEARNERSHIPS	This initiative is aimed at supporting employees in achieving the necessary competence to perform mining tasks. This is currently provided in both the conventional and mechanised disciplines.
ENGINEERING LEARNERSHIPS	This programme helps in mitigating the skills shortage in the various engineering artisanal levels that Amplats requires.
FAST-TRACKING PROGRAMMES	Fast-tracking programmes are one of the vehicles to address the under-representation of HDSA employees in technical fields, focusing on supervisory and management categories.
NATIONAL SKILLS ACCORD PROGRAMME	Amplats participates in this programme to provide school leavers with apprenticeship and work-placement opportunities.
YOUTH EMPLOYMENT SUBSIDY	Amplats employs young people as part of this programme aimed at subsidising the cost of employing youth.
TECHNO GIRL PROGRAMME	The programme places young girls in companies whose core business activities are focused on scarce career fields in science, technology, engineering and maths where women are under-represented.
SKILLS PROGRAMMES	Various skills programmes, consisting of groups of unit standards that allow learners to become employable for a specific role and are recognised by the Mining Qualification Authority.
CADETSHIPS	This initiative focuses on training individuals from local communities in skills for specific jobs (such as rock-drill operators) to be employed immediately into permanent positions or at a later stage as needed.
SCHOOLS PROJECT	Amplats adopts existing schools with the objective of bolstering education to ensure a pipeline of educated youth to employ in future.

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We have a good pipeline of skills, particularly at entry level, as a result of our graduate and fast-tracking programmes. 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 process, we are aligning strategies, processes and systems for 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 was 4.3% of total payroll in 2015 (2014: 4.9%), while on average each employee received 81 hours of training (2014: 88 hours).

A summary of our performance in a selection of training and development programmes:

ENGINEERING TRAINING	<ul style="list-style-type: none"> • There were 294 learners enrolled in various engineering training schemes (2014: 432), and 66 qualified during the year (2014: 164) • The number of learners who participated in six specialised trade-related short courses was 1,973 (2014: 2,098).
LEADERSHIP DEVELOPMENT	<ul style="list-style-type: none"> • A total of 63 senior managers graduated from the programme for management excellence (2014: 43) • Six senior managers (2014: five) completed the Anglo management programme and seven senior managers completed the leaders in Anglo American programme (2014: three) • A total of 1,214 supervisors attended programmes targeting specific supervisory-level performance skills (2014: 1,361).
DEVELOPING OUR YOUNG PROFESSIONALS	<ul style="list-style-type: none"> • We provided bursaries and graduate-in-training programmes in specific fields to 387 people (2014: 451).
OPERATIONAL RISK MANAGEMENT PROCESS	<ul style="list-style-type: none"> • Total people who completed the programme in 2015: 7,110 (2014: 3,880) <ul style="list-style-type: none"> – A4: 0 (2014: 0) – A3: 78 (2014: 83) – A2: 914 (2014: 1,561) – A1: 6,118 (2014: 2,236) – 1,429 employees received the required training as occupational health and safety representatives (2014: 764).
ACCESS TO ADULT BASIC EDUCATION AND TRAINING (ABET)	<ul style="list-style-type: none"> • ABET was provided to 975 employees (2014: 700) as well as: <ul style="list-style-type: none"> – 71 contractor employees (2014: 39) – 432 community members (2014: 198) <p>ABET is provided on a part-time and full-time basis, and accommodates shift workers.</p>

Transforming our workplace

Our transformation programme aims to create a workforce that reflects the diversity of South Africa's population and, in so doing, comply with the requirements of the mining charter. We seek to diversify our workforce through targeted recruitment and development campaigns for women in mining, HDSAs and people with disabilities. The demand for skills at managerial level, particularly for HDSAs and women, is an ongoing challenge. We focus on rewarding good performers, developing skills, providing career advancement opportunities, and developing leadership capacity. We continue to improve levels of representation in all these groups.

By the end of 2015, 62% of our managers were HDSAs (2014: 63%), 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.

Women made up 20% of our management (2014: 20.9%), and 14% of our overall workforce (2014: 14%), with 11.9% in the core disciplines of mining, engineering, projects and metallurgy (2014: 17.4%).

Focusing on accommodation and living conditions

We want all our employees to enjoy decent housing and living conditions.

We are making good progress in providing family housing units and single accommodation. While 5,743 employees (2014: 6,400) currently reside in converted hostels, the level of occupancy in these single-accommodation villages (SAVs) is steadily decreasing. In all cases, single-room occupancy has been achieved.

We believe home ownership is important and, as such, we promote and facilitate home ownership among our employees through our housing scheme. Besides houses, the model has involved 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 309 are 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 near the mines and integrated into existing communities.

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 over 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 earnings and employees choose to live in informal settlements.

We continue to review 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.

Our cultural transformation journey

Winning the hearts and minds of our employees, becoming an employer of choice, is possibly our biggest challenge. Following the 2014 strike, we embarked on a process of organisational cultural transformation. The idea was to change relationships with employees from a state of *tshenyego* (Tswana for hurt) to *tshiamo* (bridge to wellness) to ensure an engaged and productive workforce, founded on three pillars:

- Leadership
- Values
- Engagement.

The pillars comprise 14 critical focus areas that assist in healing our organisation, develop a serving and supporting leadership style and an engaged workforce. A key outcome of *tshiamo* is that we work together as a team with a common purpose.

In 2015, we embarked on a concerted educational drive, ongoing communications and measurements to embed all aspects of our cultural transformation, making it an intrinsic part of how we do business and who we are as an organisation.

OUR COMMUNITIES

The future of our business is linked with the future of our local communities in the areas in which we operate. Investing in their wellbeing is an investment in the sustainability of our business. The question, therefore, is not whether we should invest, but rather, what is the best form of investment? We strive to invest in our communities in a way that creates sustained social and economic benefit both during and beyond the life of a mine.

Our approach to creating sustained economic and social benefit

Inclusive stakeholder engagement underpins our approach to value creation and is an integral part of securing our social licence to operate. In 2015, community unrest highlighted the importance of engaging proactively with our communities (see page 38). We recognise that there is work to be done to manage and build relationships, if we are to maintain the trust and acceptance of our stakeholders.

In our ever-evolving pursuit of better stakeholder engagement, during the year we participated in a pilot project that allows real-time insight into the community perceptions around our Mogalakwena Mine.

The project used SMS technology for community perception surveys. The survey methodology was developed in partnership with Australia's Commonwealth and Scientific Industrial Research Organisation, one of the pioneers in social licence to operate (SLO) measurement.

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During the project, 1,826 community members across the four sites completed a baseline survey and then, using SMS, provided updates of their views on each mine's progress in terms of the key drivers of our social licence to operate.

While the project is still in its pilot phase, the data gained so far has given us valuable insight into our strengths and weaknesses and supported the development of a strategic approach to maintaining and enhancing our social licence to operate. Our aim is for the perception surveys to form part of an integrated approach to provide consistent insight on the performance of our activities to maintain and improve our relationships and create a more sustainable future for the business.

The application of our industry-leading socio-economic assessment toolbox (SEAT) shows us how our operations affect each community. We can then engage more effectively, accountably and transparently.

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.

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 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.

Mogalakwena: Forging a way forward

External context

Mogalakwena Mine is 30 km north-west of the town of Mokopane in the province of Limpopo. It operates under a mining right covering 137 km². The mine operates in the context of a deprived and impoverished province.

Unlike the Western Limb, platinum mining is a more recent development at Mogalakwena. Our operation is primarily surface operation and more mechanised. As a result, there are fewer intergenerational mine employees, and relatively few jobs. Nonetheless, the rapid rise of platinum mining in the area has, as occurred in the Western Limb, resulted in a large influx of people to the area seeking employment.

Community protests

Unfortunately in September 2015 we were faced with community protests at Mogalakwena. These led to disruption to our production, damage to property and increased tensions in the relationship between the mine and our stakeholders.

The cause of the protest is complex and multifaceted. The area has a high level of poverty and high unemployment, especially among the youth. Frustration of the lack of opportunities of employment at the mine including employment linked to local procurement, resentment about levels of deprivation, poor service delivery, a general distrust of leadership structures and the presence of competing political interests, especially with local elections looming, all culminated in a week of protest.

The task team and the way forward

We rely on good relations with the communities around our operations – our success in part depends on theirs. The disruptions provided a clear indication that our engagement processes needed to be improved and we needed to better understand the concerns of our stakeholders. We also needed to ensure we clearly articulate our limitations.

The Mogalakwena Mine and Amplats' executives worked with the former minister of mineral resources, Ngoako Ramatlhodi, the community of Mapela and other key stakeholders to stop the protests and then agreed on a roadmap to resolve the communities' concerns.

A task team was established with representation from the 32 villages within 10 km of the mine, facilitated by the South African Human Rights Commission.

Amplats also agreed to waive the 'no work, no pay' principle for employees who were unable to report to work due to community protests. This was a once-off, good faith gesture and does not set precedent for future conduct.

Initially, after establishing the task team, those representing the communities closest to the mine, were reluctant to participate, citing the fact that the involvement of all 32 communities would dilute the resolution and benefits they would derive relating to their specific issues.

Through negotiation this concern was resolved and the task team established Terms of Reference for its engagement. The task team will revisit agreements between the company and the relocated villages and agree on any outstanding action and implementation. Immediate actions were taken by Amplats and the Department of Education to ensure that the issues relating to the Seritarita High School were resolved with the school being reopened and assistance provided for the transportation of learners. In addition, issues over blasting schedules close to Seritarita High School were discussed and resolved.

Facilitated by the South African Human Rights Commission the task team has collaboratively developed a comprehensive consultation process to ensure that every community is fairly represented. The task team is now establishing subcommittees to tackle individual issues that provoked the community unrest. In terms of employment, while the task team's deliberations continue, an additional 90 contractual jobs have been offered to local villagers. Planned open tendering opportunities have also taken place.

Amplats continues to support the resolution of the issues that led to the protests. There remains much to be done to restore our Social Licence to Operate in the area but there is a strong belief in Amplats that the task team represents an important engagement platform through which this can be achieved and we remain committed to the process.

Distributing economic value

Our licence to operate depends on our ability to ensure 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.

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

The value distributed directly by Amplats in 2015 was R14,562 million (2014: R22,319 million). Through the multiplier effect, the positive economic contribution of our operations extends significantly further than these direct forms of value distribution.

Value added statement for the year ended 31 December 2015

	2015 R million	%	2014 R million	%
Value added				
Net sales revenue	59,815		55,612	
Less: Purchase of goods and services needed to operate the mines and produce refined metal, including market development and promotional expenditure	(26,964)		(32,391)	
Other net expenditure*	(11,209)		(767)	
Value added by operations	21,642	149	22,454	101
Losses from investments net of interest received**	(7,080)	(49)	(135)	(1)
	14,562	100	22,319	100
Value distributed				
Salaries, wages and other benefits	15,539	107	12,377	55
Tax charges	3,545	24	3,736	17
Taxes borne and collected	3,476		3,663	
Other tax costs	69		73	
Providers of capital	1,390	10	1,159	5
Interest paid	1,269		1,075	
Dividends	121		84	
Total value distributed	20,474		17,272	
Reinvested in the group	(5,912)	(41)	5,047	23
Amortisation and depreciation	5,140		4,897	
Accumulated profits/(losses)	(11,052)		150	
	14,562	100	22,319	100

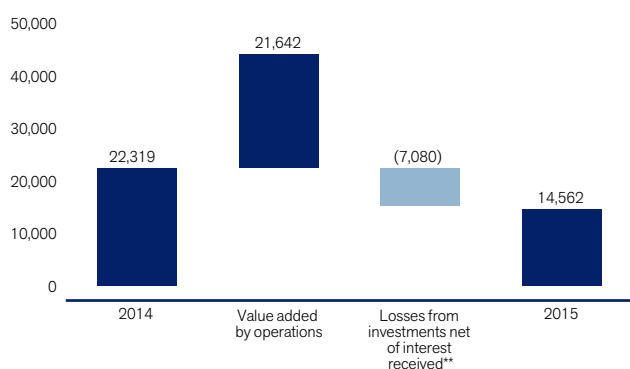
* Includes loss on scrapping of assets of R10,242 million (2014: R480 million).

** Includes impairments of investments and loans of R6,649 million (2014: R168 million).

To support our BBBEE goals, we have entered into a number of empowerment transactions and joint ventures. One such initiative, project Alchemy, was designed to provide direct participation in the company by local communities. For an overview of the progress of the project, see the timeline that follows.

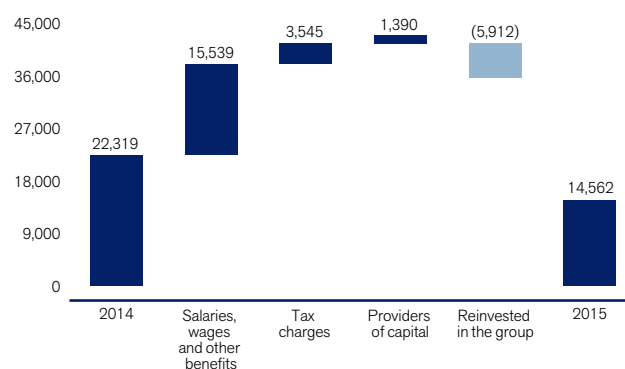
Value added

R million



Value distributed

R million



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Alchemy: A sustainable future beyond mining, through mining

2011

The company announced its commitment in 2011 to concluding a groundbreaking R3.5 billion BBBEE ownership transaction, Alchemy. Alchemy is designed to promote long-term sustainable development through direct participation in Amplats by local communities around the Twickenham, Mogalakwena, Rustenburg and Amandelbult operations and key labour-sending areas. Following this announcement, a holding trust, Lefa La Rona was established to facilitate the formation of development trusts in host communities.

At the end of 2011, Amplats put subscription shares into its inheritance trust, the Lefa La Rona Trust. This trust acts as a conduit for the four other development trusts in each of the four benefit areas and to the Zenzele Itereleng non-profit company (NPC) in the labour-sending areas.

2013

In December 2013, the Dikuno Tsa Sechaba Development Trust was established to serve the host communities around Amplats' Tumela and Dishaba mines.

2014

The Rustenburg Community Development Trust was established in June 2014.

2015

In October 2015, we launched the Bohwa Bja Rena Developmental Trust to serve communities around Twickenham project. The trust will be responsible for promoting sustainable community development in areas around the mine.

A technical working group was established in consultation with the Twickenham community engagement forum, which represents neighbouring communities, local government, community structures and nine traditional authorities. The working group is responsible for advising Amplats on the structure and operation of the Bohwa Bja Rena Development Trust and assisting in refining defined operating procedures to suit local circumstances. Through the recommendations and commitment of the working group, a guiding trust deed has been designed and concluded.

Into
the
future

Alchemy has received international recognition as a community engagement and development initiative and, once fully operational, it is expected to reach more than one million beneficiaries. The project will assist beneficiary communities to develop into self-sustainable entities for a life far beyond the life of mines, enjoying meaningful economic benefits from the onset. 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.

Community development initiatives

In 2015, delays in delivering on our social and labour plan (SLP) commitments necessitated investment over and above the norm. Amplats invested R547 million* (2014: R236 million) in community development in South Africa, in excess of the mining charter requirements and in Zimbabwe R1.25 million (2014: R8 million) was spent. The reduction in the spend in Zimbabwe was due to prevailing challenging market conditions.

Since 2010, we have initiated 114 projects related to our SLPs. By the end of 2015, we had completed 98 SLP projects. Another 16 projects are due for completion in 2016.

Some community concerns over procurement related to six of the SLP projects and resolution of these resulted in delays to project completion. The remaining 10 projects are part of the Twickenham SLP due to be completed in June 2016.

Mine community development expenditure in South Africa during 2015 was allocated to the following projects:

Education and training	R71.3 million
Health and welfare	R102.8 million
Water and sanitation	R30.2 million
Institutional capacity development	R38.8 million
Community development	R165.8 million
Environment	R0.5 million
Energy and climate change	R9.9 million
Sports, arts, culture and heritage	R39.1 million
Other	R96.8 million

** Including Unki Mine.*

Promoting agriculture-related sustainable living in communities

Our Mogalakwena Mine is pioneering various land stewardship projects aimed at enhancing socio-economic resilience in its neighbouring communities. The mine's Groenfontein farm and training centre offers courses in permaculture and cattle management to neighbouring communities. For the youth, it offers a sustainable development course linked to the international eco-schools programme.

Building on the success of the training centre, a community development incubator was established on Groenfontein farm in October 2014 with funding from Amplats. The incubator offers a combination of farming education, hands-on training and infrastructure to help farmers launch new agricultural businesses on their own or communal land. The goal is to support and grow the agricultural base in the region and to help communities become self-supporting while protecting the environment.

The incubator revolves around the following key elements:

- 1 An income-generating unit (IGU) has been established on the Groenfontein farm. It functions both as a source of funding for operations of the incubator and a practical training ground.
- 2 Incubation business services are technical and financial specialist services provided to support the operations of the IGU, as well as community cooperatives. The IGU is critical in the long term to ensure the incubator remains sustainable and able to support itself without a continuous need for external funding. Other business services provided to all enterprises include financial management, farm management and planning, governance and operational procedures.
- 3 Central marketing services are provided to ensure the sale of produce generated by the IGU business units and community enterprises. This function has been centralised to ensure economies of scale when negotiating offtake agreements.

- 4 Central pack-house and cold-chain facilities ensure that all produce is quality controlled and packaged as per the customer's requirements.
- 5 Off-site or community-based projects (enterprises or cooperatives) in the Mogalakwena municipality, consisting of community farmers established within a primary cooperative structure, produce certified crops and livestock in tandem with, and in support of, the commercial demonstration farm.

An agricultural master plan has also been developed for the Mogalakwena region, which provides further insight into agricultural activities in the area to identify additional projects for possible inclusion in the incubator.

Unfortunately, due to community unrest during 2015, the Ga Chaba tunnel farm was destroyed during the social unrest a week before they were to deliver their first crop. Community unrest also affected the Ga-Molekana vegetable farm a few weeks before their first harvest. Furthermore, South Africa is currently in the grips of a severe drought and excessive heat that is detrimental to all agriculture.

Despite these setbacks, there have also been many successes. These include securing offtake agreements with major food distribution companies, which have put our products in stores such as Woolworths. Additionally, the Mapela irrigation scheme near the Mogalakwena Mine has, to date, nearly 90 hectares of crops thanks to the involvement of the incubator. Some of their crops are also on the shelves in Woolworths. The Mapela project is the first farming enterprise in South Africa to have successfully grown a new cultivar of cauliflower for a niche market.

With the implementation of the incubator and associated community projects, Mogalakwena Mine has achieved what might have seemed impossible to some a year ago, but with good leadership, capable partners and dedication, the project's success speaks for itself. The experience gained from the past year will now be used to expand the positive impacts of the incubator to more communities in 2016.

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Some of our community development focus areas

Focus area	Progress
Health and welfare Our investment in healthcare initiatives aligns with our desire to address the more immediate needs of our communities, ensuring they have access to healthcare facilities that protect their right to live healthy lives.	<p>We also fund the development of healthcare facilities in the communities in which we operate.</p> <ul style="list-style-type: none"> North West province We built a clinic in Sefikile village adjacent to the mine. For more information on the clinic, see page 31 of this report. The Seraleng clinic in Rustenburg is being constructed and due for completion in 2016. Limpopo province We also concluded an agreement with the Department of Health in Limpopo to build three clinics – Sekuruwe, Naledi and MaSeven – which are under construction and due for completion in 2016. The Department of Health confirmed that this was one of its first major partnerships with the private sector. In addition, the Amandelbult Mine bought furniture and equipment for the Schilpadnest Clinic totalling R5 million in Thabazimbi municipality.
Education and training We invest in education, understanding that it is the most effective way of reducing poverty and making a sustainable difference in the lives of our communities.	<p>We invest in youth development and education programmes in various communities near our mines that contribute to developing non-mining portable skills at community level. In addition, engineering learnerships were provided to 70 community members and 42 attended hospitality learnerships in 2015.</p> <ul style="list-style-type: none"> Union Mine In the areas surrounding our Union Mine, we have successfully completed several projects to an estimated value of R7.8 million. One of the projects in this municipality included the construction and renovation of four schools in communities surrounding our Union Mine in North West province for R7.7 million, benefiting Segale School, Phadi High School, Kgabutle High School and Mokgalwana Primary School. Each of these schools will benefit an estimated 300 households. During construction, a number of direct and indirect job opportunities, as well as local small enterprises were created, further benefiting the local communities. Amandelbult Complex The complex rolled out a youth intervention programme to local youth from surrounding communities in the Thabazimbi and Moses Kotane local municipalities. The programme brought youth together from these different communities to initiate a conversation on key issues they faced which included unemployment, information dissemination on existing opportunities and enterprise development. In 2015 approximately 12 summits were held with local youth. Rustenburg Platinum Mines projects In the Rustenburg local municipality, Amplats has successfully completed several projects to an estimated value of R47.1 million. Some of the projects in this municipality include: <ul style="list-style-type: none"> – Manthe School: rebuilt at cost of R25 million, accommodating 474 learners. The construction process created 83 temporary jobs. The school is in Taung, as one of the labour-sending areas to our mines – Bakwena School: a science lab was built at a cost of R8.4 million with an additional two classrooms, two offices, and renovation of an administration block. Approximately 560 learners will benefit from the science laboratory, and 14 temporary jobs were created during the construction phase. Limpopo province Twickenham project has committed to build and upgrade four schools. Setlamorago and Moseki have now been completed with Mpetje and Mogale-wa-Bagale schools due for completion in 2016. In 2015, R20 million was spent on school infrastructure in Twickenham.

Focus area	Progress
<p>Agriculture and environment</p> <p>An area of the economy that offers significant employment opportunities and livelihood resilience is agriculture. Our agricultural projects seek to support farmers to launch new agricultural businesses on their own or communal land.</p>	<p>We invested R18 million in agriculture in North-West province. Four farms are being supported, including Phatsima farm in Rustenburg. These farms, managed by four different cooperatives, have created 46 permanent and 92 temporary jobs. The Rustenburg and Moses Kotane municipalities, together with Bakgatla-ba-Kgafela, have been very central to the establishment and management of these farms.</p> <p>Mogalakwena Mine sponsors and supports 32 eco-schools in the area. 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 linked to the international eco-schools programme. In 2015, our Mogalakwena operation trained 95 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:</p> <ul style="list-style-type: none"> • New business models, founded on the principles of sustainable community farming, can operate profitably • 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 <p>For more information, refer to page 41 of the report.</p> <p>This leading community empowerment project has been extended to Twickenham, and currently comprises seven SLP projects. In addition to the incubator projects, two farms around Der Brochen were developed for the St George and Kalkfontein communities. A total of R37 million was invested in agriculture in Limpopo province.</p> <p>We are investing directly, and through our platinum group metals development fund, in developing 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 22 for more details on the fuel-cell project.</p>
<p>Enterprise development</p> <p>Enterprise development takes place through various programmes and in conjunction with our supply chain team in Anglo American Platinum. We also draw on Zimele, the Anglo American-wide enterprise development and investment initiative. Zimele acts as a catalyst for emerging black businesses in South Africa by supporting sustainable and commercially viable small and medium enterprises through the provision of skills training and funding.</p>	<p>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 in host communities and a more robust and competitive supply chain for Anglo American. For more information on how we are transforming our supply chain, see page 47.</p> <p>Some of the businesses we supported in 2015 are:</p> <ul style="list-style-type: none"> • Tshwaneng Security Services (a security company): R1,303,226 • Majatumo Mining (a company that does building, construction and general maintenance of company-owned properties): R1,071,440 • Pilane Confectionary (manufacturer of sheets and pyjamas for Union Section Hospital): R260,928 • MOA Construction (a construction company): R3,935,086 • Crystal Construction (a company that does building, maintenance, civil works and installations for Kumba and Amplats): R744,176 • Khulong ya Hwashi joint venture (repairing of buckets, pumps and winch motors): R5,958,956 • Joxican (waste management company): R1,507,237.

MATERIAL ISSUE: ADDRESSING STAKEHOLDER EXPECTATIONS AND MAXIMISING COMMUNITY BENEFITS continued

Focus area	Progress
<p>Infrastructure (including roads, housing and water and sanitation)</p> <p>A key feature of the SLPs for our operations in South Africa is a commitment to infrastructure development. We always seek to ensure the integration of the operations' infrastructure projects with the integrated development plans (IDPs) and priorities of the local municipalities.</p>	<p>Working with partners to provide infrastructure that can be used 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 in areas that are underdeveloped and remote, where we can share infrastructure – such as roads, health facilities and water, with local communities.</p> <p>In August 2015 Mogalakwena mine experienced community protests and public violence. When consultations between government and the mines and communities took place, one of the issues highlighted by communities was the lack of potable water provision. While the delivery of services lies within the remit of local municipalities as a temporary measure, while a long-term solution is found, the mine offered to assist with water provision, this is especially important as the province is now finding itself subject to drought. This has impacted borehole water levels. The mine therefore is extracting water from its deeper boreholes and distributing it to the community by bowser. It is also engaging with the municipality in finding a permanent solution to the issue. From November 2015 a total of 12 villages, with a population of approximately 35,000 have temporarily had water supplied by the mine.</p> <p>In addition, the remaining families in Motlhotlo, the still to be completed resettlement at Mogalakwena, are also being supplied with water until their relocation is completed.</p> <p>We also provide water to Podile Primary School at Ga-Molekana and Seritarita High School as the water from their borehole is of poor quality.</p>
<p>Institutional capacity building</p> <p>Our capacity development activities focus on initiatives that facilitate productive employment, strengthening of skills, competencies and the abilities of our employees and community members to promote robust, self-sufficient local economies long after the life of mine.</p>	<p>In 2015, we invested R38.8 million (2014: R30 million) towards institutional capacity development:</p> <ul style="list-style-type: none"> • 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 • 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). <p>In 2014, we introduced our municipal capacity development programme aimed at advancing government's development agenda for our country's municipalities.</p> <p>As part of this programme, municipal capability has been enhanced by developing and implementing procedures to improve municipal billing systems and controls, and to reduce electricity and water distribution losses. The programme also addressed municipal infrastructure plans, asset registers and coordination of sector policies, and provided technical support to establish infrastructural needs to enhance basic service delivery.</p> <p>Revenue enhancement, including data cleansing, billing systems, and water and electricity loss reduction have been among the main focus areas of this programme. There has also been comprehensive infrastructure planning and focused operations and maintenance, including replacing water and electricity meters. In addition, the programme has a strong emphasis on improving internal communications and modifying, reinvigorating and upskilling personnel behaviour. To date, the majority of the projects in this initiative are 95% complete.</p> <p>We continue to support the work of the premier's employment and growth advisory council (PEGAC) in Limpopo in conjunction with our partners, through detailed needs analysis and, where necessary, resource support. For instance, at the Greater Tlokoeng municipality, based on the needs identified, there are three resources available to the municipality: an engineer, a financial resource and an administrator. Going forward, we will look at how we can support PEGAC further ensuring skills transfers and capacity building at Tlokoeng and the two other municipalities we support.</p>
<p>Sports, arts, culture and heritage</p> <p>We recognise that protecting culture and heritage is important to our host communities. Not only does our social performance framework explicitly focus on culture and heritage, but our CSI programmes support activities that maintain and build social identity and cultural heritage.</p>	<p>In 2015, we built a craft hub in Rustenburg that will house cooperatives that produce glass beads and platinum jewellery. We have also built another craft hub in Mantserre village which will be officially handed over to the Moses Kotane municipality in 2016.</p> <p>In terms of our contributions towards the development of sports in our communities, we built a soccer stadium in the Mantserre village around our Amandelbult Mine to the value of R6.3 million. We also spent R5.8 million to build soccer fields in four schools in the Rustenburg area in line with NDP requirements to develop sports in schools.</p>

Focus area	Progress																																																																																																				
Community trusts (including Alchemy) Alchemy is our R3.5 million broad-based black economic empowerment ownership programme established in 2011. It is designed to promote long-term sustainable development in Anglo American Platinum mine host communities and key labour-sending areas (LSAs), which were at the time not benefiting from our other black economic empowerment (BEE) programmes.	<p>Community trusts represent an important means to support community development initiatives. This year the Zenzele Itereleng NPC and two local development trusts (Amandelbult and Rustenburg) were recognised as public benefit organisations by SARS on 19 August 2015. The Twickenham development trust was established in October 2015. The Mogalakwena trust will be established in the first quarter of 2016.</p> <p>Project identification and implementation is progressing well and 70% of the funds received to date have been approved to be spent on projects. Of the R69 million in approved funds, R22 million was disbursed by the end of 2015.</p>																																																																																																				
Chairman's fund The Anglo American chairman's fund is one of the dedicated instruments through which Anglo American Platinum channels its CSI spend.	<p>In the Eastern Cape in 2015, the chairman's fund supported 18 organisations to the tune of R8,175,000. Some of the organisations supported are Cerebral Palsy Association Eastern Cape, Zwelakhe Junior Secondary School, Wilderness Foundation, Khululekha Community Education Development Centre, Wild Coast Farm and Forest Organisation, Rural Development Support Programme, Port Elizabeth Mental Health Society, Mercy Ships Southern Africa, and Ubunye Foundation:</p> <table><tr><th colspan="5">AAC SUPPORT – EASTERN CAPE 2015</th></tr><tr><td>Cerebral Palsy Association Eastern Cape</td><td>81,000</td><td>Eastern Cape</td><td>SCD</td><td>Welfare</td></tr><tr><td>St Mary's Development and Care Centre</td><td>100,000</td><td>Eastern Cape</td><td>SCD</td><td>Welfare</td></tr><tr><td>Zwelakhe Junior Secondary School</td><td>3,000,000</td><td>Eastern Cape</td><td>Education</td><td>Infrastructure</td></tr><tr><td>University of Western Cape (SLCA)</td><td>370,000</td><td>Eastern Cape</td><td>Education</td><td>MSL</td></tr><tr><td>Ubuntu Education Fund</td><td>400,000</td><td>Eastern Cape</td><td>Health</td><td>HIV prevention</td></tr><tr><td>South African College of Tourism</td><td>350,000</td><td>Eastern Cape</td><td>SCD</td><td>Livelihoods</td></tr><tr><td>Umthathi Training Project Trust</td><td>124,000</td><td>Eastern Cape</td><td>SCD</td><td>Livelihoods</td></tr><tr><td>Wilderness Foundation</td><td>300,000</td><td>Eastern Cape</td><td>SCD</td><td>Livelihoods</td></tr><tr><td>Centre for Social Development</td><td>300,000</td><td>Eastern Cape</td><td>Education</td><td>ECD</td></tr><tr><td>Khululekha Community Education Development Centre</td><td>400,000</td><td>Eastern Cape</td><td>Education</td><td>ECD</td></tr><tr><td>Axium Education</td><td>200,000</td><td>Eastern Cape</td><td>Education</td><td>MSL</td></tr><tr><td>GADRA Educational Welfare</td><td>300,000</td><td>Eastern Cape</td><td>Education</td><td>MSL</td></tr><tr><td>Eastern Province Child and Youth Care Centre</td><td>300,000</td><td>Eastern Cape</td><td>SCD</td><td>Livelihoods</td></tr><tr><td>Wild Coast Farm and Forest Organisation</td><td>400,000</td><td>Eastern Cape</td><td>SCD</td><td>Livelihoods</td></tr><tr><td>Port Elizabeth Mental Health Society</td><td>260,000</td><td>Eastern Cape</td><td>SCD</td><td>Welfare</td></tr><tr><td>Mercy Ships Southern Africa</td><td>640,000</td><td>Eastern Cape</td><td>Health</td><td>Public healthcare</td></tr><tr><td>Rural Development Support Programme</td><td>250,000</td><td>Eastern Cape</td><td>SCD</td><td>Capacity building</td></tr><tr><td>Ubunye Foundation</td><td>400,000</td><td>Eastern Cape</td><td>SCD</td><td>Community development</td></tr><tr><td>Total support for 2015 – 18 organisations</td><td>8,175,000</td><td></td><td></td><td></td></tr></table>	AAC SUPPORT – EASTERN CAPE 2015					Cerebral Palsy Association Eastern Cape	81,000	Eastern Cape	SCD	Welfare	St Mary's Development and Care Centre	100,000	Eastern Cape	SCD	Welfare	Zwelakhe Junior Secondary School	3,000,000	Eastern Cape	Education	Infrastructure	University of Western Cape (SLCA)	370,000	Eastern Cape	Education	MSL	Ubuntu Education Fund	400,000	Eastern Cape	Health	HIV prevention	South African College of Tourism	350,000	Eastern Cape	SCD	Livelihoods	Umthathi Training Project Trust	124,000	Eastern Cape	SCD	Livelihoods	Wilderness Foundation	300,000	Eastern Cape	SCD	Livelihoods	Centre for Social Development	300,000	Eastern Cape	Education	ECD	Khululekha Community Education Development Centre	400,000	Eastern Cape	Education	ECD	Axium Education	200,000	Eastern Cape	Education	MSL	GADRA Educational Welfare	300,000	Eastern Cape	Education	MSL	Eastern Province Child and Youth Care Centre	300,000	Eastern Cape	SCD	Livelihoods	Wild Coast Farm and Forest Organisation	400,000	Eastern Cape	SCD	Livelihoods	Port Elizabeth Mental Health Society	260,000	Eastern Cape	SCD	Welfare	Mercy Ships Southern Africa	640,000	Eastern Cape	Health	Public healthcare	Rural Development Support Programme	250,000	Eastern Cape	SCD	Capacity building	Ubunye Foundation	400,000	Eastern Cape	SCD	Community development	Total support for 2015 – 18 organisations	8,175,000			
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MATERIAL ISSUE: ADDRESSING STAKEHOLDER EXPECTATIONS AND MAXIMISING COMMUNITY BENEFITS continued

Responding to community concerns and impacts

Beyond the community development initiatives we undertake to bring positive benefit to our host communities, we also seek to ensure we respond to any negative impacts we may unintentionally cause. We also look to ensure that where there has been physical resettlement of people or heritage sites, such as the relocation of graves, we continue to ensure the impact is minimal. Finally, our first duty to all is to behave in a way that respects the human rights of employees, host communities and business partners.

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 2015, 78 community complaints were submitted through formal procedures at our various operations. All were assessed and 76% were resolved within the year. The majority of community grievances were related to employment, procurement opportunities and environmental impacts.

During 2015, incidents of community discontent included demonstrations at the Mogalakwena and Amandelbult mines and Twickenham project. We seek to resolve grievances through effective engagement with community leadership.

Resettlements and improving access

During the development phase of our mines, we plan and design projects in a way that avoids or minimises 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 2015, Amplats relocated seven families at the Twickenham project. These families were originally identified for relocation in 2001/2002, but at the time, the families did not want to relocate. Due to infrastructure design changes, it was determined that they could remain. Subsequently the families requested the project to relocate them.

At Mogalakwena Platinum Mine, 117 families were relocated to two new villages as part of an earlier relocation. There are 59 families that require relocation and this process is at an advanced stage with property already purchased for the relocation, and Amplats is transferring the purchased farms to the community property association. Objections to township development on the farm has delayed the resettlement which will be addressed through a tribunal hearing early in 2016.

The Der Brochen project identified 20 graves that require relocation due to the location of site infrastructure. Negotiations have been initiated with the relevant next of kin and the project team is acquiring the relevant permits to relocate the graves in accordance with the National Heritage Resources Act (1999). Independent resettlement reviews were initiated by Amplats in 2015 and will be completed in 2016. The reviews will be undertaken for one previous resettlement at the Twickenham project and two previous resettlements at Mogalakwena Platinum Mine. The aim of the reviews is to assess the strengths and weaknesses of the resettlements and, where possible, to assess the

impacts of the resettlement including livelihood impacts so that, if necessary, further action can be taken to mitigate the impact of the resettlements.

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. 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 applies to all our operations in South Africa and Zimbabwe.

In 2015, as part of the Anglo American group human rights due diligence initiative, we undertook a risk and impact identification and prioritisation process at our Twickenham project and Mogalakwena Mine. This has informed 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. Security-related human rights issues in South Africa and Zimbabwe have heightened our concern on risks and potential impacts at our operations and in the broader community.

A standalone 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 was implemented across our operations in 2015.

Government

Effective, constructive and open engagement with government at all levels is essential to unlocking value. We believe 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 aspects impacting our business, 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. Many of our social projects can only be successful if we engage with government and align our projects to its broader goals for the country.

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:

- Financial state of the platinum sector
- Compliance with our mining licence and its related requirements
- Labour relations and safety
- Contribution to national developmental priorities such as job creation, skills development, public health and economic and socio-political transformation in South Africa
- BBBEE legislation
- Taxation policy, including royalties and carbon taxes
- Company developments, including strategy and repositioning.

During the year, we have made strides in building and strengthening relations with the South African government. This was achieved through proactive and transparent engagement and by encouraging joint ventures and collaborative efforts for social upliftment.

We support the principles of the Extractive Industries Transparency Initiative on the disclosure of payments. In 2015, R3.6 billion was paid to the South African government as taxes (2014: R3.7 billion); and US\$11.2 million was paid to the Zimbabwean government (2014: US\$21.4 million). We do not support any political party and we do not make any political donations.

In Zimbabwe, where we face uncertainty on 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.

Partnering to align goals

South Africa is a well-developed mining jurisdiction, with comprehensive legislation in place. We work with government stakeholders to ensure that regulatory and legislative developments are balanced and promote long-term investment and industry competitiveness in the international marketplace.

We continue to partner with government in contributing to 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 both provincial and local level. It remains challenging to align our projects to maximise the benefits for the intended recipients. To address this, we are focusing on working across departments internally and aligning projects across multiple government departments.

Specific issues we are engaging on include providing input, through the Chamber of Mines, into the third mining charter, the amendment process for the Mineral and Petroleum Resources Development Act and proposed carbon taxes in South Africa.

Thabazimbi municipality rates and taxes

In July 2015 Thabazimbi municipality approved and implemented its budget for the 2015/2016 financial year. At this time a number of mining companies operating with the municipality's jurisdiction received accounts for July and August which were 15,000% higher than those in the 2014/2015 financial year. Amplats expressed its concern and raised an objection with the municipality. RPM approached the court for interdictory relief and a legality review. RPM and the municipality have agreed to an interim arrangement pending finalisation of the review which is set to be heard in the first quarter of 2016.

Shareholders

Our strategy is designed to create long-term value for our shareholders. We engage with all key shareholders, potential investors and analysts on all key financial and strategy-related releases, to ensure they understand the performance of the company. We engage through annual general meetings, individual meetings with investors, investor roadshows and site visits to our operations. In addition, we adhere to the JSE Listings Requirements, and release all necessary updates and company releases on the Stock Exchange News Service (SENS) of South Africa to ensure the wider market has access to key information on the company.

Transforming our supply chain

We believe that by supporting local and BEE-compliant businesses through preferential procurement, promoting supplier development and enterprise development, we are able to make a valuable contribution to our country's transformation journey.

Although the mining charter's reporting period ended early in 2015, we have continued to report in terms of its objectives until the next mining

charter is enacted. Our programme of empowering local and BEE companies continues as part of the Amplats business process. We have sharpened our focus creating on sustainable local businesses. A local procurement toolkit was launched across all Anglo American operations in 2014, and in 2015, our supply chain department has sought to embed its use in making procurement decisions at Amplats.

We recognise the importance of transformation within the supply chain as well as local procurement. Managing expectations and increasing transparency on our procurement processes is acknowledged to be vital to our success as a business, and we continue to explore means to both ensure expectations are managed with care while doing all we can to maximise what can be procured locally and maintaining our required standards.

Creating a transparent environment

Options to create visibility of procurement opportunities are underway ranging from community notice boards, communication to business forums as well as developing supplier portals. Multiple channels are continually being explored to broaden the accessibility of opportunities to the local supplier base.

Supporting our suppliers

To support our aggressive transformation programme, we have to set up engagement meetings with our supplier base to discuss unbundling contracts. This unbundling process has to date been extremely successful. Many large suppliers have partnered with smaller businesses and, in the process, have transferred skills and knowledge, allowing for capacity building in smaller communities.

Through Anglo Zimele, suppliers have the opportunity to obtain loans from us at preferential rates. Zimele was established in 1989 as a means of supporting small and medium enterprises (SMEs) through funding and mentorship. In 2015, 93 transactions were approved (2014: 68), with companies receiving R52.32 million in funding (2014: R27.98 million). This led to the creation of 1,012 new jobs (2014: 477) and sustained 796 existing jobs (2014: 366).

We focus on creating a local supply base that is sustainable. One of our key drivers is to ensure that these local companies are equipped to execute projects successfully. We therefore focus on meeting the needs of each company through training modules in various technical and business skills; matching the capabilities of local suppliers with opportunities; and identifying funding opportunities through Anglo Zimele.

Responsible sourcing

We strive to uphold fundamental labour and human rights practices in our operations and those of our supplier partners. We ensure that there is no compromise on quality, delivery, service, safety, health and environmental performance or any technical requirements when promoting preferential procurement practices.

Responsible sourcing is not just a means to ensure supplier compliance with legal requirements, but a fundamental supplier development activity. Through a holistic approach to its principles, we are able to guide small businesses to compete in line with global best practice while creating a robust supply chain.

For more information on our progress and performance against the mining charter, please refer to pages 62 and 63.

MATERIAL ISSUE: BEING A RESPONSIBLE STEWARD OF OUR NATURAL RESOURCES

OUR APPROACH TO ENVIRONMENTAL STEWARDSHIP

We believe that, as a business, we have a legal, social and ethical responsibility to minimise our impact on the environment. We reduce our environmental footprint through research, planning and responsible environmental management at every stage of our operational life cycle, from exploration to beyond closure.

We aim to ensure that we leave a positive legacy when our mines conclude their operational lives. We want to create a post-closure environment where:

- Prospects to use infrastructure are maximised
- Land uses are optimised to provide opportunities for commercial as well as subsistence agriculture, where possible
- Natural heritage resources are conserved.

Our principal environmental risks relate to the ways in which our activities impact on communities, and to land, air, water and climate change. 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 covers 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 social and environmental impact assessments to ensure that we consider social and environmental matters in planning our business activities. Environmental managers support operations through the effective implementation and execution of our strategies.

Legally, each project requires an environmental impact assessment (EIA) process to be undertaken in consultation with interested and affected parties. We engage regularly with government at all levels to ensure compliance with environmental commitments 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.

ADHERENCE* AND CERTIFICATION

All our managed operations are expected to attain ISO 14001 certification within two years of commissioning or acquisition. This, however, does not apply to our joint-venture partners. Once certified, an independent certification body assesses compliance annually. In 2015, all operations retained their certification. Our Twickenham project achieved full certification in 2015.

Environmental performance assessments are done annually (or biannually) where required against the environmental commitments in our environmental management programme reports (EMPRs) as required by the requirements of the MPRDA regulation 55(3). The mining operations showed compliance for 92% of the commitments, with 8% of the findings that are either in process to become compliant or not applicable yet. Process operations showed compliance for 93% of the commitments, with 7% of the findings that are either in process to become compliant or not applicable yet. Legal fact sheets have been compiled per operation to emphasise the key items that need attention to support compliance of all commitments over time.

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 (NEMA) and the National Water Act (NWA).

The new EIA regulations, in terms of NEMA, were published on 4 December 2014 to create the One Environmental System. Following this, more pending regulations were finalised and published in 2015 by South Africa's Department of Environmental Affairs, notably:

- Planning, management and reporting of residue stockpiles and residue deposits and an amendment to the list of waste management activities requiring a waste management licence (24 July 2015)
- Financial provision for prospecting, exploration, mining or production operations (20 November 2015).

During the 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 an 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 use 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). Level 1 and 2 incidents are minor and only those classified as level 3 and above (significant incidents) are reported publicly.

All incidents, regardless of level, 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 is an important leading performance indicator and assists us in being more proactive in anticipating and pre-empting potential incidents. Incident trends are tracked to monitor performance and progress.

In 2015, no significant environmental incidents (level 3 and up) were recorded (2014: nil). During the year, five community complaints were reported 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. Three complaints related to emission-related incidents at the smelters and one to dust at the Paardekraal TSF. One complaint from the local community related to Amplats employees and contractors of Khomanani shaft littering while going to and coming back from work. Each complaint was investigated and feedback was provided to the complainants. Remedial action was taken where required.

ENVIRONMENTAL EXPENDITURE AND PROVISIONS

Environmental expenditure for Amplats' managed operations in 2015 was:

- R38.7 million for waste disposal, emissions treatment and remediation (2014: R80.7 million)
- R90.3 million for preventing of pollution and environmental management (2014: R75.9 million).

The company's total environmental expenditure of R128 million was R27.8 million lower than in 2014, owing mainly to cost savings, reduced water/energy usage and operations being put on care and maintenance.

* 'Adherence' refers to meeting the commitments we have made in advance of any compliance deadline or assessment.

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*.

USING WATER RESPONSIBLY

Water is a finite resource; without it we cannot operate our mining, processing or refining operations. To maintain our licence to operate, we cannot degrade water quality, or compromise other users' right of access to this precious commodity.

Given the water constraint in South Africa, exacerbated by the El Nino weather effect and coupled with the fact that many of our mines are in water-stressed areas, access to water remains a concern and challenge to the company.

Our approach to water stewardship

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
- Partner proactively with key stakeholders.

We continually strive to manage our water use 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 minimise our impact on 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
- Protect water quality resources and manage water quality within our operations.

Progress is driven through our water management programme, which is supported by the mandatory Anglo American group water standard and delivered through operational water action plans. Each operation works towards a 2020 water-reduction target that was determined in 2011 using our water-efficiency target tool (WETT), which forecasts the projected business-as-usual demand of individual operations and registers water-saving projects. Operational targets are aggregated at business unit level, and included in the performance contracts of the chief executive officer and other executives. In 2015, Amplats met its internal WETT targets by reducing new water consumption by nearly 16%.

All our managed operations have water use licences, including the Amandelbult complex whose application was approved on 25 August 2015. Ongoing engagement with the Department of Water and Sanitation (DWS) is taking place to review some licence conditions, which could become a risk if left unattended.

During the year, amendments to NEMA regulations on water and waste management and interpretation of the regulations were published that could have a cost implication on the business. We have collectively engaged the DWS through Anglo American plc and the Chamber of Mines to find a practical and workable solution by using a risk-based approach.

In line with our commitment to transparent performance, we again participated in the annual water disclosure project (WDP) of the 2015 National Business Initiative (NBI). The WDP score for Amplats is a healthy B (three Bs and two As) placing us in the management scoring level, which compares well with the overall WDP average score of B-. Our submission to the CDP is available at www.cdproject.net.

Securing water supply

As part of our water-supply strategy, we have designed water-supply scenarios for the next 20 years based on the latest production predictions. To ensure the long-term security of water availability for our operations and surrounding communities, we have also developed a bulk-water strategy and infrastructure plan, to protect, manage and maintain the water supply.

We focus on implementing water-saving projects; developing new water sources; augmenting current water supplies with post-consumer treated waste water; and working with partners to ensure security of supply for all users in our catchment areas.

The Olifants River water resources development project (ORWRDP), which includes construction of the De Hoop Dam and associated distribution components, underpins the Eastern Limb water-supply strategy. This sectorial partnership will meet the mining sector's requirements and provide water to local people, agriculture and industry.

Renewed negotiations with the DWS to reconfigure the scheme began in 2014, and in 2015 Amplats submitted a further letter of commitment to DWS, giving its support in principle to the ORWRDP and to secure access to water in future phases from the scheme.

Water supply to the Rustenburg circle and Thabazimbi circle have been a concern for several years because of a continued increase in the demand for potable water in the area by other users. Water supply disruptions have been experienced at our Rustenburg, Union and Amandelbult complexes.

Amplats is assisting in various water catchment and water demand management interventions to reduce water losses.

Amplats' infrastructure and operational personnel are engaging with various municipalities, offering a range of financial support and technical expertise to optimise water-supply management. These have ranged from studies to identify additional water sources at Thabazimbi to meters installation and water-supply optimisation at Rustenburg. The aim is to optimise water-conservation and water-demand management programmes.

We continue to participate in a number of important water-related forums, such as the South Africa strategic water partners network, which aims to address the country's water shortages.

MATERIAL ISSUE: BEING A RESPONSIBLE STEWARD OF OUR NATURAL RESOURCES

continued

Managing our water consumption

Amplats' total new-water consumption (primary + non-primary) increased from 27.10 million m³ in 2014 to 33.19 million m³ in 2015 primarily due to increased production output. The use of non-primary water at our Mogalakwena Mine also contributed to the increase after management agreed to supply water to the communities (after a formal request from the municipality). By the end of 2015, we had achieved an estimated 16% water saving against our projected water usage of 39.449 Mm³.

Water consumed intensity is total water used against production output. Total water was made up from:

- potable water used from external sources
- non-potable water used from an external source
- surface water used
- groundwater used
- second-class water used.

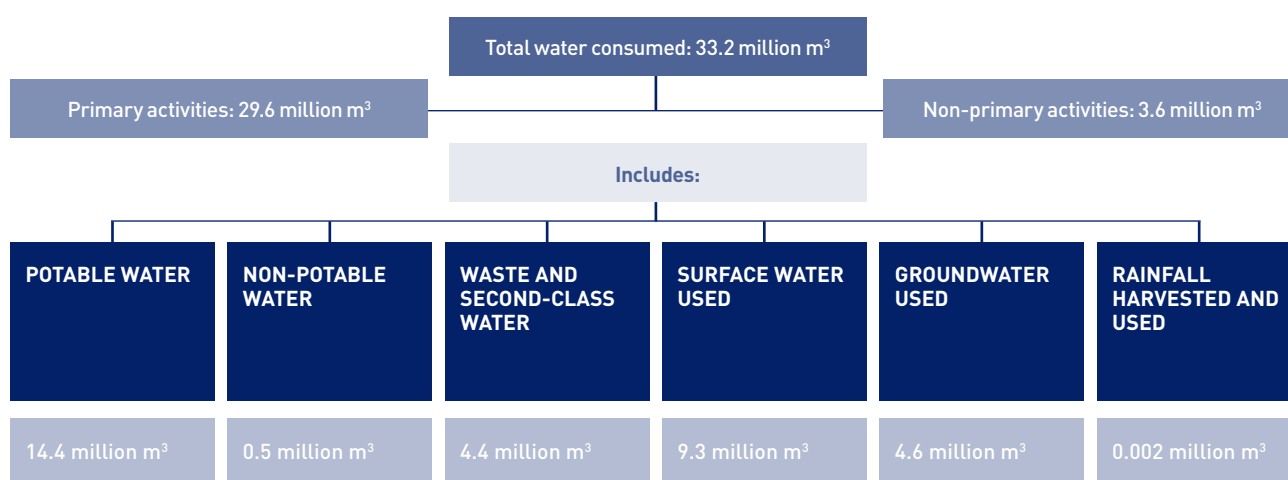
Water use intensity for primary activities is the water used against production output, but only for primary activities (non-primary activities are excluded, primary activities are activities that the operation undertakes that it requires to operate and produce including potable water supplied to the operation for human consumption, changehouse, etc whereas non-primary activities are activities not directly linked with business requirements, eg irrigation of golf courses, supply to villages, etc).

In 2015, for each refined ounce of PGMs and gold from managed operations (toll refined excluded):

- Our total water consumed intensity decreased by 8.9% from 10.97 m³ in 2014, to 9.99 m³ in 2015.
- Water-use intensity for primary activities decreased by 3.6%, from 9.2 m³ in 2014 to 8.9 m³ in 2015.

The potable water use intensity decreased by 20.9% to 4.3 m³ (2014: 5.5 m³).

WATER ALLOCATION



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 43% of our total water requirements (2014: 50%). This reduction in potable water is as a result of increased use of non-potable water (surface, ground and raw water), as well as a 17% year-on-year increase in recycled water.

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 2015.

Of our operational water requirements, 77% were met by recycling/ reusing water (2014: 65%) 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 2015 was 60.1 Mm³, which is an improvement

from 51.4 million m³ in 2014. Additional quantitative data on our water use appears on page 70.

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

Amplats' total water consumption target for 2015 is 39.4 million m³, while our 10-year water strategy target is 9.5% (2.5 million m³) in water saving 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 2016 is expected to increase to 11.89 m³/ounce of PGM and gold given higher production forecast.

Monitoring 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.

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 mining areas in the catchments where we operate. The results of groundwater monitoring are used to model groundwater flows and contaminant plumes, if any, and surface water and groundwater monitoring results are compared with various regulatory standards.

Surface water bodies are also monitored. The tailings return-water dams at all operations provide habitats for fish, birds and plant life. The quality of groundwater is affected at some mining operations, mainly as the result of seepage from tailings storage facilities (TSFs). The impact is, however, localised in all instances and no external groundwater users are affected. Seepage from the TSFs contributes primarily to an increase in salinity of localised groundwater bodies.

As required by the water use licences, our operations have developed integrated water and waste management plans (IWWMPs) that are being implemented. The IWWMP contains a risk assessment and specific actions to address risks.

The volume and quality of water allowed to be discharged by our operations are predetermined through regulatory processes.

Any unplanned discharges or breaches of legal agreements are investigated and reported as environmental incidents while root causes are addressed promptly.

No significant level 3 and greater water-related incidents and non-compliance incidents were reported in 2015 for water. The Twickenham complex currently has an excess of water, which is partially treated before being discharged into the environment. We plan to accommodate the excess water in a future concentrator plant.

Twickenham project water use licence (WUL) makes provision for the removal of shaft underground water for disposal and reuse but not for discharge of shaft excess water. As a result, a motivation for the management measures for the excess shaft water situation was submitted for consideration in 2014 but has not been approved yet. In addition, the compilation of consolidated water use licence application commenced to make provision for this discharge. Ongoing engagement on this matter is taking place with DWS.

CLIMATE CHANGE AND ENERGY CONSUMPTION

We understand that climate change has significant implications for our activities. As an organisation, we are aware of the risk associated with climate change, its impact on the environment and socio-economic implications.

Our 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 are shown below:

Reducing our exposure to emerging carbon regulation and increases in energy costs

Improving our ability to influence the development of effective government policy

Capitalising on increasing commercial opportunities in our markets

Driving greater resilience to the physical impacts of climate change

MATERIAL ISSUE: BEING A RESPONSIBLE STEWARD OF OUR NATURAL RESOURCES

continued

This year was the fifth 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 consistently. ECO2MAN is supported by a mandatory Anglo American carbon and energy technical standard.

Amplats' overall targets for reductions in the emission of greenhouse gases (GHGs) and energy consumption, from the base year of 2010 and against projected business-as-usual levels in 2015, are 7% and 10% respectively. New long-term targets for energy (additional 3%) and GHGs (additional 5%) have been set for 2020.

Amplats achieved a near-perfect score of 100% in the carbon disclosure project's (CDP) South Africa Climate Change Report 2015, and band 'A-' performance for leadership in energy and climate change. Amplats was awarded a gold certificate for consistent high-level disclosure for six or more years. Amplats was also one of only four companies that scored 100% for its disclosure. At the presentation by the NBI on the annual CDP results in November 2015, it was highlighted that in an increasingly carbon-constrained world, fuel-cell technology presents a possible viable solution.

Our CDP submission is available at www.cdproject.net.

For more information on Amplats' advances in fuel-cell technology, see page 22.

Carbon tax

Following the initial discussion paper (2010) on carbon tax and subsequent policy drafts, National Treasury released the draft carbon tax bill in November 2015 for public comment. The process provides an opportunity until 15 December 2015 for further comments on the socio-economic impacts, design details and administration of the bill.

The draft bill reflects a number of allowances made by National Treasury on industry submissions, most notably the intention to have a neutral impact on the price of electricity.

The actual date of implementation is to be determined by the Minister of Finance, however, the scheme is expected to come into force in 2016. The tax will begin at an initial rate of R120/tonne CO₂(e), with 10% per annum escalation until 2020, at which point the tax rate and tax-free exemptions will be reviewed.

Amplats is assessing its exposure to the carbon tax. Anglo American will work through the industry task team on climate change (ITTCC) and Business Unity South Africa (BUSA) in submitting comments to National Treasury.

In collaboration with the Chamber of Mines and BUSA, we are able to agree that significant progress has been made in the development of emissions mitigation measures within mining and industry, even during

the downward trend in economic performance. There is also a constrained electricity supply that will result in a lower than anticipated emissions increase until 2022 and place pressure on businesses that are dependent on the security of electricity supply.

Meeting our energy and carbon targets

We have met our 2015 energy and carbon reduction targets with an overall energy reduction of 7.1% and 7.3% respectively. Total energy consumption for 2015 was 25.18 million GJ against the target of 27.13 million GJ. Our total scope 1 and scope 2 GHG emissions were 5.8 Mt (scope 1: 562 kt and scope 2: 5,316 kt) of carbon dioxide equivalent emissions (CO₂(e)) against the target of 6.3 Mt. More than 90% of our GHG emissions are indirect and attributable to our consumption in South Africa of electricity generated by the national power utility, Eskom. Our scope 3 emissions for 2015 were 1,484 Mt CO₂ (2014: 1.3 Mt CO₂).

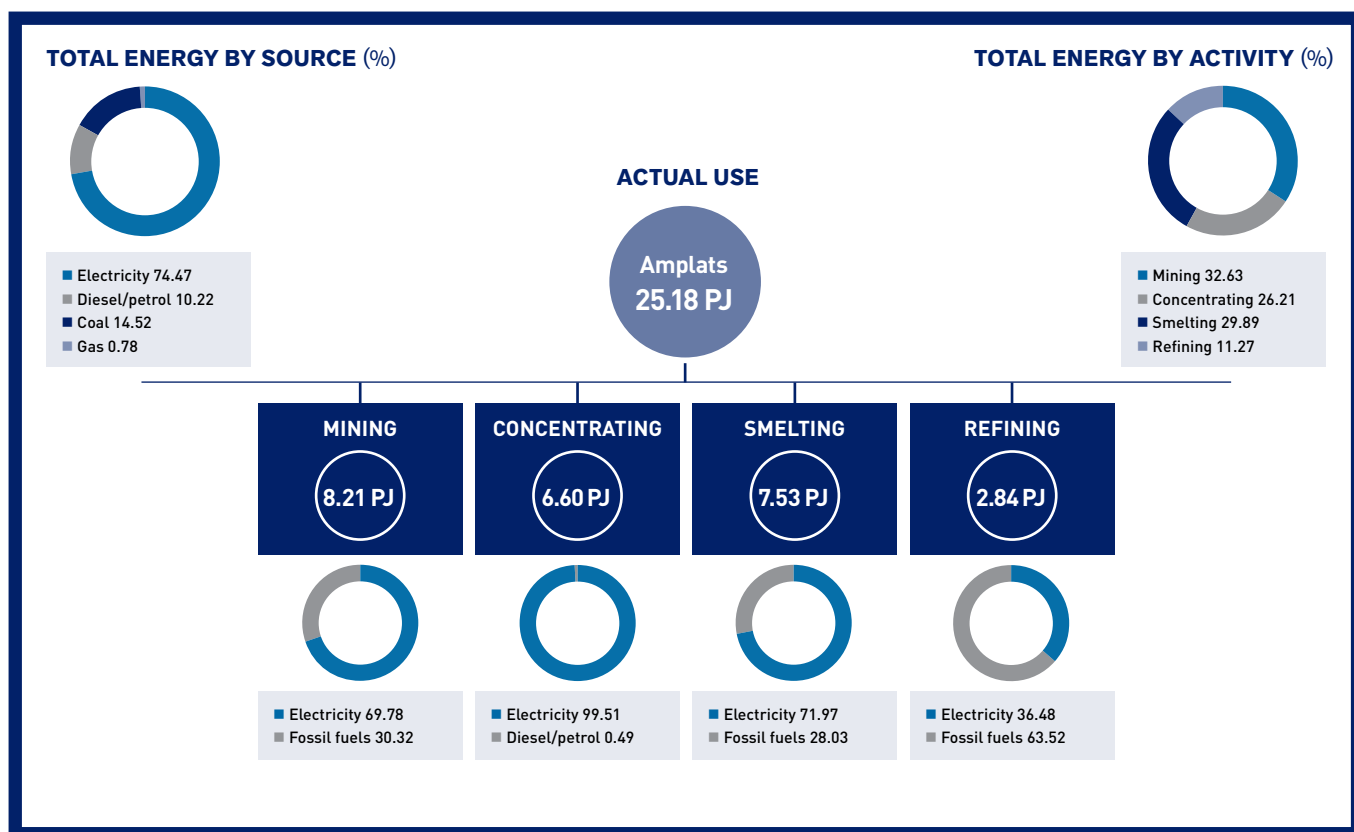
Our emissions intensity (tonnes of CO₂ per tonne of ore milled) in 2015 was 0.18, similar to 0.18 in 2014. Additional data on our direct and indirect GHG emissions and energy use appear on page 70.

We continued to implement projects to enhance our energy efficiency and track associated reductions in energy consumption. A number of projects completed to date accounted for energy savings in 2015 of 782,849 GJ (2014: 642,830 GJ), which is equal to a 1.8% reduction against our business-as-usual consumption in 2015, against a targeted value of 1%. The resultant avoided-energy cost is estimated at R243 million for 2014 (2014: R199 million).

Becoming more energy efficient and securing our supply

Amplats' South African operations continued to work closely with Eskom and Energy Services Companies (ESCOs) to participate in the demand-side management (DSM) initiatives that had been initiated previously. We seek to improve our operational and design efficiencies by incorporating best practice technology and processes. Due to the economic crunch which continued in 2015 the Eskom funding for new DSM projects was stopped, with only load shifting projects potentially funded at very low rates. In 2015 we continued to hone our energy efficiency projects with no capital and minimal OPEX spending, but yet managed to improve significantly on achieving energy savings. 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 at our Amandelbult operations to save on pumping costs, and a further highlight in 2015 was the commissioning of a waste heat recovery system at our ACP (converting) operation which generates about 4 MW of electrical power from waste heat from the converter using an organic rankine cycle (ORC) process.

Renewable energy initiatives are being actively pursued, with several options of solar photovoltaic power plants being considered. The objective of these studies is to improve our security of supply, as well as to establish a manageable price path for energy going forward. We are also investigating the use of biodiesel to replace as much as 5% of our diesel usage. While this will increase our use of renewable energy, it will also assist in minimising the emission of diesel particulate matter (DPM), which has recently been classified as a hazardous substance.



Investing in 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.

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 long standing research partnerships with Alteryx, 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.

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Clean energy

During the year Amplats, together with Vuselela Energy and H1 Holdings, officially opened a clean-energy power plant, Eternity Power, at our Waterval smelting complex in Rustenburg.

The Eternity Power Thermal Harvesting™ project was commissioned in June 2015. This is an innovation in the field of energy efficiency and a first of its kind in South Africa as a cogeneration power plant, creating cleaner and more cost-efficient power for Amplats' general consumption.

The smelter sector is an important component of South Africa's mining and industrial economy and a large consumer of electricity. Smelters emit large quantities of energy in the form of furnace off gas as well as the emission of heat. The Eternity Power Thermal Harvesting power plant is innovative in that it has been designed to capture relatively low-quality thermal heat from the smelter and convert it to electricity. The plant has an installed capacity of 5 MW of which 4.3 MW is available to the grid, reducing Amplats' capacity bought from Eskom.

Our operation now has a clean, sustainable and reliable source of energy. It is pleasing to report that the plant is performing beyond expectations, generating more power ahead of its schedule. This is a step forward for the entire sector.

MANAGING THE AIR QUALITY

Our approach to safeguarding air quality

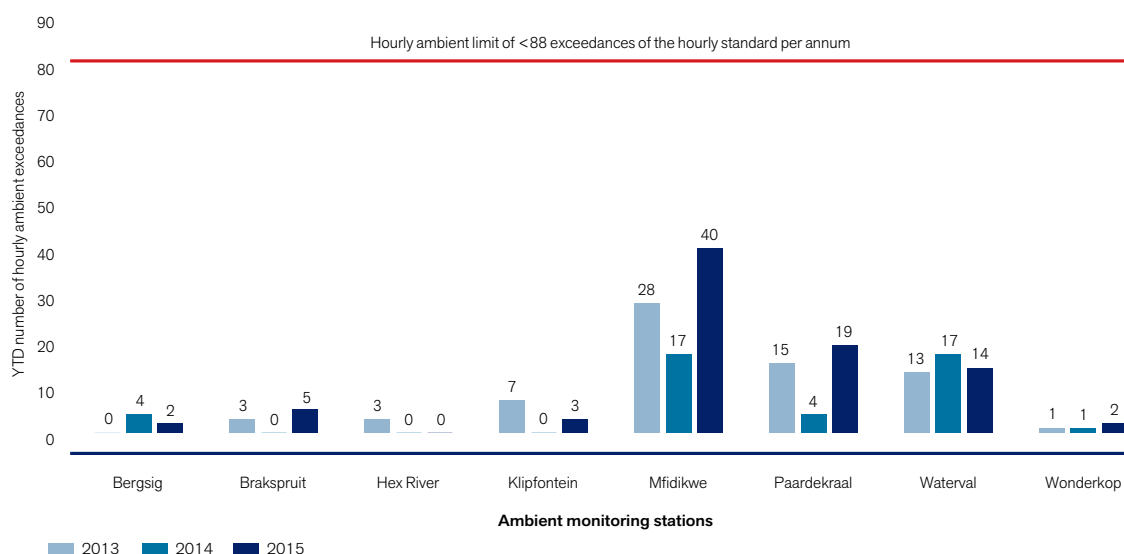
Our operations generate gaseous and particulate emissions. We strive to minimise our negative impacts on air quality and adhere to legislative requirements. Our most material air quality issue relates to sulfur dioxide (SO₂) emissions from our three smelters in South Africa, which are subject to the Air Quality Act.

The Air Quality Act makes provisions for reduced SO₂ levels to be reached in 2015, and a further reduction in emissions by 2020. Amplats was granted an exemption from 2015 limits at the beginning of the year to allow the company time to design abatement technologies to comply with the stringent 2020 limits. However, the exemption granted has imposed interim limits that are lower than Amplats has proposed and an appeal has been submitted to the DEA. We continue to engage with DEA to ensure the issue is resolved and our smelters can adhere to emission requirements.

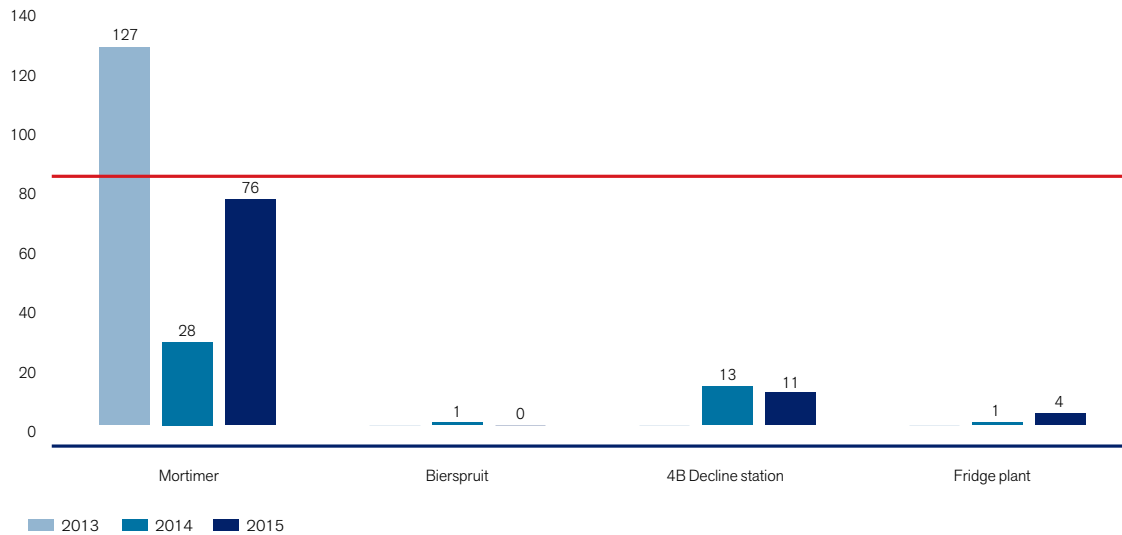
Our SO₂ abatement technology project is still under way at our project office to support future compliance. Furthermore, the current ambient monitoring system is closely managed to record and control the number of SO₂ exceedances per annum, to ensure that the surrounding communities and the environment are not impacted significantly, as indicated in the graphs below.

Our aim is to ensure that our air-quality performance remains within legal limits.

SO₂ ambient emissions – Waterval smelter

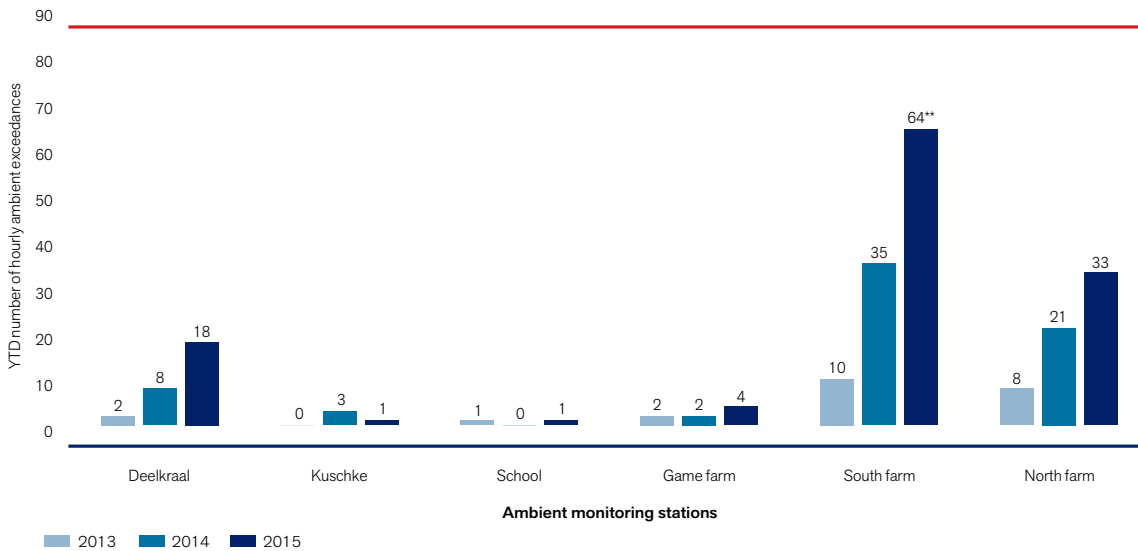


SO₂ ambient emissions – Mortimer smelter



Note: Mortimer ambient station was commissioned in 2012 while the additional stations were commissioned in 2014.

SO₂ ambient emissions – Polokwane smelter



**** Reason for the high numbers at South Farm:** The South Farm monitoring site is located closer to the smelter compared to the other monitoring stations making it possible for high SO₂ concentrations to be registered at lower wind speeds from the north-eastern sectors of the ambient station. The ambient station will be closely monitored in 2016 to ensure that SO₂ concentrations do not exceed the acceptable ambient standards and this is done through setting internal alert targets on a monthly basis that is well below the annual ambient standards.

In 2015, we recorded no significant incidents relating to air quality. We also monitor and report on levels of dust fallout. The main sources of dust in 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.

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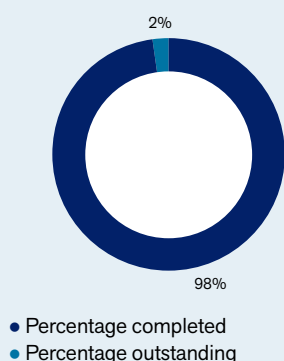
Paardekraal dust mitigation project

The objective of the Paardekraal dust mitigation project is to resolve main environmental issues (dust, water and biodiversity) as part of a dedicated and integrated process. The fugitive dust-emission hot spots are identified and minimised by establishing vegetation, especially the naturally occurring Tamarix shrubs on TSF beach-areas as bio-wind breaks, tall indigenous tree screens around the TSF perimeter and installing wind curtain barriers, as well as using custom irrigation systems.

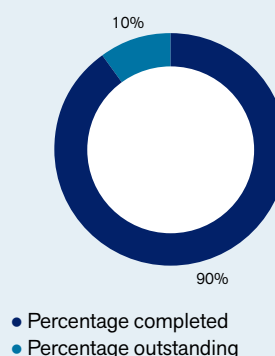
This medium-term dust mitigation project began in July 2015. Since Tamarix is a category 1 invasive plant in South Africa, an exemption permit has been applied for to plant them on the tailings dam as bio-wind barriers. The indigenous Tamarix will be cut and cuttings propagated to establish new shrubs. A large portion of TSF beach-area has been installed with synthetic net, acting as wind curtain barriers. A small gap is left underneath the nets to allow for the flow of tailings. In addition, a custom beach irrigation system has been installed to keep the area wet when no deposition takes place for a longer period. The project is expected to be completed in 2016.

The ultimate vision of the project is to have a TSF with limited dust emissions to minimise harm to the environment and communities with a mindset of excellence in all areas.

Beach net establishment



Total beach irrigation



Project progress as at December 2015



Netting wind barriers installed on the beach area of Paardekraal TSF



Netting wind barriers being installed and a natural Tamarix shrub on Paardekraal TSF

In 2012, the Waterberg district in Limpopo province was declared a high-risk area in terms of air quality and the provincial air quality management plan has been developed and finalised by the North West environmental department in 2015. Our Rustenburg, Union and Mogalakwena operations in this priority area will continue to manage their air quality impacts.

Our air quality performance requirements align to South African legislation and related standards and 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 material to our operations.

Understanding the evolving regulatory environment

In addition to the requirements of the Air Quality Act, discussed above, the air quality regulatory environment has been rapidly evolving over the last few years. A recent development is reporting emissions data into the national air emissions inventory system (NAEIS) database constructed by the DEA. The NAEIS requires all process and mining emissions data to be reported into the national database by 31 March 2016, and includes greenhouse gases. All Amplats operations have been registered onto NAEIS and the emissions inventory is being compiled.

In 2015, the Rustenburg smelter and refineries applied for their atmospheric emission licences to be renewed and these are expected during 2016.

WASTE MANAGEMENT

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

Our 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, we focus on mineral residue as our most material waste-related risk. Our vision is zero recyclable hazardous and general waste to landfill by 2020. Although the total 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.

Managing regulatory change

In September 2014, the South African DEA introduced new regulations on waste classification and management. All mine residue deposits (MRDs) and stockpiles are now governed by the Waste Act, and are subject to a broad range of licensing requirements, regulations and standards. As required by the waste classification and management regulations, Amplats conducted a detailed assessment of all MRDs for all managed operations to assess the impact of new regulatory requirements.

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

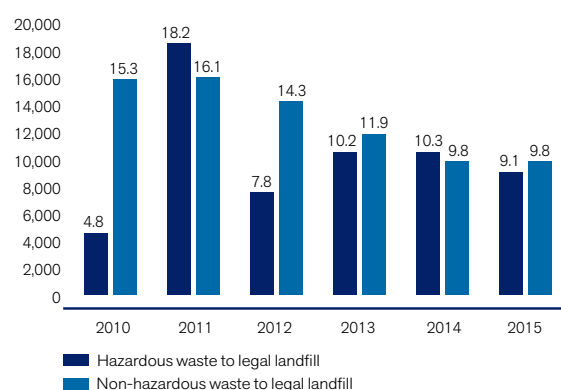
Based on the outcome of the waste classification, Amplats will continue to manage its MRDs in an environmentally sound manner as set out in the respective approved environmental authorisations. Where possible, Amplats will implement appropriate handling and storage practices which align with the relevant class of waste and develop safety data sheets for hazardous waste streams or keep proper records for these waste streams.

Mineral waste

We carefully monitor the structural stability of tailings storage facilities through regular inspections and monitoring. 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.

At the Mogalakwena Mine, some waste-rock dumps 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.

Waste to landfill



Non-mineral waste

The non-mineral waste we generate is categorised as hazardous and non-hazardous waste.

In 2015, Amplats reused/recycled 24 kt of waste. Recycled waste in 2016 was 27% more than waste sent to landfill (2% in 2015) – this is a good indication of increased awareness and will receive even more attention in 2016 to ensure the set waste targets will be achieved.

We collected 25 tonnes of waste paper, 15 tonnes of glass, 17,088 tonnes of steel and 354 tonnes of plastic for external recycling. A further 6,252 tonnes of hazardous and non-hazardous waste were reused/recycled. In addition 87,906 kt of used oil was recycled to external recycling companies.

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continued

To support our recycling goals and encourage the recycling of non-hazardous waste, we have introduced consistent colour coding for non-hazardous waste recycling at all our operations.

More than half 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.

Going forward, our focus will be on hazardous waste. We have set targets and report hazardous and non-hazardous waste separately. To treat hazardous waste (hydrocarbon-polluted soil), a bioremediation project will begin soon at Mogalakwena. This will allow the operation to remediate all polluted soil on site, to be used for rehabilitation. This development will reduce environmental impacts as well as disposal costs, and retain soil as a valuable resource at the mine.

BEING A RESPONSIBLE LAND STEWARD

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 approach to land stewardship and mine closure

Amplats' approach to land stewardship focuses on the sustainable use of the land we operate on and, where appropriate, the conservation and rehabilitation of biodiversity. As part of our commitment to land stewardship, we also focus 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. Through many of our environmental education initiatives, we also empower and encourage surrounding communities to better their use of the land.

Our land stewardship risks and activities are managed in line with 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 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 page 41.

With the exception of Mogalakwena Mine, which is an open-pit operation, all our mines are underground operations. Our most significant surface disturbances are tailings storage facilities 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), supporting an integrated approach to mine-closure planning, in consultation with communities around our mines and other stakeholders.

Our performance and focus areas

Amplats has 46,644.41 hectares of land under its management control. Of this, 10,321 hectares have been disturbed. During 2015, we recorded 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. Mogalakwena mine has also obtained its waste licence for a bioremediation site and hopes to start construction in 2016. Trials have also been done on the Paardekraal TSF to test the use of indigenous plant species for rehabilitation purposes – see the case study on page 56.

Mogalakwena Mine, the Der Brochen project and Twickenham project have been identified as posing a moderate risk to biodiversity, while the rest of our operations pose a low risk to biodiversity. All at-risk operations have implemented biodiversity action plans, which also form part of their environmental management systems. A biodiversity framework has been developed to assist all operations to understand biodiversity issues related to them, while guidelines have been developed for invasive plant species and the conservation of important plant species.

Mogalakwena is offsetting its biodiversity risk by managing three farms as conservation areas and environmental education. It is also undertaking rehabilitation trials to guide future rehabilitation programmes.

Twickenham project 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 in a biodiversity-rich area. It focuses on removing alien and invasive species, and protecting indigenous and endemic fauna and flora in the area. The biodiversity action plan for Der Brochen was revised in 2015 after updated specialist studies.

On all operations, the impact of alien invasive plant species is one of the biggest risks to biodiversity. Whiskey Creek, Mototolo, Der Brochen, Mogalakwena and Rustenburg all have ongoing eradication programmes. Other operations eradicate exotic invader species as required.

We are committed supporters of the annual Arbor Week in South Africa, and tree planting is undertaken across our operations and neighbouring communities throughout the year. Following an intensive awareness programme, over 2,000 suitable trees were planted at our operations and surrounding communities in 2015.

Identifying alternative uses for land once mining ends 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

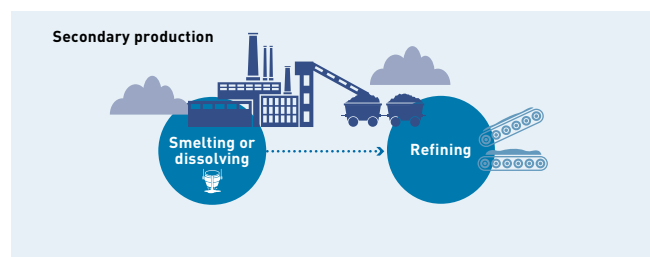
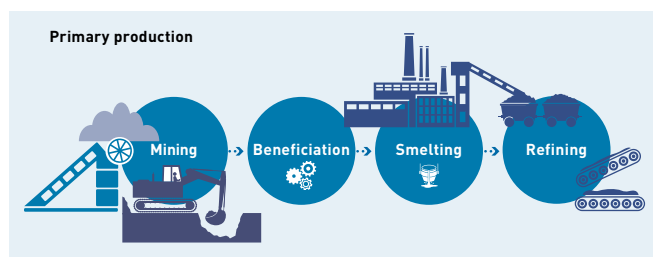
municipality began converting our open pit at Waterval into a domestic landfill site to provide long-term landfilling capacity to the town of Rustenburg. The Rustenburg local municipality is preparing the site for use.

Preliminary mine closure plans, in line with Anglo American's mine-closure toolbox, are in place for the Rustenburg, Mogalakwena and Union operations, and being compiled for Amandelbult complex and Twickenham project. All operations are assessed annually for their closure liability and the financial provision is updated accordingly. The total undiscounted rehabilitation liability for all our operations at the end of 2015 was estimated to be R4.0 billion (2014: R3.3 billion).

POSITIVE ENVIRONMENTAL BENEFITS OF PGMs

Platinum group metals (PGMs) are used rather than consumed. Primary production is an investment, as up to 95% of PGM content can be recovered for subsequent reuse in the next product cycle. 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 meets growing demand without excessively increasing primary production, thereby complementing primary production as a source of metal.

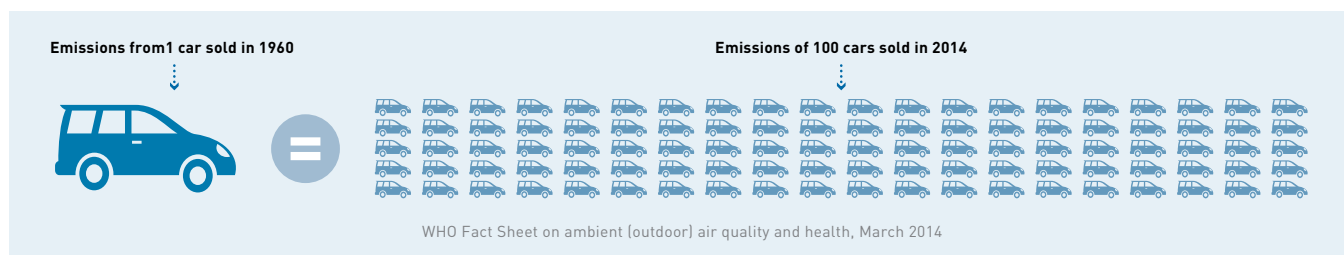


One of the most important innovations in protecting air quality is the catalytic converter. This device is installed in the exhaust line of a vehicle, where it helps convert pollutants from combustible fuel in harmless gases, using a combination of PGMs.

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 100 of today's automobiles equipped with

catalytic converters. This tightening will continue in future. For example, EURO 6 regulations for light-duty diesel vehicles, which started in 2015, require more than a 50% reduction in oxides of nitrogen (NO_x) emissions over the current EURO 5 regulations. For gasoline engines, the California LEV III (SULEV III) regulations, which also started in 2015, require more than a 70% reduction in CO₂ emissions compared to the US Federal Tier 2 Bin 5 regulations¹.

¹Autocatalyst fact sheet, International Platinum Group Metals Association.



The bad, ugly and good sides of the emissions scandal

The Volkswagen emissions test scandal may have a silver lining for the platinum industry, despite initial negative reactions.

The German carmaker came under heavy media fire when it emerged in September 2015 that it had installed 'defeat devices' on some 11 million of its diesel vehicles, designed to lower the nitrogen oxide emissions of diesel cars in Europe. Despite the benefits of diesel engines in fuel efficiency, lower carbon emissions and strength in certain areas such as commercial vehicles, the environmental implications of higher nitrogen oxide emissions have placed the

diesel car industry under the gun in terms of its sustainability. The climbing share prices of auto-part makers such as Johnson Matthey, that develops emissions control equipment for diesel vehicles, points to a different truth, however.

Rather than eliminate diesel vehicles from the market, tightening emissions testing as a result of the scandal has increased demand for more sophisticated emissions control equipment. This demand is good news for the platinum industry as these improved converters could require more platinum.

MATERIAL ISSUE: SUPPORTING GOVERNMENT THROUGH COOPERATION AND COMPLIANCE WITH LEGISLATION, VOLUNTARY CODES AND SOCIAL COMPACTS

The way companies are run determines more than just their financial performance. If run well, they contribute to the prosperity of the country and host communities in which they operate.

Our strategic approach

We believe pursuing the highest levels of compliance presents an opportunity for Amplats. By adhering to regulation, legislation, voluntary codes and social compacts, we ensure our business practices are conducted responsibly, positively impacting the areas in which we operate.

While we strive to ensure we meet all our legal compliance obligations, our approach is to take us beyond mere box-ticking and rather ensure we make a substantive difference.

Entrenching compliance in our business

In South Africa, companies are regulated by a broad range of legislation and regulation, some generic to the entire business world and some specific to mining.

Mining and exploration permits are issued in terms of the Minerals and Petroleum Resources Development Act (MPRDA) that governs technical and socio-economic issues, including the mining charter. Amplats is committed to complying with all applicable legislation. We are also committed to complying with a range of voluntary codes and guidelines designed to manage the social and environmental risks of mining.

In each section of this report, we discuss regulatory matters relating to a specific material issue

Regulatory uncertainty remains an ongoing challenge and risk that we address through active engagement, both as a member of the Anglo American group and through the Chamber of Mines.

Voluntary codes to which Amplats is committed

ICMM

The International Council on Mining and Metals (ICMM) was established in 2001 to maximise the contribution of mining, minerals and metals to sustainable development. Anglo American is a founding member of the ICMM and Amplats, as a business unit of the group, has adopted and complies with the ICMM's 10 principles for sustainable development.

UNGPs

We support the United Nations guiding principles on business and human rights aspects. These principles are incorporated into our policies and management systems. However, we are aware that we need to enhance implementation and continue to integrate the principles into our operations.

UNGC

Anglo American plc is a member company of the United Nations Global Compact (UNGC) and, as a business unit, Amplats complies with the compact's principles.

VPSHR

Anglo American plc is a member company of the voluntary principles on business and human rights (VPSHR). We, as a business unit, comply accordingly. The VPSHR is a set of principles designed to guide companies in maintaining the safety and security of their operations within an operating framework that encourages respect for human rights.

EITI

The Extractive Industries Transparency Initiative is a global standard designed to promote the transparent and accountable management of natural resources. Amplats, as a member of the Anglo American group, is a supporting company and complies with the principles of the initiative.

Davis Tax Committee

The Davis Tax Committee has the objective to assess South Africa's tax policy framework and its role in supporting the objectives of inclusive growth, employment, development and fiscal sustainability. The committee's first interim report stressed that mining remains a vital sector for the country in terms of employment, foreign exchange generation and South Africa's balance of payments. It also came out broadly in favour of retaining the status quo and taxing mining companies at the same rate as other corporate taxpayers. The committee's interim recommendations were:

- A rejection of the call for a resource rent or similar windfall tax
- Retaining the mineral royalty
- Requests to channel a portion of royalties directly to mining communities was not supported by the committee
- Elimination of the 100% year one tax deduction for capital expenditure and aligning with manufacturing industries, ie allowance over four years
- Removal of the current tax ringfence at a future date to compensate for the change to the capital expenditure allowance.

Amplats has provided feedback on the first interim report on mining through the Chambers of Mines.

MPRDA Review

We previously reported that Amplats has in 2014, through the Chamber of Mines and major shareholder Anglo American, provided extensive input into the drafting of the Mineral and Petroleum Resources Development Act (MPRDA) Amendment Bill. In late January 2015, President Jacob Zuma announced the bill would be referred back to parliament due to concerns around its constitutionality. An amended proposed bill is likely to be released for industry comment and input in 2016. As previously, we will provide comment via the chamber of Mines and Anglo American.

Mining Phakisa

Operation Phakisa (Phakisa) was announced by President Jacob Zuma in his State of the Nation Address in 2014. This multi-stakeholder-led initiative is designed to fast-track the implementation of solutions to critical development issues. The mining-specific element of Phakisa aims to identify key constraints to investment in and growth of the industry, as well as develop a shared vision and growth strategy for the long-term development and transformation of the sector in line with the goals of the National Development Plan.

Work on mining Phakisa commenced in August 2015 and the government convened all key stakeholders in the industry during November 2015. The intensive five-week process created a good platform for meaningful engagement by the industry with other key stakeholders, including other government departments beyond the DMR. Currently, all the Phakisa lab reports, that will list all the key initiatives, are being finalised by the Phakisa secretariat before they are presented to the Phakisa participants for input and comment in the first quarter of 2016. Amplats executive and senior management will continue to be involved in the Phakisa in 2016.

Building on the mining charter

The mining charter provided guidelines on key mining industry transformation milestones that had to be achieved between 2004 and 2014. Our company, Anglo American as our majority shareholder, and our industry, through the Chamber of Mines, is of the view that the mining charter, whose drafting and development we were actively involved in, is a necessary and desirable instrument for dealing with the mining industry's legacy in the workplace and in surrounding communities. Although the mining charter's reporting period came to a close in early 2015, Amplats remains committed to its principles and continues to report against it while discussion around the third mining charter develops.

Amplats submitted its mining charter compliance report ahead of the 14 March 2015 deadline to the DMR using the prescribed template.

BEE credits

Production	20.69%
Kotula ESOP	1.20%
Alchemy	2.33%
Total BEE credits	24.22%

On 14 May 2015, the Minister of Mineral Resources announced that the DMR had started engagements with individual mining rights holders who have failed to comply, and the necessary remedial steps are being taken against these companies. Amplats has not received any notification or report from the DMR outlining its status of compliance or notice of failure to comply, and therefore remains of the view that it has met the requirements of the mining charter. The Chamber of Mines and the former minister of mineral resources agreed to refer issues relating to the assessment of BEE ownership and the interpretation of certain key provisions of the original mining charter of 2002 and the 2010 amended mining charter to a court for a declaratory order. On 4 May 2015, the Chamber launched these proceedings against the minister of mineral resources. The parties have filed their heads of argument and the court application is set down for hearing on 15 and 16 March at the Pretoria High Court.

Mining Charter III (MCIII) engagement process

Over 2015, several initiatives and events have taken place to facilitate gathering input into the development of MCIII, including:

- The declaratory order process
- The ANC national general council
- The mining Phakisa.

As a group, Anglo American initiated a project aimed at understanding and participating in the development of the MCIII, to ensure that the impact of these initiatives is sustainable, measurable, inclusive and value adding to the South African economy.

As a part of this process, a comprehensive stakeholder engagement plan was developed and implemented. This process covered both internal and external stakeholders; with a view to ensuring we provided clear and constructive input into the MCIII development process for the benefit of the mining industry, its employees, communities and shareholders while delivering against the broader national interests of South Africa. Anglo American sought to provide leadership in the industry, through the Chamber of Mines, to drive a collaborative and consultative process for the development of MCIII and Amplats, as part of the project steering group, contributed to this process.

The project established workstreams with representation from each Anglo American business unit. Each workstream developed key principles for the development of MCIII. In developing these principles, the workstreams considered:

- Current issues affecting the mining industry in South Africa
- The successes and failures of each pillar in MCI and MCII, based on the experience gained in implementing these charters.

The results of the project were presented to the Chamber of Mines and served as input from the Anglo American group to the Johannesburg mining indaba and the mining Phakisa.

For more information on our commitment to beneficiation, an important part of the mining charter, refer to <http://www.angloamericanplatinum.com/sustainability/beneficiation-pgms.aspx>.

MINING CHARTER SCORECARD

Description	Measure	2015 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 to the DMR annually	Annually
Ownership			
Minimum target for effective HDSA ownership	Meaningful economic participation	<p>To advance BEE, the company has entered into a number of disposal transactions and joint ventures.</p> <p>We have established an employee share ownership scheme and various community trusts as part of Amplats' major transaction on community economic empowerment. The result of these transactions was the transfer, to HDSAs, of 41.9% of the company's forecast attributable production as it would have been in 2014 had it not entered into these transactions.</p>	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
Home ownership			
	Implement initiatives to facilitate home ownership, for example, preference surveys, advice on purchasing homes, training on benefits of home ownership	Facilitate home ownership for all mine employees, with organised labour	Financial literacy, debt rehabilitation and home ownership programmes were implemented. Rent-to-buy option policy developed and implemented
Procurement and enterprise development		R14.2 billion procurement spend on BEE entities	
Procurement spend from BEE entity	Capital goods	67.5%	40%
	Services	70.2%	70%
	Consumable goods	63.6%	50%
Multinational suppliers' contribution to the social fund	Annual spend on procurement from multinational suppliers	Awaiting establishment of the social fund from the Department of Mineral Resources	0.5% of procurement value
Employment equity			
Diversification of the workplace to reflect the country's demographics to attain competitiveness	Top management (board) level	40%	40%
	Senior management (exco)	46%	40%
	Middle management	62%	40%
	Junior management	70%	40%
	Core skills	84%	40%

Description	Measure	2015 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 have been done by environmental assessment practitioners and will be submitted to the DMR by the operations early in 2016 pending promulgation of new regulatory requirements. Only Mogalakwena and Twickenham were due for performance reviews in 2015. 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 is 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 (from 2012)	Additional production volume contribution to local value addition beyond the baseline	The company continues to implement 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)	4.3% achieved	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 R547 million*	1% of pre-tax profit

* Including Unki Mine.

ECONOMIC INDICATORS

AS AT 31 DECEMBER

		2015	2014	2013	2012	2011
Total workforce^{1,3}						
Full-time employees		41,716	45,662	45,884	50,873	52,152
Contractors ²		2,572	2,857	2,646	4,245	6,237
Total capitalisation						
	R million					
Debt		14,441	15,820	12,618	12,665	5,958
Equity		40,023	50,526	50,008	50,100	56,743
Total assets						
	R million					
Property, plant and equipment		39,869	44,297	43,298	43,946	44,499
Capital work in progress		6,548	10,736	9,810	9,149	12,940
Investment in associates		3,883	7,637	6,816	6,653	6,870
Investments held by environmental trusts		882	842	732	642	662
Other financial assets		1,023	3,120	3,422	4,204	3,931
Other non-current assets		–	54	54	58	69
Inventories		16,571	17,451	19,668	15,937	12,525
Trade and other receivables		2,585	3,220	3,624	2,708	3,066
Other assets		927	1,440	441	472	419
Other current financial assets		–	–	–	4	3
Cash and cash equivalents		1,672	1,202	1,162	2,174	2,296
Refined production						
Platinum	000 oz	2,459	1,890	2,380	2,379	2,530
Palladium	000 oz	1,595	1,225	1,381	1,396	1,431
Rhodium	000 oz	305	229	295	311	338
Gold	000 oz	113	96	100	105	105
Nickel – refined	000 tonnes	25	21	17	18	20
Nickel – matte	000 tonnes	–	8	6	–	–
Copper – refined	000 tonnes	17	13	8	11	13
Copper – matte	000 tonnes	–	6	6	–	–
Gross revenue						
	R million					
North America		6,282	3,561	2,030	2,023	4,189
Asia		22,053	18,695	15,010	12,716	18,322
Europe		21,695	20,590	26,540	20,164	18,884
South Africa		5,321	7,482	5,584	6,381	8,215
Other		4,478	5,298	3,658	1,864	1,874
Total cash operating costs						
	R million					
Limpopo		18,514	16,976	15,763	12,858	12,180
Mpumalanga		1,815	2,022	1,820	1,599	1,425
North West		23,793	22,123	22,958	21,382	20,550
Non-South Africa		1,607	1,501	1,014	1,643	821
Value added						
	R million					
To salaries, wages and other benefits, net of tax		15,539	12,377	14,122	11,511	10,651
Taxation		3,545	3,736	5,996	3,831	3,742
To providers of capital		1,390	1,159	956	1,250	3,821
Reinvested in the company		(5,912)	5,047	4,303	(1,664)	6,852

¹ Workforce numbers based as at 31 December 2015 and excludes Platinum Health, JVs and associate operations.

² By definition part-time employees are contractors.

³ A further 1,277 employees and contractors are employed at our Unki operations in Zimbabwe.

DIRECT VALUE ADDED TO SOUTH AFRICA

	2015 Rm	2014 Rm	2013 Rm	2012 Rm
Employees				
Total payroll and benefits paid in South Africa				
Gauteng	870	806	1,367	1,373
Limpopo	7,332	5,707	5,891	4,847
North West	8,568	7,114	8,147	6,441
Mpumalanga	504	428	286	224
Total	17,274	14,055	15,691	12,885
Wages ¹	14,321	11,905	12,755	10,972
Pension	1,207	1,075	1,047	924
Other benefits	611	548	513	391
Share-based payments	336	353	502	572
Redundancy payments	799	174	874	26
Total	17,274	14,055	15,691	12,885
Community development initiatives				
Health and welfare	102,827	0.89	—	2.9
Education and training	71,254	16	15.6	27.1
Environment	0.491	—	0.1	1
General community development (including infrastructural projects)	165,824	192.1	107.2	138.1
Sports, arts, culture and heritage	39,067	5	—	—
Institutional capacity building*	38,784	—	—	—
Other, including water, and sanitation and energy and climate change	126,253	15	71	30.4
Chairman's fund contribution	7.5	7	10	15
Total	547.0**	236.1	203.9	214.5
Private sector				
Suppliers				
Costs of goods, materials and services purchased				
Total	29,359	32,391	27,636	27,636
Of which sourced in South Africa	27,545	30,792	26,297	25,954

¹ Anglo American Platinum Limited is an equal-opportunity employer and remunerates its employees competitively irrespective of race or gender.

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

* In other years this was included in education and training.

** Includes Unki Mine.

SAFETY INDICATORS

FOR THE YEAR ENDED 31 DECEMBER

SAFETY INDICATORS

Operations	Number of fatalities					Fatal-injury frequency rate (FIFR)				
	2015	2014	2013	2012	2011	2015	2014	2013	2012	2011
Bathopele Mine	0	0	2	0	2	0	0.00	0.08	0.00	0.084
Khomanani Mine (reclamation) ¹	0	0	0	1	2	0	0.00	0.00	0.028	0.05
Thembelani Mine	1	0	0	0	2	0.02	0.00	0.00	0.00	0.044
Khuseleka Mine	0	1	1	2	0	0	0.04	0.02	0.04	0.00
Siphumelele Mine	0	0	1	0	0	0	0.00	0.03	0.00	0.00
Central services	0	0	0	0	0	0	0.00	0.00	0.00	0.00
Tumela Mine	0	0	1	0	1	0	0.00	0.01	0.00	0.01
Dishaba Mine	0	1	0	0	1	0	0.03	0.00	0.00	0.017
Union Mine	0	0	1	2	2	0	0.00	0.01	0.03	0.029
Mogalakwena Mine	0	0	0	1	0	0	0.00	0.00	0.061	0.00
Unki Platinum Mine	0	0	0	0	1	0	0.00	0.00	0.00	0.091
Rustenburg concentrators	0	0	0	1	0	0	0.00	0.00	0.163	0.00
Amandelbult concentrators	0	0	0	0	0	0	0.00	0.00	0.00	0.00
Union concentrators	0	0	0	0	0	0	0.00	0.00	0.00	0.00
Mogalakwena concentrators	0	0	0	0	0	0	0.00	0.00	0.00	0.00
Unki concentrator	0	0	0	0	0	0	0.00	0.00	0.00	0.00
Mototolo concentrator	0	0	0	0	0	0	0.00	0.00	0.00	0.00
Polokwane smelter	0	0	0	0	0	0	0.00	0.00	0.00	0.00
Waterval smelter	0	1	0	0	0	0	0.07	0.00	0.00	0.00
Mortimer smelter	0	0	0	0	0	0	0.00	0.00	0.00	0.00
Rustenburg Base Metal Refiners	0	0	0	0	1	0	0.00	0.00	0.00	0.05
Precious metals refinery	0	0	0	0	0	0	0.00	0.00	0.00	0.00
Western Limb Tailings Retreatment	0	0	0	0	0	0	0.00	0.00	0.00	0.00
Greenfield projects	1	0	0	0	0	0.03	0.00	0.00	0.00	0.00
Total/aggregate	2	3	6	7	12	0.003	0.006	0.01	0.011	0.018

¹ Reclamation sites in 2015: Khomanani Mine, Khuseleka 2, Siphumelele 3 and Thembelani 2. (Khuseleka Mine is Khuseleka 1).

Operations	Lost-time injury frequency rate (LTIFR)					Total recordable case frequency rate (TRCFR) ¹				
	2015	2014	2013	2012	2011	2015	2014	2013	2012	2011
Bathopele Mine	0.53	0.4	0.98	0.79	0.84	0.92	0.58	3.09	3.12	2.90
Khomanani Mine (reclamation) ³	1.95	0.65	1.46	1.32	1.49	2.72	1.94	1.94	2.13	5.04
Thembelani Mine	1.93	1.64	1.86	2.41	2.04	2.12	2.58	2.47	3.13	3.89
Khuseleka Mine	2.01	0.78	1.38	2.02	1.65	2.24	1.02	1.57	3.52	15.163
Siphumelele Mine ²	1.26	1.35	2.00	2.49	2.61	1.42	1.55	2.37	3.05	5.91
Central services ⁴	0.47	0.25	0.55	0.40	0.44	0.83	0.38	0.80	0.82	1.05
Tumela Mine ⁵	1.03	0.78	1.24	1.56	1.60	1.41	0.98	1.65	1.85	2.09
Dishaba Mine	0.93	0.86	1.11	0.90	1.94	1.83	1.60	1.67	1.73	2.24
Union Mine ⁶	1.73	0.90	1.26	1.12	1.31	2.50	1.52	3.76	2.09	5.82
Mogalakwena Mine	0.22	0.15	0.83	0.67	0.49	1.36	1.31	2.13	2.33	2.25
Unki Platinum Mine	0.18	0.11	0.11	0.12	0.18	0.53	0.86	0.85	1.04	2.28
Rustenburg concentrators	0.81	0.00	0.75	0.16	0.00	2.78	0.63	1.24	1.30	1.03
Amandelbult concentrators	0.25	0.00	0.64	1.57	0.10	0.83	0.37	0.93	2.69	1.30
Union concentrators	0.33	0.00	0.45	0.55	0.34	0.33	0.00	1.01	0.69	0.90
Mogalakwena concentrators	0.11	0.37	1.32	0.13	0.17	0.8	1.11	0.92	1.01	1.71
Unki concentrator	0.45	0.46	0.00	0.38	0.00	1.36	0.91	1.46	1.88	1.79
Mototolo concentrator	0.00	0.00	0.00	0.00	0.66	0.00	0.00	0.00	0.37	2.3
Polokwane smelter	0.00	0.39	0.20	0.37	0.64	0.42	1.16	0.61	1.30	1.37
Waterval smelter	0.14	0.92	0.79	0.57	0.57	0.28	1.28	1.14	1.14	1.72
Mortimer smelter	0.00	0.00	0.39	0.80	0.00	0.74	0.74	0.78	1.19	0.58
Rustenburg Base Metal Refiners	0.84	0.40	0.58	0.71	0.74	1.55	0.96	0.93	1.20	2.31
Precious metals refinery	0.53	0.26	0.39	0.48	0.70	1.18	1.18	1.41	1.58	3.02
Western Limb Tailings Retreatment	0.00	0.00	0.77	0.27	0.86	0.22	0.26	1.03	1.07	1.14
Greenfield projects	0.51	0.61	0.43	0.48	0.56	1.08	1.39	1.34	3.20	1.53
Shared support ⁷	0.40	1.16				1.10	1.68			
Total/aggregate	0.98	0.69	1.05	1.15	1.27	1.52	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.

³ Reclamation sites in 2015: Khomanani Mine, Khuseleka 2, Siphumelele 3 and Thembelani 2 (Khuseleka Mine above is Khuseleka 1).

⁴ Central services = Rustenburg Central Services (Siphumelele lease area).

⁵ From 2014 Tumela Mine includes Amandelbult services.

⁶ From 2014 Union Mine includes Union services.

⁷ 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).

HUMAN RESOURCES INDICATORS

FOR THE YEAR ENDED 31 DECEMBER

EMPLOYMENT STATISTICS

	2015	2014	2013	2012	2011
Breakdown of South African workforce, numbers^{1,2}					
Gauteng	330	377	417	532	559
Limpopo	23,259	24,822	24,577	24,645	24,654
North West	17,991	20,323	20,762	25,555	25,913
Mpumalanga	136	140	128	141	143
Total own employees	41,716	45,662	45,884	50,873	51,269
Contracting staff²					
Labour hire	401	435	495	610	516
Contractors	2,171	2,422	2,151	3,635	5,721
Total contracting staff	2,572	2,857	2,646	4,245	6,237
Employment creation in provinces, numbers					
Gauteng	(47)	(40)	(115)	(27)	71
Limpopo	(1,563)	245	(68)	(9)	1,238
North West	(2,332)	(439)	(4,793)	(358)	1,450
Mpumalanga	(4)	12	(13)	(2)	1
Total own employees	(3,946)	(222)	(4,989)	(396)	2,760
Labour turnover in South Africa, percentage (including voluntary separation packages)					
Gauteng	0.20	0.06	0.2	0.12	6.12
Limpopo	4.54	1.61	4.09	2.39	6.7
North West	4.73	1.4	7.09	0.02	7.13
Mpumalanga	0.02	0.01	0.13	3.05	1.86
Labour turnover in Zimbabwe	0.12	0.15			

¹ Workforce numbers based as at 31 December 2015 and excludes Platinum Health JVs and associate operations.

² Workforce breakdown numbers reviewed against published group statistics.

³ A further 1,277 employees and contractors are employed at our Unki operations in Zimbabwe.

BREAKDOWN OF EMPLOYMENT EQUITY PER OCCUPATIONAL LEVEL

(2015 employment equity statistics submitted to the Department of Labour in 2016)

Occupational levels	Male				Female				Foreign nationals		TOTAL
	African	Coloured	Asian	White	African	Coloured	Asian	White	Male	Female	
Top management	1	0	2	4	1	0	0	0	2	0	10
Senior management	119	7	20	207	23	1	11	12	11	2	413
Professionally qualified and experienced specialists and mid-management	677	29	25	708	286	19	26	151	21	4	1,946
Skilled technical and academically qualified workers, junior management, supervisors	3,107	60	28	1,243	981	47	28	313	256	4	6,067
Semi-skilled and discretionary decision making	23,242	56	16	499	2,704	35	21	95	4,016	1	30,685
Unskilled and defined decision making	2,105	4	1	102	1,091	2	1	13	91	2	3,412
Total permanent employees	29,251	156	92	2,763	5,086	104	87	584	4,397	13	42,533
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Grand total	29,251	156	92	2,763	5,086	104	87	584	4,397	13	42,533

Note: All numbers are for the year ended 31 December 2015.

TURNOVER PER REGION

	2015 excluding VSPs		2015 including VSPs		2014 excluding VSPs		2014 including VSPs		2013 excluding VSPs		2013 including VSPs	
	Total	%	Total	%	Total	%	Total	%	Total	%	Total	%
Gauteng	19	0.04	88	0.2	29	0.06	41	0.09	52	0.10	119	0.20
Limpopo	1,019	2.26	2,048	4.54	758	1.61	865	1.84	1,071	2.26	2,056	4.09
Mpumalanga	7	0.02	7	0.02	6	0.01	6	0.01	54	0.11	60	0.13
North West	678	1.50	2,136	4.73	656	1.40	703	1.49	1,118	2.36	3,349	7.09
Zimbabwe	53	0.12	53	0.12	71	0.15	71	0.15	67	0.13	67	0.13
Grand total	1,776	3.94	4,332	9.60	1,520		1,686		2,362		5,651	

TURNOVER BY GENDER AND AGE IN 2015

	Age group					Total
	20 – 30	31 – 40	41 – 50	51 – 60	61 – 72	
Turnover excluding VSPs						
Women %	0.09	0.13	0.06	0.02	0.00	0.31
Men %	0.51	1.16	0.71	1.13	0.12	3.63
Grand total	0.60	1.29	0.77	1.15	0.12	3.94
Turnover including VSPs						
Female %	0.16	0.44	0.23	0.09	0.00	0.92
Male %	0.68	1.98	1.66	4.23	0.12	8.67
Total contracting staff	0.84	2.42	1.89	4.32	0.12	9.60

TRAINING IN 2015

Type of training	Black		Coloured		Asian		White		Total HDSA	Total trained
	Males	Females	Males	Females	Males	Females	Males	Females	trained	trained
Graduates	86	37	2	1	3	6	24	9	141	165
Bursaries	90	47	2	0	6	5	44	25	175	219
Leaderships (engineering)	184	76	1	0	2	0	22	1	264	296
Leaderships (mining)	90	22	0	0	0	0	3	0	112	115

MEMBERSHIP OF RECOGNISED UNIONS AND ASSOCIATIONS

as at 31 December	2015	2014	2013	2012	2011
Association of Mineworkers and Construction Union (AMCU)	24,382	24,815	26,916		
National Union of Mineworkers (NUM)	8,200	9,463	9,560	30,043	29,937
United Association of South Africa (UASA)	5,827	6,518	5,077	7,230	6,905
National Union of Metalworkers of South Africa (NUMSA)	347	359	465	777	247
Total	38,756	41,155	42,018	38,050	37,089
Total percentage of workforce represented, excluding management*	96	91	94	81	79

* Workforce excluding Unki operations in Zimbabwe.

AVERAGE TRAINING HOURS in 2015

Average training hours per employee	2015	2014
Professionally qualified and experienced specialists and mid-management	50	65
Semi-skilled and discretionary decision-makers	84	89
Senior management	26	15
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	93	107
Unskilled and defined decision-makers	74	68
Total per employee	81	88

ABSENTEEISM

	2015 Absenteeism owing to work-related injuries %	2014 Absenteeism owing to work-related injuries %	Total %
Gauteng	0	8.05	8.57
Limpopo	0.29	19.96	36.15
Mpumalanga	0	16.97	15.25
North West	0.23	19.33	36.51

ENVIRONMENTAL INDICATORS

FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014	2013	2012	2011
MATERIALS – kilotonnes					
Rock broken – managed operations (100%)	152,414	143,219	126,329	107,235	111,379
Ore milled – managed operations (100%)	36,305	29,593	36,120	35,431	36,547
Accumulated low-grade stockpiles	41,811	37,586	33,364	24,634	19,626
Coal	137.02	134.2	140.3	138.9	140
Liquid petroleum gas (LPG)	4.17	4.65	4.81	6.23	4.48
Grease	0.37	0.33	0.38	0.39	0.54
FUELS – megalitres					
Lubricating and hydraulic oils	15.97	8.31	26.751 ¹	6.92	7.912
ENERGY – terajoules					
Energy from electricity purchased	18,751	16,376	18,594	18,362	19,049
Energy from processes and fossil fuels	6,428	6,257	6,348	6,031	6,119
Total energy consumed	25,178	22,633	24,942	24,392	25,168
WATER – megalitres					
Total water consumed by source*	33,197	27,137	33,412	34,911	36,340
Water used for primary activities	29,570	22,876	28,311	28,755	31,248
Water used for non-primary activities	3,627	4,215	5,101	6,156	5,092
Potable water from an external source	14,408	13,581	17,138	18,437	18,983
Non-potable water from an external source	546	1,470	1,484	1,326	924
Waste or second-class water used	4,415	6,148	8,034	9,142	10,638
Surface water used	9,343	2,590	1,507	1,502	1,535
Groundwater used	4,695	3,369	6,372	4,407	4,323
Water recycled in processes	60,170	51,462	50,159	53,731	51,260
LAND – hectares					
Land under company charge for current mining activities**	117,266	116,792	117,382	91,827 ²	54,640
Land under management control	46,644.41	53,042	43,305	54,690	–***
Land used for current mining and related activities	10,321	8,612	9,337	14,530	14,791
Total tailings dam area	2,326	2,326	2,152	2,444	2,848
Total waste rock dump area	1,097	1,043	931	933	790
All land owned	21,154	33,543	27,902	43,212	40,136
EMISSIONS – kilotonnes					
GHG emissions, CO ₂ equivalent (Scope 1 and 2 only)	5,878	5,363	5,936	5,743	5,991
From electricity purchased	5,316	4,817	5,378	5,210	5,450
Internally generated	561	547	558	533	541
Nitrous oxides	NM	NM6	NM	NM	NM
Sulfur dioxide****	18.01	15.46	19.15	20.08	18.77
Particulates (point sources)	0.16	0.15	0.19	0.43	0.42
DISCHARGE – megalitres					
Discharge to surface water	278	557	363	765	1,761
QUALITY					
Surface water quality monitored at all operations	Yes	Yes	Yes	Yes	Yes
Surface water quality deterioration offsite	Yes	Yes	Yes	Yes	Yes
Adverse surface water impact on humans ³	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

* Total water consumed is made up from the following sources: potable water used from external sources, non-potable water used from an external source, surface water used, groundwater used, and second-class water used. These water sources are used for primary or non-printing activities, or both.

** Includes Der Brochen.

*** Started reporting company managed land in 2012. Before that we reported 'land under company charge' which is 'company managed land' plus 'privately or state-owned land above company mineral/mining rights'.

**** Discontinue measurement of SO₂ in tonnes due to new legal requirements.

	2015	2014	2013	2012	2011
WASTE – kilotonnes					
Mineral waste accumulated in: tailings dams (active and inactive)	841,963	830,176	849,895	893,266	810,639
Rock dumps	1,053,785	972,125	898,074	840,266	752,349
Slag dumps	4,728	4,257	4,975	3,985	3,047
Non-mineral waste generated					
Hazardous to landfill	9.01	9.85	10.22	7.82	18.26
Hazardous incinerated	0.02	0.01	0.01	3.71	0.80
Non-hazardous to landfill	9.76	8.27	11.87	14.26	16.18
Non-hazardous incinerated	–	–	–	–	–
ENVIRONMENTAL INCIDENTS AND COMPLAINTS – number					
Level 1 ⁴	453	525	590	476	309
Level 2	18	37	0	0	0
Level 3	0	0	1	0	0
Level 4 and 5	0	0	0	0	0
Formal complaints	2	9	10	10	20
Substandard acts and conditions	2,135	1,957	2,092	1,175	976
PRODUCTS – ounces					
Total refined PGMs and gold ⁵	4,766,736	3,626,867	4,047,672	4,423,639	4,726,682

¹ Increases as a result of bulk purchases.

² Increase owing to revised definition that includes privately owned land above mining right.

³ Not measured.

⁴ Prior years included level 2 incidents and complaints.

⁵ Excludes toll refining from Anglo American Platinum Limited marketing.

INDEPENDENT ASSURANCE 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 assurance engagement in respect of selected sustainability information reported in the Amplats sustainable development report for the year ended 31 December 2015 (the report). This report is produced in accordance with the terms of our contract with the company dated 3 September 2015.

INDEPENDENCE AND EXPERTISE

We have complied with the International Federation of Accountants' 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 multidisciplinary 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 identified sustainable development information in the report was selected for an expression of reasonable assurance:

- Fatal injury frequency rate (FIFR) (page 66)
- Total work-related fatal injuries (TWRFI) (page 66)
- Lost-time injury frequency rate (LTIFR) (page 67)
- Total recordable case frequency rate (TRCFR) (page 67)
- Number of new cases of noise-induced hearing loss (NIHL) reported (page 5)
- CO₂ emissions (scope 1) (page 52)
- CO₂ emissions (scope 2) (page 70)
- Number of level 3, 4 and 5 environmental incidents reported (page 71)
- Total energy used in 1,000 GJ (page 17)

Limited assurance

The following identified sustainable development information in the report was selected for an expression of limited assurance:

- Total water consumed by source (page 70)
- Total hazardous and non-hazardous waste to legal landfills (page 71)
- Number of employees participating in VCT (page 29)
- Total amount spent on corporate social investment (CSI) projects in ZAR (page 17)
- Total employee turnover (page 69)
- Employment equity per the mining charter requirements (page 62)
- BEE procurement per the mining charter requirements (page 62)
- Company managed land (page 70)

- Specific statements from two case studies:
 - *Raising awareness around HIV/Aids* (page 31)
 - "The initiative aimed to raise awareness through interactive learner participation, which took place at Seritarita High School in the Mogalakwena Mine area. In the Twickenham Mine area, the theatre also took place at Masebudi Primary School, and a discussion was held with educators at Ntwampe High School because the learners were writing end of the year examinations."
 - *Paardekraal dust mitigation project* (page 56)
 - "The objective of the Paardekraal dust mitigation project is to resolve main environmental issues (dust, water, biodiversity) as part of a dedicated and integrated process."
 - "This medium term dust mitigation project commenced in July 2015. Since Tamarix is a category 1 invasive plant in South Africa, an exemption permit has been applied for to plant them on the tailings dam as bio-wind barriers."
 - "A large portion of TSF beach area has been installed with synthetic net acting as wind curtain barriers."

We refer to this information as the 'selected sustainability information for reasonable assurance' and 'selected sustainability information for limited assurance', respectively, and collectively 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 of Amplats are responsible for selection, preparation and presentation of the selected sustainability information in accordance with the criteria set out in Amplats' internal corporate reporting policies and procedures on page 16 and from page 74 of the report, collectively referred to as the 'reporting criteria'. The directors of Amplats are also responsible for such internal control as the directors determine is necessary to enable the preparation of the selected sustainability information that is 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 sustainability information selected 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 sustainability information selected for limited assurance is not stated, 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 2015, 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 either reasonable or limited 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 sustainability information selected for reasonable assurance. It also included an assessment of the significant estimates and judgements made by the directors in the preparation of the sustainability information selected for reasonable assurance. 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 sustainability information selected for reasonable assurance.

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
- 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.

In particular, conversion factors used to derive carbon emission performance information are based upon information and factors derived by independent third parties.

CONCLUSIONS

Reasonable assurance

Based on the results of our procedures, in our opinion, the selected sustainability information selected for reasonable assurance for the year ended 31 December 2015, has been prepared, in all material respects, in accordance with the reporting criteria.

Limited assurance

Based on the results of our procedures nothing has come to our attention that causes us to believe that the selected sustainability information selected for limited assurance for the year ended 31 December 2015, 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' management. 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 Amplats' website.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.

Director: Jayne Mammatt

Registered auditor

Johannesburg

25 February 2016

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: Antiretroviral 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.

BBBEE: 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 remit 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.

GLOSSARY continued

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.

LTi: 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): The sum of the number of medical treatment cases plus lost-time injuries plus fatal injuries per 200,000 hours worked.

UASA: United Association of South Africa, a trade union.

UNGC: 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

Matthew Chadwick
matthew.chadwick@angloamerican.com
Telephone +27 (11) 373 6495

INVESTOR RELATIONS

Emma Chapman
emma.chapman@angloamerican.com
Telephone +27 (11) 373 6683

SUSTAINABLE DEVELOPMENT REPORT FEEDBACK FORM 2015

Please let us have your views of this report

☐

Format

☐

Content

☐

Insufficient detail

☐

Too much detail

☐

Other comments

Name

Organisation

Address

☐

Government/regulators

☐

Academic

☐

Investor/shareholder

☐

NGO

☐

Other

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☐

Thank you.

Fax or post your feedback to Matthew Chadwick, sustainable development manager +27 (11) 373 6495, or PO Box 62179, Marshalltown 2107; or fill in your comments online at www.angloamericanplatinum.com.

ADMINISTRATION

DIRECTORS

Executive directors

C Griffith (chief executive officer)
I Botha (finance director)

Independent non-executive directors

MV Moosa (independent non-executive chairman)
RMW Dunne (British)
NP Mageza
NT Moholi
D Naidoo
JM Vice

Non-executive directors

M Cutifani (Australian)
R Médori (French)
AM O'Neill (British)
AH Sangqu

Alternate directors

PG Whitcutt (alternate director to R Médori)

COMPANY SECRETARY

Elizna Viljoen
elizna.viljoen@angloamerican.com

Telephone +27 (0) 11 638 3425
Facsimile +27 (0) 11 373 5111

FINANCIAL, ADMINISTRATIVE, TECHNICAL ADVISERS

Anglo Operations Proprietary Limited

CORPORATE AND DIVISIONAL OFFICE, REGISTERED OFFICE AND BUSINESS AND POSTAL ADDRESSES OF THE COMPANY SECRETARY AND ADMINISTRATIVE ADVISERS

55 Marshall Street, Johannesburg, 2001
PO Box 62179, Marshalltown, 2107

Telephone +27 (0) 11 373 6111
Facsimile +27 (0) 11 373 5111
+27 (0) 11 834 2379

SPONSOR

Rand Merchant Bank
a division of FirstRand Bank Limited

REGISTRARS

Computershare Investor Services Proprietary Limited
70 Marshall Street
Johannesburg, 2001
PO Box 61051
Marshalltown, 2107

Telephone +27 (0) 11 370 5000
Facsimile +27 (0) 11 688 5200

AUDITORS

Deloitte & Touche
Buildings 1 and 2, Deloitte Place
The Woodlands, Woodlands Drive
Woodmead
Sandton, 2196

INVESTOR RELATIONS

Emma Chapman
emma.chapman@angloamerican.com

Telephone +27 (0) 11 373 6239

LEAD COMPETENT PERSON

Gordon Smith
gordon.smith@angloamerican.com

Telephone +27 (0) 11 373 6334

FRAUD LINE – SPEAKUP

Anonymous whistleblower facility
0800 230 570 (South Africa)
angloplat@anglospeakup.com

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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

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