Annual Results 2021

AngloAmerican

PLATINUM

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Performance highlights

		2021	2020	% change
Operational performance				
Tonnes milled	000 tonnes	28,205	24,851	13
Built-up head grade	4E g/tonne	3.50	3.56	(2)
Total PGM M&C production[1]	000 oz	4,298.7	3,808.9	13
PGM ounces produced per employee[2]	per annum	108.7	97.2	12
Refined production				
Total PGMs	000 oz	5,138.4	2,713.1	89
Platinum (Pt)	000 oz	2,399.9	1,201.0	100
Palladium (Pd)	000 oz	1,627.5	905.3	80
Rhodium (Rh)	000 oz	349.3	173.9	101
Other PGMs + Gold	000 oz	761.7	432.8	76
Nickel (Ni)	000 tonnes	22.3	13.9	60
Copper (Cu)	000 tonnes	14.6	10.4	40
Financial performance				
Total net sales revenue[3]	R million	214,568	107,771	99
Net sales revenue per ounce (excluding trading)	R/PGM oz sold	40,511	33,320	22
Cost of sales[3]	R million	109,456	68,048	61
Cash on-mine cost per tonne milled	R/tonne	1,057	993	6
Cash operating cost per PGM oz produced (mined volume)	R/PGM oz	12,831	11,739	9
Gross profit on metal sales[3]	R million	105,112	39,723	165
Gross profit margin[3]	%	49	37	12pp
Adjusted EBITDA	R million	108,438	41,583	161
Adjusted EBITDA margin (excluding trading)	%	50	43	7pp
Mining EBITDA margin	%	65	55	10pp
ROCE	%	183	72	111pp
Headline earnings	R million	79,026	30,346	160
Headline earnings per share	cents	30,042	11,554	160
Dividend/Share (ordinary and special)	cents	30,000	4,558	558
Net cash	R million	49,137	18,650	163
Total capital expenditure	R million	13,631	9,471	44
Environmental, social and governance (ESG)				
Fatalities	Number	—	1	(100)
Total recordable case frequency rate (TRCFR)	Rate/million hrs	260	240	25
Employees[4]	Number (at period end)	25,538	25,634	—
HDPs in management[5]	%	82	80	2pp
GHG emissions, CO_2 equivalents[6]	000 tonnes	4,522	3,943	15
Water withdrawals or abstractions[7]	Megalitres	42,623	43,796	(3)
Energy use	Terajoules	20,818	18,045	15
Number of Level 4 and 5 environmental incidents	Number	—	—	—
Total social investment including dividends[8]	R million	1,286	803	60

[1] *Sum total of platinum, palladium, rhodium, iridium, ruthenium and gold.*

[2] *Prior year restated to only include mining working cost employees as defined in the glossary.*

[3] *Restated refer to note 20.*

[4] *Anglo American Platinum total own and contractor employees excluding joint operations employees and contractors.*

[5] *Includes all levels of management.*

[6] *Excludes scope 3 emissions.*

[7] *Total volume of water received from the water environment and/or third party suppliers. Water withdrawal is restated according to Anglo American's Water Accounting Framework and includes precipitation and run-off not previously accounted for.*

[8] *Total social investment includes SLP and CSI expenditure of R906 million, and R380 million in dividends paid in respect of the Alchemy and Atomatic community share schemes. Prior year figures restated to SLP and CSI expenditure of R404 million, and R399 million in dividends paid in respect of the Alchemy and Atomatic community share schemes.*

2021 Annual Results

Key messages

- **Committed to zero harm** – no work-related fatalities at managed operations and non-managed joint-operation Modikwa in 2021.
- **Delivering on our strategic priorities:**
  - a leader in ESG.
  - going beyond resilience, thrive through change.
  - maximise value from the core.
  - stimulate new markets and leverage new capabilities.
- **Progress on ESG:**
  - protecting lives and livelihoods of employees and communities through our WeCare pandemic response programme.
  - facilitating Covid-19 vaccination roll-out around operations in South Africa and Zimbabwe.
  - supporting our colleagues through embedding safety measures, increasing diversity and inclusion in the organisation, and embedding the right culture.
  - implementation of Social Labour Plans and progressing education initiatives.
  - established the roadmap to reduce scope 1 and 2 emissions by 30% by 2030.
- **Total platinum group metals (PGMs) production up 13%** – with a solid production performance from all own-managed operations, despite continuing to operate under Covid-19 conditions.
- **Record refined production up 89%**, due to continued operational stability at the ACP and strong performance across all processing assets.
- Build-up in work-in-progress inventory largely released and processed – **leading to sales volumes up 82%.**
- **Record PGM basket price** – Rand basket price up 22% due to robust underlying fundamentals for all the PGMs. Basket price moderation seen in H2 2021.
- **Record EBITDA of R108 billion** – strong contribution from all assets, optimising the benefits of world class assets with diversified metal prill splits. Mining EBITDA margin increased to 65%.
- **Unit cost performance increased 9%** – above CPI inflationary increases in utilities and consumables.
- **Return on capital employed increased to 183%.**
- **Significant economic contribution to society of R148 billion:**
  - continuing to protect the lives and livelihoods of all employees with R14 billion paid in salaries and wages.
  - increased local procurement to R28 billion.
  - social investment and community development spend, including Covid-19 support, of R2 billion.
  - significant contribution to the fiscus with R35 billion paid in taxes and royalties.
- **Industry-leading returns to shareholders:**
  - H2 2021 base dividend of R13 billion or R49 per share based on a pay-out ratio of 40% of headline earnings.
  - H2 2021 special dividend declared of R20 billion or R76 per share.
  - total cash dividend declared of R33 billion or R125 per share for H2 2021.
  - total 2021 dividend declared of R80 billion or R300 per share.
  - total pay-out ratio of 100% of headline earnings.

Key features

Fatalities

0

2021 0

2020 1

Net cash

R49bn

2021 R49.1bn

2020 R18.7bn

Metal in concentrate (M&C) production ('000 ounces)

4,299

2021 4,299

2020 3,809

Headline earnings

R79bn

2021 R79.0bn

2020 R30.3bn

Refined production ('000 ounces)

5,138

2021 5,138

2020 2,713

Dividend per share (2021 declared)

30,000 cents

2021 17,500 12,500 cents

2020 1,023 3,535 cents

EBITDA

R108bn

2021 R108.4bn

2020 R41.6bn

ROCE

183%

2021 183%

2020 72%

Economic contribution to society

R148bn

2021 R148bn

2020 R66bn

Natascha Viljoen
Chief executive officer

Natascha Viljoen, CEO of Anglo American Platinum said:

"Anglo American Platinum has once again delivered safe production and record operational and financial results, despite the ongoing effects of Covid-19 on our day-to-day operations.

I am grateful that we completed the year without any fatal incidents at our own-managed operations or at our non-managed joint-operation, Modikwa. This is an important milestone for us as we work tirelessly to keep our employees safe, and as we progress towards our ultimate aim of zero harm.

Unfortunately, our non-managed joint operation, Kroondal, reported two fatalities during the year. We are increasing our collaboration with our joint operation partners, and through the Minerals Council of South Africa, to help ensure safety learnings are shared and that safety is supported across the industry.

The creation of a purpose-led, values-driven, high-performance culture is the foundation for our strategic delivery. Guided by our Purpose of re-imagining mining to improve people's lives, and to create value for all stakeholders, we are driving four strategic priorities:

- *We want to lead in ESG. Our environmental and social impact aspirations are at the heart of our strategy and ways of working, with strict governance, including in our capital allocation, together creating shared value for our stakeholders.*
- *We stimulate new markets through our market development activities to increase existing sources of demand and leverage new capabilities to capture value from adjacent value chains.*
- *We will go beyond resilience and thrive through change in our business to meet society's ever-evolving needs and expectations, maintaining zero fatalities and determinedly seeking to achieve zero harm in helping to create sustainable value.*
- *We will maximise value from our core of competitive mining and processing assets, and marketing excellence, e.g., through technology, innovation and modernisation, while remaining resilient to price fluctuations, while retaining the flexibility to increase our cash generation potential when markets turn upwards.*

And, as always, it is our people who will make it all happen. That is why we are committed to supporting our colleagues, and our host communities, never more so than in the current difficult environment. We have heightened our emphasis on well-being and mental health support, increased our focus on inclusion and diversity, and on combating bullying, harassment and victimisation; these behaviours will not be tolerated at Anglo American Platinum. We continue to be proactive in tackling gender-based violence, including in our communities, and have increased our support for victims. We are providing ongoing support for our communities in multiple ways – starting with health and hygiene assistance during Covid-19, when we also provided food parcels to the most vulnerable; enabled access to clean water; and ensured medical support is adequately funded in local communities.

We are only too keenly aware of the societal challenges we face in our operating countries. That is why we are continuing to focus firstly on what is within our own control, such as working on our culture by implementing our Culture in Action – a leader-led stand against inappropriate behaviours. At the same time, it is part of our leadership role to take part in national and international debates around sustainability and other societal concerns, while continuing to help make the social compact a more equitable one through endeavouring to address the broader societal issues we face every day. Our ongoing focus is on working together with business, government, and labour to bring about positive change.

We delivered a strong recovery at our mining operations, increasing our metal-in-concentrate production by 13% to 4.3 million PGM ounces. Including the effect of infrastructure closures at Amandelbult and Kroondal, we were able to maintain production in line with 2019, a baseline of pre-pandemic performance. We continue to drive for operational efficiencies across our assets to ensure delivery against our strategy, including progressing trials of technology at

Mogalakwena to bring operational efficiencies and sustainability benefits, continuing with the modernisation and mechanisation trials at Amandelbult, and committed to investing capital to ensure asset reliability.

We achieved record refined production from our processing assets, refining over 5.1 million PGM ounces, supported by a strong ACP plant performance following its rebuild in 2020. As a result, we released most of our build-up in work-in-progress inventory from 2020 by the end of 2021. This performance enabled us to increase our sales volumes by 82% to just over 5.2 million PGM ounces, despite rebuilding finished-goods inventory to normalised levels in the second half of the year.

As a result of our strong operational performance, we are pleased to report a record set of financial results. The H1 2021 basket price moderated in the second half – but remained at historically high levels. Over the year, the rand basket price averaged 22% higher than 2020 and, with higher sales volumes, saw revenue increase to R215 billion.

Our unit cost increased by 9%, with production gains partially being offset by a steep increase in input cost inflation, which is being seen globally and across all sectors. Despite this, our focus on operational efficiencies and strict cost management enabled us to deliver a record EBITDA of R108 billion. This, in turn, led to an increase in headline earnings to R79 billion.

We are committed to being a good corporate citizen – and such a strong operational and financial performance has enabled us to make a significant total contribution to society of almost R150 billion for the year, benefiting broader stakeholders and society. Our broad-based contribution includes larger payments of taxes and royalties, purchasing local goods and services, continuing to protect the lives and livelihoods of all employees, making meaningful investments in communities, continuing our capital investment programme, and paying industry-leading returns to shareholders in the form of dividends.

Given the value distribution to other stakeholders, our strong balance sheet, a healthy market outlook and confidence in the underlying cash generation of the business, the Board has declared a second-half dividend, consisting of both a base dividend and a special dividend, amounting to R33 billion, R125 per share, or a 100% pay-out ratio of headline earnings. This takes the full-year dividend to R300 per share or R80 billion.

We remain committed to capital discipline, adhering to our strict capital allocation framework. That entails investing in sustaining capital expenditure, ensuring we maintain asset integrity and reliability in line with a systematic maintenance cycle, as well as spending on life extension projects and advancing debottlenecking projects, while simultaneously implementing technology and new ways of working. In doing so, we are seeking to ensure that we deliver the highest value from all our assets – as shown by the recent rebuild of the ACP, now achieving record levels of throughput. We have also strengthened our ESG commitments by embedding ESG into our capital allocation process, which will ensure that we meet our targets of a 30% reduction in Scope 1 and 2 carbon emissions by 2030 (off the 2016 baseline) and reducing our abstraction of water by 50% from scarce resources by 2030.

To live up to our Purpose and maximise value for all our stakeholders, we need to realise the full potential of our resources and operating assets. Anglo American Platinum has a large precious metals resource and our portfolio of tier 1 assets, which are diverse in location, product mix and mining methods, operates sustainably in the first half of the cost curve. We have the largest processing capability in the PGMs industry, and our integrated value chain creates optionality with significant potential. We will focus our capital decisions across the portfolio to ensure we maximise our full value potential, including progressing the Future of Mogalakwena work, which is continues to evolve as we progress.

We have made great strides in delivering on our strategic priorities, as our results illustrate. It is important for me to acknowledge that absolutely none of this is possible without the support of our Board, the leadership from my management team, and the hard work of our people across Anglo American Platinum, and I want to thank every one of my colleagues for helping us to deliver safe production and record operational and financial results."

Strategic delivery

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

1. Stimulating new markets and leveraging new capabilities.
2. Going beyond resilience, thrive through change.
3. Maximising the value from our core.
4. Being a leader in ESG.

Our focus on the delivery of these strategic priorities, inspired by our Purpose of re-imagining mining to improve people's lives, and in line with our Values, is creating value for all our stakeholders.

As we continue to identify and balance the urgent work (including effectively addressing business challenges caused by Covid-19) with the important work, we have made strides in addressing our organisational effectiveness. This has resulted in creating simplicity, with well-defined work and clearly defined accountabilities and the appropriate programme management frameworks exist. Where we have made inroads is in our culture-in-action execution, acknowledging that culture is what drives people and allow them to bring their whole self to work every day, and is at the core of our success to deliver our strategy. Culture in Action defines our intentional journey towards our desired culture, which is to become a purpose-led, values-driven, high-performing organisation.

We are embedding ESG at the centre of our strategy how we conduct our business and how we allocate capital. This is evident in the progress we have made to reset social compacts by addressing legacy issues at Mogalakwena and developing an execution roadmap to achieve our 2040 carbon neutrality goals.

Stimulate new markets and leverage new capabilities

Strategic initiatives:

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

Our approach to market development is to discover, nurture, scale and sustain a sufficiently diverse set of new and existing demand segments. We have progressed in our efforts to create demand for platinum jewellery and accelerate the adoption of PGM-enabled hydrogen technologies. We continue to pursue attractive, but largely unproven, potential new demand segments distinct from recognised industrial applications (e.g., carbon-neutral feedstocks, low-loss computing/electronics, and next-generation battery technology, as well as food and medical technology.

Go beyond resilience, thrive through change

The way in which we now express the strategic intent of this priority has been amended to reflect the shift in focus from the foundational aspects which were embedded in the business over the past two years, with a business that is now safer, stable, and capable, to create value through being innovative.

Strategic initiatives:

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

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

Elimination of fatalities (EoF) remains our highest priority across the business, and we have successfully implemented several proactive preventative measures in areas such as supply chain safety, fatal risks and controls, surface traffic management, fatigue management, and explosives handling. An EoF technical training programme has been rolled out across the business to strengthen the foundations for building a zero-harm work environment.

Anglo American's Operating Model is designed to transform asset performance. The strong focus on stable and predictable delivery provides a foundation for continuous and sustainable improvement to set new industry benchmark levels of performance (P101) and provide a standard approach to work management across all assets. The Operating Model went live at all sites in 2021, including upskilling and resourcing to sustainably maintain the new way of working on site.

Build and fast-track innovation and technology through FutureSmart Mining™ involved establishing a digital workplace by the end of Q4 2021. VOXEL is our digital platform that connects assets, processes, and people in a new digital thread across the value chain to create a family of 'Digital Twins' of the entire mining environment. We have implemented the Voxel mainline delivered at Mogalakwena, and the Voxel data programme at Amandelbult.

We have prioritised asset reliability, with the aim to reduce major operational challenges by creating a maintenance culture and enhancing engineering design reliability. This is supported by capital investment over the next five years and the new asset management approach. This is a fundamental enabler to maximise value from our core, and we have shown early indications of its positive impact on productivity, e.g., the ACP Phase A unit operating at its highest throughput rate.

Maximise value from our core

Strategic initiatives:

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

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

Specific initiatives include:

- Setting new benchmark performance – P101 is our transformational asset-productivity programme that will build on the stability provided by our Operating Model. The P101 programme required substantial programme management support to review the portfolio of P101 initiatives, establish the progress towards EBITDA margin improvement, and create the appropriate management routines to ensure successful delivery, all of which are now in place to ensure successful delivery.
- Developing the Future of Mogalakwena work for the long-term value-creation and sustainability of the asset. Good progress is being made on the six work streams which include:
  - → Resource development plan – optimal open-pit plan, including progressing underground opportunities.
  - → Operational efficiencies (P101) – optimise mine plan and operational performance.
  - → Communities – create trusting relationships and valued partnerships.
  - → Technology and innovation – develop and deploy technology, including hydrogen fuel-cell trucks.
  - → Expanding concentrator capacity – design and build the concentrator of the future.
  - → Downstream processing – utilise downstream processing to maximise value.
- Each of these workstreams has several steps to unlock value. Although integrated, the workstreams allow for separate-approval stage gates and an optimised development pathway.
- Fast-tracking the modernisation and mechanisation of Amandelbult is a critical step towards meeting our safety ambitions and repositioning the operation in the second quartile of the primary producer co st curve. The roll-out of modernisation is on schedule for completion by end 2022. The mechanisation development is ongoing at 15E drop-down, a separate area of the mine, which is in operation and allowing for various alternative design options to be evaluated.
- The Board approved the Mototolo/Der Brochen life-extension project in 2021. The development of the project leverages the existing Mototolo infrastructure, enabling mining to extend into the adjacent and down-dip Der Brochen resource, which will extend the life of mine beyond 30 years. The Der Brochen UG2 orebody will utilise the same bord and pillar extraction method as Mototolo mine, and will be a fully mechanised operation, positioned in the bottom half of the primary PGM producer cost curve. The project includes development of a new shaft to replace the depleting Mototolo reserves (Lebowa and Borwa shafts). With the completion of the concentrator debottlenecking project in Q3 2021, production from Mototolo/Der Brochen is expected to be maintained at around 250,000 PGM ounces per annum. The execution of the project will commence in Q1 2022. The total capital investment is expected to be R3.9 billion in nominal terms. The financial returns of the project are robust, with an IRR of over 25% and payback of around six years from first production (expected in late 2023), based on long-term consensus pricing and should enable the asset to retain its position in the first half of the primary cost curve.
- Our processing network provides the potential to optimise value, through five levers (utilisation of assets, product mix, throughput and recovery, inventory management, and energy/carbon intensity), from the multiple interlinked assets across the value chain. The immediate focus is considering the optimal utilisation of constrained processing facilities. Given the increasing base metals contained in Mogalakwena material in the near term, there is substantial value to be created by debottlenecking the ACP – ensuring that no excess stock is built up, locking up cash flows.
- Our marketing team continue to strengthen relationships with customers looking to provide them with PGM solutions that decrease their total costs, increase their revenue, or decrease their risk. Our active participation in markets has meant that we've been able to capitalise on market volatility to generate additional income. Testimony to the strength of our customer relationships and our ability to provide innovative solutions is the fact that we've been able to negotiate a further five-year extension to our current customer prepayment agreements.

A leader in ESG

Strategic initiatives:

- Embedding ESG at the centre of our strategy
- Co-creating sustainable community livelihoods
- Pursuing carbon neutrality
- We are embedding ESG at the centre of our strategy to become a trusted partner, leading in the co-creation of thriving communities and ensuring a healthy environment around the areas where we operate.

Underpinning our ESG strategy delivery is the integrated delivery of the four strategic priorities. The start of this delivery is the custodianship of the resources entrusted to us to optimise value delivery to all stakeholders. Our aim is to play a leading role in the mining industry in creating shared value, with particular focus on:

- Sustainable community livelihoods – in line with the pillars of the Sustainable Mine Plan, we will jointly shape sustainable livelihoods for our communities through a shared vision, collaborative local and regional socio-economic development, and a focus on what 'meaningful existence' truly means for our communities and stakeholders. We continue to invest time to understand our host communities' goals and ambitions to shape the strategy, as we have done at Mogalakwena, as part of the Mogalakwena Resetting Relations Project (MRRP).
- Carbon neutrality – we want to become a leader in delivering carbon neutrality in the South African mining industry and support the global drive to combat climate change and build a 'green' product value chain. We will invest to reduce energy and

increase efficiency in our operations, switching to low-carbon energy sources and developing renewable energy projects to transition our energy mix. Our aim is to improve energy efficiency and reduce greenhouse gas (GHG) emissions and be carbon-neutral by 2040.

Through this, we are doing the work to address the critical challenges of safety, productivity, and the way we use land, energy, and water.

As part of our ambition to be a leader in ESG, the Company has set-out to embed ESG into its end-to-end capital allocation process and create transparency on the potential ESG impact of the capital portfolio:

- This involved prioritising the ESG dimensions that we can influence through capital, allocating specific ESG-capital metrics that will be tracked and implementing ESG targets that our capital portfolio will need to achieve.
- We have also baselined our entire capital portfolio of 800+ capital projects (including all maintenance projects) to understand their individual ESG impact (carbon, water, livelihoods).
- To achieve the desired outcome, we have put in place new mechanisms such as introducing a carbon and water shadow-tax to non-growth capital projects as well as new boundary conditions for other ESG dimensions, while also going one step further to ensure that the portfolio is explicitly optimized to meet ESG targets.

This process has already led to changes in how we allocate capital. For example:

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

ESG review

Safety

We aim to deliver safe production by creating a resilient safety culture, built on robust and effective safety leadership and risk management. Our intense focus on eliminating fatal risks ensured we had no safety-related fatalities at our managed operations in 2021; a second fatality-free year at Anglo American Platinum. At year-end, Anglo American Platinum had gone for a record period of 471 days without a fatality. In addition, our non-managed joint-operation Modikwa achieved a safety record and achieved a year fatality-free.

Despite this achievement, Covid-19 undoubtedly had a negative impact on the operations, with disruption to routines, and increased absenteeism, contributing to a total recordable case injury frequency rate (TRCFR) of 2.60 per million hours (2020: 2.40 per million hours). TRCFR performance, however, improved again in H2 at 2.40 per million hours worked, recovering from the 2.73 per million hours recorded in H1 2021.

The impact of the pandemic also created a challenge to safety, with a significant increase in work-related fatalities in the broader mining industry in South Africa.

Sadly, we lost two colleagues in separate incidents at our non-managed Kroondal Mine joint operation:

- Tebogo Motlogelwa, a spotter at Kroondal's Simunye shaft, was struck and fatally injured in a trackless mobile machinery incident on 13 October 2021.
- Philasande Wilburforce Xabanisa lost his life in a fall-of ground incident at Kroondal's Kwezi shaft on 27 October 2021.

We have intensified our initiatives to collaborate with our non-managed operations to strengthen their approach to eliminating fatal risks and support them in transforming their safety journeys.

In the longer term, our focus remains on the deployment of proven and or novel technologies to enhance safety. As part of our modernisation and mechanisation strategy, we are introducing new mining technologies and methods to improve performance efficiency and safety.

Employee health and Covid-19

Against the backdrop of the pandemic and an increasing burden of communicable and non-communicable diseases, our health approach extends beyond protecting our people and striving for zero harm to promoting employee well-being and optimal levels of health.

The pandemic remains the foremost health challenge facing our employees and contractors, their families, and our communities. We have maintained comprehensive response plans to protect the physical and mental health of our employees during the pandemic. We continue to support our host communities, with a focus on encouraging and facilitating access to Covid-19 vaccines and strengthening community medical response measures.

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

TB and HIV/Aids are significant public-health threats in southern Africa, with potentially life-threatening consequences for our employees and their host communities. These threats have been further amplified by the spread of Covid-19, as people who have HIV or TB (or both) are considered more at risk of severe illness if they contract the virus.

At our operations, ensuring that immuno-compromised employees have their chronic diseases under control, with viral load suppressed, has been an ongoing focus of ours

For a third consecutive year, we achieved the first two 90:90:90 targets on HIV management set by UNAIDS. At the end of 2021, 92% of our permanent workforce (19,386 employees) knew their HIV status. The uptake of anti-retroviral treatment (ART) by HIV-positive employees was 93%, (4,189 employees in 2021). Of the known HIV-positive employees on ART, based on available data, 89% have viral load suppression, an increase from 84% in 2020.

Our TB incidence rate was 193 per 100,000 people, up from 187 per 100,000 in 2020, but remains significantly below the national average of 554 per 100,000 (2020 data). We recorded no TB deaths in 2021 (2020: one).

Covid-19 vaccination

Anglo American welcomes the news that the South African government is undertaking wide-ranging engagements with social partners on the introduction of measures to make vaccination a condition for access to key economic and social activities. We also recognise the role that business and many other stakeholders are playing in assessing all proven science-based options for protecting lives and livelihoods by limiting the spread of Covid-19.

As a company, we fully support the role of vaccines in the fight against Covid-19 and have strongly encouraged everyone to get vaccinated at the earliest opportunity. Our robust workplace vaccination programme has sought to provide the facts and dispel the myths about vaccination to help employees our employees make properly informed decisions. It has also ensured that all our employees, contractors and their dependants are able to easily access vaccines and follow-up support through our team of highly skilled health professionals and external experts.

We are currently engaging with employees, unions, contractors, and other stakeholders to understand their views and concerns on our proposed Covid-19 vaccination policy as well as continuing to closely review the latest science about the disease and its variants. We are committed to taking on board what we learn and refining our approach as necessary.

Whatever the way forward, we remain unfailing in our commitment towards safety and to providing a safe working environment for all our colleagues. We also appreciate that economies depend on companies being productive, and that families depend on people being employed. This means that we cannot ignore the role vaccines play in creating a safer workplace, community, and nation.

Community health

In 2021, our community health initiatives continued to focus on contributing meaningfully to mitigate the impact of the pandemic on lives and livelihoods. Our focus in 2021 was on encouraging and facilitating vaccinations and providing medical equipment.

In 2021, Anglo American Platinum spent R14 million on health support and infrastructure initiatives (2020: R86 million, of which R81 million was in relation to Covid-19), many of which were integrated as part of our Covid-19 community response plan. We continue to contribute to community health through specific services, including providing emergency medical services to respond to incidents outside the mining premises, such as vehicle accidents on public roads, medical emergencies in the community and cases associated with community violence. Our facilities also focus on TB contact tracing, working with district TB co-ordinators. Our health programme extends into mine communities through our Alchemy project and our community empowerment and development programme.

Economic contribution to society

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

Environment and air quality

We are aligned to Anglo American's approach of classifying incidents on five levels according to the actual and/or potential impact. Historically, we have reported our performance against significant or material impact environmental incidents (categorised as Levels 4 to 5), concerning which we have maintained our record of experiencing no significant environmental incidents since 2013. We also focused on having zero repeats of moderate Level 3 incidents (defined as a Level 3 at the same site within the last three years) – and, although we had one Level 3 incident in 2021 (2020: one), it was not a repeat. This related to a water-transfer pipeline leak at Rustenburg Base Metals Refinery (RMBR), resulting in a non-toxic discharge into the non-perennial Klipfontein tributary stream. To strengthen controls, increased frequency and extent of pipeline inspections have been implemented, as well as deploying leak-detection monitoring systems designed for minor leaks.

Our Zero Waste to Landfill target of sending no non-mineral waste that can be recycled/re-used to landfill at all our managed operations was maintained in 2021, following the attainment of the initial target of zero by the end of 2020. Considerable progress is being made to improve the waste management systems at our operations through the improvement of the waste facilities and finding solutions for five challenging waste streams that did not have recycled or re-used solutions in place by the end of 2020. We found solutions for three of these waste streams and are trialling solutions for the remaining two.

Our most material air-quality issue remains the SO_2 emissions from our three smelters in South Africa. We have an agreed SO_2 abatement roadmap in terms of the National Environmental Management: Air Quality Act, No. 39 of 2004, as amended, which ensures we are compliant with agreed legislated limits and timeframes. Anglo American Platinum was granted postponements of legislated limits timeframes to comply with the 2020 Minimum Emission Standards, to allow for the necessary abatement equipment to be installed. This includes completing an evaluation of emissions abatement options for the treatment of future high sulphur concentrates at the Waterval smelter.

We have invested R1.6 billion in developing an SO_2 abatement project at Polokwane smelter in support of the air-quality postponement conditions. In 2021, we successfully commissioned the implementation of innovative technology at the smelter, which has significantly reduced levels of SO_2 emissions and will reduce emissions to achieve the minimum emission limit of 1,200 mg/Nm^3.

Drawing on lessons learnt through the Polokwane smelter abatement project, Mortimer smelter will begin a similar SO_2 abatement project, with a capital investment of R2.2 billion. Taking a phased approach to implementing this technology is essential, owing to its novel and breakthrough nature. The feasibility study at this smelter was completed in September 2021. The execution phase will begin in 2022, with completion expected in 2025.

Plans are in place at the Waterval smelter complex to further reduce both SO_2 and NOx emissions to achieve the minimum emission standards as per the Air Emissions Licence (AEL) through the installation of tail gas scrubbing technology, as well as optimising operations and redesigning start-up and shutdown procedures.

While similar SO_2 abatement legislation is not currently in place in Zimbabwe, additional abatement requirements at our Unki smelter will be determined through further monitoring and impact studies.

Tailings storage facilities management

The Global Industry Standard on Tailings Management (GISTM), published in August 2020, represented a vital step forward for the global mining industry. It was the product of the Global Tailings Review, which was co-convened by the United Nations Environment Programme (UNEP), Principles for Responsible Investment (UNPRI), and the ICMM.

Anglo American played an active role in the multi-stakeholder process of developing the GISTM which covers standards and practices over the entire tailings facility lifecycle and sets a high bar for the mining industry to achieve strong social, environment and technical outcomes. The GISTM is intended to be applied to existing and future tailings facilities, wherever they are found and to whomever operates them.

In 2021, Anglo American updated the Group Technical Standard. This involves developing a detailed plan based on a gap analysis carried out and specific reviews of our sites. This work demonstrated a need to align fully with the GISTM. These adjustments include undertaking additional analysis and modelling of different geotechnical and environmental conditions as well as alignment of classification conventions.

We are working towards conformance to the GISTM as part of the ICMM membership requirements. One such requirement is for TSFs with 'Extreme' or 'Very high' potential consequences, as rated under the GISTM, to be in conformance by 5 August 2023. The 'Extreme' and 'Very high' potential consequences under the GISTM generally correspond to the 'Major' rating under our internal Consequence Classification of Structures rating (CCS) rating for TSFs. All other TSFs must be in conformance by 5 August 2025, which relate to the TSFs rated High, Moderate, Minor and Insignificant under the CCS.

Throughout the year, we carried out work to update, enhance and standardise our critical control systems for all our tailings' facilities. We made significant progress during the year and are now rolling out the new systems at our facilities. We have rolled out electronic dashboard system across our operations and plan to augment this current functionality to include remote instrument monitoring, live-feed data reporting and integration with critical controls.

The evolving use of satellite, drone, and remote monitoring solutions continue to provide us with vital additional modalities on top of physical, on-site inspections. During 2021, we prepared to launch monitoring using Interferometric Synthetic Aperture Radar (InSAR) satellite technology. InSAR uses radar signals reflected off a surface to measure deformations over time. During the year, we reviewed the technology and shortlisted vendors, with a view to implementing InSAR across our operations in 2022.

The deployment of drone-based solutions has allowed us to inspect facilities in ever greater detail from anywhere in the world. This tool will continue to be implemented alongside traditional inspections to provide additional oversight.

Draft seismic hazard maps were completed for our assets in South Africa and Zimbabwe during 2021. We continued to conduct site-specific reviews, with the aim of carrying out seismic stability analyses for our TSFs in 2022.

In line with our preparation for GISTM conformance, we are advancing additional analyses including a project to evaluate potential brittle behaviour of tailings materials in upstream tailings dams, including identifying appropriate laboratory and field-testing procedures. These processes will be incorporated into the procedures for stability analyses for our TSFs and to define appropriate risk mitigation measures.

Emissions and energy performance

Energy usage in 2021 has increased year on year as the prior period was impacted by the temporary closure of the ACP as well as the additional energy requirements for new plant, e.g., the SO_2 abatement plant at the Polokwane smelter. Also, compared to the 2016 baseline, energy usage has increased, owing to the acquisition of our partners' share of Mototolo mine, the construction of the Unki smelter, and chrome-recovery modules at both Amandelbult and Mototolo.

Our pipeline of projects to support energy reduction and/or energy efficiency improvements is in various phases of development, as well as our projects in support of our GHG reduction targets. This includes the development of a 100 MW solar photo-voltaic (PV) plant at Mogalakwena, and the development and pilot phase of the hydrogen-powered fuel-cell mining haul truck via the generation of green hydrogen as the fuel source.

We have developed a carbon reduction roadmap that provides a programme of energy projects to achieve our target of a 30% reduction in our GHG emissions (from the 2016 baseline of 4.29 million tonnes CO_2 equivalent) by 2030. We are developing opportunities and conducting studies, including a regional renewable energy programme, as part of the broader Anglo American Group, that will enable us to achieve our ultimate ambition of being net carbon-neutral on a Scope 1 and 2 basis by 2040.

The project to build a 100 MW solar photovoltaic (PV) plant at our Mogalakwena mine in Limpopo province, South Africa has made good progress in 2021. During the year, key activities were focused on the adjudication for the selection of the preferred bidder, together with parallel activities for the environmental authorisation, technical design, including grid connection options, and the social, sustainability and community aspects related to the site selection. Anglo American Platinum has selected the preferred bidder, which is a consortium comprising Pele Green Energy, a leading Independent Power Producer (IPP) that develops, owns, procures, constructs, and operates renewable energy power projects, and EDF Renewables South Africa, a global expert in renewable energy technologies such as wind, solar PV, and battery storage. Environmental authorisation for the proposed facility was granted by the Limpopo Department of Economic Development, Environment and Tourism in December 2021.

Anglo American Platinum will enter into a 25-year Power Purchase Agreement (PPA) with the consortium, under which they will fund, construct, own and operate the PV plant, selling the electricity to Anglo American Platinum as an offtake. In addition, the local community will own a share of the Company that sells the electricity to Anglo American Platinum, further enhancing local development.

The Anglo American Scope 3 emissions model calculates the Scope 3 emissions for Anglo American Platinum are 3.45 million tonnes CO_2e. Purchased goods and services and capital goods make up ±70% of the total Scope 3 emissions. We plan to reduce Scope 3 emissions by 50% by 2040. Engagement with our service providers on the key categories contributing to Scope 3 emissions is required from the start, together with developing and adopting broader energy transition technologies to assess their relevance in supporting the reduction of Scope 3 emissions.

Advocacy in the hydrogen economy

The successful development of hydrogen-fuelled mobility solutions that can be deployed and scaled-up has long been a priority of Anglo American Platinum. Recent work has focused on establishing the right ecosystem to support this advancement. This includes investing in innovative ventures and enabling technologies, as well as forging wide-ranging collaborations across industry, to fully harness the transformative potential of green hydrogen for our economy in South Africa.

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

The results of the feasibility study, released in October 2021, identified three possible hubs – Johannesburg, extending to Rustenburg and Pretoria; Durban, encompassing the city and Richards Bay; and Limpopo province centred around our Mogalakwena PGMs mine – with a fundamental role in integrating hydrogen into South Africa's economy. Nine key pilot projects have also been identified across these hubs and recommended to be prioritised by developers. They span the transport, industrial and construction sectors.

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

Water management

For Anglo American Platinum, water security remains a principal risk, as all our sites operate in water-stressed catchment areas. We rely heavily on water for mining and processing activities. Our ambition is to develop mines that are water-neutral during the operational phase, with our operations requiring no freshwater withdrawals beyond ramp-up. We will always need water, but we can get closer to full-recovery recycling.

In 2021, our raw surface and potable water withdrawal and intensities were better than target. Our potable water intensity was $0.267m^3$/tonne milled against a targeted $0.294m^3$/tonne milled. Only 23% of our total water withdrawals was fresh water.

Amandelbult, the site with the biggest freshwater footprint, reduced its potable water use by 22.3%, including through its reverse-osmosis plant, as well as proactively identifying and responding to leaks.

Levels of water re-use/recycling at our operations improved from 65% in 2020 to 68% in 2021. This reflects targeted projects at our operations to retain a greater proportion of water within the water circuit.

Biodiversity

We have an ambitious net positive impact (NPI) target that requires us to leave the biodiversity of an area in a better state than when we arrived. Going beyond a simple 'no net loss' principle, this requires a deep understanding of our operating ecosystem and a very deliberate land-management strategy.

Our NPI commitment applies to significant biodiversity features affected by our activities. These can include threatened species, natural habitats, features supporting important ecological processes and ecosystem services essential to the well-being of society. Some of our operations are in areas of high biodiversity value, increasing our responsibility to contribute to its protection and conservation.

Our progress in 2021 includes:

- All our sites are working on full compliance to the standard and are monitoring and evaluating the state of biodiversity and mitigating actions to reduce residual impacts.
- The biodiversity value assessments and ecosystem services review studies at the sites have mainly been supported by Fauna & Flora International, while the significant biodiversity features and priority ecosystem services baselines have been undertaken by Scientific Aquatic Services and Digby Wells Environmental for the South African operations, while the University of Zimbabwe has assisted our Unki operation.
- To enhance our capabilities, we introduced the collection of environmental DNA (eDNA) samples. The analysed results are adding valuable data to be incorporated into baseline studies.

– Each operation has established a biodiversity management programme to ensure there is a clear path and process to guide them on meeting their NPI requirements.

Social investment

Corporate social investment (CSI) is a legal requirement under the Broad-Based Black Economic Empowerment (BBBEE) Act in South Africa. In accordance with the Act, we invest at least 1% of net operating profit after tax (NOPAT) towards socio-economic development in our host regions and communities. In 2021, we met our obligation to spend 1% of NOPAT, which includes an accrual of R400m relating to the WeCare programme which will be deployed in Q1 2022.

In addition, we invest through our social and labour plan (SLP) projects and through Alchemy, our community equity participation scheme.

In 2021, our total social investment spend was R1,286 million across CSI, SLP and Alchemy initiatives (2020: R803 million). Our CSI spend was R753 million (2020: R315 million) and SLP expenditure was R152 million (2020: R88 million). SLP and corporate social investment (CSI) spend in South Africa was R894 million (2020: R397 million) and, in Zimbabwe, R11 million (2020: R6 million). Furthermore, dividends paid out for community shareholdings in Atomatic, and Alchemy amounted to R381 million (2020: R400 million), despite the repurchasing of shares to settle the notional vendor financing.

We revised our CSI expenditure and initiatives in 2020 to provide for our WeCare Covid-19 response and these changes have remained throughout 2021. Included in the CSI spend for 2020 is R81 million on Covid-19 response.

Alchemy

Alchemy is Anglo American Platinum's community equity participation scheme. It is an ownership vehicle that establishes community shareholding in the company and facilitates the use of the dividends from these shares for social investment in local community development projects. It is designed to promote long-term sustainable development in host communities and key labour-sending areas.

On 15 December 2021, the Alchemy scheme marked its tenth anniversary and conclusion of the notional vendor financing period. This financing was settled early (July 2020), when we repurchased 4,889,680 shares at par value, leaving the balance of 1,400,685 shares as unencumbered. These shares are held by the umbrella trust, Lefa La Rona, and are subject to certain restrictions. From 15 December 2021, 40% can be distributed to the community beneficiary trusts and non-profit company based on their participation interest, while the balance (60%) will be held by Lefa La Rona until 2041. Dividends accruing from this 60% will continue to flow to the community beneficiary trusts and non-profit company, propelling them to fulfil their mandate of promoting a sustainable future, beyond mining, through mining.

In 2021, our total community development spend through Alchemy was R326 million (2020: R175 million), a sum of dividend and CSI. These funds were invested in socio-economic development initiatives focused on education, health, digitisation, and agriculture to meaningfully empower beneficiaries in the designated communities and labour-sending areas.

ESG recognition in 2021

In February 2021, Unki mine achieved IRMA 75 certification, which is the second-highest level of performance under the Initiative for Responsible Mining Assurance (IRMA) levels of achievement. This means that the site met IRMA's stringent set of requirements and has demonstrated a high level of responsible mining. The IRMA audits for Amandelbult and Mototolo commenced in late 2021 and should be completed in H1 2022.

IRMA is a global standard to credibly measure environmental and social responsibility for mined materials. There are various levels of IRMA achievement, which commence with self-assessment and progress through IRMA transparency, IRMA 50, IRMA 75 up to IRMA 100. Achieving IRMA 75 means that Unki mine met a set of critical requirements and achieved a minimum score of 75% in each of the four IRMA principles, which were assessed through external third-party verification.

Our ESG rating was upgraded by MSCI from a ratings category of BB to BBB in April 2021. The addition of the new Community Relations key issue drove the upgrade, as evidence indicates we have strong practices with which to engage with our local communities, and to mitigate risks related to community conflict, relative to our peers. We have adopted a detailed human rights policy, reinforced with adequate training and regular audits. In addition, all sites have formal communication and grievance channels, as well as community programmes focusing on key areas such as education, healthcare, and enterprise development. We have certified all our operations to an international occupational health and safety standard and aligned executive compensation to our health and safety performance.

We continue to be ranked as the overall ESG Leader among the top five peers in the Platinum and Precious Metals sector by the FTSE Russell in December 2021. Anglo American Platinum received the highest overall ESG rating of 4.5, the highest environmental score (3.9), the highest social score (4.7) and the highest governance score (5). The Company remains a constituent of the FTSE4Good Index Series, the FTSE/JSE Responsible Investment Index, the FTSE/JSE Responsible Investment Top 30 Index, as well as maintaining our position in the Bloomberg Gender Equality Index for 2022. Anglo American Platinum was included in the S&P Global Yearbook in 2021 and will be included again in 2022.

Our ESG rating by Sustainalytics improved by 4.1 points in 2021, with the Company being assessed at medium ESG risk. Globally, Anglo American Platinum is ranked second amongst its peers in the precious metals mining sub-industry. The company's ESG reporting is strong and there is ESG oversight at Board level. Executive compensation is explicitly tied to ESG performance targets. The overall management of material issues is deemed to be strong.

ISS continued to rank the Company within its Prime ranking in 2021. The company's transparency level is assessed to very high (80–100%) and the overall ESG performance is ranked within the first decile, which is classified as high relative ESG performance.

Operational performance

Total metal in concentrate (M&C) production

Total production (M&C)	2021 (ounces)	2020 (ounces)	%
PGMs	4,298,700	3,808,900	13
Platinum	1,986,600	1,762,600	13
Palladium	1,352,700	1,222,100	11
Covid-19 PGM impact	41,700	712,300	

Total mined production

Total production (M&C)	2021 (ounces)	2020 (ounces)	%
PGMs	2,858,300	2,549,000	12
Platinum	1,296,300	1,150,700	13
Palladium	1,015,900	929,100	9
Covid-19 PGM impact	41,700	437,700	

Total PGM production from own mined operations (comprising platinum, palladium, rhodium, iridium, ruthenium metal in concentrate, and gold) increased by 12% to 2,858,300 PGM ounces (2020: 2,549,000 PGM ounces). All operations increased production in 2021, as the previous corresponding period was materially affected by government-imposed lockdowns and the impact of Covid-19. The impact of Covid-19 on production was materially reduced in 2021 to 41,700 PGM ounces of lost production, due to the continuous improvement of strict protocols across all operations. Compared with 2019, a non-Covid-19 impacted year, production was flat year on year, considering the infrastructure closures at Amandelbult and Kroondal, which collectively amounted to 165,000 PGM ounces in 2021.

Total tonnes milled increased by 13% to 28.2 million from 24.9 million, which more than offset a decline in the average 4E built-up head grade of 3.50 grams per tonne (g/t), which decreased by 2% due to lower grades at Mototolo, Mogalakwena and Amandelbult. (2020: 3.56 g/t).

Financial performance	2021	2020	%
Mining EBITDA (Rbn)	93.4	36.2	158
Mining EBITDA margin (%)	65	55	10pp
Cash operating costs (Rbn)	36.7	30.0	22
Cash operating cost/PGM ounce (Roz)	12,831	11,739	9

EBITDA from own-mine operations increased to a record R93.4 billion because of higher PGM prices and the 89% increase in refined production, which led to an increase in sales volumes. The mining EBITDA margin increased to 65% from 55% in the prior period.

Total cash operating costs increased by 22% to R36.7 billion (2020: R30.0 billion) as mining activity increased from the prior year and input cost inflation significantly increased. During the year, we experienced a c.14% year-on-year increase in input cost inflation.

This sharp rise was due to significant inflationary increases in consumables, with steel prices rising 47%, explosives increasing 26% and fuel prices going up by 17%. In addition, we saw prices of electricity escalating by 15% and labour costs were up 7%. We also increased maintenance costs by c.R500 million in line with our strategy to maintain asset integrity.

Cash operating costs per PGM ounce rose by 9% to R12,831 as a result of the cost increases.

Mogalakwena

Total production (M&C)	2021 (ounces)	2020 (ounces)	%
PGMs	1,214,600	1,181,600	3
Platinum	512,100	500,800	2
Palladium	560,700	545,300	3
Covid-19 PGM impact	–	56,900	

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

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

Due to the higher mining activity during the period, as well as above-CPI inflationary increases, cash operating costs at Mogalakwena increased by R2.3 billion, or 23%, to R12.5 billion. Mogalakwena's unit costs increased by 20% to R10,266 per PGM ounce (2020: R8,569 per PGM ounce).

Mogalakwena increased its EBITDA contribution significantly to R38.6 billion (2020: R17.4 billion), with a mining EBITDA margin of 69% (2020: 62%), largely due to higher metal prices and sales volumes. Return on capital employed (ROCE) increased to 141% (2020: 61%).

During the year, Mogalakwena invested R0.8 billion (2020: R0.5 billion) in operating and capital expenditure, which included commissioning the full-scale bulk ore sorting plant, which has commenced pilot testing; coarse particle rejection; and the development of the hydrogen powered fuel-cell mining haul-truck. The bulk ore sorter at Mogalakwena North Concentrator was successfully constructed during 2021 and pilot testing work underway. Rejection rates of >5% were achieved in 2021. Targets are in place to reject more than 10% of low value material, thereby upgrading the feed grade downstream.

The coarse particle rejection plant is under construction and is expected to be completed by end of Q2 2022. A three-month demonstration is set to conclude during Q3 2022. If successful, the unit will be switched over to full-time production. It is expected that the unit will increase Mogalakwena North Concentrator's production capacity by more than 8%. A study is currently under way to define work required upstream to fully utilise this increased production capacity.

Future of Mogalakwena

Mogalakwena is a long-life asset and requires a holistic and long-term approach to its development.

During 2021, we completed the Resource Development Plan (RDP), which has confirmed the pathway to value that is unlocked through six key integrated workstreams, identifying opportunities and focus areas. These workstreams are:

- Resource development plan – optimal open-pit plan, including progressing underground opportunities.
- Communities – create trusting relationships and valued partnerships.
- Technology and innovation – develop and deploy technology, including hydrogen fuel-cell trucks.
- Downstream processing – utilise downstream processing to maximise value.
- Expanding concentrator capacity – design and build the concentrator of the future; and,
- Operational efficiencies (P101) – optimise mine plan and operational performance.

We continue to make significant progress in all six of these workstreams.

Firstly, considering communities, we have increased our engagement to develop open and transparent relationships with our communities and a process to address both value protection and creation for these stakeholders. The updated mine plan indicates the need to access land and consequently we started to engage with relevant communities on potential resettlements.

As an alternative to a more rapid expansion of the open pit operations, we are investigating the development of underground operations whilst optimising the open pit. The development of an underground operation will allow for:

- More targeted mining of the reef resulting in reduced costs and waste to access the ore. This is important given rising inflation, as well as the forecasted increase in waste stripping in the future.
- Reduced surface impact and therefore less of an impact on our communities and the environment; and
- The use of new mining methods that makes use of world class mining practices and enhance safety.
- In this regard we have already commenced with the development of twin exploration declines, with the tunnel boring system on site and has commenced operation. We have increased surface drilling in 2021 that will continue in 2022 to support the development of the underground mine.

We are progressing with the implementation of technology at our operations. Bulk ore sorting is up and running, coarse particle rejection is in the process of being set up for H2 2022, and the hydrogen haul truck is close to starting up.

We are assessing the configuration of a new concentrator. The feasibility study is indicating that a new concentrator of around 6 million tonnes per annum, with a design to allow flexibility to accommodate various technology options and grade input feeds provides the most attractive option, across a number of value metrics. The earliest date this capacity is required is in 2026, that gives us time before we need to make a capital decision.

The RDP indicated bottlenecks in the downstream processing, and these requirements can be addressed through a combination of technical options and commercial solutions. As such we are progressing a feasibility study to debottleneck the ACP.

Lastly, the future of this mine will be developed off the foundation of achieving P101 performance.

We are committed to developing this world-class asset and our approach also allows for incremental, value-based capital steps to be taken allowing for optionality to respond to market cycles.

Amandelbult

Total production (M&C)	2021 (ounces)	2020 (ounces)	%
PGMs	773,200	608,100	27
Platinum	391,500	307,000	28
Palladium	180,000	143,200	26
Covid-19 PGM impact	28,100	200,100	
Chrome (tonnes)	883,900	785,800	12

Amandelbult increased PGM production by 27% to 773,200 ounces (2020: 608,100 ounces). The increase was largely due to an increase in underground mining performance, which led to a 31% increase in concentrator throughput. Production partially recovered following the impact of Covid-19 in 2020, as well as the benefits of the implementation of the turnaround plan, which focused largely on adherence and execution of the operational plans in place, as well as benefits attributable to the modernisation roll-out, which are listed below.

Amandelbult also saw an increase in surface ore tonnes milled, which is lower-grade material; this resulted in a lower overall 4E built-up head grade of 4.18 g/t (2020: 4.26 g/t).

Cash operating costs at Amandelbult increased by R2.6 billion, or 25%, to R12.9 billion as a result of the increased mining activity and above-CPI inflationary input cost increases. Unit costs decreased by 2% to R16,665 per PGM ounce (2020: R16,979 per PGM ounce) due to higher volumes of PGMs produced.

EBITDA increased by 210% to R24.2 billion (2020: R7.8 billion), with a mining EBITDA margin of 58% (2020: 43%). ROCE increased to 253% (2020: 76%).

Amandelbult continued its journey to become a modernised mining operation to address the inherent safety and health risks of conventional mining. The modernisation programme, based around the pillars of Safety, Production and Simplification, has progressed, with several initiatives completed and work continuing.

Under the Safety pillar, the following initiatives have been fully rolled out across the mine:

a. Rock stop nets and lights.
b. Rock movement monitoring.
c. Dishaba mine fully converted to a timber-less mine, with improved safety benefits as replacement tension cables provide a more stable support option. Further benefits include reduced shaft time for underground transportation, as well as increased shaft hosting capacity.

Tumela mine's conversion to timber-less has commenced, while other in-progress initiatives include scraper winch proximity detection.

The initiatives under the Production pillar include the conversion to tension cable drilling (enabling safer production, with additional hoisting capacity given the phasing-out of timber support), and emulsion explosives (which have helped to reduce re-entry time post-blasting), are at various stages of completion across the two mining areas.

The Simplification pillar aims to further streamline the mining process to a cycle-mining shift cycle which results in increased labour efficiency and increased output. Team compositions are progressing well, with an 80% completion rate at the end of 2021, equating to 25 out of 31 half levels converted.

Mechanisation at Amandelbult is advancing at the 15EDDproject. In 2021, production of PGMs from this section increased by 96% to 14,200 ounces. This project will continue to ramp up as initial learnings are incorporated into equipment design, leading to an increase in mechanised mining areas as more equipment is deployed.

As mechanised technologies are proven they can be adapted into a system of mining to further enhance modernised mining operations. Over time it is anticipated that the modernisation of conventional stoping operations and mechanised mining operations will have common mining elements ahead of the transition to fully mechanised mining.

Unki

Total production (M&C)	2021 (ounces)	2020 (ounces)	%
PGMs	204,600	196,100	4
Platinum	91,100	87,300	4
Palladium	80,200	77,200	4
Covid-19 PGM impact	—	21,000	

Total PGM production at Unki increased by 4% to 204,600 PGM ounces (2020: 196,100 ounces). Tonnes milled increased by 7% year on year following the recovery of operations from the impact of Covid-19 in 2020 and the successful commissioning of the concentrator debottlenecking project, which has increased concentrator capacity from c.180,000 tonnes per month to approximately 210,000 tonnes per month in Q4 2021 and should lead to an annual PGM production of around 250,000 PGM ounces. This was partially offset by a 2% reduction in 4E built-up head grade from 3.58g/t to 3.52g/t.

Cash operating costs rose by 15%, or R348 million to R2.7 billion as a result of the increased mining activity and above-CPI inflationary input cost increases. Unit costs increased by 10% to R13,392 per PGM ounce (2020: R12,198 per PGM ounce).

Unki's EBITDA increased by 171% to R6.2 billion (2020: R2.3 billion), with a mining EBITDA margin of 62% (2020: 46%). Return on capital employed (ROCE) increased to 114% (2020: 38%).

Mototolo

Total production (M&C)	2021 (ounces)	2020 (ounces)	%
PGMs	244,400	223,600	9
Platinum	112,700	103,100	9
Palladium	70,200	63,900	10
Covid-19 PGM impact	—	63,100	

Total PGM production at Mototolo increased by 9% to 244,400 ounces for 2021, largely due to the recovery in production following the impact of Covid-19 on production in 2020. Production was also affected by regional community unrest, as well as by a 6% reduction in 4E built-up head grade to 3.14g/t (2020: 3.34g/t), due to higher levels of internal waste near the extremities of the orebody and numerous fault intersections negotiated during the year. These headwinds were partially mitigated through the drawdown of available ore stockpiles, resulting in tonnes milled increasing by 21%, as well as by the successful commissioning, during the first half of 2021, of the concentrator debottlenecking project to increase throughput to 240,000 tonnes per month from 210,000 tonnes per month.

Cash operating costs at Mototolo rose by R665 million or 25%, to R3.3 billion as a result of the increased mining activity and above-CPI inflationary input cost increases. Unit costs increased by 14% to R13,651 per PGM ounce (2020: R11,947 per PGM ounce) due to the higher PGM ounces produced.

Mototolo's EBITDA increased by 224% to R8.9 billion (2020: R2.7 billion), with a mining EBITDA margin of 67% (2020: 51%). Return on capital employed (ROCE) increased to 229% (2020: 60%).

We obtained Board approval for the Mototolo/Der Brochen life-extension project during Q4 2021. This project delivers on our strategic priority of maximising value from our core portfolio of assets, by utilising the existing Mototolo infrastructure and enabling mining to extend into the Der Brochen resource. This will extend the life of the asset beyond thirty years. Mototolo is a fully mechanised operation, and this will be replicated into Der Brochen – which will position the mine in the bottom half of the primary PGM producer cost curve. We will be able to maintain a mining rate of 240,000 tonnes per month to produce approximately 250,000 PGM ounces per annum.

Joint operations

Total PGM production from joint operations (Modikwa and Kroondal) are on an attributable basis, reflecting 50% of total volume respectively.

Total production (M&C)	2021 (ounces)	2020 (ounces)	%
PGMs	421,500	339,600	24
Platinum	189,000	152,500	24
Palladium	124,800	99,500	25
Covid-19 PGM impact	750	96,600	

Kroondal

Total production (M&C)	2021 (ounces)	2020 (ounces)	%
PGMs	275,100	232,100	19
Platinum	131,500	110,300	19
Palladium	69,700	59,100	18
Covid-19 PGM impact	600	57,050	

Kroondal's production increased by 19% to 275,100 PGM ounces (2020: 232,100 PGM ounces). Output increased owing to the impact of Covid-19 impact in the prior period. 2021 production was impacted by the loss of life incidents in the second half of the year, when stoppages were implemented to ensure safety regimes were brought back to standard. This was also despite some infrastructure closures at Kroondal, amounting to around 55,000 PGM ounces on 100%-basis per annum.

Our share of Kroondal's costs increased by 21% or R580 million to R3.4 billion on the back of higher mining activity and above-CPI cost increases. Unit costs per PGM ounce produced increased by 6% to R12,199 (2020: R11,556) owing to higher costs.

Attributable EBITDA increased by 168% to R10.4 billion (2020: R3.9 billion), with a mining EBITDA margin of 69% (2020: 62%).

Modikwa

Total production (M&C)	2021 (ounces)	2020 (ounces)	%
PGMs	146,400	107,400	36
Platinum	57,500	42,200	36
Palladium	55,200	40,400	37
Covid-19 PGM impact	150	39,950	

Modikwa's production increased by 36% to 146,400 PGM ounces (2020: 107,400 PGM ounces). Output increased owing to the impact of Covid-19 in the prior period and production safety stoppages following the fatal incidents in 2020.

Unit costs per PGM ounce produced decreased by 9% to R14,578 (2020: R16,080) owing to higher volumes. Our share of Modikwa's costs increased by 24%, or R407 million, to R2.1 billion on the back of higher mining activity and above-CPI cost increases.

Attributable EBITDA increased by 153% to R4.6 billion (2020: R1.8 billion), with a mining EBITDA margin of 63% (2020: 57%).

Purchase of concentrate

Total production (M&C)	2021 (ounces)	2020 (ounces)	%
PGMs	1,440,400	1,259,900	14
Platinum	690,200	612,000	13
Palladium	336,800	293,000	15
Covid-19 PGM impact	750	235,050	

Purchases of PGM concentrate from third parties and joint operations increased by 14% to 1,440,400 PGM ounces, largely due to the impact of Covid-19 in the prior period, as well as an increase in volume from Royal Bafokeng Platinum as its Styldrift project ramps up.

Refined production (from operations, excluding tolling)

Refined production (from operations)	2021 (ounces)	2020 (ounces)	%
PGMs	5,138,400	2,713,100	89
Platinum	2,399,900	1,201,000	100
Palladium	1,627,500	905,300	80

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

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

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

Refined production (including tolling)

Refined production including toll refining	2021 (ounces)	2020 (ounces)	%
PGMs	5,812,200	3,216,600	81
Platinum	2,803,200	1,502,900	87
Palladium	1,833,400	1,057,500	73

Total refined PGM production, including tolling, increased by 81% to a record 5,812,200 PGM ounces. Refined platinum rose by 87% to 2,803,200 ounces, and refined palladium production increased by 73% to 1,833,400 ounces.

Toll-refining volumes, on a 4E basis, amounted to 673,800 ounces (2020: 503,500 ounces). Platinum tolled production amounted to 403,300 ounces (2020: 301,900 ounces), while palladium tolled production totalled 205,900 ounces (2020: 152,200 ounces).

Sales volumes (excluding trading)

Sales volumes (excluding trading)	2021 (ounces)	2020 (ounces)	%
PGMs	5,214,400	2,868,500	82
Platinum	2,367,300	1,195,300	98
Palladium	1,589,500	903,200	76

PGM sales volumes (excluding trading) increased by 82% to 5,214,400 PGM ounces. The increase resulted from higher refined production.

Trading volumes

Trading sales volumes	2021 (ounces)	2020 (ounces)	%
PGMs	770,600	1,171,000	(34)
Platinum	409,400	427,500	(4)
Palladium	318,300	679,700	(53)

PGM trading volumes decreased by 34% to 770,600 PGM ounces. This was due to higher trading activity in 2020 to mitigate the temporary closure of the ACP to ensure we met our contractual obligations.

Financial performance

2021 overview

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

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

Headline earnings increased by 160% to R79.0 billion, equating to headline earnings per share (HEPS) of 30,042 cents (2020: 11,554 cents). The increase was mainly driven by higher profitability, partially offset by 180% incremental taxes for the year of R29.3billion (2020: R10.5 billion).

The Company's balance sheet remains in a strong position, with net cash of R49.1 billion, after paying dividends of R55.7 billion and R34.8 billion in taxes and royalties.

Return on capital employed increased to 183% (2020: 72%).

Key financials	2021	2020	%
Dollar basket price per PGM ounce sold	2,761	2,035	36
Rand basket price per PGM ounce sold	40,511	33,320	22
Revenue (R billion)	214.6	107.8	99
Adjusted EBITDA (R billion)	108.4	41.6	161
Mining EBITDA margin (%)	65	55	10pp
Basic earnings (R billion)	79.0	30.3	160
Basic earnings per share (R/share)	300.23	115.53	160
Headline earnings (R billion)	79.0	30.3	160
Headline earnings per share (R/share)	300.42	115.54	160
Net cash (R billion)	49.1	18.7	163
Dividend per share (R/share)	300.00	45.58	558
ROCE %	183	72	111pp

Sales revenue

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

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

Cost of sales

Cost of sales increased by 61% from R68.0 billion in 2020 to R109.5 billion, driven by increased mining and processing costs, higher royalties, and higher purchase-of-concentrate costs. This was partially offset by a decrease in third-party purchasing and other trading activities owing to lower supply-risk management purchases in 2021.

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

On-mine costs (mines and concentrators) increased by 17% to R33.0 billion. This was due to higher mining activity compared to the prior year, as well as higher input-cost inflation of 14%. The increases were mainly attributable to the same cost items mentioned above. Processing costs increased by 23% to

R12.0 billion due to significantly higher throughput, higher base metal production and above-CPI inflationary cost increases from key input commodities such as caustic soda.

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

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

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

Anglo American Platinum's response to limit cost volatility caused by the steep increase in inflation is to enforce best practice through supply chain contract management and ensuring we have a full understanding of supply market dynamics and price forecasting. In addition, we are looking to drive operational efficiencies through implementation of the Anglo American Operating Model, focus on innovation to find cheaper alternative solutions, and reviewing consumption levels of inputs (specifically water and electricity) and opportunities to reduce usage to lower the cost impact of these cost items. We have re-scheduled maintenance into the second half of the year to coincide with the increase in electricity tariffs in the winter months.

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

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

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

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

Capital expenditure

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

Capital expenditure (R billion)	2021	2020	%
Total capital expenditure	13.6	9.5	43
Stay-in-business	7.3	4.9	49
Capitalised waste stripping	3.0	2.5	20
Life extension	0.4	0.3	33
Breakthrough projects	2.0	1.2	67
Growth capital	0.8	0.3	167

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

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

Breakthrough project capital of R2.0 billion was incurred on the modernisation of Amandelbult, BMR copper debottlenecking, Mogalakwena technology breakthrough (CPR and Mogalakwena bulk ore sorting plant). R0.3 billion was spent on growth studies for the Future of Mogalakwena feasibility studies.

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

Feasibility studies will continue to inform the Future of Mogalakwena, which is expected to be completed in 2022 and go to the Board for evaluation and approval later in the year.

Working capital

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

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

Net cash and liquidity

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

Excluding the current value of the customer prepayment of R26.2 billion, the Company is in a net cash position of R22.9 billion (net cash of R0.1 billion in 2020). The customer prepayment represents a payment in advance for metal to be delivered in six months' time. An amount is received monthly on a rolling six-month basis over six years of the contract ending in March 2023. In January 2022, Anglo American Platinum entered into an agreement with the counterparty extending the term of the contract until 2027.

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

Dividend

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

The dividend applies to all shareholders on the register on 11 March 2022 and is payable on 14 March 2022.

Changes in estimate – inventory valuation

The Company reassessed and amended its metal inventory valuation model as a result of recent and prolonged trends in the price environment for its products and the return to normalised inventory levels. The most significant change was moving from using a 12-month rolling average basis to determine the cost of purchase of concentrate (POC) inventory to a six-month rolling average basis.

The change in estimate is effective from 31 December 2021 and had the effect of decreasing the value of inventory as disclosed in the financial statements by R6.1 billion.

Changes in estimate – Classification of products

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

PGM market review

Prices

On average, annual PGM prices in 2021 were materially higher than in 2020. In US dollar terms, the achieved basket price was 36% higher year on year at US$2,761 per PGM ounce (2020: US$2,035), with all the PGMs making positive contributions. The rand appreciated during the year, meaning the rand basket price increased by a smaller 22% to R40,511 per PGM ounce (2020: R33,320). Directionally, strong PGM price gains in the first half of the year gave way to sharp falls in the second half, though prices still ended the year at historically high levels.

Individually, all PGMs had higher average prices in 2021 than in 2020. The average dollar price for platinum over the year was US$1,086 per ounce, 23% higher than in 2020, and its highest since 2014. Palladium averaged a record US$2,388 per ounce, 9% higher than in 2020. Rhodium again broke records in 2021, recording an all-time high of US$30,000 per ounce in March, and averaging US$20,109 per ounce over the full year, 79% higher than in 2020.

Supply and demand summary

The supply and demand balances for the 3E PGMs were mixed in 2021 (source: Johnson Matthey and Company analysis). Platinum moved to surplus after two years of deficit. Palladium remained in deficit, but a smaller one than in recent years. Rhodium was in surplus over the full year for the first time since 2018, as a deficit in the first half turned into a surplus in the second half of the year.

Overall, supply recovered from falls caused by Covid-19 better than demand. On the supply side, improvement in South African refined mine supply, and a smaller one in recycled flows, was only partially offset by weaker Russian refined output. Meanwhile, demand disappointed as a shortage of semiconductors ('chips'), the result of Covid-19 related interrupted production and strong demand for chip-using consumer goods, restricted auto production, the largest demand source, to a level only moderately higher than in 2020.

The impact of these factors varied in importance throughout the year. Supply was stronger in H2 than H1. While South African mined production had already returned largely to normal by early in 2021, refined production took time to flow through the processing pipeline, leading to a greater skew of metal availability in the second half of the year. Furthermore, the temporary closure of two large Russian PGM mines owing to flooding reduced refined production from April, which was especially important in palladium's case, with production returning to normal only later in the year. Demand was stronger in H1 than H2. The chip shortage had hobbled auto production from the start of the year but was expected to be short-lived. From around mid-year, automakers realised it would be longer-lasting than expected and, hence, more disruptive. Industrial PGM purchasing was strongest earlier in 2021 across all the PGMs, as concerns over metal availability and hopes for stronger demand prompted stockpiling. This was especially the case for the minor PGMs, ruthenium and iridium.

Platinum

Platinum had a much firmer average price in 2021 than in 2020, which contrasted with a relatively weak supply/demand balance, with a surplus of one million ounces.

Platinum supply rose by more than 20% in 2021 compared with 2020. South African based production largely returned to normal after the heavily disrupted 2020, while refined production was further boosted by the processing of work-in-progress inventories. Platinum demand fell by nearly 10% in 2021 against 2020 owing to sharply lower investment demand, which was not offset by other sectors. Autocatalyst demand saw a decent recovery, and industrial demand a moderate one (from already high levels), but there was a decline in jewellery demand.

The platinum price began 2021 very strongly, rising to a six-year high of over US$1,300 per ounce, from below US$1,100 per ounce at the start of the year. Investor interest in low carbon technologies such as hydrogen, boosted demand for platinum, given its applications in both making hydrogen through electrolysers as well as using hydrogen in fuel cells. Platinum could not sustain these high prices, however, and eventually fell to levels as low as US$900 per ounce, as the dollar rose, and gold sold off on signs the US Federal Reserve was considering tightening monetary policy.

Palladium

Palladium was in deficit for the tenth consecutive year in 2021, though it was in a much smaller deficit than in 2020 or 2019.

This would have been a surprising outcome earlier in the year. Autocatalyst demand, which accounts for 85% of gross palladium demand, was set to be strong as the auto industry recovered from the Covid-19 shock of 2020. Palladium mined supply, less affected in 2020 than platinum or rhodium owing to robust Russian supply, was expected to see only a smaller increase as supply was temporarily impacted by Russian mine closures.

The reason the palladium deficit narrowed in 2021 was that while supply increased by less than the other PGMs (rising just 10%), demand barely grew, being only 3% higher year on year. This was due to flat automotive demand. Light vehicle production, which was badly affected by the impact of Covid-19 in 2020, grew by just 2% in 2021 because of the prolonged chip shortage. Furthermore, the large increase in palladium loadings per vehicle seen over the past few years to meet tightening emission standards and stricter real-world driving tests, has largely been incorporated. Any further increase in loadings will result from the next set of emissions standards due only in the mid-2020s. Gross palladium automotive demand was still high, but it was disappointing compared to expectations.

During H1 2021, the palladium price averaged US$2,592 per ounce, a 21% increase over the same period in 2020. Palladium rallied on news of Russian production issues, aided by strong underlying demand, peaking in May at a new record high of US$3,019 per ounce. The palladium price fell as a worsening chip shortage saw the auto industry abandon hopes of a better H2, falling to as low as US$1,542 per ounce before closing the year once again around US$2,000 per ounce, still higher than at any other time before 2020.

Rhodium

Rhodium averaged a record US$20,109 per ounce in 2021, 79% higher than in 2020. In H1, it reached a high of US$30,000 per ounce and averaged nearly US$25,000 per ounce. In H2, the price fell briefly to almost US$10,000 per ounce and averaged around US$16,000 per ounce. Nevertheless, even the H2 price was the second highest ever recorded, and at the start of 2022 it was again firmer.

The movements in the rhodium price largely reflected a shifting supply-demand balance. The increase in prices was driven by automotive demand on the back of higher loadings of rhodium globally. This, combined with lower supply, pushed prices higher in H1. In H2, the semiconductor shortage saw auto production expectations fall and demand weaken. Over the year, we estimate rhodium demand was flat while supply was 16% higher. This pushed rhodium into a surplus of 70,000 ounces, a sharp swing from the 80,000-ounce deficit in 2020.

Minor PGMs

The iridium price increased in 2021 to an of average of US$5,063 per ounce (Johnson Matthey base price) and a record high (2020: USD1,628). The price followed a similar trajectory to many other PGMs, with gains in H1 from US$2,600 per ounce at the start to an all-time nominal high of US$6,300 per ounce, followed by a steady downward move in the second half, reaching US$4,000 per ounce by year-end. Iridium's gains were driven by a combination of strong demand, especially in the electronics sector, stockpiling, and initially weaker mine supply. The easing of prices in H2 was due to slower Chinese industrial demand growth and some delay to purchases from more price-sensitive customers.

The ruthenium price showed a similar pattern. Averaging US$566 per ounce (Johnson Matthey base price) (2020: US$265 per ounce), it peaked at US$800 per ounce. Ruthenium was supported by strong hard disc demand and also saw stockpiling earlier in the year. By year-end it had fallen to US$550 per ounce as underlying demand weakened and the impact was exacerbated by the consumption of previously stockpiled material.

Automotive

As the largest end-use for PGMs, especially palladium and rhodium, what happens in the global automotive industry is of key importance for PGMs. Despite robust demand, expectations of a strong year for light vehicle production faded throughout 2021. Gross automotive demand for 3E PGMs was only 3% higher year on year, a disappointing performance given that 2020 saw demand weaken.

Light-duty vehicles

Demand for light-duty vehicles (LDV) was strong in 2021. Global LDV sales rose by nearly 4% to 81 million vehicles (Source: LMC Automotive).

This increase would have been higher if not constrained by a lack of availability. This can be seen by a large decline in finished vehicle inventories, in many regions to their lowest- ever levels, long waiting times for new vehicles and soaring second-hand vehicle prices

The issue was that global LDV production in 2021 rose by only 3% in 2021 (Source: LMC Automotive), to only 77 million vehicles, 4 million vehicles fewer than were sold. Given that 2020 saw a record annual fall in production due to Covid-19 lockdowns, this was a subdued outcome, 13% lower than in pre-Covid affected 2019.

Market forecasts at the start of the year for light vehicle production had been for 10–15% growth over 2020. The reason 2021 failed to live up to these expectations was production difficulties caused by the semiconductor shortage, and other supply-chain issues. Almost every vehicle manufacturer had to temporarily close factories or reduce production shifts as a result.

LDV production was affected by the chip shortage from Q1, but expectations were that production would recover in H2. However, from mid-year, Covid-19 outbreaks in Q3 in Malaysia, a key chip testing and packaging region, led to further restricted supply of chips. The lowest point for global auto production in during the year came in Q3. In Q4, LDV production improved modestly, as there were signs the chips shortage was easing, while some vehicle manufacturers were able to produce vehicles with fewer semiconductors.

PGM demand in LDVs is determined not only by production volumes but also technological factors. These include vehicle size, catalyst technology (such as higher loadings of PGMs to meet new emissions legislation), and choice of drivetrain (gasoline/diesel/battery electric/fuel cell).

In 2021, loadings of palladium and rhodium per gasoline-driven vehicle stabilised after several years of rapid growth. Although emission standards around the world continue to tighten, 2021 saw relatively few new light vehicle standards introduced. The high prices of rhodium and palladium encouraged some thrifting, mostly evident in China, though severe technical challenges and real-world testing parameters limited its effects. Globally, average platinum loadings continue to be hit by a 'mix' effect, as diesel's share of new powertrains fell to 22% market share in Europe, compared with 28% in 2020 (Source: LMC Automotive). This was partially offset by an increase in platinum loadings in gasoline catalysts due to some substitution of palladium with platinum.

Battery-electric vehicles (BEVs), which do not need PGM-containing catalysts, maintained their strong growth in sales share, accounting for nearly 6% of LDVs, 3% points higher than in 2020. In some regions, notably China and Europe, their share was considerably higher, especially in H2 2021. In the latter, a first half focus on producing large internal combustion engines (ICE) based SUVs, to make the most profitable and efficient use of scarce computer chips, was followed in the second half by the prioritisation of BEVs to meet fleet-wide CO2 targets.

Fuel cell electric vehicles (FCEVs), which have platinum loading multiples of ICE vehicles, saw a modest increase in sales, though volumes remain very small.

Heavy-duty vehicles

Heavy-duty vehicles (HDVs), mainly trucks and buses, are an increasingly important source of PGM demand. In comparison with 2020, global HDV production fell by 6% in 2021 to 2.5 million vehicles (Source: LMC Automotive). This masks two very different trends: within China and outside China.

- In China, which accounts for more than half of global production of HDVs, output was 22% lower year on year (source: LMC Automotive). This was still the second-highest year on record after 2020, when production and consumer demand surged ahead of new emission standards that came into force in 2021. This adjustment is likely to mean continued weakness in 2022 before production and sales recover in 2023.
- Outside China, primarily the US, Western Europe, and Japan, HDV production rose by 22% year on year as the sector recovered from a poor 2020. Production remains 20% below its 2019 level but is expected to see strong growth in 2022.

Average PGM loadings per truck are considerably higher in the more mature markets than in China, which meant that, despite the fall in global production, PGM demand from this sector rose in 2021. It should continue to do so in the next few years, as loadings in China and other emerging economies rise on tightening emission standards. The introduction in July 2021 of the China 6a standard, and particularly the arrival of China 6b standards in July 2023, requires diesel oxidisation catalysts and diesel particulate filters for the first time. This will boost total annual demand from this sector by an additional 250,000 ounces of platinum per year.

Industrial

3E Industrial PGM demand, which was less hard hit in 2020 by the pandemic than automotive or jewellery demand, grew by 5% in 2021 (source: Johnson Matthey). This gain was driven by strong global industrial production growth and continued capacity expansion, particularly in China.

Platinum industrial demand enjoyed its second-highest year ever, being 4% higher year on year and returning to 2019's level, helped by record demand from the glass industry as Chinese firms continued to add production capacity in LCD glass and fibreglass, and strong purchasing by the medical sector. Platinum use in petroleum catalysts declined, as some older refineries in Europe and North America closed.

Palladium industrial demand rose by 6%, regaining about half the ground lost in 2020. Chemical demand increased as capacity expansion in China continued in line with the country's drive for feedstock self-sufficiency. Rhodium industrial demand grew by 13% in 2021, led by a bounce-back in demand from the glass industry after a weak 2020.

Jewellery

Platinum jewellery demand had a disappointing year in 2021, with volumes falling by around 8% compared with 2020, itself a poor year.

In China, which accounts for around half of global platinum jewellery fabrication and consumption, volumes were down by around 15%. Covid-19 outbreaks in key jewellery regions dampened overall consumer sentiment and strong competition from gold jewellery (aided by innovative designs) saw platinum lose market share.

In India, platinum jewellery volumes rose in 2021 over 2020's extremely depressed level but remain well below 2019, as the first half Covid-19 lockdown saw lower disposable income and fragile consumer and industry confidence.

More positive was the performance in the US and Europe. Strong consumer spending, the reopening of economies and societies, and less opportunity to spend money on services and travel, saw platinum jewellery demand bounce back. Demand in the US in particular exceeded pre-Covid levels.

Investment

We estimate that net platinum investment demand, based on exchange-traded fund (ETF) flows and bar and coin purchases, was a positive demand impact of 125,000 ounces in 2021. However, this increase was lower than in the previous two years. The platinum ETFs saw liquidation of 230,000 ounces, mostly coming in July and August as the platinum price fell, and again in December, likely reflecting year-end profit-taking. This contrasted with heavy inflows of over 1 million ounces into these funds in 2019 and 2020, when in 2021 these investments would have been profitable. In 2021, bar and coin platinum investment demand remained positive, but less so than in recent years as this sector too saw profit-taking. This was most evident in Q1, when the World Platinum Investment Council (WPIC) estimated that more than 100,000 ounces were sold net by Japanese investors.

Palladium ETFs saw inflows for the first time since 2014, at just over 50,000 ounces. These were spread across the year, both when the price was high and rising, and lower and falling. Rhodium ETFs had a 4,000-ounce outflow, almost entirely in the first half of the year. There are now only 11,000 ounces in the rhodium ETFs, meaning these are no longer a major source of metal.

Recycling and secondary supply

PGM supply from the recycling of used autocatalysts increased by 7% in 2021. Compared with 2020, more new vehicles were purchased, and the severe lockdowns that characterised the Covid-19 response in most countries in early 2020, and disrupted collection and recycling networks, especially in Europe, were not repeated. However, the PGM volumes from this source were still lower than in 2019 as car scrappage was held back by a lack of new vehicles and high demand, and several issues continue to be experienced on the recycling side, including volatile PGM prices and technical issues in processing, particularly for diesel autocatalysts. This latter factor meant platinum automotive recycling rose by only 4%, with palladium and rhodium, also incentivised by very high prices, increasing by 8% and 10%, respectively.

Future trends – hydrogen economy

Over the longer term, there is considerable demand potential for PGMs from the 'hydrogen economy'. Going forward, the production and consumption of hydrogen will provide a way to make far greater use of renewable energy to meet climate targets through clean emission fuel in transportation, and energy storage solutions. PGMs are used both within Polymer Electrolyte Membrane (PEM) fuel cells, which convert hydrogen to electrical energy, as well as within PEM electrolysers, which are the keyway hydrogen can be produced from renewable energy. PGMs are also central to other areas of the hydrogen economy, from storage to purification.

The reinforced commitment of world leaders at the November 2021 COP26 climate summit to curb growth in global temperatures to 1.5⁰c, and the continued focus on 'net zero' across governments, business, and society, have underscored the need for innovative solutions such as hydrogen. According to BNEF, a research group, 26 countries now have a hydrogen strategy, of which 13 released theirs in 2021, and 22 others are preparing one.

Aside from being used as the feedstock for fuel cells, green hydrogen has roles to play in decarbonising industrial sectors such as steelmaking, where it acts more like a carbon-free fuel. As such, 2021 saw considerable momentum in electrolyser shipments, with BNEF estimating a doubling over 2020's level and forecasting a further quadrupling in 2022. This would take annual capacity installation to around 2 GW, from an installed capacity of less than 300 MW in 2020 (Source: International Energy Agency, IEA). As an example, US company Plug Power announced it had been chosen to supply 100 MW of PEM electrolysers to a green ammonia project in Egypt, with construction beginning in 2022. Further out, forecasts are much higher – government pledges for 2030 are in the range of 50–100 GW installed capacity, and the IEA estimates that 850 GW of installed capacity would be needed to be on course for net zero.

PEM electrolysers, which BNEF forecasts will make up 20% of shipments in 2022, use platinum and iridium, and while current demand is quite small (c.5,000 ounces of PGMs per year), this will grow rapidly in coming years, even while loadings of PGMs, especially iridium, are necessarily reduced.

Looking ahead, however, the most important use of hydrogen, and the biggest potential increase in terms of PGM demand, will come from its application in fuel cell technology. Although platinum demand from fuel cells remains limited, at under 100,000 ounces currently, interest in this technology is gaining traction. The adoption of hydrogen as a fuel should support the mass adoption of this technology.

Hydrogen fuel cells have the potential to be used in a wide range of applications. The best-known application for fuel cells is in the transport sector, from cars to ships to aircraft. At present, there is most interest in heavy-duty road transport, with most leading manufacturers developing fuel-cell options. In September 2021, Hyundai announced that by 2028 every commercial vehicle it offered would have a fuel cell option, while Daimler, the largest heavy-truck manufacturer, said in May that it was focusing on fuel cells for "demanding long-haul transport", and planned to begin sales in 2027. Meanwhile, Stellantis began shipping fuel-cell light commercial vehicles at the end of 2021.

Market development

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

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

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

Towards the end of 2021, in collaboration with one of our venture-building programme partners, Deep Science Ventures, we co-launched two independent ventures to support our market development efforts in the carbon-neutral feedstocks opportunity area. The first, Mission Zero Technologies, is developing a direct air capture technology that reduces energy consumption and cost of CO_2 capture by more than four times compared to today's commercial offerings. The second, Supercritical Solutions, is developing the world's first high pressure, ultra-efficient electrolyser, to produce hydrogen and oxygen from water with zero emissions. These companies continue to show promising technology development and market traction, in turn supporting the development and uptake of PGM-enabled processes to turn carbon dioxide and hydrogen into high-value chemicals, fuels and materials.

In the food technology area, our efforts to commercialise the platinum-containing food freshness/preservation product with our partner Furuya is making great strides, with the first commercially available domestic refrigerators containing our product going on sale in China. Also, in China, we continue to support the development of two different platinum catalysts, one for purification of industrial waste gas and another to enable mercury-Free Poly Vinyl Chloride (PVC) production. In the UK, our work in medical technology is now in its fourth year, and our research activity to create and improve PGM-containing cancer prodrugs continues to expand and show promising results.

Our portfolio of interventions to spur on the hydrogen sector is expansive and continues to grow. Examples include:

a. During H1 2021, we announced a collaboration agreement to complete a feasibility study to assess the viability of a 'Hydrogen Valley' anchored in the PGMs-rich Bushveld geological area in South Africa. Spearheaded by South Africa's Department of Science and Innovation (DSI), the collaboration includes energy and services company ENGIE, the South African National Development Institute (SANEDI) and clean energy solutions provider Bambili Energy (Bambili). The study report was published in October 2021 and identified three hubs – Johannesburg, extending to Rustenburg and Pretoria; Durban, encompassing the city itself and Richards Bay; and Mogalakwena and Limpopo. In addition, nine key pilot projects have been identified across the three hubs, spanning across mobility (mining, trucks, buses), industrial (ammonia and ethylene production), and buildings (fuel cell power) sectors. The report also highlighted that the Hydrogen Valley in South Africa could add more than $3.8 billion to South Africa's GDP by 2050, while creating in excess of 14,000 jobs per year.
b. Anglo American continues to lead multi-jurisdiction initiatives to promote the adoption of fuel cell electric vehicles (FCEVs) for commercial uses, particularly facilitating the creation of consortia to promote the development of hydrogen freight corridors in the UK, South Africa, and China. These initiatives aim to accelerate the uptake of heavy-duty FCEVs by aligning end-user demand locations and specifications with the supply of suitable vehicles and access to the requisite hydrogen infrastructure along key freight routes. In the past six months, exciting progress has been made in these initiatives, particularly in the UK and South Africa, with the commitments and interests from original equipment manufacturers (OEMs), business customers and fuel suppliers to progress towards fleet trial.
c. AP Ventures Fund II has now closed with total committed capital of US$316 million, bringing total assets under management to US$395 million, achieving leverage of almost four times the amount committed by Anglo American Platinum. Since its launch in 2013, and spinning out from Anglo American Platinum in 2018, AP Ventures has gone on to attract 10 additional limited partners, namely: Temasek, Impala Platinum, Plastic Omnium, Mitsubishi Corporation, the Mirai Creation Fund, Sumitomo Corporation, Pavilion Capital, Nysno Climate Investments, Equinor Ventures and Yara Growth Ventures, alongside Anglo American Platinum and the Public Investment Corporation of South Africa.
d. There are several streams of ongoing research with universities and corporate partners globally on the venture-led research front. For example, we are working with Umicore to develop PGM-based catalysts for liquid organic hydrogen carrier (LOHC) applications on fuel cell electric vehicles (FCEVs) and other mobile applications.
e. Our work to help inform and promote technology-neutral policy and regulatory environments in significant markets, through either communications and/or direct policy advocacy, continues unabated. For example, in the UK, in addition to our support for existing associations, we joined the Beyond2050 Hydrogen Strategy Now campaign group, working to support the UK Government to establish and release a UK-wide Hydrogen strategy. We are also members of the UK Government's 2020 Deployment Roadmap hydrogen working group, supporting the ministerial Hydrogen Advisory Council.
f. In China, to promote and create awareness of hydrogen and fuel cell technologies, we co-sponsored and gave keynote presentations at the now annual and globally respected Fuel Cell Vehicle Congress, held in Shanghai this time around. Over the past six months, we have stepped up our participation to support multiple city cluster FCEV demonstration programmes and the integration of CO_2 and hydrogen sectors to support China's carbon-neutrality ambition.
g. Despite our limited presence in the US, we recognise and continue to monitor the momentum on hydrogen and climate change at the federal and state level. We do this through our membership of the California Fuel Cell Partnership Association (CAFCP) and the US Fuel Cell and Hydrogen Energy Association (FCHEA). In addition, we became founding members of the Hydrogen Forward Coalition in 2021, an end-to-end value chain of representatives coming together to advance hydrogen in the US. During the past six months, we have seen exciting development on the policy front, notably the approval by the US House of Representatives of a 10-year tax credit to produce clean hydrogen. Through the FCHEA, we have been actively driving and advocating for the focus on total system cost, instead of focusing purely on PGM thrifting, to support the Clean Hydrogen Electrolysis Program within the Bipartisan Infrastructure Plan.

h. Internationally, Anglo American remains a founder, steering and board member of the Hydrogen Council, launched in 2017, which brings together CEOs from over 100 multinational companies and acts as an essential conduit for international efforts and perspectives by corporates on hydrogen. We also continue to be a proactive member of Hydrogen Europe, which partners with the European Commission through the Fuel Cells and Hydrogen Joint Undertaking to support research, technological development and demonstration activities in fuel cell and hydrogen energy technologies in Europe.

Moving to our efforts to stimulate investment in platinum. Anglo American Platinum remains the major funder of the World Platinum Investment Council (WPIC). Overall, 2021 was a strong year for physical platinum investment and the WPIC. Partnership incremental ounces for the year remained ahead at c.300,000 ounces for the year. The WPIC continues to work proactively with its partners to encourage further investment demand. While the European and North American markets have performed strongly from a platinum investment demand perspective, China is in rebuild mode following recent legislative changes, which required having to build physical products and distribution to replace bank trading accounts, which are frozen. Despite the headwinds in China, the WPIC initiated the first Shanghai Platinum Week, which raises platinum's profile. In addition, the WPIC has persuaded China Gold Coin to introduce a new 30g Panda Platinum bullion coin for 2022.

The Platinum Guild International (PGI), also majority funded by Anglo American, continued its efforts in the major platinum jewellery markets of China, India, Japan, and the US. The PGI continues to strengthen the share of voice and availability of desirable platinum jewellery across the core markets by ensuring effective communications to market participants and partnering with and supporting retailers to improve conversion and distribution.

Transactions

Bokoni

As announced on 20 December 2021, Anglo American Platinum announced that Bokoni Platinum Holdings had entered into a Sales and Purchase Agreement ("SPA") to dispose of its 100% interest in Bokoni Mine to African Rainbow Minerals Limited ("ARM") (the "Transaction"). The Company holds a 49% interest and our joint venture partner, Atlatsa Resources Corporation ("Atlatsa"), holds a 51% interest of Bokoni Platinum Holdings. The Transaction will include employees and local communities in the new ownership structure alongside ARM. Bokoni Mine has been on care and maintenance since 2017.

Under the terms of the SPA, Bokoni Platinum Holdings will receive an upfront cash consideration of R3.5 billion for the Bokoni Mine, which proceeds will be distributed to the joint venture partners in accordance with pre-existing commercial arrangements which take into account, inter alia, their respective shareholding interests, claims and entitlements. The Transaction consideration unlocks value from the investment entered by Atlatsa and its shareholders in 2007, which include the local communities, to support value creation for historically disadvantaged South Africans (HDSAs) through facilitated participation in the mining industry.

The Transaction is subject to the fulfilment or waiver (where capable of waiver) of, amongst others, the following notable conditions precedent:

- consent in terms of Section 11 for the disposal of a controlling interest in Bokoni Mine to the new owners by the Department of Mineral Resources and Energy (DMRE); and
- approvals by the relevant Competition Authorities.

The Transaction is expected to complete in 2022.

In conjunction with entering the SPA, Anglo American Platinum has agreed a purchase of concentrate agreement with ARM where Anglo American Platinum will purchase concentrate on commercially agreed terms from the Bokoni Mine for a period of twenty-three years from delivery of first concentrate, aligned with the current agreed life-of-mine plan.

Kroondal

Post balance sheet end, on 31 January 2022, Anglo American Platinum announced it has agreed to dispose of its 50% interest in the Kroondal pool-and-share agreement ("Kroondal PSA") and the Marikana pool-and-share agreement ("Marikana PSA"), (collectively the "PSAs") to Sibanye-Stillwater Limited ("Sibanye-Stillwater"), the other 50% owner of the PSAs.

As of 31 December 2020, Kroondal had Mineral Reserves of 0.7 million 4E ounces (and an inclusive Mineral Resource of 1.30 million 4E ounces). The Mineral Reserve could be economically extracted, under the existing Kroondal PSA arrangement, over the remaining life of mine to 2025.

Under the terms of the new agreements, Kroondal's infrastructure will be used to mine into Sibanye-Stillwater's adjacent Rustenburg resource. As a result, Anglo American Platinum will generate cash flows from its 50% share of the 1.35 million 4E ounces earlier (by the end of 2023), at a lower cost of production (after optimising the mine plan to extract the resource from both the Kroondal and Rustenburg mining right areas) and under the pre-existing Kroondal purchase of concentrate terms.

Thereafter, Anglo American Platinum will exit its interest in the PSAs, transferring all assets and liabilities to Sibanye-Stillwater, with no outstanding economic interest in the Kroondal mining operation. The Company will continue to process the concentrate produced from the Kroondal concentrators until 2026 under the toll-and-purchase agreement with Sibanye-Stillwater which was concluded as part of the Rustenburg disposal transaction (refer to Anglo American Platinum announcements dated 9 September 2015 and 1 November 2016).

The Marikana PSA has an inclusive Mineral Resource of 4.7 million 4E ounces attributable to Anglo American Platinum. The Mineral Resource in Anglo American Platinum's view cannot be economically extracted, and therefore the Marikana operation was placed on care and maintenance in 2012.

Under the terms of the transaction, Sibanye-Stillwater will acquire Anglo American Platinum's interest in both the Kroondal PSA and Marikana PSA for a purchase price of R1. In exchange, Sibanye-Stillwater will take over all closure costs and rehabilitation liabilities.

In addition, should the remaining unmined Merensky mineralisation (which is not declared as a Mineral Resource) be mined in future, the Company will earn a deferred compensation on a Rand per tonne mined (the rate is dependent on metal prices at that time).

The terms of the transaction are conditional on mandatory regulatory approvals including Competition Commission approval and Section 11 ministerial consent to transfer the mining right, as well as the delivery of 1.35 million 4E ounces of metal in concentrate by the Kroondal PSA (on a 100% basis).

Management changes

Chris McCleave joined Anglo American on 18 January 2021 and has been seconded from Anglo American's Technical and Sustainability function to the role of Executive Head of Technical and Operational Excellence at Anglo American Platinum.

Virginia Tyobeka joined the Platinum Management Committee on 1 August 2021 as Executive Head of Human Resources.

Board changes

The Board of Anglo American Platinum appointed Nolita Fakude and Anik Michaud as non-executive directors of the Company with effect from 26 July 2021.

Stephen Pearce and Tony O'Neill stepped down as non-executive directors with effect from 26 July 2021. The Board thanks them for their leadership and contributions during their tenure.

Mark Cutifani, who has served as a director for almost 9 years, will retire from the board at the AGM to be held on 12 May 2022. The Board thank Mark for his guidance and contribution during his tenure and wish him all the best in his retirement. Duncan Wanblad will join the Board as a non-executive director with effect from 12 May 2022.

Outlook

Market outlook

We expect market balances for the 3E PGMs to tighten in 2022. Demand is likely to improve as automotive demand for PGMs increases on the back of a recovery in LDV production. Supply is set for only a modest increase, largely due to growth in autocatalyst recycling as more cars are scrapped. Refined mine production is likely to normalise following the build-up in work-in-progress inventory being largely refined in 2021.

How much the market balance will tighten will depend considerably on the success of the automotive industry in boosting light vehicle production after two weak years.

Industry consensus is that 2022 will be a much stronger year, with leading automotive industry analysts, LMC Automotive and IHS forecasting year-on-year gains of 12% and 9%, respectively. This is backed up by tentative signs towards the end of 2021 that the semiconductor shortage was easing, both in terms of a higher and more consistent flow of chips becoming available and vehicle manufacturers becoming more confident as to how to live with constrained supply. Covid-19 remains a downside risk to production plans.

The forecast increase in light vehicle production will easily outweigh a higher share of that production being taken by battery-electric vehicles (BEVs), which do not need PGM catalysts. After faster-than-expected gains for BEVs in 2021, especially in China, industry forecasts are that BEV sales will rise again in 2022, but at a slower pace. Most new vehicles produced will contain an internal combustion engine (ICE) and need a PGM catalyst.

The average loading on ICE light vehicles is likely to be flat or fall marginally in 2022, as in the absence of any major new emissions legislation, catalyst manufacturers are likely to thrift some metal usage. However, this will remain limited, especially where real-world testing is applied. Loadings are likely to rise again towards the middle of the decade as the next generation of standards come into force, with the European Union set to announce details of the Euro 7 emissions standards in 2022.

Overall automotive PGM demand should rise substantially in 2022, though by slightly less than the forecast increase in light vehicle production. Growth in platinum automotive demand should outpace that of palladium automotive demand as vehicle manufacturers continue to replace some of the palladium with platinum in some gasoline autocatalysts.

Industry forecasts are for further gains in LDV production in 2023 and beyond, with both LMC and IHS forecasting the pre-Covid 2019 level to be exceeded by 2023. This should be helped by the need to rebuild inventory, which has decreased by millions of vehicles since 2019. We expect consumer appetite for light vehicles, which has been considerably higher than availability for the past year, to remain strong, both on pent-up buying and a continued preference for personal transportation. Higher costs and potentially higher interest rates are a downside risk to consumer demand, though the need to replace older vehicles is an upside one.

PGM demand from industrial applications should continue at a high level in 2022, supported by ongoing capital expenditure. Over the longer term, the most important drivers of industrial PGM demand growth are likely to be the clean-energy transition and the growing global middle-class population.

Jewellery demand is likely to have another subdued year. Ongoing challenges facing platinum jewellery in China will outweigh solid demand in the US and Europe. India should resume its role as the leading growth market.

After a weaker year in 2021, platinum's positive future fundamentals should continue to attract investment demand, while we expect continued, but modest, liquidation in palladium and rhodium.

On the supply side, mine supply is likely to be steady or marginally lower in 2022. Palladium mine supply should rise modestly as Russian output returns to normal after a disrupted 2021, though overall supply might be lower if less stocks are sold. Platinum and rhodium mine supply are likely to normalise as processing of South African work-in-progress inventories is largely complete.

Supply of PGMs from recycled autocatalysts will increase over the next few years at a faster rate than in recent years as higher production of new vehicles will allow more older vehicles to be

scrapped. Over the medium term, this is likely to be largely a palladium story, given the palladium-rich catalysts in vehicles from the late 2000s and early 2010s which are now being scrapped.

In terms of market balance, we forecast platinum to be in surplus again in 2022, but a smaller one than in 2021. This will largely be dependent on investment demand, but this would need to be nearer 2019 levels of 1 million ounces to push platinum back into deficit. In 2022, palladium is likely to again be in a larger deficit as the modest improvement in supply is offset by improving automotive demand. Rhodium should move back much closer to balance after 2021's large surplus, as the increase in automotive demand is expected to easily outweigh any rise in supply.

Operational outlook

Outlook 2022

Due to the strong refined production performance in 2021, resulting in most of the built-up work-in-progress (WIP) inventory being processed, refined production guidance for 2022 has been revised to 4.2–4.6 million PGM ounces, to reflect the expected metal-in-concentrate (M&C) production, the processing of the lower WIP inventory, and the scheduled Polokwane smelter rebuild.

The first full rebuild of the Polokwane smelter is scheduled for H2 2022. This scheduled rebuild is in line with our asset management strategy and our strategic priority of embedding resilience across the asset base and the business, including through a detailed programme of planned maintenance for all assets.

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

Outlook 2023-2024

M&C PGM production will remain flat in 2023 and 2024 as Kroondal and parts of the upper section at Tumela mine, part of the Amandelbult complex, come to their end of life. This decrease in production is expected to be offset by the benefits of the P101 operational excellence programme, and the modernisation plans at Amandelbult, which should result in an increase in PGM volumes mined from the remaining portfolio of assets.

Part of the increase in mined volumes is expected to come from Mogalakwena, with its mine plan sequenced to mine through a higher base metals area from 2022. In conjunction with the Polokwane smelter rebuild in H2 2022, which will lead to a higher-than-normal ratio of material to be processed from Mogalakwena in 2023, there will be a short-term constraint on the Anglo Converter Plant (ACP). This will result in a temporary build-up in PGM WIP inventory, resulting in lower refined PGM production in 2023 of 3.8–4.2 million PGM ounces.
Refined production in 2024 should recover to 4.1–4.5 million PGM ounces.

Operational guidance for the next three years is forecast as follows:

	Units	2022 Guidance	2023 Forecast	2024 Forecast
Metal in concentrate				
PGMs		**4.1 – 4.5**	4.1 - 4.5	4.1 - 4.5
Platinum	(m ounces)	**1.9 - 2.1**	1.9 - 2.1	1.9 - 2.1
Palladium	(m ounces)	**1.3 - 1.4**	1.3 - 1.4	1.3 - 1.4
Other PGMs+Gold	(m ounces)	**0.9 - 1.0**	0.9 - 1.0	0.9 - 1.0
Refined production				
PGMs		**4.2 - 4.6**	3.8 - 4.2	4.1 - 4.5

Financial outlook

The continued impact from Covid-19 on operations, expected increases in both labour costs and electricity, as well as the sharp rise in inflation experienced during the year in consumables, are expected to continue in 2022, as supply chains continue to be affected by the pandemic. Unit cost guidance for 2022 is expected to be R13,800–R14,500 per PGM ounce.

Capital expenditure	Units	2022 Guidance	2023 Forecast	2024 Forecast
Total capital expenditure	(R billion)	**18.0-18.5**	~20.5	~19.5
Total sustaining capital	(R billion)	**14.0-14.5**	~18.0	~18.0
Stay-in-business	(R billion)	**9.0-9.5**	~10.0	~11.0
Capitalised waste stripping	(R billion)	**~3.0**	~4.5	~4.5
Life extension capital	(R billion)	**~2.0**	~3.5	~2.5
Approved breakthrough/expansion capital	(R billion)	**~4.0**	~2.5	~1.5

The guidance for capital expenditure will be between R18.0-18.5 billion, with total sustaining capital of between R14.0 – 14.5 billion. This includes SIB capital of R9.0 – 9.5 billion, capitalised waste stripping of c.R3.0 billion and life extension capital of c.R2.0 billion. Approved breakthrough capital and expansion capital is guided to be c.R4.0bn.

Johannesburg, South Africa
17 February 2022

Sponsors: Merrill Lynch South Africa (Pty) Ltd t/a BofA Securities

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Summarised consolidated statement of comprehensive income

for the year ended 31 December 2021

	Notes	2021 Rm	2020 Rm
Gross revenue[1]		214,580	107,785
Commissions paid		(12)	(14)
Net revenue[1]	2	214,568	107,771
Cost of sales[1]	3	(109,456)	(68,048)
Gross profit		105,112	39,723
Fair value measurements of financial assets and liabilities and investments in environmental trusts		4,494	3,780
Other income	4	2,447	2,051
Share of profit from equity-accounted entities		952	340
Finance income		713	513
Dividends received		14	47
Impairment and scrapping of property, plant and equipment		(27)	(476)
Provision for expected credit losses[2]		(125)	(128)
Finance costs		(357)	(448)
Market development and promotional expenditure		(966)	(871)
Other expenditure	4	(3,946)	(3,673)
Profit before taxation	5	108,311	40,858
Taxation	6	(29,290)	(10,455)
Profit for the year		79,021	30,403
Other comprehensive income, post tax		454	1,233
Items that may be reclassified subsequently to profit or loss		712	235
Foreign exchange translation gains		712	235
Items that will not be reclassified subsequently to profit or loss		(258)	998
Net (losses)/gains on equity investments at fair value through other comprehensive income (FVTOCI)		(355)	1,175
Tax effects		97	(177)
Total comprehensive income for the year		79,475	31,636
Profit attributed to:			
Owners of the Company		78,978	30,342
Non-controlling interests		43	61
		79,021	30,403
Total comprehensive income attributed to:			
Owners of the Company		79,432	31,575
Non-controlling interests		43	61
		79,475	31,636
Earnings per share			
Earnings per ordinary share (cents)			
– Basic		30,023	11,553
– Diluted		29,976	11,519

[1] *Restated, refer to note 20.*

[2] *Provision for expected credit losses and impairment of financial assets have been combined into one line item in the current period.*

Summarised consolidated statement of financial position

as at 31 December 2021

	Notes	2021 Rm	2020 Rm
Assets			
Non-current assets		77,481	68,176
Property, plant and equipment	8	52,167	46,139
Capital work-in-progress		14,319	10,989
Other financial assets	9	6,468	7,716
Investment in associates and joint ventures	10	1,963	908
Inventories	11	1,147	1,147
Investments held by environmental trusts		967	829
Goodwill		397	397
Deferred taxation		53	51
Current assets		102,668	76,201
Cash and cash equivalents		51,483	19,991
Inventories	11	37,569	45,370
Other financial assets	9	7,766	5,207
Trade and other receivables		3,024	2,339
Other assets		2,431	3,146
Taxation		395	148
Total assets		180,149	144,377
Equity and liabilities			
Share capital and reserves			
Share capital		26	26
Share premium		22,782	22,604
Retained earnings		74,942	51,711
Foreign currency translation reserve		3,399	2,687
Remeasurements of equity investments irrevocably designated at FVTOCI		1,064	1,322
Non-controlling interests		137	184
Shareholders' equity		102,350	78,534
Non-current liabilities		21,331	19,110
Deferred taxation		15,648	13,141
Other financial liabilities		2,943	3,536
Environmental obligations		2,318	1,824
Lease liabilities		330	377
Borrowings	12	81	209
Employee benefits		11	23
Current liabilities		56,468	46,733
Other liabilities		28,240	20,270
Trade and other payables		25,110	23,260
Other financial liabilities		2,697	1,943
Taxation		160	923
Lease liabilities		151	210
Borrowings	12	50	47
Share-based payment provision		30	50
Provisions		30	30
Total equity and liabilities		180,149	144,377

Summarised consolidated statement of cash flows

for the year ended 31 December 2021

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

Summarised consolidated statement of changes in equity

for the year ended 31 December 2021

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

** Less than R500,000.*

[1] *Dividends paid*	Per share	Rm
Final 2020	R35.35	9,362
Interim 2021	R175.00	46,356
		55,718

Notes to the summarised consolidated financial statements

for the year ended 31 December 2021

1. Basis of preparation and presentation

The summarised consolidated financial statements are presented in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, as well as the requirements of the Companies Act of South Africa and the JSE Limited's Listings Requirements for abridged reports.

The summarised consolidated financial statements also contain, at a minimum, the information required by International Accounting Standard 34 Interim Financial Reporting. The accounting policies applied in the preparation of the consolidated financial statements from which the summarised consolidated financial statements were derived are in terms of IFRS and consistent with those applied in the financial statements for the year ended 31 December 2021.

The directors take full responsibility for the preparation of this abridged report and that the summarised financial information has been correctly extracted from the underlying audited consolidated annual financial statements, where applicable for the year ended 31 December 2021.

While this report, in itself, is not audited, the consolidated annual financial statements from which the results are derived were audited by PricewaterhouseCoopers Inc., who expressed an unmodified opinion thereon. The full audit opinion, including any key audit matters, is available at www.angloamericanplatinum.com/investors/annual-reporting/2021. The audit report does not necessarily report on all the information contained in this report. Shareholders are therefore advised that, in order to obtain a full understanding of the nature of the auditors' engagement and, more specifically, the nature of the information that has been audited, they should obtain a copy of the auditors' report together with the accompanying audited consolidated annual financial statements, both of which are available for inspection at the company's registered office.

The preparation of the Group's audited results and the summarised consolidated financial statements for the year ended 31 December 2021 were supervised by the finance director, Mr CW Miller CA(SA).

2. Segmental information

2.1 Segment revenue and results

	Net sales revenue[5]		Adjusted EBITDA[1]	
	2021	2020	2021	2020
	Rm	Rm	Rm	Rm
Operations				
Mogalakwena Mine	56,001	28,317	38,612	17,447
Amandelbult Mine	41,662	18,248	24,151	7,809
Mototolo Platinum Mine	13,290	5,348	8,873	2,740
Unki Platinum Mine	10,008	4,963	6,204	2,290
Kroondal Platinum Mine[2]	15,088	6,267	10,360	3,869
Modikwa Platinum Mine[2]	7,285	3,156	4,566	1,807
Other mined	—	—	677	273
Total - mined	143,334	66,298	93,443	36,235
Tolling and purchase of concentrate	70,098	29,621	15,982	6,960
Trading[3, 5]	1,136	11,852	826	622
Market development and promotional expenditure	—	—	(966)	(871)
COVID-19 costs	—	—	(634)	(528)
Restructuring costs	—	—	(127)	(151)
Foreign currency losses[4]	—	—	(86)	(684)
	214,568	107,771	108,438	41,583
Reconciliation between adjusted EBITDA and gross profit				
Depreciation			(4,871)	(4,456)
Share of profit from equity accounted entities			(952)	(340)
Marketing development and promotional expenditure			966	871
Other expenses			684	702
COVID-19 costs			634	528
Restructuring costs			127	151
Foreign currency losses			86	684
Gross profit			105,112	39,723

[1] *Earnings before interest, tax, depreciation and amortisation adjusted to exclude scrapping of assets and the related insurance claim income, profit on sale of assets and remeasurements of loans and receivables.*

[2] *The group's share (excluding purchase of concentrate).*

[3] *Includes purchases and leasing of third-party refined metal.*

[4] *Non-mining related foreign exchange losses.*

[5] *Revenue has been restated, refer to note 20.*

Information reported to the Platinum Management Committee (PMC) for purposes of resource allocation and assessment of segment performance is done on a mine-by-mine basis.

Although revenue and costs are allocated to mines on a rational basis for internal reporting and segment reporting, the mines do not independently generate revenue. The marketing and sales of precious metals does not differentiate between the source of the refined metal owing to the homogenous and fungible nature of the product which is refined to predetermined industry certified standards. Sales are not differentiated on the basis of the source of the mined ore.

The Group's mining, smelting and refining operations are all located in South Africa with the exception of Unki Platinum Mine and smelter, which is located in Zimbabwe.

Notes to the summarised consolidated financial statements continued

for the year ended 31 December 2021

3. Cost of sales

	2021 Rm	2020[5] Rm
Cash operating costs	40,123	33,421
On-mine[1]	29,548	25,160
Labour	11,047	10,146
Stores	9,974	8,243
Utilities	3,031	2,490
Contracting	1,670	1,349
Sundry	3,826	2,932
Smelting	5,762	4,451
Labour	1,017	869
Stores	1,189	939
Utilities	2,059	1,665
Sundry	1,497	978
Treatment and refining	4,813	3,810
Labour	1,314	1,194
Stores	1,253	860
Utilities	545	412
Contracting	136	128
Sundry	1,565	1,216
Purchase of metals and leasing activities[2]	46,091	47,168
Depreciation	4,790	4,390
On-mine[1]	3,409	2,969
Smelting	942	747
Treatment and refining	439	674
Decrease/(increase) in metal inventories	6,646	(22,104)
Decrease/(increase) in ore stockpiles	254	(482)
Other costs[3]	11,552	5,655
Corporate related costs	1,402	1,123
Corporate costs	1,015	717
Corporate costs – Anglo American[4]	194	181
Share-based payments	54	84
Research	96	123
Community social investment	29	8
Exploration	14	10
Operational related costs	3,236	1,902
Transport of metals	955	772
Technical and sustainability – Anglo American[4]	831	499
Community social investment	787	228
Share-based payments	209	170
Studies	266	119
Research – Anglo American[4]	108	85
Exploration	33	23
Other	47	6
Royalties and carbon tax	6,914	2,630
	109,456	68,048

[1] *On-mine costs comprise mining and concentrating costs.*

[2] *Consists of purchased metals in concentrate, secondary metals, refined metals and other metals.*

[3] *Excluded from costs of inventories expensed during the period.*

[4] *Services provided by Anglo American plc and its subsidiaries.*

[5] *Restated, refer to note 20.*

4. Other income and expenditure

	2021 Rm	2020 Rm
Other income comprises the following principal categories:		
Realised and unrealised foreign exchange gains	2,197	1,415
Foreign exchange gains on cash and cash equivalents relating to the customer prepayment	1,757	—
Foreign exchange gain on contract liability	—	1,415
Other foreign exchange gains	440	—
Royalties received	184	139
Insurance proceeds	46	354
Leasing income	13	8
Profit on disposal of plant, equipment and conversion rights	7	65
Profit on sale of Southridge Mineral Rights	—	70
	2,447	2,051
Other expenditure comprises the following principal categories:		
Realised and unrealised foreign exchange losses	(2,641)	(2,404)
Foreign exchange losses on cash and cash equivalents relating to the customer prepayment	—	(963)
Foreign exchange losses on contract liability	(2,641)	—
Other foreign exchange losses	—	(1,441)
Covid-19 costs	(634)	(528)
Project maintenance costs[1]	(216)	(224)
Resettlement costs	(128)	(53)
Restructuring costs	(127)	(151)
Loss on dilution of investment in AP Ventures Fund II	(33)	—
Impairment of investments in associates	(10)	(54)
Legal settlement	—	(140)
Loss on disposal of investments	—	(5)
Other	(157)	(114)
	(3,946)	(3,673)

[1] *Project maintenance costs comprise costs incurred to maintain land held for future projects and costs to keep projects on care and maintenance. It also includes the costs of the operations put onto care and maintenance once the decision was made.*

5. Profit before taxation

	2021 Rm	2020 Rm
Profit before taxation is arrived at after taking account of:		
Increase in provision for stores obsolescence	224	50
Auditors' remuneration – current year audit fees	19	17
Net profit on disposal of property, plant and equipment	(10)	(28)
Profit on exchange of equipment	(2)	(56)

Notes to the summarised consolidated financial statements continued

for the year ended 31 December 2021

6. Taxation

	2021 %	2020 %
A reconciliation of the standard rate of South African normal taxation compared with that charged in the statement of comprehensive income is set out in the following table:		
South African normal tax rate	28.0	28.0
Disallowable items that are individually immaterial	0.1	0.6
Impairment of financial assets	—	0.1
Prior year underprovision	0.2	0.1
Deferred consideration fair value remeasurements	(0.4)	(2.3)
Difference in tax rates of subsidiaries[1]	(0.6)	(0.6)
Effect of after-tax share of profits from equity accounted entities	(0.3)	(0.2)
Disallowable provisions	—	(0.1)
Effective taxation rate	27.0	25.6

[1] *Subsidiaries standard tax rates include: APML UK - 19%, APML Singapore - 5% and Unki Zimbabwe - 15.45%.*

7. Reconciliation between profit and headline earnings

	2021 Rm	2020 Rm
Profit attributable to shareholders	78,978	30,342
Adjustments		
Loss on dilution of shareholding in AP Ventures Fund II	33	—
Impairment and scrapping of property, plant and equipment	27	476
Tax effect thereon	(7)	(133)
Impairment of investments in associates	10	54
Profit on exchange of equipment	(2)	(56)
Insurance proceeds on loss of assets	(8)	(354)
Tax effect thereon	2	99
Net profit on disposal of property, plant and equipment	(10)	(28)
Tax effect thereon	3	8
Profit on sale of Southridge Mineral Rights	—	(70)
Tax effect thereon	—	4
Loss on sale of RA Gilbert	—	7
Tax effect thereon	—	(3)
Headline earnings	79,026	30,346
Attributable headline earnings per ordinary share (cents)		
Headline	30,042	11,554
Diluted	29,994	11,521

8. Property, plant and equipment

The carrying amount of property, plant and equipment can be reconciled as follows:

	Carrying amount at beginning of year Rm	Additions Rm	Reclassi-fications/ transfers Rm	Impairments, disposals, scrappings and derecognitions Rm	Depre-ciation Rm	Foreign currency translation differences Rm	Carrying amount at end of year Rm	Cost Rm	Accum-ulated depre-ciation Rm
2021									
Owned and leased assets									
Mining development and infrastructure – owned	26,095	4,501	(3)	(3)	(1,288)	182	29,484	41,147	(11,663)
Mining development and infrastructure	25,200	4,354	(3)	(3)	(1,211)	182	28,519	39,696	(11,177)
Exploration and evaluation assets	895	147	—	—	(77)	—	965	1,451	(486)
Plant and equipment – owned	15,350	5,272	(3)	(118)	(2,931)	150	17,720	40,395	(22,675)
Land and buildings – owned	3,584	304	6	—	(186)	77	3,785	6,602	(2,817)
Right of use assets	436	190	—	(140)	(117)	—	369	748	(379)
Plant and equipment	308	36	—	(106)	(78)	—	160	473	(313)
Land and buildings	128	154	—	(34)	(39)	—	209	275	(66)
Motor vehicles	442	262	—	(8)	(217)	2	481	2,536	(2,055)
Furniture, fittings and equipment	117	49	—	—	(67)	—	99	490	(391)
	46,024	10,578	—	(269)	(4,806)	411	51,938	91,918	(39,980)
Decommissioning asset	115	175	—	—	(65)	4	229	457	(228)
Total	46,139	10,753	—	(269)	(4,871)	415	52,167	92,375	(40,208)
2020									
Owned and leased assets									
Mining development and infrastructure – owned	23,407	3,619	14	—	(1,062)	117	26,095	37,198	(11,103)
Mining development and infrastructure	22,513	3,516	73	—	(1,019)	117	25,200	35,894	(10,694)
Exploration and evaluation assets	894	103	(59)	—	(43)	—	895	1,304	(409)
Plant and equipment – owned	15,309	2,929	(15)	(280)	(2,707)	114	15,350	43,500	(28,150)
Land and buildings – owned	3,674	55	1	(22)	(185)	61	3,584	6,196	(2,612)
Right of use assets	462	140	—	—	(166)	—	436	745	(309)
Plant and equipment	357	66	—	—	(115)	—	308	544	(236)
Land and buildings	105	74	—	—	(51)	—	128	201	(73)
Motor vehicles	429	225	—	(2)	(226)	16	442	2,393	(1,951)
Furniture, fittings and equipment	122	48	—	—	(53)	—	117	466	(349)
	43,403	7,016	—	(304)	(4,399)	308	46,024	90,498	(44,474)
Decommissioning asset	101	71	—	—	(57)	—	115	275	(160)
Total	43,504	7,087	—	(304)	(4,456)	308	46,139	90,773	(44,634)

9. Other financial assets

	2021 Rm	2020 Rm
Non-current financial assets		
Equity investments irrevocably designated at fair value through other comprehensive income		
Investment in Ballard Power Systems Inc.	859	1,433
Investment in AP Ventures Fund II	312	—
Investment in Wesizwe Platinum Limited	237	106
Investment in Alloyed Limited	136	—
Investment in Rand Mutual Holdings Limited	94	96
Investment in SA SME Fund	38	38
Investment in Anglo Plc shares	10	13
	1,686	1,686
Other financial assets mandatorily measured at fair value through profit or loss		
Deferred consideration on sale of Rustenburg Mine	2,723	4,838
Deferred consideration on sale of Union Mine	1,825	913
Deferred consideration on sale of Pandora	220	247
Deferred consideration on sale of Southridge Mineral Rights	14	25
Loan to ARM Mining Consortium Limited	—	7
	4,782	6,030
Total other financial assets – non-current	6,468	7,716
Current financial assets		
Loan at amortised cost		
Metal borrowing	—	2,056
	—	2,056
Other financial assets mandatorily measured at fair value through profit or loss		
Fair value of derivatives	744	168
Deferred consideration on sale of Rustenburg Mine – short-term portion	5,414	2,117
Deferred consideration on sale of Union Mine – short-term portion	1,592	851
Deferred consideration on sale of Southridge Mineral Rights – short-term portion	16	15
	7,766	3,151
Total other financial assets - current	7,766	5,207

10. Investments in associates and joint ventures

A. Associates

	2021 Rm	2020 Rm
Unlisted		
Peglerae Hospital Proprietary Limited		
Carrying value of investment	49	57
Bokoni Platinum Holdings Proprietary Limited (Bokoni Holdco)[1]		
Carrying value of investment	—	—
Furuya Eco-Front Technology Company Limited[1]		
Carrying value of investment	—	—
Lion Battery Technologies Inc.[1]		
Carrying value of investment	—	—
Primus Power Corporation[1]		
Carrying value of investment	—	—
Suzhou Yibai Environmental Protection Technologies Company Limited[1]		
Carrying value of investment	—	—
	49	57

[1] *Equity investments and further advances were impaired during the current and prior years.*

On 20 December 2021 the Group announced that Bokoni Holdco entered into a Sales and Purchase Agreement to dispose of its 100% interest in Bokoni Mine to African Rainbow Minerals Limited. The Group holds 49% interest in Bokoni Holdco. The transaction is subject to the fulfilment or waiver of notable conditions precedent, including consent by the Department of Mineral Resources and Energy (DMRE) and approvals by the relevant Competition Authorities.

10. Investments in associates and joint ventures continued

B. Joint ventures

Unlisted investment: AP Ventures (APV)

On 17 July 2018 AAP announced that its wholly owned subsidiary, Anglo Platinum Marketing Limited (APML), had subscribed for interests in two UK-based venture capital funds (the Funds). APV comprises two funds, APV Fund I and APV Fund II.

Fund I is closed to other investors with APML and PIC (being the limited partners) holding equal ownership interest of 49.5% each and 1% held by General Partners, who have power and authority over APV. APV is a legally separate entity from the Limited Partners. The two Limited Partners invested R328 million each into Fund I on 21 September 2018.

APV is independently managed by the General Partners. The General Partners (GPs) are responsible for the day-to-day investment, disinvestments, financing and distribution decisions.

The GPs are required to hold at all times the 1% of the capital contributed by the LPs. The removal of the GPs require 75% of committed capital by Limited Partners to approve the decision. The LPs can remove the GPs without cause (no-fault removal). This demonstrates that the Limited Partners require unanimous consent to remove the General Partners and therefore the investment in Fund I is that of a joint venture and is equity accounted by APML from 1 October 2018.

The administration of Fund II is similar to that of Fund I, however Fund II is an open fund with numerous other investors (limited partners), the classification of the investment in Fund II is driven by the percentage contributions by the limited partners.

APV has a 31 March year end, measures its investments at fair value through profit or loss and therefore internal valuations as at 30 November 2021 were used for equity accounting purposes.

The movement for the year in the Group's investment in joint ventures was as follows:

	2021 Rm	2020 Rm
Opening balance	851	355
Share of profit from joint ventures (after taxation)	1,057	415
Additions to investments	152	90
Dividends received	(141)	—
Dilution of shareholding in AP Ventures Fund II[1]	(170)	—
Foreign exchange translation gain/(loss) in FCTR	165	(9)
Closing balance	1,914	851
Total balance for associates and joint ventures	1,963	908

[1] *During the period, other investors made larger contributions to Fund II than APML, this resulted in a dilution of APML's shareholding in Fund II and effective disposal of the equity accounted investment. The remaining investment in Fund II was recognised as an equity investment irrevocably designated at FVTOCI. Refer to note 9.*

C. Joint operations

The group has classified all the joint arrangements to which it is a party to as joint operations, except for AP Ventures, as they are unincorporated and the group has rights to the assets and obligations for the liabilities of the arrangements. The classification was made in line with the requirements of IFRS 11 Joint Arrangements.

These joint operations have additional separate legal entities. The group is of the opinion that the substance of these joint operations must be given prominence over their legal form. In most cases, the separate legal entities have been formed to hold legal title to mineral and surface rights as well as to legally employ employees working at the joint operation. The substance is that these companies are mere extensions of the main joint operation to which they relate and consequently should be accounted for in the same manner, namely as a joint operation.

Modikwa Platinum Mine

The group and ARM Mining Consortium Limited (ARMMC) established a 50:50 joint operation, known as the Modikwa Platinum Mine Joint Venture (Modikwa). Modikwa operates a mine and a processing plant on the Eastern Limb of the Bushveld Complex, which is managed by Modikwa.

Kroondal Platinum Mine

The group and Kroondal Operations (South Africa) Proprietary Limited (Kroondal), a subsidiary of Sibanye-Stillwater Limited (Sibanye-Stillwater), have pooled certain mineral rights and infrastructure via a pooling-and-sharing agreement. The parties share 50:50 in the profits or losses from the jointly operated mine and processing plant located on the Western Limb of the Bushveld Complex, which is managed by Kroondal.

Notes to the summarised consolidated financial statements continued

for the year ended 31 December 2021

11. Inventories

	2021 Rm	2020 Rm
Refined metals	9,002	5,305
At cost	6,136	3,198
At net realisable values	2,864	1,554
At fair value	2	553
Work-in-process	25,052	35,952
At cost	21,718	22,937
At net realisable values	3,334	13,015
Total metal inventories	34,054	41,257
Ore stockpiles	2,376	2,602
Stores and materials at cost less obsolescence provision	2,286	2,658
	38,716	46,517
Less: Non-current inventories (ore stockpiles)	(1,147)	(1,147)
	37,569	45,370

Included in cost of sales is a reversal of NRV write-downs of R1,939 million (2020: NRV write-down of R2,720 million). The reversal resulted from changes in the price environment.

There are no inventories pledged as security to secure any borrowings of the Group.

Refer to note 17 for changes in estimates relating to inventory.

12. Borrowings

	2021 Facility amount Rm	2021 Utilised amount Rm	2020 Facility amount Rm	2020 Utilised amount Rm
The Group has the following borrowing facilities:				
Committed facilities	20,889	131	20,936	256
ABSA Bank Limited	1,600	—	1,600	—
Anglo American SA Finance Limited	9,100	—	9,100	—
BNP Paribas	1,000	—	1,000	—
FirstRand Bank Limited	2,657	—	2,657	—
Nedbank Limited	3,532	131	3,579	179
Rand Merchant Bank	800	—	800	77
Standard Bank of South Africa Limited	2,200	—	2,200	—
Uncommitted facilities	6,595	—	6,468	—
Anglo American SA Finance Limited	5,000	—	5,000	—
Bank of Nova Scotia	638	—	587	—
Nedbank London	957	—	881	—
Total facilities	27,484	131	27,404	256
Current interest-bearing borrowings		50		47
Non-current interest-bearing borrowings		81		209
Total borrowings		131		256
Weighted average borrowing rate (%)		5.83		6.42

Borrowing powers

The borrowing powers in terms of the memorandum of incorporation of the holding company and its subsidiaries are unlimited. Committed facilities are defined as the bank's and Anglo American SA Finance's obligation to provide funding until maturity of the facility, by which time the renewal of the facility is negotiated. Interest is charged at JIBAR plus a margin, depending on each drawdown and the relevant repayment period.

An amount of R932 million (2020: R979 million) of the facilities is committed for one to five years; R1,000 million (2020: R1,000 million) is committed for a rolling period of 364 days; R2,800 million (2020: R2,800 million) is committed for a rolling period of 18 months; R2,200 million (2020 :R2,200 million) is committed for a rolling period of 24 months and R13,957 million (2020 : R13,957 million) is committed for a rolling period of 36 months. The Company has adequate committed facilities to meet its future funding requirements. Uncommitted facilities are callable on demand.

13. Related party transactions

The Company and its subsidiaries, in the ordinary course of business, enter into various sale, purchase, service and lease transactions with Anglo American South Africa Investments (Proprietary) Limited (parent company) and the ultimate holding company (Anglo American plc), their subsidiaries, joint arrangements and associates, as well as transactions with the Group's associates. Certain deposits and borrowings are also placed with subsidiaries of the holding company. The Group participates in the Anglo American plc insurance programme. Material related party transactions with subsidiaries and associates of Anglo American plc and the Group's associates (as set out in note 10) and not disclosed elsewhere in the notes to the financial statements are as follows:

	2021 Rm	2020 Rm
Deposits (including interest receivable)[1]	47,469	17,672
Purchase of goods and services from fellow subsidiaries	2,204	1,611
Technical and sustainability	831	499
Information management	241	232
Corporate costs	194	182
Marketing administration costs	246	129
Shared services	140	124
Supply chain	158	119
Shipping costs	143	110
Research	108	85
Office costs	32	41
Base metals sales commission	53	40
Routine analysis (sample testing)	41	31
Enterprise development	17	19
Insurance paid for the year[1]	630	508
Sale of metals to fellow subsidiaries	1,899	395
Amounts receivable from fellow subsidiaries	275	351
Insurance received for the year[1]	—	351
Finance income for the year[1]	648	284
Amounts owed to fellow subsidiaries	648	282
Compensation paid to key management personnel	165	152
Commitment fees paid for the year[1]	69	70
Commitment fees owed to related parties[1]	42	43
Finance cost for the year[1]	21	11

[1] *Fellow subsidiaries*

Trade payables

Trade payables are settled on commercial terms.

Deposits

Deposits earn interest at market-related rates and are repayable on maturity.

Interest-bearing borrowings

Interest-bearing borrowings bear interest at market-related rates and are repayable on maturity.

Notes to the summarised consolidated financial statements continued

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14. Commitments and contingent liabilities

	2021 Rm	2020 Rm
Commitments		
Property, plant and equipment		
Contracted for	5,947	4,044
Not yet contracted for	9,747	5,771
Authorised by the directors	15,694	9,815
Project capital	8,555	3,533
– Within one year	4,157	2,748
– Thereafter	4,398	785
Stay-in-business capital	7,139	6,282
– Within one year	4,481	4,584
– Thereafter	2,658	1,698

The group funded R105 million in respect of the care and maintenance of Bokoni Mine in 2021. In addition, the group committed to provide loan funding for Plateau's attributable 51% of the care and maintenance cost up to 31 December 2021 at a maximum of R195 million through a secured loan agreement. As at 31 December 2021 an amount of R195 million has been drawn down against the secured loan agreement.

Contingent liabilities

There are no encumbrances of group assets.

The Group has, in the case of some of its mines, provided the Department of Mineral Resources with guarantees that cover the difference between closure cost and amounts held in the environmental trusts. At 31 December 2021, these guarantees amounted to R4,426 million (2020: R3,978 million).

15. Financial instruments

	Amortised cost Rm	FVTPL[1] Rm	FVTOCI Rm	Total Rm	Fair value Rm
2021					
Financial assets					
Investments held by environmental trusts	297	670	—	967	967
Other financial assets	—	12,548	1,686	14,234	14,234
Trade and other receivables	3,024	—	—	3,024	3,024
Cash and cash equivalents	51,483	—	—	51,483	51,483
	54,804	13,218	1,686	69,708	69,708
2020					
Financial assets					
Investments held by environmental trusts	227	602	—	829	829
Other financial assets	2,056	9,181	1,686	12,923	12,923
Trade and other receivables	2,339	—	—	2,339	2,339
Cash and cash equivalents	19,991	—	—	19,991	19,991
	24,613	9,783	1,686	36,081	36,081

[1] *Fair value through profit or loss*

15. Financial instruments continued

	Amortised cost Rm	FVTPL Rm	Total Rm	Fair value Rm
2021				
Financial liabilities				
Non-current borrowings	(81)	—	(81)	(81)
Non-current lease liabilities	(330)	—	(330)	(330)
Current borrowings	(50)	—	(50)	(50)
Current lease liabilities	(151)	—	(151)	(151)
Trade and other payables	(25,085)	(25)	(25,110)	(25,110)
Other financial liabilities	—	(5,640)	(5,640)	(5,640)
	(25,697)	(5,665)	(31,362)	(31,362)
2020				
Financial liabilities				
Non-current borrowings	(209)	—	(209)	(209)
Non-current lease liabilities	(377)	—	(377)	(377)
Current borrowings	(47)	—	(47)	(47)
Current lease liabilities	(210)	—	(210)	(210)
Trade and other payables	(23,040)	(220)	(23,260)	(23,260)
Other financial liabilities	—	(5,479)	(5,479)	(5,479)
	(23,883)	(5,699)	(29,582)	(29,582)

Fair value disclosures

The following is an analysis of the financial instruments that are measured subsequent to initial recognition at fair value. They are grouped into Levels 1 to 3 based on the extent to which the fair value is observable.

The levels are classified as follows:

- Level 1 – fair value is based on quoted prices in active markets for identical financial assets or liabilities
- Level 2 – fair value is determined using directly observable inputs other than Level 1 inputs
- Level 3 – fair value is determined on inputs not based on observable market data

	31 December 2021 Rm	Fair value measurement at 31 December 2021 Level 1 Rm	Level 2 Rm	Level 3 Rm
Financial assets at fair value through profit or loss				
Investments held by environmental trusts	670	—	670	—
Other financial assets	12,548	—	744	11,804
Equity investments irrevocably designated at FVTOCI				
Other financial assets	1,686	1,106	—	580
Non-financial assets at fair value through profit or loss				
Inventory at fair value	2	2	—	—
Total	14,906	1,108	1,414	12,384
Financial liabilities at fair value through profit and loss				
Trade and other payables[1]	(25)	—	(25)	—
Other financial liabilities	(5,640)	—	(190)	(5,450)
Total	(5,665)	—	(215)	(5,450)

[1] *Represents the embedded derivative under purchase of concentrate agreements.*

15. Financial instruments continued

	31 December 2020 Rm	Fair value measurement at 31 December 2020 Level 1 Rm	Level 2 Rm	Level 3 Rm
Financial assets at fair value through profit or loss				
Investments held by environmental trusts	602	—	602	—
Other financial assets	9,181	—	168	9,013
Equity investments irrevocably designated at FVTOCI				
Other financial assets[1]	1,686	1,552	—	134
Non-financial assets at fair value through profit or loss				
Inventory at fair value	553	553	—	—
Total	12,022	2,105	770	9,147
Financial liabilities at fair value through profit or loss				
Trade and other payables[2]	(220)	—	(220)	—
Other current financial liabilities	(5,479)	—	(237)	(5,242)
Total	(5,699)	—	(457)	(5,242)

[1] *The investment in Ballard was reclassified from level 3 to level 1 as it was previously incorrectly classified as level 3.*

[2] *Represents the embedded derivative under purchase of concentrate agreements.*

There were no transfers between the levels during the year.

Valuation techniques used to derive level 2 fair values

Level 2 fair values for other financial liabilities relate specifically to forward foreign exchange contracts and fixed price commodity contracts.

The valuation of forward foreign exchange contracts is a function of the ZAR:USD exchange rate at reporting date and the forward exchange rate that was fixed as per the forward foreign exchange rate contract. Fixed price commodity contracts are valued with reference to relevant quoted commodity prices at period end.

Level 2 fair values for trade and other payables relate specifically to the embedded derivative arising on the purchase of concentrate trade payables. The settlement of these purchase of concentrate trade payables takes place on average three to four months after the purchase has taken place. The fair value of the embedded derivative is a function of the expected ZAR:USD exchange rate and the metal prices at the time of settlement. The level 2 fair value of liabilities for the return of metal is determined by multiplying the quantities of metal under open leases by the relevant commodity prices and ZAR:USD exchange rates.

Level 3 fair value measurement of financial assets and financial liabilities at fair value

The level 3 fair value of other financial assets comprises investment in unlisted companies Alloyed Limited, AP Ventures Fund II, SA SME Fund and Rand Mutual Holdings Limited. These investments are irrevocably designated at fair value through other comprehensive income per IFRS 9 Financial Instruments and the deferred consideration on the disposal of the Rustenburg Mine, Union Mine, Southridge Mineral Rights and Pandora which are classified as financial assets at fair value through profit or loss. The fair values of investments at fair value through other comprehensive income are based on unobservable market data, and estimated with reference to recent third-party transactions in the instruments of the company. The fair value of deferred consideration is based on the underlying discounted cash flows expected.

The level 3 fair value of other financial liabilities comprises the components of the deferred consideration on the acquisition of control in Mototolo Platinum Mine business, which is classified as financial liabilities at fair value through profit or loss. The fair value is based on the underlying discounted cash flows expected.

15. Financial instruments continued

Reconciliation of level 3 fair value measurements of financial assets and financial liabilities at fair value

	Other financial assets		Other financial liabilities	
	2021 Rm	2020 Rm	**2021 Rm**	2020 Rm
Opening balance[1]	**9,147**	4,367	**(5,242)**	(1,516)
Remeasurements of deferred considerations through profit or loss[2]	**6,289**	8,031	**(1,918)**	(4,324)
Additions	**272**	—	**—**	—
Transfer from investment in associate	**137**	—	**—**	—
Foreign exchange translation[1]	**5**	(6)	**—**	—
Reameasurement of loan to ARM Mining Consortium Limited[2]	**1**	46	**—**	—
Deferred consideration on sale of Southridge Mineral Rights	**—**	70	**—**	—
Total gains included in other comprehensive income[1]	**36**	94	**—**	—
Payment (received)/made	**(3,503)**	(3,455)	**1,710**	598
Closing balance	**12,384**	9,147	**(5,450)**	(5,241)

[1] *The reconciliation was restated to exclude the investment in Ballard as it was previously incorrectly included in level 3.*

[2] *These are included in fair value remeasurements of financial assets and liabilities in the statement of comprehensive income.*

Level 3 fair value sensitivities

Assumed expected cash flows, discount rates and commodity prices have a significant impact on the amounts recognised in the statement of comprehensive income. Changes in the underlying key inputs and assumptions would have the following impact:

	Financial assets	
	2021 Rm	2020 Rm
Rustenburg Mine deferred consideration		
10% change in exchange rates		
Reduction to profit or loss	**603**	1,043
Increase to profit or loss	**603**	1,043
10% change in PGM prices		
Reduction to profit or loss	**578**	1,043
Increase to profit or loss	**578**	1,043
0.5% change in discount rates		
Reduction to profit or loss	**25**	43
Increase to profit or loss	**25**	43
Pandora deferred consideration		
0.5% change in discount rates		
Reduction to profit or loss	**2**	3
Increase to profit or loss	**2**	3
Investment in equity instruments		
10% change in market price		
Reduction to OCI[1]	**58**	13
Increase to OCI[1]	**58**	13

[1] *These sensitivities have been adjusted to remove the investment in Ballard as the investment was previously incorrectly included in the level 3 fair value hierarchy.*

Notes to the summarised consolidated financial statements continued

for the year ended 31 December 2021

15. Financial instruments continued

	Financial assets 2021 Rm	Financial assets 2020 Rm
Union Mine deferred consideration		
10% change in exchange rates		
Reduction to profit or loss	66	671
Increase to profit or loss	57	750
10% change in PGM prices		
Reduction to profit or loss	66	671
Increase to profit or loss	57	750
0.5% change in discount rates		
Reduction to profit or loss	21	13
Increase to profit or loss	21	13
Southridge Mineral Rights deferred consideration		
0.5% change in discount rates		
Reduction to profit or loss	—*	—*
Increase to profit or loss	—*	—*

** Change below R500,000.*

	Financial liability 2021 Rm	Financial liability 2020 Rm
Mototolo Platinum Mine deferred consideration		
10% change in PGM prices		
Reduction to profit or loss	538	661
Increase to profit or loss	538	661
0.5% change in discount rates		
Reduction to profit or loss	20	29
Increase to profit or loss	20	28
10% change in exchange rate		
Reduction to profit or loss	538	661
Increase to profit or loss	538	661

16. Impairment of assets and investments

Equity investments in Bokoni Holdco and associated loans

Anglo American Platinum holds a 49% shareholding in Bokoni Holdco, which is equity accounted as an associate. The remaining 51% is held by Atlatsa Resources.

On 21 July 2017 Atlatsa Resources announced the placement of Bokoni Platinum Mine on care and maintenance, which was effected on 1 October 2017. AAP committed to support Bokoni while on care and maintenance until the end of December 2021. A total of R215 million was advanced during the year ended 31 December 2021.

All funding advanced has been impaired to the extent that it comprises a loan to Plateau for its 51% share of the funding requirements. The 49% effective shareholder contribution to Bokoni was capitalised to the investment. Equity-accounted losses were applied thereto.

Bokoni

R105 million (2020: R82 million) (49%) of the care and maintenance funding was capitalised to the investment in Bokoni and equity-accounted losses to the same value were applied against this amount.

Atlatsa

R110 million (2020: R85 million) (51%) of the care and maintenance funding for 2021 was capitalised as a loan to Atlatsa. The full value hereof was impaired.

17. Changes in accounting estimates

Change in classification of products

Iridium and ruthenium used to be measured at a nominal value of R1 per ounce as it was classified as waste products. Due to the changes in PGM prices, demand and trading conditions, management has changed the classification of iridium and ruthenium from waste products to by-products with effect from 1 January 2021. The resulting value of inventory as at 31 December 2021 attributable to these metals is R2,195 million.

Change in metal inventory valuation

The various estimates used to value metal inventory were reassessed following the recent significant and prolonged increases in PGM prices.

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

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

Since May 2021, the PGM prices, in particular Rhodium, has been on a downward trend resulting in a lower POC cost per metal on a six-month rolling average basis compared to a 12-month rolling basis. The on-mine cost per ounce allocated to Rhodium using production volumes is lower than the cost per ounce using the contribution to total revenue. These two changes in metal inventory estimates, together with other less significant changes in estimates, had the effect of decreasing the value of metal inventory as disclosed in the financial statements at 31 December 2021 by R6,074 million. It is impracticable to split the impacts of each change in estimate. In addition, the impact on future periods cannot be determined at year end.

18. Post-balance sheet events

Dividend declared

A final dividend of R33,172 million (R125 per share) consisting of a base dividend of R13,048 million (R49 per share) and a special dividend of R20,124 million (R76 per share) for the year ended 31 December 2021 was declared after year end, payable on Monday, 14 March 2022 to shareholders recorded in the register at the close of business on Friday, 11 March 2022.

Sale of interest in Kroondal and Marikana

On 31 January 2022, it was announced that Anglo American Platinum has agreed to dispose of its 50% interest in the Kroondal pool-and-share agreement ("Kroondal PSA") and the Marikana pool-and-share agreement ("Marikana PSA"), (collectively the "PSAs") to Sibanye-Stillwater Limited ("Sibanye-Stillwater"), the other 50% owner of the PSAs.

Under the terms of the new agreements, Kroondal's infrastructure will be used to mine into Sibanye-Stillwater's adjacent Rustenburg resource. As a result, Anglo American Platinum will generate cash flows from its 50% share of the 1.35 million 4E ounces earlier, at a lower cost of production (after optimising the mine plan to extract the resource from both the Kroondal and Rustenburg mining right areas) and under the pre-existing Kroondal purchase of concentrate terms. Thereafter, Anglo American Platinum will exit its interest in the PSAs, transferring all assets and liabilities to Sibanye-Stillwater, with no outstanding economic interest in the Kroondal mining operation. Under the terms of the transaction, Sibanye-Stillwater will acquire Anglo American Platinum's interest the PSAs for a purchase price of R1. In exchange, Sibanye-Stillwater will take over all closure costs and rehabilitation liabilities of an estimated R415 million.

The terms of the transaction are conditional on mandatory regulatory approvals including Competition Commission approval and Section 11 ministerial consent to transfer the mining right, as well as the delivery of 1.35 million 4E ounces of metal in concentrate by the Kroondal PSA (on a 100% basis). The conditions precedent is expected to be met early in 2024.

19. Reconciliation of profit before taxation to cash generated from operations

	2021 Rm	2020 Rm
Profit before taxation	108,311	40,858
Adjustments for:		
Depreciation of property, plant and equipment	4,871	4,456
Finance cost	235	286
Net equity-settled share-based payments charge to reserves	218	215
Impairment of financial assets	176	98
Time value of money adjustment to environmental obligations	122	162
Loss on dilution of shareholding in AP Ventures Fund II	33	—
Impairment and scrapping of property, plant and equipment	27	476
Provision for expected credit loss	10	43
Impairment of investments in associates	10	54
Fair value adjustment on forward exchange contracts	4	4
Loss on disposal of investments	—	5
Profit on sale of Southridge Mineral Rights	—	(70)
Profit on exchange of equipment	(2)	(56)
Other movements	(9)	(3)
Profit on disposal of property, plant and equipment	(10)	(28)
Dividends received	(14)	(47)
Growth in environmental trusts	(15)	(5)
Cash payment on vesting of cash-settled share based payments	(21)	(10)
Finance income	(698)	(508)
Share of profit from equity accounted entities	(952)	(340)
Foreign translation (gains)/losses	(2,471)	961
Gains on remeasurement of financial assets and liabilities and investments in environmental trusts	(4,494)	(3,780)
	105,331	42,771
Movement in non-cash items	171	(312)
Increase/(decrease) in provision for environmental obligations	170	(313)
Increase in employees' service benefit obligations	1	1
Working capital changes	19,121	(11,028)
Increase in other liabilities	7,965	8,966
Decrease/(increase) in inventories	7,203	(22,481)
Increase in trade and other payables	1,845	7,097
Decrease/(increase) in financial assets	1,479	(2,204)
Decrease/(increase) in other assets	713	(1,520)
Decrease/(increase) in stores and materials	444	(137)
Decrease/(increase) in ore stockpiles	227	(483)
Increase in provisions	—	30
(Decrease)/increase in share-based payment provision	(40)	1
(Decrease)/increase in other financial liabilities	(54)	221
Increase in trade and other receivables	(661)	(518)
Cash generated from operations	124,623	31,431

20. Change in accounting policy

Presentation of revenue

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

The impact on the 31 December 2020 results are as follows:

	For the year ended 31 December 2020 (Rm)		
	Previously stated	Adjustment	Restated
Gross revenue	137,804	(30,019)	107,785
Net revenue	137,790	(30,019)	107,771
Cost of sales	(98,067)	30,019	(68,048)
Gross profit	39,723	—	39,723

Sustainability commitments

for the year ended 31 December 2021

Objective areas	2021 target	2021 performance – year end	
Safety and health Critical foundations	Zero fatalities	Zero fatalities	☑
	TRCFR (per million hours) lower than 2.23	2.60 TRCFR per million hours worked	◇
	LTIFR (per million hours) lower than 1.76 (15% improvement target on prior 3 year average) Note: No longer a targeted metric for AAP	2.19 LTIFR per million hours worked	☒
	HIV management: 90% of at risk population knowing their status	92% of employees know their HIV status	☑
	HIV management: 90% of HIV-positive undergoing treatment (on ART)	93% of known HIV-positive employees are on ART	☑
	TB incidence rate of below 600 per 100,000 Note: No longer a targeted metric for AAP	TB incidence rate (annualised) of 193 per 100,000 employees	☑
	Medical Surveillance: 100% annual medical surveillance of persons potentially at risk of exposure to airborne pollutants (Cat A)	100% annual medical surveillance of Cat A employees at South African operations (Excludes Unki)	☑
Mineral policy and legislative compliance Healthy environment	26% ownership of Reserves and Resources by historically disadvantaged South Africans (HDSAs)	As at 31 December 2021, 48.6% ownership measured as the HDSA shareholding in the businesses that we control and the portion of our business transferred to HDSAs, which excludes ownership held by HDSAs through mandated investments of 6.75%.	☑
	MCIII procurement expenditure based on current plan for 2021, based on the 2021 MCIII targets submitted to DMRE : **Measure** **Mining Goods** 15.4% HDP 1.8% Women/Youth 7.4% BEE Compliant **Mining Services** 40% HDP 7% Women 3% Youth 30% BEE Compliant	**Performance:** **Mining Goods** 49% HDP 12% Women/Youth 71% BEE Compliant **Mining Services** 69% HDP 14% Women 6% Youth 99% BEE Compliant	⦸
	According to MC3 Targets (2019 – 2024) HDSA in: Top management (Board): 50% Women in top management (Board): 20% Executive management (PMC[1]): 50% Women at PMC level: 20% Senior management: 60% Women in senior management: 25% Middle management: 60% Women in middle management: 25% Junior management: 70% Women in junior management: 30% Core Skills: 60%	 42% 42% 50% 38% 58% 23% 76% 30% 85% 27% 89%	⦸

[1] *PMC: Platinum Management Committee*

☑ *Achieved/on target*
☒ *Not achieved/below target*
⦸ *In progress*
◇ *2021 target was not met, but five-year positive trend or flat*

Objective areas	2021 target	2021 performance – year end	
Mineral policy and legislative compliance Healthy environment	Achieve and maintain ISO 14001 certification	All primary operations, except Mototolo Complex (as planned) have been certified against the ISO 14001-2015 Environmental Management System and the ISO 45001-2018 Occupational Health and Safety Management Systems Mototolo will have their Final Stage 2 ISO 14001-2015 and 45001-2018 Certification Audit as planned in the last week of February 2022. Their Stage 1 Certification has already been completed – and they were recommended to proceed to Stage 2 of the Audit Process. PMR and RBMR both have in addition, been re-certified against ISO 9001-2015 Quality Management Systems	☑
	Target at least 1 deployment of each of the following programs at least one site in each BU by end-2021: 1. Environmental DNA; 2. Spatial Inventory Modelling (SIM); 3. Predictive Monitoring and 4. Integrated GHG modelling	The 4 Group led digital projects have been deployed at different AAP operations and ongoing support has been provided by AAP operations in order to run the needed programmes at site. These projects will continue in 2022 and ongoing support will continue to be provided The Platinum sites where the digital projects have been deployed are as follows: 1. Environmental DNA - Unki 2. Spatial Inventory Modelling (SIM) - ZW2L at all AAP sites 3. Predictive Monitoring – Waterval Smelter 4. Integrated GHG modelling - Mogalakwena	☑
	Zero Level 4 and 5 environmental incidents	On target – No level 4 or 5 environmental incidents reported	☑
	Zero level 3 repeat environmental incidents	On target – No repeat Level 3 environmental incidents reported	☑
	Zero Environmental legal non-compliance directives	On target – No environmental legal non-compliance directives	☑
Labour relations and our performance	Target of 120 PGM ounces produced per employee	Achieved – 109 PGM ounces produced per employee	☒
	Labour unavailability to be below 18.51%	The average absence rate for 2021 is **20.5%** (Dec 2020: 29.77%; Dec 2019: 18.37%; Dec 2018: 20%) against a 2021 target of 18.5% The target of 18.5% has not been adjusted to account for any COVID-19 impact. When absences resulting from isolation and other lockdown related protocols are excluded (1.8% average for 2021), 2021 absenteeism amounts to 18.7% which is comparable to the target of 18.5%. Sick leave increased year on year with 1.7% (Sick Leave 2021 = 5.8, Sick Leave 2020 = 4.1%)	☒

☑ *Achieved/on target*
☒ *Not achieved/below target*
⊘ *In progress*
◇ *2021 target was not met, but five-year positive trend or flat*

Sustainability commitments continued

for the year ended 31 December 2021

Objective areas	2021 target	2021 performance – year end	
Community development Thriving communities	Implementation of second generation SLP	**SLP 2 (2016-2020)** 80% of projects have been completed across all sites excluding Twickenham (2017-2021) which is behind at 40% completion. The overall implementation of the SLP 2 projects was negatively impacted due to COVID 19 pandemic and restrictions, community disruption and contractor performance that affected material delays, access to the sites and execution Significant progress achieved in the fourth quarter of 2021 amid these challenges. Amandelbult SLP 2 projects have reached practical completion (project scope delivered), now awaiting handing over to the beneficiaries in Q1 of 2022. Municipal Council resolution to commence construction of Mmalepetleke Sports Facility in Mogalakwena was secured in Q4 of 2021. The Special Presidential Package SLP 2 monetary commitment has not been fulfilled since the Waterberg District has not provided any project as part of the 2016 initial agreement **SLP 3 (2021-2025)** Front-end loading (FEL) assessment requirements for the SLP 3 infrastructure projects has been completed for Mogalakwena and Der Brochen / Mototolo. The next project phase is to complete the early work design/feasibility assessments, design and procurement plans to deliver the SLP 3 project scope within the committed 5-year period. Procurement to appoint the Principal Agent to oversee overall project implementation started in December 2021. SLP 3 project list for Amandelbult Complex was finalised and submitted to DMRE in early December 2021 and the Front-end loading (FEL) will commence beginning of Q1 in 2022	⦸
	1% after-tax profit to be spent on community development	Total Social investment amounted to R1.286 billion – Corporate Social Performance spend internally amounted to R688m (this included R400m for the WeCare initiative and R33m for the of the Yes 4 Youth programme) – SLP expenditure amounted to R206m – Unki spend amounted to R11m – Dividends paid out for community share holdings in Atomatic and Alchemy was R381m	◇

☑ *Achieved/on target*
☒ *Not achieved/below target*
⦸ *In progress*
◇ *2021 target was not met, but five-year positive trend or flat*

Objective areas		2021 target	2021 performance – year end	
Access to and allocation of natural resources	Energy	– **Energy used:** 20.17 million GJ	– **Energy used:** 20.81 million GJ (Above target of 20.17 million tonnes by 3.2%)	◇
		– **Energy Intensity:** 0.788 GJ/ton milled)	– **Energy Intensity:** 0.841 GJ per ton milled (Above target of 0.788 by 6.8%)	◇
		Premised on the trend required to achieve the 2030 targets for a 30% reduction (off a 2016 baseline)		
	CO_2 emissions	– **CO2e:** 4.51 million tonnes	– **CO2e emissions:** 4.52 million tonnes (Above target of 4.51 million tonnes by 0.4%)	◇
		Premised on the trend required to achieve the 2030 targets	The Grid Emission Factor was retrospectively increased from 1.04 to 1.06 from July 2021, resulting in an unplanned GHG emissions increase of 2% for the six months	
		– **Carbon (CO2e) Intensity:** 0.176 tonnes CO2/ton milled	– **Carbon Intensity:** 0.183 t CO2e per ton milled (Above target of 0.176 by 3.9%)	◇
	Water	Reduction in potable and raw water consumption towards our 2030 reduction of Fresh Water goal:		
		– 2021 potable water abstraction target of 20.59 Mℓ/d	– Potable water withdrawal of 18.1 Mℓ/d - significant below target	☑
		– 2021 potable water intensity target of 0.294 m^3/ton milled	– Potable water intensity of 0.267 m^3 per tonne milled - significant below target	☑
		– 2021 raw water abstraction of 8.35 Mℓ/d	– Raw water withdrawal of 6.12 Mℓ/d - significant below target	☑
		– 2021 raw water intensity target of 0.625 m^3/ ton milled	– Raw water intensity of 0.485 m^3 per tonne milled - significant below target	☑
		– 2021 optimal use of effluent by Mogalakwena and ACP/WVS 18.57 Mℓ/d	– Optimal use of effluent of 12.0 Mℓ/d – not achieved due to external factors	☒

☑ *Achieved/on target*
☒ *Not achieved/below target*
⊘ *In progress*
◇ *2021 target was not met, but five-year positive trend or flat*

Group performance data

for the year ended 31 December 2021

Glossary of terms	Description/Definition
PGMs	Sum total of platinum, palladium, rhodium, iridium, ruthenium and gold
Other PGMs + Gold	Sum total of iridium, ruthenium and gold
Produced ounces M&C	Metal in concentrate delivered to the smelters for onward processing
POC	Purchases of concentrate
Rand basket price per PGM oz sold – average	Net sales revenue from all metals (PGMs, base metals and other metals) over PGM ounces sold – excluding trading
Rand basket price per Pt oz sold – average	Net sales revenue from all metals (PGMs, base metals and other metals) over Pt ounces sold – excluding trading
Rand basket price per PGM oz sold – mined	Net sales revenue from all metals (PGMs, base metals and other metals) over PGM ounces sold for mined volume from own mines and attributable mined volumes from JVs – excluding trading
Rand basket price per Pt oz sold – mined	Net sales revenue from all metals (PGMs, base metals and other metals) over Pt ounces sold for mined volume from own mines and attributable mined volumes from JVs – excluding trading
Rand basket price per PGM oz sold – POC	Net sales revenue from all metals (PGMs, base metals and other metals) over PGM ounces sold for total POC volume - excluding trading
Rand basket price per Pt oz sold – POC	Net sales revenue from all metals (PGMs, base metals and other metals) over Pt ounces sold for total POC volume – excluding trading
Adjusted EBITDA	Earnings before interest, tax, depreciation and amortisation adjusted to exclude scrapping of assets and the related insurance claim income, profit on sale of assets and remeasurements of loans and receivables
Adjusted EBIT	Earnings before interest and tax adjusted to exclude scrapping of assets and the related insurance claim income, profit on sale of assets and remeasurements of loans and receivables
Adjusted operating profit	Operating profit adjusted to exclude scrapping of assets and the related insurance claim income, profit on sale of assets and remeasurements of loans and receivables
ROCE	Return on capital employed calculated as adjusted EBIT over average capital employed
Attributable economic free cash flow	Cash flow after all cash expenses (mining, overhead, marketing and market development), stay-in-business capital and capitalised waste
Attributable cash flow	Cash flow after all cash expenses (mining, overhead, marketing and market development), stay-in-business capital, capitalised waste and project capital expenses
Cash-on mine costs	Includes all direct mining, concentrating plus on-mine and allocated centralised services costs
Cash operating costs	Includes all direct mining, concentrating, on-mine and allocated centralised services, allocated smelting, treatment and refining costs
Cash on-mine cost per tonne milled	Cash-on mine costs over tonnes milled – mined volume metric only
Cash operating cost per PGM oz produced	Cash operating costs for mined volume over PGM ounces produced from mined volume. Excludes Purchase of concentrate (POC) and project costs for Twickenham
Cash operating cost per platinum ounce produced	Cash operating costs for mined volume over Pt ounces produced from mined volume - excludes purchase of concentrate (POC) and project costs for Twickenham
All-in sustaining costs	Includes cash operating costs, other indirect costs, other direct and allocated net expenses, direct and allocated stay-in-business capex, capitalised waste stripping and allocated marketing and market development costs net of revenue from all metals other than PGMs. Presented before project and restructuring costs and abnormal activities
Headcount (as at period ended)	Includes AAP own and contractors excluding Joint Operations employees and contractors as at 31 December costed to working costs and stay-in-business capital

Group performance data continued

for the year ended 31 December 2021

Glossary of terms	Description/Definition
Working cost employees	Working cost employees are own employees and full time employed contractors involved in the daily operating activities of the operations.
PGM ounces produced per employee	PGM ounces produced from mined volume (both own and Joint Operations mines) expressed as output per average working cost employee for both Own mines and attributable Joint Operations employees
Stay–in–business (SIB)	SIB capital reported on asset analysis includes on-mine SIB capital as well as allocated off-mine smelting, treatment and refining SIB capital expenditure
Sustaining capex	Sustaining capex includes stay-in-business capital, life extension capital inclusive of allocated processing sustaining capex and capitalised waste stripping

Guide on how to calculate	Description/Definition
On-mine cost per tonne milled	On-mine costs divided by the sum of tonnes milled less ore purchased multiply 1,000
Cash operating cost per PGM ounce produced	Cash operating costs divided by the sum of total mined production less PGM ounces in ore purchased multiply 1,000
Total operating costs	Sum of cash operating costs, movement in metal inventory, purchase of ore mined costs, other costs, exploration, studies, research, carbon tax, royalty expense, other income and expenses, chrome operating costs and Profit & loss from associates
Adjusted EBITDA	Net sales revenue less total operating costs
Adjusted EBIT	Adjusted EBITDA less mining and concentrating amortisation and less chrome plant amortisation
Attributable economic free cashflow (using adjusted EBITDA)	Adjusted EBITDA add back movement in metal inventory, ore stockpile costs and other non cash costs less all stay-in business capital, chrome economic interest and less other amortisation
Attributable cash flow	Attributable economic free cash flow less replacement capital less breakthrough capital less project capital less economic interest adjustments
All in sustaining costs	Sum of cash operating costs, purchase of ore costs, other costs, exploration, studies, research and carbon tax, royalty expense, other income and expenses, chrome operating costs, all stay-in business capex, economic interest, other amortisation, marketing and market development costs less the sum of ore stockpile costs, other non-cash costs, revenue from base and other metals and revenue from chrome divided by the average exchange rate achieve
All in sustaining costs per PGM ounce sold	Dollar all in sustaining costs divided by PGM ounces sold multiply 1,000
All in sustaining costs margin per PGM ounce sold	Sum of net sales revenue from PGMs (platinum, palladium, rhodium and other PGMs) divided by PGM ounces sold divided by the average exchange rate achieved multiply 1000 less all in sustaining costs per PGM ounce sold
Attributable economic free cashflow (using all in sustaining cost margin)	All in sustaining cost margin per PGM ounce sold multiply with PGM ounces sold multiply average exchange rate achieved divided by 1,000 plus allocated marketing and market development costs
Average price for PGM ounces achieved per asset	All in sustaining costs per PGM ounce sold plus all in sustaining cost margin per PGM ounce sold
PGM ounces produced per employee	M&C ounces devided by working cost employees

Five-year review

R millions	2021	2020	2019	2018	2017
Statement of comprehensive income					
Gross sales revenue[1]	214,580	107,785	99,571	74,582	65,688
Commissions paid	(12)	(14)	(20)	—	(18)
Net sales revenue	214,568	107,771	99,551	74,582	65,670
Cost of sales[1]	(109,456)	(68,048)	(72,737)	(63,286)	(56,578)
Cash operating costs	(40,123)	(33,421)	(33,612)	(30,550)	(30,642)
On-mine costs	(29,548)	(25,160)	(25,624)	(23,278)	(24,109)
Smelting costs	(5,762)	(4,451)	(4,159)	(3,695)	(3,363)
Treatment and refining costs	(4,813)	(3,810)	(3,829)	(3,577)	(3,170)
Purchased metals[1]	(46,091)	(47,545)	(30,384)	(29,212)	(20,763)
Depreciation of operating assets	(4,790)	(4,390)	(4,441)	(4,140)	(4,074)
(Decrease)/increase in metal inventories	(6,646)	22,481	910	3,591	515
(Decrease)/increase in ore stockpiles	(254)	482	(137)	466	1,761
Other costs	(11,552)	(5,655)	(5,073)	(3,441)	(3,375)
Gross profit on metal sales	105,112	39,723	26,814	11,296	9,092
Other net (expenditure)/income	(1,531)	(1,711)	(388)	342	(6)
Market development and promotional expenditure	(966)	(871)	(788)	(796)	(813)
Insurance proceeds realised on loss of assets	—	(354)	(21)	(468)	—
Adjusted operating profit	102,615	36,787	25,617	10,375	8,273
Profit/(loss) from associates (pre taxation)	952	340	(108)	(40)	(381)
Adjusted EBIT	103,567	37,127	25,509	10,335	7,892
Amortisation and depreciation (add back)	4,871	4,456	4,441	4,168	4,093
Adjusted EBITDA	108,438	41,583	29,950	14,503	11,985
Other operating net expense	(127)	(725)	(4,645)	(4,784)	(8,464)
Profit before taxation (adjusted for taxation on associates)	108,311	40,858	25,305	9,719	3,521
Taxation (including taxation on associates earnings)	(29,290)	(10,455)	(6,736)	(2,640)	(1,597)
Profit for the year	79,021	30,403	18,569	7,079	1,924
Basic earnings attributable to ordinary shareholders	78,978	30,342	18,497	6,903	1,944
Headline earnings attributable to ordinary shareholders	79,026	30,346	18,603	7,588	3,886
Notes:					
Associate earnings					
Gain/(loss) from associates (pre taxation)	952	340	(108)	(40)	(381)
Tax on associates	—	—	—	—	19
Gain/(loss) on associates post taxation (net of taxation)	952	340	(108)	(40)	(362)

[1] *Restated refer to note 20.*

Group performance data continued

for the year ended 31 December 2021

Five-year review

R millions	2021	2020	2019	2018	2017
Reconciliation of profit before tax to adjusted EBITDA					
Profit/(loss) before taxation (adjusted for taxation on associates)	**108,311**	40,858	25,305	9,719	3,521
Adjusted for:					
Remeasurement of loans and receivables[1]	**109**	125	—	—	—
Loss on scrapping of property, plant and equipment	**27**	476	—	—	—
Loss on revaluation of investment in Wesizwe Platinum Limited	**—**	—	173	21.45	1,699
Impairment of investments in associates	**—**	—	—	1,138	2,145
Impairment of non-current financial assets[1]	**—**	—	77	234	777
Loss on disposal of Union Mine and Masa Chrome	**—**	—	—	850	—
Insurance proceeds realised on loss of assets[1]	**(46)**	(354)	(21)	(468)	—
Gain on step acquistion of Mototolo JV	**—**	—	—	(396)	—
Profit on disposal of Platinum Group Metals Investment Programme	**—**	—	—	(249)	—
Profit on disposal of long-dated resources	**—**	—	—	—	(1,066)
Profit on disposal of plant, equipment and conversion rights	**(7)**	(65)	—	—	—
Profit on disposal of associates	**—**	—	—	(15)	(135)
Net investment expense/(income)[1]	**(4,827)**	(3,913)	(25)	(500)	951
Amortisation and depreciation	**4,871**	4,456	4,441	4,168	4,093
Adjusted EBITDA	**108,438**	41,583	29,950	14,503	11,985
Statement of financial position					
Assets					
Property, plant and equipment	**52,167**	46,139	43,504	39,708	36,597
Capital work-in-progress	**14,319**	10,989	8,501	7,780	5,361
Other financial assets	**6,468**	7,716	2,558	4,109	3,507
Investment in associates	**1,963**	908	413	407	2,464
Inventory	**1,147**	1,147	1,006	650	—
Investments held by environmental trusts	**967**	829	798	1,183	970
Goodwill	**397**	397	397	397	—
Other non-current assets	**—**	—	—	18	39
Deferred taxation	**53**	51	—	—	—
Current assets	**102,668**	76,201	46,843	35,138	31,318
Non-current assets held for sale	**—**	—	—	—	558
Total assets	**180,149**	144,377	104,020	89,390	80,814
Equity and liabilities					
Shareholder's equity	**102,350**	78,534	60,842	47,428	41,001
Deferred taxation	**15,648**	13,141	11,120	8,238	7,455
Other financial liabilities	**2,943**	3,536	924	762	239
Environmental obligations	**2,318**	1,824	1,898	1,925	1,693
Obligations due under finance leases	**330**	377	404	100	98
Borrowings	**81**	209	281	6,038	9,362
Employees' service benefit obligations	**11**	23	19	15	17
Current liabilities	**56,468**	46,733	28,532	24,884	20,374
Liabilities associated with non-current assets held for sale	**—**	—	—		575
Total equity and liabilities	**180,149**	144,377	104,020	89,390	80,814

[1] *Restated refer to note 20.*

R millions	2021	2020	2019	2018	2017
Statement of cash flows					
Net cash from operating activities	**96,486**	23,200	28,438	15,580	13,121
Net cash used in investing activities	**(9,836)**	(5,577)	(8,114)	(8,214)	(7,118)
Purchase of property, plant and equipment (including interest capitalised)	**(13,631)**	(9,471)	(8,600)	(6,964)	(4,969)
Other	**3,795**	3,894	486	(1,250)	(2,149)
Net cash from/(used in) financing activities	**(57,811)**	(14,945)	(11,308)	(7,168)	(2,103)
Proceeds from/(repayment of) interest-bearing borrowings	**(125)**	(66)	(5,793)	(4,889)	(1,659)
Cash dividend paid	**(55,718)**	(13,779)	(4,921)	(1,922)	—
Other	**(1,968)**	(1,100)	(594)	(357)	(444)
Net increase/(decrease) in cash and cash equivalents	**28,839**	2,678	9,015	198	3,900
Cash and cash equivalents at beginning of year	**19,991**	18,546	9,541	9,357	5,457
Foreign exchange differences on cash and cash equivalents	**2,653**	(1,227)	(10)	(14)	—
Decrease in cash and cash equivalents due to RA Gilbert disposal	**—**	(6)	—	—	—
Cash and cash equivalents at end of year	**51,483**	19,991	18,546	9,541	9,357
Ratio analysis					
Gross profit margin %[1]	**49**	37	27	15	14
Adjusted operating profit as a % of average operating assets	**105**	44	38	17	14
Return on average shareholders' equity (%)	**87**	44	34	16	5
Return on average capital employed (%) (ROCE)	**183**	72	58	24	18
Return on average attributable capital employed (%)	**242**	88	66	27	19
Current ratio	**1.8:1**	1.6:1	1.6:1	1.4:1	1.5:1
Gearing ratio (net debt to total capital) (%)[2]	**N/A**	N/A	N/A	N/A	4.3
Interest cover – EBITDA	**438.0**	102.7	57.6	15.7	9.8
Debt coverage ratio	**203.6**	37.3	36.2	2.9	1.4
Interest-bearing debt to shareholders' equity (%)	**0.6**	1.1	1.5	13.2	27.3
Net asset value as a % of market capitalisation	**21.3**	20.6	17.3	32.8	43.2
Effective tax rate (%)	**27.0**	25.6	26.6	27.2	45.6
Share performance					
Number of ordinary shares in issue (millions)[3]	**263.2**	262.7	262.5	262.4	262.2
Weighted average number of ordinary shares in issue (millions)[3]	**263.1**	262.6	262.5	262.3	262.2
Headline earnings per ordinary share (cents)	**30,042**	11,554	7,087	2,893	1,482
Dividends per share (Rands)	**300.00**	45.58	52.60	11.25	3.49
Interim	**175.00**	10.23	11.00	3.74	—
Final	**125.00**	35.35	41.60	7.51	3.49
Market capitalisation (R millions)	**480,640**	381,145	351,447	144,544	94,911
Net asset value per ordinary share	**386.9**	297.4	226.3	176.5	152.7
Number of ordinary shares traded (millions)	**66.0**	81.4	70.7	64.2	82.1
Highest price traded (cents)	**224,087**	145,403	139,353	54,650	42,000
Lowest price traded (cents)	**126,752**	44,287	52,786	30,500	26,512
Closing price (cents)	**181,677**	144,315	130,733	53,793	35,346
Value traded (R millions)	**113,939**	88,862	60,753	25,755	26,974

1 *Restated refer to note 20.*

2 *As cash and cash equivalents exceeds gross debt for the reporting periods, a gearing ratio is not applicable.*

3 *Net of 735,020 (2020: 1,185,745) shares held in respect of the Group's share scheme, and the 1,400,685 (2020: 1,400,685) shares issued as part of the community economic empowerment transaction.*

Group performance data continued

for the year ended 31 December 2021

Salient features

		2021	2020	2019	2018	2017
Average market prices achieved						
Platinum	US$/oz	**1,083**	880	861	870	947
Palladium	US$/oz	**2,439**	2,214	1,520	1,033	876
Rhodium	US$/oz	**19,613**	10,628	3,810	2,204	1,094
Iridium	US$/oz	**4,765**	1,579	1,462	1,207	864
Ruthenium	US$/oz	**433**	243	238	238	72
Gold	US$/oz	**1,788**	1,754	1,416	1,262	1,253
Nickel	US$/tonne	**18,472**	14,250	14,050	12,972	10,314
Copper	US$/tonne	**9,248**	6,182	5,949	6,424	6,221
Chrome	US$/tonne	**122**	107	121	178	177
% contribution of net revenue						
PGMs	%	**96.1**	95.6	92.6	89.9	88.8
Platinum	%	**18.6**	17.3	28.7	39.2	48.1
Palladium	%	**28.5**	41.8	39.9	30.3	28.0
Rhodium	%	**42.7**	31.7	18.0	12.6	6.5
Iridium	%	**3.1**	1.9	2.2	2.0	2.1
Ruthenium	%	**2.0**	1.2	1.4	3.3	1.2
Gold	%	**1.2**	1.8	2.5	2.5	3.0
Nickel	%	**2.5**	2.5	4.5	5.6	5.4
Copper	%	**0.7**	0.8	1.2	1.7	2.0
Chrome	%	**0.5**	1.0	1.4	2.5	3.3
Other metals	%	**0.2**	0.2	0.3	0.4	0.5
Exchange rates						
Average achieved on sales	ZAR/US$	**14.71**	16.34	14.50	13.33	13.33
Average achieved total	ZAR/US$	**14.79**	16.47	14.45	13.24	13.31
Closing exchange rate at end of period	ZAR/US$	**15.96**	14.69	14.03	14.38	12.31
Basket prices achieved – excluding trading						
Platinum – Dollar basket price	US$/Pt oz	**6,082**	4,885	2,819	2,219	1,966
PGM – Dollar basket price	US$/PGM oz	**2,761**	2,035	1,347	1,030	915
PGM – Dollar basket price – Mined volume	US$/PGM oz	**2,832**	2,118	1,401	1,097	972
PGM – Dollar basket price – Purchased volume	US$/PGM oz	**2,635**	1,840	1,251	948	835
Platinum – Rand basket price	Rand/Pt oz	**89,233**	79,961	40,862	29,601	26,213
PGM – Rand basket price	Rand/PGM oz	**40,511**	33,320	19,534	13,734	12,198
PGM – Rand basket price – Mined volume	Rand/PGM oz	**41,645**	34,603	20,310	14,622	12,965
PGM – Rand basket price – Purchased volume	Rand/PGM oz	**38,756**	30,061	18,147	12,639	11,139
Total PGM ounces sold – excluding trading		**5,214.4**	2,868.6	4,633.7	5,224.9	5,382.3
Platinum	000 ounces	**2,367.3**	1,195.3	2,215.1	2,424.2	2,504.6
Palladium	000 ounces	**1,589.5**	903.2	1,520.7	1,513.1	1,571.7
Other PGMs+Gold	000 ounces	**1,257.6**	770.0	897.8	1,287.7	1,305.9
Total PGM ounces sold – trading		**770.6**	1,171.0	349.0	223.1	—
Platinum	000 ounces	**409.4**	427.5	46.1	94.0	—
Palladium	000 ounces	**318.3**	679.7	262.2	124.5	—
Rhodium	000 ounces	**30.7**	52.9	20.3	—	—
Other PGM's + Gold	000 ounces	**12.2**	10.9	20.5	4.6	—
Costs and unit costs - excluding trading						
On-mine costs	R million	**29,802**	24,678	24,767	22,812	22,379
On-mine cost/tonne milled	R/tonne	**1,057**	993	856	807	754
On-mine cost/tonne milled	$/tonne	**71**	60	59	61	57
Cash operating costs for unit costs	R million	**36,676**	30,018	30,285	28,036	26,650
Cash operating costs for unit costs	$ million	**2,480**	1,823	2,096	2,117	2,003
Cash operating cost per PGM ounce produced	R/PGM oz	**12,831**	11,739	10,189	9,685	8,946
Cash operating cost per PGM ounce produced	$/PGM oz	**868**	713	705	731	672
Cash operating costs	R million	**85,666**	68,482	55,507	56,783	49,479
Cash operating costs	$ million	**5,793**	4,159	3,841	4,287	3,718

		2021	2020	2019	2018	2017
Costs and unit costs - excluding trading						
Movement in metal inventory	R million	6,646	(22,104)	(910)	(3,591)	(515)
Purchase of ore – Mined	R million	—	—	625	—	—
Other costs	R million	3,509	2,031	1,971	1,691	1,686
Exploration, studies, research and carbon tax	R million	551	382	408	361	370
Royalty expense	R million	6,904	2,607	2,104	685	653
Other Income and expenses	R million	2,741	3,116	1,378	490	701
Chrome operating costs	R million	756	786	804	835	930
Profit and loss from associates	R million	(952)	(340)	108	40	381
Total operating costs	R million	105,820	54,960	61,994	57,295	53,685
Mining and concentrating amortisation	R million	4,354	3,967	4,024	3,718	3,673
Chrome plant amortisation	R million	98	97	35	34	37
Purchase of concentrate allocated amortisation	R million	420	393	383	417	383
Financials – excluding trading						
Net sales revenue	R million	213,431	95,919	91,697	71,790	65,670
from platinum	R million	37,872	17,160	27,625	28,108	31,590
from palladium	R million	56,804	33,234	33,486	20,934	18,421
from rhodium	R million	92,891	32,932	16,556	9,401	4,242
from other PGMs and gold	R million	14,655	6,402	5,572	5,757	4,090
from base and other metals	R million	9,912	4,879	7,088	5,734	5,171
from chrome	R million	1,297	1,311	1,370	1,855	2,157
Adjusted EBITDA	R million	107,611	40,960	29,703	14,495	11,985
Adjusted EBITDA margin	%	50	43	32	20	18
Adjusted EBIT	R million	102,740	36,503	25,262	10,327	7,892
ROCE	%	182	71	57	24	18
Stay-in-business capital	R million	7,323	4,937	4,875	4,189	3,336
Capitalised waste stripping	R million	3,042	2,540	2,062	1,548	784
Chrome economic Interest	R million	97	126	106	245	440
Economic interest associates	R million	(215)	(167)	(154)	203	(258)
Attributable economic free cash flow	R million	102,795	10,248	18,258	4,736	5,095
Replacement capital	R million	415	286	384	100	67
Breakthrough capital	R million	1,400	926	390	—	—
Project capital	R million	1,327	576	357	882	557
Chrome economic interest adjustment for project capital	R million	(12)	(20)	(44)	(102)	—
Attributable cash flow	R million	99,664	8,480	17,170	3,856	4,471
Reconciling items for AISC and economic free cash flow						
Allocated marketing and market development costs	R million	966	874	788	796	814
Ore stockpile costs	R million	254	(483)	138	(466)	(1,761)
Other amortisation	R million	81	66	—	29	20
Other non-cash costs	R million	(6)	51	(97)	65	(158)
Restructuring costs	R million	127	151	—	16	11
Covid-19 expenses	R million	634	528	—	—	—
Foreign currency gains and losses	R million	86	684	—	—	—
Sibanye POC creditor settlement	R million	—	—	(3,487)	—	—
Headcount as at period end						
Total employees (AAP own and contractors excluding JVs)		25,538	25,634	25,268	24,789	28,692
Own enrolled		22,737	22,880	22,960	22,845	26,453
Contractors		2,801	2,754	2,308	1,944	2,239
PGM ounces produced per employee[1]	per annum	108.7	97.2	114.1	94.1	96.7

[1] *Prior years restated to only inlcude mining working cost employees as defined in the glossary.*

Group performance data continued

for the year ended 31 December 2021

Gross profit on metal sales and EBITDA

	2021			
	Mined	POC	Trading	Total
Net sales revenue	143,334	70,098	1,136	214,568
Cost of sales	(54,601)	(54,545)	(310)	(109,456)
Cash operating costs	(36,915)	(3,197)	(11)	(40,123)
– On-mine	(29,548)	—	—	(29,548)
– Smelting	(3,960)	(1,802)	—	(5,762)
– Treatment and refining	(3,407)	(1,395)	(11)	(4,813)
Depreciation	(4,452)	(420)	—	(4,871)
– On-mine	(3,409)	—	—	(3,409)
– Smelting	(652)	(291)	—	(942)
– Treatment and refining	(337)	(103)	—	(439)
– Other costs	(54)	(26)	—	(81)
Purchase of metals and leasing activities	10	(45,803)	(299)	(46,091)
Decrease in metal inventories	(1,806)	(4,840)	—	(6,646)
Decrease in ore stockpiles	(254)	—	—	(254)
Other costs	(11,185)	(286)	—	(11,471)
Gross profit on metal sales	88,733	15,553	826	105,112
Gross profit margin %	62	22	73	49
Add back depreciation	4,452	420	—	4,871
Other income and expenses	(693)	9	—	(683)
Profit on associates	952	—	—	952
Operating EBITDA	93,443	15,982	826	110,251
Operating EBITDA margin %	65	23	73	51
Marketing development and promotional expenditure	(649)	(317)	—	(966)
Restructuring	(127)	—	—	(127)
COVID-19 costs	(634)	—	—	(634)
Foreign currency losses	(86)	—	—	(86)
Adjusted EBITDA	91,947	15,665	826	108,438
Adjusted EBITDA margin %	64	22	73	51

	2020 Mined	POC	Trading	Total
Net sales revenue[1]	66,298	29,621	11,852	107,771
Cost of sales[1]	(33,802)	(23,019)	(11,228)	(68,048)
Cash operating costs	(30,897)	(2,524)	—	(33,421)
– On-mine	(25,160)	—	—	(25,160)
– Smelting	(3,112)	(1,339)	—	(4,450)
– Treatment and refining	(2,625)	(1,185)	—	(3,810)
Depreciation	(4,063)	(393)	—	(4,456)
– On-mine	(2,969)	—	—	(2,969)
– Smelting	(541)	(206)	—	(747)
– Treatment and refining	(505)	(170)	—	(674)
– Other costs	(49)	(17)	—	(66)
Purchase of metals and leasing activities	(32)	(35,908)	(11,228)	(47,168)
Increase in metal inventories	6,114	15,990	—	22,104
Increase in ore stockpiles	483	—	—	483
Other costs	(5,405)	(185)	—	(5,589)
Gross profit on metal sales[1]	32,497	6,602	624	39,723
Gross profit margin %	49	22	5	37
Add back depreciation	4,063	393	—	4,456
Other income and expenses	(664)	(35)	—	(699)
Profit on associates	340	—	—	340
Operating EBITDA	36,237	6,960	624	43,820
Operating EBITDA margin %	55	23	5	41
Marketing development and promotional expenditure	(604)	(270)	—	(874)
Restructuring	(151)	—	—	(151)
Covid-19 costs	(528)	—	—	(528)
Foreign currency losses	(684)	—	—	(684)
Adjusted EBITDA	34,270	6,690	624	41,583
Adjusted EBITDA margin %	52	23	5	39

[1] Restated refer to note 20.

Group performance data continued

for the year ended 31 December 2021

Refined production

		2021	2020	2019	2018	2017
Total operations						
Refined production from own mined volume						
Total PGMs	000 ounces	**3,450.9**	1,832.1	3,037.3	2,696.1	2,975.5
Platinum	000 ounces	**1,567.7**	794.8	1,410.8	1,292.4	1,419.5
Palladium	000 ounces	**1,227.7**	690.0	1,074.6	950.9	1,035.3
Rhodium	000 ounces	**227.0**	112.8	179.4	151.9	179.8
Other metals	000 ounces	**428.5**	234.5	372.5	300.9	340.9
Nickel	000 tonnes	**17.1**	10.3	16.4	16.7	18.9
Copper	000 tonnes	**11.5**	8.2	11.6	11.1	12.1
Chrome tonnes (100%)	000 tonnes	**892.6**	785.8	908.7	859.0	978.8
Refined production from purchased volume						
Total PGMs	000 ounces	**1,687.5**	881.0	1,612.7	2,088.8	2,140.7
Platinum	000 ounces	**832.2**	406.2	800.1	1,109.9	1,092.4
Palladium	000 ounces	**399.8**	215.3	405.9	550.9	633.1
Rhodium	000 ounces	**122.3**	61.1	114.1	140.9	143.4
Other PGMs	000 ounces	**333.2**	198.3	292.6	287.0	271.8
Nickel	000 tonnes	**5.2**	3.6	6.6	6.4	7.1
Copper	000 tonnes	**3.1**	2.2	2.6	3.2	3.6
Total refined production owned						
Total PGMs	000 ounces	**5,138.4**	2,713.1	4,650.0	4,784.9	5,116.2
Platinum	000 ounces	**2,399.9**	1,201.0	2,210.9	2,402.4	2,511.9
Palladium	000 ounces	**1,627.5**	905.3	1,480.5	1,501.8	1,668.5
Rhodium	000 ounces	**349.3**	173.9	293.4	292.8	323.2
Other metals	000 ounces	**761.7**	432.8	665.1	587.9	612.7
Nickel	000 tonnes	**21.2**	13.9	23.0	23.1	26.0
Copper	000 tonnes	**14.0**	10.4	14.2	14.3	15.7
Chrome tonnes (100%)	000 tonnes	**892.6**	785.8	908.7	859.0	978.8
Total refined production metal split						
Platinum	%	**46.7**	44.3	47.5	50.2	49.1
Palladium	%	**31.7**	33.4	31.8	31.4	32.6
Rhodium	%	**6.8**	6.4	6.3	6.1	6.3
Other PGMs	%	**14.8**	16.0	14.3	12.3	12.0
Base metals						
Nickel	%	**59.3**	56.5	60.7	60.6	61.1
Copper	%	**39.1**	42.2	37.5	37.5	36.9
Other base metals	%	**1.6**	1.3	1.8	1.9	2.0

		2021	2020	2019	2018	2017
Platinum pipeline calculation						
Own mined M&C ounces	000 ounces	**1,107.3**	998.2	1,172.5	1,052.8	1,130.9
Joint operations mined M&C ounces	000 ounces	**189.0**	152.5	205.8	270.7	245.3
Total purchase of concentrate M&C ounces	000 ounces	**690.2**	612.0	672.4	1,161.0	1,021.2
Total platinum ounces M&C	000 ounces	**1,986.6**	1,762.7	2,050.6	2,484.6	2,397.5
Pipeline stock adjustment	000 oz	**—**		83.3	26.3	77.2
Pipeline movement	000 oz	**413.3**	(561.7)	77.0	(108.5)	37.2
Refined platinum production	000 oz	**2,399.9**	1,201.0	2,210.9	2,402.4	2,511.9
Toll refined production						
Total PGMs	000 ounces	**673.7**	503.5	501.0	—	—
Platinum	000 ounces	**403.3**	301.9	303.2	—	—
Palladium	000 ounces	**205.9**	152.2	154.4	—	—
Rhodium	000 ounces	**52.6**	40.5	30.8	—	—
Other metals	000 ounces	**11.9**	8.9	12.6	—	—
Refined production including toll refining						
Total PGMs	000 ounces	**5,812.1**	3,216.6	5,151.0	4,784.9	5,116.2
Platinum	000 ounces	**2,803.2**	1,502.9	2,514.2	2,402.4	2,511.9
Palladium	000 ounces	**1,833.4**	1,057.5	1,634.9	1,501.8	1,668.5
Rhodium	000 ounces	**401.9**	214.4	324.2	292.8	323.2
Other metals	000 ounces	**773.6**	441.7	677.7	587.9	612.7

Group performance data continued

for the year ended 31 December 2021

Total mined volume

(All statistics represent attributable contribution for mined production i.e. excluding POC and trading)

		2021	2020	2019	2018	2017
Production						
Development metres	km	**46.3**	42.0	52.5	51.2	67.7
Immediately available ore reserves	months	**38.8**	35.4	43.0	39.8	34.3
Square metres	000 m²	**2,000**	1,691	2,108	1,992	2,222
Tonnes milled	000 tonnes	**28,205**	24,851	28,932	28,260	29,698
Ore purchased	000 tonnes	**—**	—	300	—	—
Surface tonnes	000 tonnes	**14,979**	13,866	15,070	15,305	15,548
Underground tonnes	000 tonnes	**13,226**	10,985	13,562	12,955	14,150
UG2 tonnes milled to total Merensky and UG2	%	**99.4**	98.7	97.1	96.5	92.7
Built-up head grade	4E g/tonne	**3.50**	3.56	3.62	3.48	3.46
Surface tonnes	4E g/tonne	**3.20**	3.29	3.36	3.09	2.92
Merensky Underground tonnes	4E g/tonne	**4.06**	5.57	5.01	5.56	4.81
UG2 Underground tonnes	4E g/tonne	**3.90**	3.94	3.96	3.97	4.05
Total production (M&C)						
PGMs	000 ounces	**2,858.3**	2,557.1	3,011.2	2,894.6	2,979.1
Platinum	000 ounces	**1,296.3**	1,154.0	1,378.2	1,323.5	1,376.2
Palladium	000 ounces	**1,015.9**	930.8	1,049.2	1,013.6	1,008.7
Rhodium	000 ounces	**174.2**	150.3	186.0	177.9	190.0
Iridium	000 ounces	**58.6**	50.5	63.0	59.6	64.6
Ruthenium	000 ounces	**236.6**	198.5	252.1	241.4	262.6
Gold	000 ounces	**76.7**	73.0	82.7	78.5	77.0
Nickel	tonnes	**19,815**	19,812	20,677	20,488	20,607
Copper	tonnes	**12,606**	12,932	13,517	13,336	13,516
Chrome	000 tonnes	**893**	786	909	859	979
PGM sale of concentrate (Kroondal)	000 ounces	**—**	8.2	—	—	—
PGM purchase of ore (Amandelbult)	000 ounces	**—**	—	39.0	—	—
Total PGM ounces refined	000 ounces	**3,429.2**	1,832.1	3,037.3	2,696.1	2,975.5
Platinum	000 ounces	**1,566.8**	794.8	1,410.8	1,292.4	1,419.5
Palladium	000 ounces	**1,227.3**	690.0	1,074.6	950.9	1,035.3
Other PGMs+Gold	000 ounces	**635.1**	347.3	551.8	452.8	520.7
Total PGM ounces sold		**3,441.8**	1,915.9	3,002.8	2,901.2	3,130.6
Platinum	000 ounces	**1,545.8**	792.4	1,401.6	1,304.6	1,422.3
Palladium	000 ounces	**1,199.6**	688.5	1,092.3	959.7	998.3
Other PGMs+Gold	000 ounces	**696.4**	435.0	509.0	636.9	709.9
Working cost employees	average	**26,293**	26,320	26,391	30,776	30,794
PGM ounces produced per employee[1]	per annum	**108.7**	97.2	114.1	94.1	96.7
Total employees	average	**26,637**	26,680	26,678	30,965	31,004
Costs and unit costs						
On-mine costs[2]	R million	**29,802**	24,678	24,767	22,812	22,379
On-mine cost/tonne milled	R/tonne	**1,057**	993	856	807	754
On-mine cost/tonne milled	$/tonne	**71**	60	59	61	57
Cash operating costs[2]	R million	**36,676**	30,018	30,285	28,036	26,650
Cash operating costs[2]	$ million	**2,480**	1,823	2,096	2,117	2,003
Cash operating cost per PGM ounce produced	R/PGM oz	**12,831**	11,739	10,189	9,685	8,946
Cash operating cost per PGM ounce produced	$/PGM oz	**868**	713	705	731	672
Movement in metal inventory	R million	**1,806**	(6,114)	(1,751)	(1,144)	(354)
Purchase of ore	R million	**—**	—	625	—	—
Other costs[3]	R million	**3,279**	1,912	1,826	1,565	1,563

		2021	2020	2019	2018	2017
Costs and unit costs						
Exploration, studies, research and carbon tax	R million	524	353	382	337	338
Royalty expense	R million	6,874	2,571	2,070	629	603
Other income and expenses	R million	927	876	542	(300)	(24)
Chrome operating costs	R million	756	786	804	835	930
(Profit)/loss from associates	R million	(952)	(340)	108	40	381
Total operating costs	R million	49,890	30,062	34,890	29,998	30,087
Mining and concentrating amortisation4	R million	4,354	3,967	4,024	3,718	3,673
Chrome plant amortisation	R million	98	97	35	34	37
Financials						
Rand basket price per PGM oz sold	R/PGM oz	41,645	34,603	20,310	14,622	12,965
Dollar basket price per PGM oz sold	$/PGM oz	2,832	2,118	1,401	1,097	972
Rand basket price per Pt oz sold	R/Pt oz	92,726	83,666	43,515	32,517	28,537
Dollar basket price per Pt oz sold	$/Pt oz	6,305	5,121	3,001	2,439	2,140
Net sales revenue	R million	143,334	66,298	60,989	42,422	40,588
from platinum	R million	24,737	11,335	17,520	15,128	17,938
from palladium	R million	42,905	25,355	24,153	13,267	11,721
from rhodium	R million	59,823	21,428	10,143	4,860	2,394
from other PGMs and gold	R million	8,165	3,911	3,475	3,110	2,494
from base and other metals	R million	6,407	2,959	4,329	4,203	3,792
from chrome	R million	1,297	1,311	1,370	1,855	2,249
Adjusted EBITDA	R million	93,443	36,237	26,099	12,424	10,501
Adjusted EBITDA margin	%	65	55	43	29	26
Adjusted EBIT	R million	88,991	32,173	22,041	8,672	6,791
ROCE	%	184	66	51	21	17
Stay-in-business capital – on mine	R million	6,914	5,376	4,921	3,926	2,981
Stay-in-business capital – chrome	R million	—	24	37	38	6
Stay-in-business capital – allocated	R million	2,433	1,472	1,495	1,194	801
Chrome economic interest	R million	97	126	106	240	442
Attributable economic free cash flow	R million	85,049	22,280	17,976	5,474	4,431
Replacement capital – on mine	R million	415	286	384	100	67
Breakthrough capital – on mine	R million	1,355	859	382	—	—
Breakthrough capital – chrome	R million	46	68	8	—	—
Project capital – on mine	R million	826	320	73	125	241
Project capital – chrome	R million	—	11	160	390	—
Project capital – allocated	R million	373	186	95	366	316
Chrome economic interest adjustment for project capital	R million	(12)	(20)	(44)	(102)	—
Attributable cash flow	R million	82,046	20,571	16,916	4,594	3,807
All in sustaining costs (net of revenue credits other than PGMs)	$ million	3,484	2,470	2,609	2,352	2,296
All in sustaining costs per PGM ounce sold	$ / PGM oz	1,012	1,289	869	811	734
All in sustaining costs margin per PGM ounce sold	$ / PGM oz	1,667	693	401	129	94
Reconciling items for AISC and economic free cash flow						
Allocated marketing and market development costs	R million	649	604	524	471	503
Ore stockpile costs	R million	254	(483)	138	(466)	(1,761)
Other amortisation	R million	54	49	—	17	12
Other non-cash costs	R million	(3)	26	(59)	36	(93)

[1] *Prior years restated to only inlcude mining working cost employees as defined in the glossary.*

[2] *Includes ore stockpile costs.*

[3] *Excludes other amortisation.*

[4] *Includes other amortisation.*

Group performance data continued

for the year ended 31 December 2021

Total purchased volume

(All statistics represent attributable contribution for purchased production)

		2021	2020	2019	2018	2017
Total purchased production (M&C)						
PGMs	000 ounces	**1,440.4**	1,259.9	1,429.6	2,292.0	2,028.6
Platinum	000 ounces	**690.2**	612.0	672.4	1,161.0	1,021.2
Palladium	000 ounces	**336.8**	293.1	336.7	597.3	548.6
Rhodium	000 ounces	**96.4**	83.8	98.0	168.6	142.4
Iridium	000 ounces	**55.0**	46.5	56.4	60.5	50.7
Ruthenium	000 ounces	**242.6**	206.7	249.0	269.9	229.9
Gold	000 ounces	**19.4**	18.0	17.0	34.7	35.7
Nickel	tonnes	**6,187**	5,765	8,881	8,137	8,267
Copper	tonnes	**3,498**	3,264	3,523	3,759	4,086
Total PGM ounces refined		**1,687.5**	881.0	1,612.7	2,080.5	2,061.9
Platinum	000 ounces	**832.2**	406.2	800.1	1,109.9	1,075.5
Palladium	000 ounces	**399.8**	215.3	405.9	550.9	587.7
Other PGMs+Gold	000 ounces	**455.5**	259.5	406.7	419.7	398.7
Total PGM ounces sold		**1,772.6**	952.6	1,630.8	2,323.7	2,251.7
Platinum	000 ounces	**821.5**	402.9	813.5	1,119.6	1,082.3
Palladium	000 ounces	**389.9**	214.7	428.5	553.4	573.4
Other PGMs+Gold	000 ounces	**561.2**	335.0	388.8	650.7	596.0
Costs and unit costs						
Purchase of concentrate costs[1]	R million	**45,793**	35,940	22,874	26,362	20,921
Cash operating costs[1]	R million	**48,990**	38,464	25,222	28,747	22,828
Cash operating costs[1]	$ million	**3,313**	2,336	1,745	2,171	1,715
Movement in metal inventory	R million	**4,840**	(15,990)	840	(2,446)	(161)
Other costs[2]	R million	**260**	158	182	156	157
Exploration, studies, research and carbon tax	R million	**26**	26	23	21	29
Royalty expense	R million	**—**	—	—	—	—
Other income and expenses	R million	**1**	3	49	6	(80)
Total operating costs	R million	**54,116**	22,661	26,316	26,484	22,774
Allocated amortisation[3]	R million	**420**	393	383	417	383

		2021	2020	2019	2018	2017
Financials						
Rand basket price per PGM oz sold	R/PGM oz	38,756	30,061	18,147	12,639	11,139
Dollar basket price per PGM oz sold	$/PGM oz	2,635	1,840	1,251	948	835
Rand basket price per Pt oz sold	R/Pt oz	83,627	71,076	36,378	26,232	23,174
Dollar basket price per Pt oz sold	$/Pt oz	5,687	4,351	2,509	1,967	1,738
Net sales revenue	R million	70,098	29,621	30,708	29,368	25,082
from platinum	R million	13,135	5,826	10,106	12,981	13,653
from palladium	R million	13,899	7,879	9,332	7,668	6,699
from rhodium	R million	33,068	11,505	6,413	4,541	1,848
from other PGMs and gold	R million	6,490	2,492	2,098	2,647	1,595
from base and other metals	R million	3,506	1,920	2,760	1,531	1,379
from chrome	R million	—	—	—	—	(92)
Adjusted EBITDA	R million	15,982	6,960	4,392	2,884	2,309
Adjusted EBITDA margin	%	23	23	14	10	9
Adjusted EBIT	R million	15,562	6,567	4,009	2,467	1,926
ROCE	%	910	317	560	71	31
Stay-in-business capital – allocated	R million	1,019	605	483	579	332
Economic interest associates	R million	(215)	(167)	(154)	199	(214)
Attributable economic free cash flow	R million	19,559	(9,795)	1,070	75	1,530
Project capital – allocated	R million	128	59	28	—	—
Attributable cash flow	R million	19,431	(9,854)	1,041	75	1,530
Reconciling items for AISC and economic free cash flow						
Allocated marketing and market development costs	R million	317	270	264	326	311
Other amortisation	R million	26	17	—	12	8
Other non-cash costs	R million	(3)	26	(38)	28	(65)
Sibanye POC creditor settlement	R million	—	—	(3,487)		
Toll refining activity						
Total PGM ounces refined		673.7	503.5	501.0		
Platinum	000 ounces	403.3	301.9	303.2		
Palladium	000 ounces	205.9	152.2	154.4		
Other PGMs+Gold	000 ounces	64.5	49.4	43.4		

[1] *Excludes trading.*
[2] *Excludes other amortisation.*
[3] *Includes other amortisation.*

Group performance data continued

for the year ended 31 December 2021

Mogalakwena Platinum Mine

(100% owned)

		2021	2020	2019	2018	2017
Production						
Metres drilled	000 m	**1,661**	1,626	1,440	1,618	1,416
In-pit ore reserves	months	**27.5**	28.4	31.2	30.6	31.0
Total tonnes mined	000 tonnes	**86,801**	80,870	81,315	89,062	88,328
Waste tonnes mined	000 tonnes	**74,851**	66,821	67,033	71,002	68,639
Ore tonnes mined	000 tonnes	**11,950**	14,050	14,282	18,060	19,689
Waste tonnes mined capitalised	000 tonnes	**49,841**	44,223	40,521	35,899	20,415
Stripping ratio		**6.3**	4.8	4.7	3.9	3.5
Tonnes milled	000 tonnes	**14,203**	13,531	13,710	13,775	13,622
Built-up head grade	4E g/tonne	**3.23**	3.32	3.45	3.20	3.09
Total mined production (M&C)						
PGMs	000 ounces	**1,214.6**	1,181.6	1,215.0	1,170.0	1,098.5
Platinum	000 ounces	**512.1**	500.8	517.5	495.1	463.8
Palladium	000 ounces	**560.7**	545.3	557.9	540.9	508.9
Rhodium	000 ounces	**39.4**	38.3	36.7	35.6	32.4
Iridium	000 ounces	**8.8**	8.1	8.3	7.9	6.8
Ruthenium	000 ounces	**36.3**	33.8	32.9	32.1	29.1
Gold	000 ounces	**57.3**	55.4	61.8	58.4	57.5
Nickel	tonnes	**14,911**	15,482	15,674	15,739	16,022
Copper	tonnes	**9,403**	10,008	10,210	10,105	10,368
Total PGM ounces refined		**1,495.5**	837.5	1,228.5	1,109.6	1,102.3
Platinum	000 ounces	**639.3**	338.3	523.8	486.4	468.4
Palladium	000 ounces	**691.8**	398.1	567.8	508.5	515.7
Other PGMs+Gold	000 ounces	**164.4**	101.1	136.9	114.7	118.2
Total PGM ounces sold		**1,479.1**	839.4	1,221.9	1,146.5	1,094.3
Platinum	000 ounces	**632.8**	336.2	519.2	492.2	466.8
Palladium	000 ounces	**678.3**	394.8	575.5	514.0	494.8
Other PGMs+Gold	000 ounces	**168.0**	108.4	127.2	140.4	132.6
Working cost employees	average	**2,332**	2,194	2,152	2,110	2,181
PGM ounces produced per employee[1]	per annum	**520.8**	538.6	564.6	554.5	503.7
Costs and unit costs						
On-mine costs[2]	R million	**8,058**	6,754	6,802	6,281	4,775
On-mine cost/tonne milled	R/tonne	**567**	499	496	456	351
On-mine cost/tonne milled	$/tonne	**38**	30	34	34	26
Cash operating costs[2]	R million	**12,469**	10,125	9,940	9,171	7,280
Cash operating costs[2]	$ million	**843**	615	688	692	547
Cash operating cost per PGM ounce produced	R/PGM oz	**10,266**	8,569	8,181	7,838	6,628
Cash operating cost per PGM ounce produced	$/PGM oz	**694**	520	566	592	498
Movement in metal inventory	R million	**429**	(1,611)	(294)	(405)	81
Other costs[3]	R million	**1,304**	767	736	754	721
Exploration, studies, research and carbon tax	R million	**225**	161	174	173	162
Royalty expense	R million	**2,812**	1,070	941	308	258
Other income and expenses	R million	**149**	357	(26)	(145)	(83)
Total operating costs	R million	**17,390**	10,869	11,470	9,857	8,419
Amortisation[4]	R million	**2,077**	1,902	1,909	1,924	1,731

		2021	2020	2019	2018	2017
Financials						
Rand basket price per PGM oz sold	R/PGM oz	37,862	33,736	21,152	15,792	14,730
Dollar basket price per PGM oz sold	$/PGM oz	2,575	2,065	1,459	1,184	1,105
Rand basket price per Pt oz sold	R/Pt oz	88,500	84,232	49,782	36,788	34,528
Dollar basket Price per Pt oz sold	$/Pt oz	6,018	5,156	3,433	2,759	2,590
Net sales revenue	R million	56,001	28,317	25,845	18,106	16,118
from platinum	R million	10,146	4,864	6,486	5,704	5,886
from palladium	R million	24,303	14,478	12,712	7,075	5,817
from rhodium	R million	14,226	4,931	1,966	970	398
from other PGMs and gold	R million	2,563	1,610	1,469	1,162	1,125
from base and other metals	R million	4,763	2,433	3,213	3,195	2,892
Adjusted EBITDA	R million	38,612	17,447	14,375	8,249	7,700
Adjusted EBITDA margin	%	69	62	56	46	48
Adjusted EBIT	R million	36,534	15,546	12,466	6,325	5,969
ROCE	%	141	61	55	31	32
Stay-in-business capital – on-mine	R million	2,223	1,399	1,467	1,116	1,007
Stay-in-business capital – allocated	R million	1,377	891	694	648	402
Capitalised waste stripping	R million	3,042	2,540	2,062	1,548	784
Attributable economic free cash flow	R million	32,652	10,806	9,935	4,039	3,977
Replacement capital – on-mine	R million	14	17	16	—	—
Breakthrough capital – on-mine	R million	841	454	112	—	—
Project capital – on-mine	R million	317	77	38	123	221
Project capital – allocated	R million	268	142	54	—	—
Attributable cash flow	R million	31,212	10,117	9,715	3,916	3,756
All in sustaining costs (net of revenue credits other than PGMs)	$ million	1,281	939	891	830	709
All in sustaining costs per PGM ounce sold	$ / PGM oz	866	1,118	729	724	648
All in sustaining costs margin per PGM ounce sold	$ / PGM oz	1,489	769	548	251	259
Reconciling items for AISC and economic free cash flow						
Allocated marketing and market development costs	R million	254	258	222	201	200
Ore stockpile costs	R million	274	(183)	102	(501)	(1,571)
Other amortisation	R million	21	16	—	7	5
Other non-cash costs	R million	—	—	(24)	16	(35)
Sustaining capex	R million	6,656	4,848	4,240	3,313	2,193

[1] *Prior years restated to only inlcude mining working cost employees as defined in the glossary.*

[2] *Includes ore stockpile costs.*

[3] *Excludes other amortisation.*

[4] *Includes other amortisation.*

Group performance data continued

for the year ended 31 December 2021

Amandelbult Platinum Mine

(100% owned)

		2021	2020	2019	2018	2017
Production						
Total development	km	**29.8**	27.9	36.8	35.4	36.9
Immediately available ore reserves	months	**36.7**	33.0	31.0	25.0	27.2
Square metres	000 m²	**718**	589	804	785	781
Tonnes milled	000 tonnes	**5,925**	4,516	7,057	6,961	7,050
Ore purchased	000 tonnes	**—**	—	300	—	—
Surface tonnes	000 tonnes	**776**	329	1,289	1,494	1,490
Underground tonnes	000 tonnes	**5,149**	4,187	5,468	5,468	5,559
UG2 tonnes milled to total Merensky and UG2	%	**98.8**	97.3	94.4	93.2	84.5
Built-up head grade	4E g/tonne	**4.18**	4.26	4.05	3.98	3.86
Surface tonnes	4E g/tonne	**2.69**	2.42	2.48	2.15	1.73
Merensky underground tonnes	4E g/tonne	**4.06**	5.57	5.06	5.56	4.81
UG2 underground tonnes	4E g/tonne	**4.40**	4.38	4.39	4.38	4.24
Total mined production (M&C) including ore purchased						
PGMs	000 ounces	**773.2**	608.1	893.3	868.9	858.0
Platinum	000 ounces	**391.5**	307.0	453.6	442.7	438.0
Palladium	000 ounces	**180.0**	143.2	208.9	205.1	202.5
Rhodium	000 ounces	**70.4**	55.6	81.2	77.3	74.9
Iridium	000 ounces	**25.5**	19.9	29.2	27.5	27.3
Ruthenium	000 ounces	**102.3**	79.4	115.7	111.0	109.8
Gold	000 ounces	**3.5**	3.0	4.8	5.2	5.5
Nickel	tonnes	**969**	803	1,227	1,272	1,367
Copper	tonnes	**381**	332	515	555	624
Chrome (100%)	000 tonnes	**884**	786	909	832	654
Total PGM ounces in ore purchased	000 ounces			39.0		
Platinum	000 ounces			19.8		
Palladium	000 ounces			9.1		
Other PGMs+Gold	000 ounces			10.1		
Total PGM ounces refined		**894.3**	451.2	886.8	811.5	852.4
Platinum	000 ounces	**452.7**	222.6	461.2	439.0	456.3
Palladium	000 ounces	**207.2**	112.7	211.8	197.3	210.1
Other PGMs+Gold	000 ounces	**234.4**	115.8	213.7	175.2	186.0
Total PGM ounces sold		**906.5**	501.3	866.4	915.6	919.5
Platinum	000 ounces	**444.4**	223.8	457.9	445.3	458.5
Palladium	000 ounces	**200.8**	114.9	215.3	200.8	203.6
Other PGMs+Gold	000 ounces	**261.3**	162.6	193.3	269.4	257.4
Working cost employees	average	**14,483**	14,903	15,097	15,296	15,096
PGM ounces produced per employee[1]	per annum	**53.4**	40.8	59.2	56.8	56.8
Total employees	average	**14,815**	15,263	15,353	15,429	15,245
Costs and unit costs						
On-mine costs[2]	R million	**11,766**	9,524	9,620	9,052	8,436
On-mine cost/tonne milled	R/tonne	**1,986**	2,109	1,423	1,300	1,197
On-mine cost/tonne milled	$/tonne	**134**	128	98	98	90
Cash operating costs[2]	R million	**12,884**	10,325	10,810	9,941	9,208
Cash operating costs[2]	$ million	**871**	627	748	751	692
Cash operating cost per PGM ounce produced	R/PGM oz	**16,665**	16,979	12,654	11,441	10,732
Cash operating cost per PGM ounce produced	$/PGM oz	**1,127**	1,031	876	864	806
Movement in metal inventory	R million	**706**	(2,172)	(1,080)	(332)	(286)
Purchased of ore costs	R million			625		

		2021	2020	2019	2018	2017
Costs and unit costs						
Other costs[3]	R million	979	529	515	556	520
Exploration, studies, research and carbon tax	R million	163	101	107	112	102
Royalty expense	R million	2,003	690	612	194	160
Other income and expenses	R million	30	180	(102)	(130)	(49)
Chrome operating costs	R million	746	786	804	817	596
Total operating costs	R million	17,511	10,439	12,293	11,160	10,250
Mining and concentrating amortisation4	R million	817	652	786	728	689
Chrome plant amortisation	R million	98	97	35	34	34
Financials						
Rand basket price per PGM oz sold	R/PGM oz	45,958	36,399	20,110	14,409	12,423
Dollar basket price per PGM oz sold	$/PGM oz	3,125	2,228	1,387	1,081	932
Rand basket price per Pt oz sold	R/Pt oz	93,745	81,551	38,052	29,626	24,913
Dollar basket price per Pt oz sold	$/Pt oz	6,375	4,992	2,624	2,222	1,868
Net sales revenue	R million	41,662	18,248	17,424	13,192	11,423
from platinum	R million	7,094	3,229	5,729	5,165	5,784
from palladium	R million	7,143	4,208	4,776	2,775	2,392
from rhodium	R million	23,126	8,460	4,358	2,176	946
from other PGMs and gold	R million	2,641	1,012	912	980	569
from base and other metals	R million	370	31	283	293	263
from chrome	R million	1,288	1,308	1,366	1,803	1,470
Adjusted EBITDA	R million	24,151	7,809	5,132	2,031	1,173
Adjusted EBITDA margin	%	58	43	29	15	10
Adjusted EBIT	R million	23,237	7,060	4,311	1,269	450
ROCE	%	253	76	50	17	6
Stay-in-business capital – on mine	R million	372	325	424	492	432
Stay-in-business capital – chrome	R million	—	24	37	38	6
Stay-in-business capital – allocated	R million	372	201	219	219	124
Chrome economic interest	R million	97	126	106	233	203
Attributable economic free cash flow	R million	24,022	4,797	3,278	603	91
Replacement capital – on-mine	R million	319	191	318	62	—
Breakthrough capital – on-mine	R million	466	357	242	—	—
Breakthrough capital – chrome	R million	46	68	8	—	—
Project capital – on-mine	R million	—	—	(16)	(2)	18
Project capital – chrome	R million	—	11	160	390	—
Project capital – allocated	R million	26	9	8	—	—
Chrome economic interest adjustment for project capital	R million	(12)	(20)	(44)	(102)	—
Attributable cash flow	R million	23,177	4,182	2,602	254	73
All in sustaining costs (net of revenue credits other than PGMs)	$ million	1,100	752	872	798	730
All in sustaining costs per PGM ounce sold	$/PGM oz	1,213	1,499	1,007	872	794
All in sustaining costs margin per PGM ounce sold	$/PGM oz	1,788	565	249	37	(4)
Reconciling items for AISC and economic free cash flow						
Allocated marketing and market development costs	R million	189	166	150	146	142
Ore stockpile costs	R million	21	(155)	30	(119)	—
Other amortisation	R million	16	11	—	5	3
Other non-cash costs	R million	—	—	(17)	11	(26)
Sustaining capex	R million	1,063	740	998	811	563

[1] *Prior years restated to only inlcude mining working cost employees as defined in the glossary.*
[2] *Includes ore stockpile costs.*
[3] *Excludes other amortisation.*
[4] *Includes other amortisation.*

Group performance data continued

for the year ended 31 December 2021

Mototolo Platinum Mine

(100% owned from 1 November 2018)

All Statistics represent attributable contributions i.e. AAP owned share excluding POC

		2021	2020	2019	2018	2017
Production						
Total development	km	**1.2**	1.2	1.8	0.4	0.3
Immediately available ore reserves	months	**26.5**	32.3	26.1	25.1	31.2
Square metres	000 m^2	**314**	273	310	184	131
Tonnes milled	000 tonnes	**2,521**	2,085	2,320	1,554	954
Built-up head grade	4E g/tonne	**3.14**	3.34	3.23	3.32	3.04
Total mined production (M&C)						
PGMs	000 ounces	**244.4**	223.6	242.3	162.9	92.4
Platinum	000 ounces	**112.7**	103.1	112.0	74.9	42.7
Palladium	000 ounces	**70.2**	63.9	68.7	46.9	26.3
Rhodium	000 ounces	**19.4**	17.9	19.4	12.9	7.3
Iridium	000 ounces	**7.5**	6.8	7.5	4.9	2.8
Ruthenium	000 ounces	**32.7**	30.1	32.8	21.9	12.6
Gold	000 ounces	**1.9**	1.7	1.9	1.3	0.7
Nickel	000 tonnes	**468.9**	386.0	449.1	309.4	162.4
Copper	000 tonnes	**191.8**	160.0	180.4	127.4	67.2
Total PGM ounces refined		**300.1**	153.2	244.6	149.2	99.3
Platinum	000 ounces	**140.6**	67.7	115.9	72.8	48.7
Palladium	000 ounces	**87.0**	45.5	71.2	43.6	29.7
Other PGMs+Gold	000 ounces	**72.5**	40.0	57.5	32.8	20.9
Total PGM ounces sold		**307.5**	161.1	242.0	156.5	117.0
Platinum	000 ounces	**139.1**	66.8	115.5	71.4	50.0
Palladium	000 ounces	**85.1**	45.0	72.9	42.1	29.6
Other PGMs+Gold	000 ounces	**83.3**	49.3	53.6	43.0	37.5
Working cost employees	average	**2,035**	2,090	2,110	1,171	1,151
PGM ounces produced per employee[1]	per annum	**120.1**	107.0	114.8	139.1	80.3
Costs and unit costs						
On-mine costs[2]	R million	**2,879**	2,340	2,039	1,267	749
On-mine cost/tonne milled	R/tonne	**1,142**	1,122	879	815	786
On-mine cost/tonne milled	$/tonne	**77**	68	61	62	59
Cash operating costs[2]	R million	**3,336**	2,671	2,361	1,463	849
Cash operating costs[2]	$ million	**226**	162	163	110	64
Cash operating cost per PGM ounce produced	R/PGM oz	**13,651**	11,947	9,747	8,979	9,195
Cash operating cost per PGM ounce produced	$/PGM oz	**923**	726	674	678	691
Movement in metal inventory	R million	**56**	(496)	(111)	(64)	71
Other costs[3]	R million	**302**	149	123	40	12
Exploration, studies, research and carbon tax	R million	**52**	32	34	12	3
Royalty expense	R million	**660**	214	168	24	18
Other income and expenses	R million	**11**	38	(25)	(36)	(2)
Total operating costs	R million	**4,417**	2,608	2,549	1,439	951
Amortisation[4]	R million	**376**	299	384	192	100

		2021	2020	2019	2018	2017
Financials						
Rand basket price per PGM oz sold	R/PGM oz	43,226	33,190	18,621	12,973	10,410
Dollar basket price per PGM oz sold	$/PGM oz	2,939	2,032	1,284	973	781
Rand basket price per Pt oz sold	R/Pt oz	95,567	80,013	39,023	28,443	24,375
Dollar basket price per Pt oz sold	$/Pt oz	6,498	4,898	2,691	2,133	1,828
Net sales revenue	R million	13,290	5,348	4,506	2,030	1,218
from platinum	R million	2,225	965	1,444	827	630
from palladium	R million	3,043	1,653	1,613	603	339
from rhodium	R million	7,004	2,365	1,078	326	108
from other PGMs and gold	R million	860	334	267	169	75
from base and other metals	R million	153	27	99	103	64
from chrome	R million	5	4	4	3	2
Adjusted EBITDA	R million	8,873	2,740	1,956	591	267
Adjusted EBITDA margin	%	67	51	43	29	22
Adjusted EBIT	R million	8,497	2,441	1,572	399	167
ROCE	%	229	60	53	24	41
Stay-in-business capital – on-mine	R million	393	523	394	407	217
Stay-in-business capital – allocated	R million	159	88	80	51	17
Attributable economic free cash flow	R million	8,388	1,608	1,358	200	(42)
Replacement capital – on-mine	R million	67	51	14	—	—
Breakthrough capital – on-mine	R million	13	21	14	—	—
Project capital – on-mine	R million	—	—	4	—	—
Project capital – allocated	R million	12	4	5	—	—
Attributable cash flow	R million	8,296	1,532	1,321	200	(42)
All in sustaining costs (net of revenue credits other than PGMs)	$ million	327	230	213	131	91
All in sustaining costs per PGM ounce sold	$ / PGM oz	1,062	1,428	879	837	775
All in sustaining costs margin per PGM ounce sold	$ / PGM oz	1,842	592	376	85	(37)
Reconciling items for AISC and economic free cash flow						
Allocated marketing and market development costs	R million	60	49	39	23	15
Ore stockpile costs	R million	17	(21)	(8)	130	(143)
Other amortisation	R million	5	3	—	1	—
Other non-cash costs	R million	—	—	(5)	2	(3)
Sustaining capex	R million	620	663	488	458	234

[1] *Prior years restated to only inlcude mining working cost employees as defined in the glossary.*
[2] *Includes ore stockpile costs.*
[3] *Excludes other amortisation.*
[4] *Includes other amortisation.*

Group performance data continued

for the year ended 31 December 2021

Unki Platinum Mine (Zimbabwe)

(100% owned)

		2021	2020	2019	2018	2017
Production						
Total development	km	**2.4**	2.4	1.9	1.8	1.7
Immediately available ore reserves	months	**125.8**	129.8	230.1	235.6	215.7
Square metres	000 m^2	**353**	340	323	306	288
Tonnes milled	000 tonnes	**2,091**	1,960	2,092	1,925	1,752
Built-up head grade	4E g/tonne	**3.52**	3.58	3.45	3.51	3.47
Total mined production (M&C)						
PGMs	000 ounces	**204.6**	196.1	201.7	192.7	165.9
Platinum	000 ounces	**91.1**	87.3	89.4	85.9	74.6
Palladium	000 ounces	**80.2**	77.2	79.2	75.5	64.4
Rhodium	000 ounces	**9.1**	8.8	9.0	8.7	7.4
Iridium	000 ounces	**3.8**	3.6	3.8	3.6	3.1
Ruthenium	000 ounces	**9.0**	8.6	8.8	8.5	7.2
Gold	000 ounces	**11.4**	10.6	11.4	10.6	9.2
Nickel	tonnes	**2,952**	2,703	2,777	2,557	2,172
Copper	tonnes	**2,351**	2,198	2,317	2,223	2,020
Total PGM ounces refined	000 ounces	**245.6**	139.9	206.0	174.9	171.6
Platinum	000 ounces	**110.8**	58.7	92.0	80.6	79.0
Palladium	000 ounces	**96.5**	56.2	81.3	67.8	67.6
Other PGMs+Gold	000 ounces	**38.3**	25.0	32.6	26.4	25.0
Total PGM ounces sold	000 ounces	**242.9**	140.7	204.7	181.1	173.1
Platinum	000 ounces	**109.5**	58.1	91.6	80.9	79.5
Palladium	000 ounces	**94.4**	55.4	82.7	67.6	65.4
Other PGMs+Gold	000 ounces	**39.0**	27.1	30.4	32.6	28.2
Working cost employees	average	**1,525**	1,388	1,120	1,098	1,088
PGM ounces produced per employee[1]	per annum	**134.2**	141.3	180.1	175.5	152.5
Total employees	average	**1,528**	1,388	1,120	1,098	1,089
Costs and unit costs						
On-mine costs[2]	R million	**2,071**	1,900	1,869	1,661	1,420
On-mine cost/tonne milled	R/tonne	**990**	969	893	863	811
On-mine cost/tonne milled	$/tonne	**67**	59	62	65	61
Cash operating costs[2]	R million	**2,741**	2,393	2,364	2,078	1,745
Cash operating costs[2]	$ million	**185**	145	164	157	131
Cash operating cost per PGM ounce produced	R/PGM oz	**13,392**	12,198	11,721	10,784	10,519
Cash operating cost per PGM ounce produced	$/PGM oz	**906**	741	811	814	790
Movement in metal inventory	R million	**(71)**	(534)	(158)	(103)	19
Other costs[3]	R million	**549**	383	337	156	99
Exploration, studies, research and carbon tax	R million	**64**	40	48	28	25
Royalty expense	R million	**290**	230	19	—	—
Other income and expenses	R million	**231**	161	272	(109)	(222)
Total operating costs	R million	**3,803**	2,672	2,882	2,049	1,666
Amortisation[4]	R million	**418**	516	445	344	357

		2021	2020	2019	2018	2017
Financials						
Rand basket price per PGM oz sold	R/PGM oz	41,198	35,276	21,511	15,922	14,375
Dollar basket price per PGM oz sold	$/PGM oz	2,801	2,159	1,483	1,194	1,078
Rand basket price per Pt oz sold	R/Pt oz	91,391	85,377	48,083	35,635	31,299
Dollar basket price per Pt oz sold	$/Pt oz	6,214	5,226	3,316	2,673	2,347
Net sales revenue	R million	10,008	4,963	4,403	2,884	2,489
from platinum	R million	1,757	841	1,145	938	1,003
from palladium	R million	3,387	2,034	1,830	940	766
from rhodium	R million	3,306	1,246	502	226	94
from other PGMs and gold	R million	632	386	330	253	206
from base and other metals	R million	926	457	596	526	419
Adjusted EBITDA	R million	6,204	2,291	1,520	835	823
Adjusted EBITDA margin	%	62	46	35	29	33
Adjusted EBIT	R million	5,786	1,775	1,076	491	466
ROCE	%	114	38	26	9	10
Stay-in-business capital – on-mine	R million	371	287	230	148	131
Stay-in-business capital – allocated	R million	174	101	83	79	50
Attributable economic free cash flow	R million	5,531	1,236	1,064	525	614
Replacement capital – on-mine	R million	—	—	—	—	—
Breakthrough capital – on-mine	R million	34	26	14	—	—
Project capital – on-mine	R million	436	137	13	4	11
Project capital – allocated	R million	55	28	25	366	306
Attributable cash flow	R million	5,005	1,045	1,011	155	296
All in sustaining costs (net of revenue credits other than PGMs)	$ million	245	203	192	140	112
All in sustaining costs per PGM ounce sold	$ / PGM oz	1,007	1,443	937	772	644
All in sustaining costs margin per PGM ounce sold	$ / PGM oz	1,536	518	346	204	252
Reconciling items for AISC and economic free cash flow						
Allocated marketing and market development costs	R million	45	45	38	32	31
Ore stockpile costs	R million	(53)	(129)	18	20	(41)
Other amortisation	R million	4	3	—	1	1
Other non-cash costs	R million	—	—	(3)	3	(6)
Sustaining capex	R million	545	388	313	228	181

[1] *Prior years restated to only inlcude mining working cost employees as defined in the glossary.*

[2] *Includes ore stockpile costs.*

[3] *Excludes other amortisation.*

[4] *Includes other amortisation.*

Group performance data continued

for the year ended 31 December 2021

Modikwa Platinum Mine

(50:50 joint operation with ARM Mining Consortium Limited)

(All statistics represent attributable contribution for mined production i.e. excluding POC)

		2021	2020	2019	2018	2017
Production						
Total development	km	**8.7**	6.3	5.9	5.9	6.0
Immediately available ore reserves	months	**21.7**	20.8	13.5	17.4	24.8
Square metres	000 m^2	**173**	123	174	200	216
Tonnes milled	000 tonnes	**1,177**	831	1,118	1,214	1,116
Surface sources	000 tonnes	**—**	6	71	—	—
Underground sources	000 tonnes	**1,177**	825	1,047	1,214	1,116
Built-up head grade	4E g/tonne	**3.84**	3.95	4.04	4.19	4.46
Total mined production (M&C)						
PGMs	000 ounces	**146.4**	107.4	145.5	164.8	162.8
Platinum	000 ounces	**57.5**	42.2	57.1	65.0	63.3
Palladium	000 ounces	**55.2**	40.4	54.5	61.3	61.3
Rhodium	000 ounces	**11.7**	8.6	11.6	13.1	13.0
Iridium	000 ounces	**4.0**	2.9	4.0	4.5	4.5
Ruthenium	000 ounces	**16.6**	12.3	16.9	19.2	19.0
Gold	000 ounces	**1.4**	1.0	1.4	1.6	1.6
Nickel	tonnes	**266**	198	272	309	309
Copper	tonnes	**167**	124	168	189	192
Chrome	000 tonnes	**8.7**	—	—	—	—
Total PGM ounces refined	000 ounces	**162.6**	83.4	151.9	150.8	157.1
Platinum	000 ounces	**63.8**	31.3	61.3	63.0	63.3
Palladium	000 ounces	**60.5**	32.8	58.6	57.2	61.8
Other PGMs+Gold	000 ounces	**38.3**	19.3	32.0	30.5	32.1
Total PGM ounces sold	000 ounces	**163.9**	90.6	152.9	166.3	166.0
Platinum	000 ounces	**62.6**	31.4	61.4	63.7	63.1
Palladium	000 ounces	**58.6**	33.2	60.3	57.7	59.5
Other PGMs+Gold	000 ounces	**42.7**	25.9	31.2	44.9	43.5
Working cost employees	average	**2,227**	2,127	2,119	2,181	2,238
PGM ounces produced per employee[1]	per annum	**65.8**	50.5	68.7	75.6	72.7
Total employees	average	**2,236**	2,127	2,150	2,189	2,258
Costs and unit costs						
On-mine costs[2]	R million	**1,950**	1,590	1,628	1,481	1,397
On-mine cost/tonne milled	R/tonne	**1,656**	1,914	1,457	1,220	1,252
On-mine cost/tonne milled	$/tonne	**112**	116	101	92	94
Cash operating costs[2]	R million	**2,134**	1,727	1,781	1,618	1,507
Cash operating costs[2]	$ million	**144**	105	123	122	113
Cash operating cost per PGM ounce produced	R/PGM oz	**14,578**	16,080	12,239	9,814	9,259
Cash operating cost per PGM ounce produced	$/PGM oz	**986**	977	847	741	696
Movement in metal inventory	R million	**231**	(502)	(32)	(89)	(91)
Other costs[3]	R million	**48**	32	40	20	17
Exploration, studies, research and carbon tax	R million	**7**	6	6	4	4
Royalty expense	R million	**361**	123	110	35	29
Other income and expenses	R million	**(71)**	(37)	3	(15)	(12)
Chrome operating costs	R million	**10**				
Total operating costs	R million	**2,719**	1,349	1,908	1,572	1,456
Amortisation[4]	R million	**233**	201	173	176	158

		2021	2020	2019	2018	2017
Financials						
Rand Basket Price per PGM oz sold	R/PGM oz	**44,437**	34,850	19,545	12,857	10,942
Dollar Basket Price per PGM oz sold	$/PGM oz	**3,022**	2,133	1,348	964	821
Rand Basket Price per Pt oz sold	R/Pt oz	**116,454**	100,361	48,646	33,572	28,809
Dollar Basket Price per Pt oz sold	$/Pt oz	**7,919**	6,143	3,355	2,518	2,161
Net sales revenue	R million	**7,285**	3,156	2,988	2,138	1,817
from platinum	R million	**998**	455	767	738	795
from palladium	R million	**2,086**	1,216	1,330	801	703
from rhodium	R million	**3,656**	1,303	670	360	158
from other PGMs and gold	R million	**450**	167	155	171	104
from base and other metals	R million	**91**	16	67	66	57
from chrome	R million	**4**	—	—	—	—
Adjusted EBITDA	R million	**4,566**	1,807	1,080	566	361
Adjusted EBITDA margin	%	**63**	57	36	26	20
Adjusted EBIT	R million	**4,332**	1,606	907	390	203
ROCE	%	**250**	86	61	23	12
Stay-in-business capital – on-mine	R million	**234**	125	144	65	81
Stay-in-business capital – allocated	R million	**58**	32	32	32	18
Attributable economic free cash flow	R million	**4,497**	1,154	869	381	166
Replacement capital – on-mine	R million	**15**	26	36	38	77
Project capital – on-mine	R million	**73**	106	34	—	—
Project capital – allocated	R million	**6**	2	1	—	—
Attributable cash flow	R million	**4,404**	1,019	798	343	89
All in sustaining costs (net of revenue credits other than PGMs)	$ million	**185**	123	143	129	121
All in sustaining costs per PGM ounce sold	$/PGM oz	**1,130**	1,362	937	773	730
All in sustaining costs margin per PGM ounce sold	$/PGM oz	**1,852**	760	381	161	65
Reconciling items for AISC and economic free cash flow						
Allocated marketing and market development costs	R million	**33**	29	26	24	23
Other amortisation	R million	**3**	2	—	1	1
Other non-cash costs	R million	**(4)**	8	(3)	2	(5)
Sustaining capex	R million	**308**	184	211	135	176

[1] *Prior years restated to only inlcude mining working cost employees as defined in the glossary.*
[2] *Includes ore stockpile costs.*
[3] *Excludes other amortisation.*
[4] *Includes other amortisation.*

Group performance data continued

for the year ended 31 December 2021

Kroondal Platinum Mine

(50:50 pooling and sharing agreement with Sibanye-Stillwater)

(All statistics represent attributable contribution for mined production i.e. excluding POC)

		2021	2020	2019	2018	2017
Production						
Total development	km	**4.3**	4.2	6.1	6.0	9.4
Square metres	000 m^2	**442**	366	496	478	484
Tonnes milled	000 tonnes	**2,288**	1,929	2,636	2,625	2,517
Built-up head grade	4E g/tonne	**3.57**	3.67	3.60	3.66	3.64
Total mined production (M&C)						
PGMs	000 ounces	**275.1**	240.3	313.5	312.2	292.9
Platinum	000 ounces	**131.5**	113.6	148.6	148.3	139.3
Palladium	000 ounces	**69.7**	60.8	80.0	78.6	73.9
Rhodium	000 ounces	**24.2**	21.2	28.1	28.1	26.4
Iridium	000 ounces	**9.0**	9.1	10.4	10.4	9.8
Ruthenium	000 ounces	**39.6**	34.4	45.1	45.5	42.3
Gold	000 ounces	**1.1**	1.2	1.3	1.3	1.2
Nickel	000 tonnes	**247**	240	278	279	264
Copper	000 tonnes	**113**	109	126	127	123
Sale of concentrate (M&C)						
PGMs		**—**	8.2	—	—	—
Platinum	000 ounces	**—**	3.3	—	—	—
Palladium	000 ounces	**—**	1.7	—	—	—
Other PGMs+Gold	000 ounces	**—**	3.2	—	—	—
Base metals	tonnes	**—**	45.6	—	—	—
Total PGM ounces refined	000 ounces	**331.2**	167.0	319.5	281.3	286.3
Platinum	000 ounces	**159.5**	76.2	156.5	141.7	142.7
Palladium	000 ounces	**84.3**	44.7	83.8	72.4	75.8
Other PGMs+Gold	000 ounces	**87.4**	46.1	79.1	67.2	67.8
Total PGM ounces sold	000 ounces	**341.9**	182.9	315.0	314.1	312.2
Platinum	000 ounces	**157.4**	76.1	156.1	142.8	142.8
Palladium	000 ounces	**82.4**	45.2	85.6	72.7	73.0
Other PGMs+Gold	000 ounces	**102.1**	61.6	73.4	98.6	96.5
Working cost employees	average	**3,691**	3,618	3,727	3,729	3,717
PGM ounces produced per employee[1]	per annum	**74.5**	66.4	84.1	83.7	78.8
Costs and unit costs						
On-mine costs[2]	R million	**3,078**	2,570	2,809	2,569	2,457
On-mine cost/tonne milled	R/tonne	**1,345**	1,333	1,065	979	977
On-mine cost/tonne milled	$/tonne	**91**	81	74	74	73
Cash operating costs[2]	R million	**3,356**	2,777	3,029	2,772	2,630
Cash operating costs[2]	$ million	**227**	169	210	209	198
Cash operating cost per PGM ounce produced	R/PGM oz	**12,199**	11,556	9,663	8,878	8,979
Cash operating cost per PGM ounce produced	$/PGM oz	**825**	702	669	670	675
Movement in metal inventory	R million	**454**	(799)	(75)	(115)	(121)
Other costs[3]	R million	**98**	62	65	36	32
Exploration, studies, research and carbon tax	R million	**13**	13	12	8	7
Royalty expense	R million	**748**	244	219	63	52
Other income and expenses	R million	**59**	100	74	19	(12)
Total operating costs	R million	**4,728**	2,397	3,325	2,781	2,588
Amortisation[4]	R million	**388**	342	289	311	518

		2021	2020	2019	2018	2017
Financials						
Rand basket price per PGM oz sold	R/PGM oz	44,133	34,269	18,486	12,206	10,356
Dollar basket price per PGM oz sold	$/PGM oz	3,001	2,098	1,275	915	777
Rand basket price per Pt oz sold	R/Pt oz	95,830	82,387	37,319	26,843	22,651
Dollar basket price per Pt oz sold	$/Pt oz	6,516	5,043	2,573	2,013	1,699
Net sales revenue	R million	15,088	6,267	5,824	3,833	3,233
from platinum	R million	2,517	981	1,950	1,656	1,800
from palladium	R million	2,943	1,766	1,893	1,010	858
from rhodium	R million	8,504	3,123	1,568	752	328
from other PGMs + gold	R million	1,021	401	342	355	196
from base and other metals	R million	103	(5)	71	61	52
Adjusted EBITDA	R million	10,360	3,870	2,499	1,052	646
Adjusted EBITDA margin	%	69	62	43	27	20
Adjusted EBIT	R million	9,971	3,527	2,210	741	128
ROCE	%	702	182	151	54	8
Stay-in-business capital – on-mine	R million	279	176	199	144	200
Stay-in-business capital – allocated	R million	79	45	40	42	25
Attributable economic free cash flow	R million	10,446	2,869	2,174	757	284
Project capital –allocated	R million	6	2	1	—	—
Attributable cash flow	R million	10,440	2,867	2,173	757	284
All in sustaining costs (net of revenue credits other than PGMs)	$ million	313	212	250	229	220
All in sustaining costs per PGM ounce sold	$ / PGM oz	916	1,158	794	730	706
All in sustaining costs margin per PGM ounce sold	$ / PGM oz	2,064	941	465	171	59
Reconciling items for AISC and economic free cash flow						
Allocated marketing and market development costs	R million	68	57	50	43	40
Ore stockpile costs	R million	(6)	6	(5)	4	(6)
Other amortisation	R million	6	4	—	2	1
Other non-cash costs	R million	1	18	(7)	4	(9)
Sustaining capex	R million	357	221	239	186	225

[1] *Prior years restated to only inlcude mining working cost employees as defined in the glossary.*

[2] *Includes ore stockpile costs.*

[3] *Excludes other amortisation.*

[4] *Includes other amortisation.*

Group performance data continued

for the year ended 31 December 2021

Analysis of Group capital expenditure

						2021						
	Stay-in business capital (SIB)						Project capital					
R million	On-mine	Allocated from process operations	Total SIB	Capitalised waste	Life extension	Break-through	Growth	Total on-mine	Allocated from process operations	Total projects	Total capex	Sustaining capex
Total capitalised costs	3,872	3,238	7,323	3,042	415	1,499	827	2,741	501	3,242	13,631	10,780
Mining operations	3,872	3,238	7,110	3,042	415	1,400	826	2,641	501	3,142	13,294	10,567
Mogalakwena	2,223	1,377	3,600	3,042	14	841	317	1,172	268	1,440	8,082	6,656
Amandelbult	372	372	744	—	319	466	—	785	26	811	1,555	1,063
Amandelbult chrome plant	—	—	—	—	—	46	—	46	—	46	46	—
Mototolo	393	159	552	—	67	13	—	80	12	92	644	619
Unki	371	174	545	—	—	34	436	470	55	525	1,070	545
Modikwa joint operation	234	58	292	—	15	—	73	88	6	94	386	307
Kroondal joint operation	279	79	358	—	—	—	—	—	6	6	364	358
POC and toll activities	—	1,019	1,019	—	—	—	—	—	128	128	1,147	1,019
Other			213		—	99	1	100		100	313	213
Capitalised interest											24	—
Statistical data												
Process operations			3,238		—	499	2	501		501	3,739	
Waterval Smelter			1,159		—	69	—	69		69	1,228	
Polokwane Smelter			210		—	11	—	11		11	221	
Mortimer Smelter			152		—	7	—	7		7	159	
Unki Smelter			13		—	4	—	4		4	17	
ACP			1,221		—	10	—	10		10	1,231	
RBMR			379		—	384	2	386		386	765	
PMR			104		—	14	—	14		14	118	

						2020						
	Stay-in business capital (SIB)						Project capital					
R million	On-mine	Allocated from process operations	Total SIB	Capitalised waste	Life extension	Break-through	Growth	Total on-mine	Allocated from process operations	Total projects	Total capex	Sustaining capex
Total capitalised costs	2,860	1,964	4,937	2,540	286	974	331	1,590	245	1,836	9,471	7,762
Mining operations	2,860	1,964	4,824	2.540	286	926	331	1,543	245	1,788	9,152	7,649
Mogalakwena	1,399	891	2,291	2.540	17	454	77	548	142	690	5,520	4,848
Amandelbult	325	201	526	—	191	357	—	548	9	556	1,082	717
Amandelbult chrome plant	24	—	24	—	—	68	11	79	—	79	102	24
Mototolo	523	88	611	—	51	21	—	72	4	76	688	663
Unki	287	101	388	—	—	26	137	163	28	191	580	388
Modikwa joint operation	125	32	158	—	26	—	106	133	2	135	293	184
Kroondal joint operation	176	45	221	—	—	—	—	—	2	2	223	221
POC and toll activities	—	605	605	—	—	—	—	—	59	59	664	605
Other			113		—	47	—	47		47	161	113
Capitalised Interest											158	—
Statistical data												
Process operations			1,964		—	240	5	245		245	2,209	
Waterval Smelter			368		—	4	—	4		4	372	
Polokwane Smelter			463		—	1	—	1		1	464	
Mortimer Smelter			104		—	4	—	4		4	109	
Unki Smelter			4		—	—	1	1		1	5	
ACP			691		—	5	—	5		5	696	
RBMR			247		—	226	4	230		230	477	
PMR			87		—	—	—	—		—	87	

2021 Annual results presentations

for the year ended 31 December 2021

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Alternative performance measures

Throughout this presentation a range of financial and non-financial measures are used to assess our performance, including a number of the financial measures that are not defined under international financial reporting standards (IFRS), which are termed 'alternative performance measures' (APMs). Management uses these measures to monitor Anglo American Platinum's financial performance alongside IFRS measures because they help illustrate the underlying financial performance and position of Anglo American Platinum. These APMs should be considered in addition to, and not as a substitute for, or as superior to, measures of financial performance, financial position or cash flows reported in accordance with IFRS. APMs are not uniformly defined by all companies, including those in Anglo American Platinum's industry. Accordingly, it may not be comparable with similarly titled measures and disclosures by other companies.

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2021 annual results agenda

Anglo Convertor Plant - Furnace matte tap

2021 overview

Mogalakwena remote operated drill rig

2021 overview

Safe production, record operational & financial results

Safety	Mining EBITDA margin	Record refined PGM production
Zero fatalities at own-managed operations & Modikwa	↑ 65%	↑ 5.1m

EBITDA	Economic contribution to society	2021 dividend declared
↑ R108bn	↑ R148bn	↑ R80bn 100% of headline earnings

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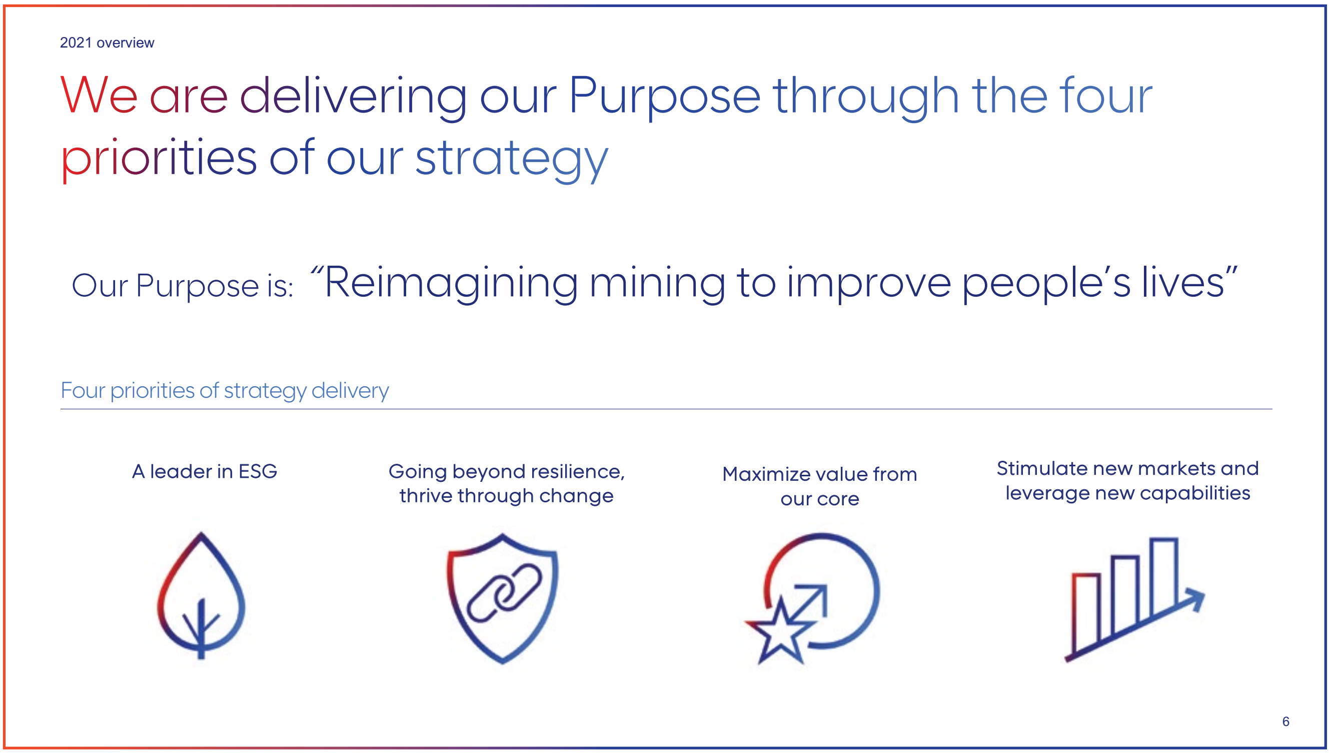
2021 Annual results presentations continued

for the year ended 31 December 2021



ESG performance

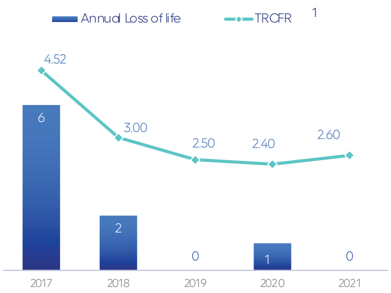
Water sampling at Mototolo / Der Brochen

ESG performance

A leader in ESG

Zero fatalities achieved - continuous efforts to move to zero harm

Safety

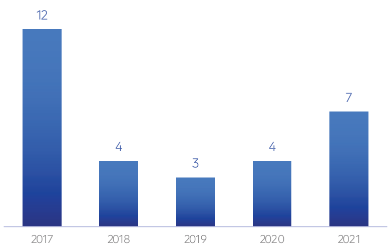


Focus on behaviours, particularly during period of disruption and change.

Technology and modernisation will drive sustainable long term improvement.

Health

New occupational health cases[2]



Continue to manage Covid-19 across the business and roll-out the vaccination programme.

Actively manage TB and HIV cases.

Elimination–of–fatalities (EoF)

EoF is focussed on eliminating the most common causes of fatalities across Anglo American.

The purpose is to use the accumulated learnings from a wide range of fatalities, to adopt a more pro-active approach, to prevent loss of life incidents.

The work streams are a combination of engineered solutions as well as humanistic solutions.

The majority of the workstreams have been incorporated, and focus us on ensuring they remain sustainable.

Our aim is embed zero fatalities and reduce injuries to ensure zero harm.

8

ESG performance

A leader in ESG

Economic contribution of R148 billion

Taxes and royalties

R35bn

Local BEE procurement

R28bn

Salaries and wages

R14bn

Social investment & Covid-19

R2bn

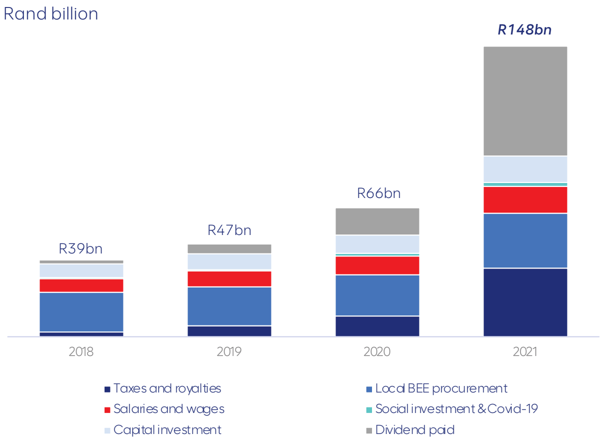
Capital investment

R14bn

Dividends

R56bn

Increasing contribution to stakeholders and society



9

ESG performance

A leader in ESG

Supporting our colleagues and our communities

Supporting colleagues

Supporting mental health & wellbeing.

Facilitating vaccination roll-out.

Financial education through indebtedness programme 'Nkululeko'.

Promote prevention of gender based violence and support for victims.

Increasing diversity and inclusion.

Supporting communities

Continuing food support and access to clean water programmes.

Social investment of R1.3 billion in 2021.

Successful Alchemy equity share scheme and supporting Trusts to ensure success.

Community health support including Covid-19 testing, vaccination roll-out and emergency health services.

Supporting school and bursaries.

Culture in Action

Taking a leader-led stand to reinforce our commitment to stopping gender-based violence and bullying, harassment and victimisation.

Aware of many societal challenges and targeting to address these issues.

Implementing an intentional change in culture across the business.

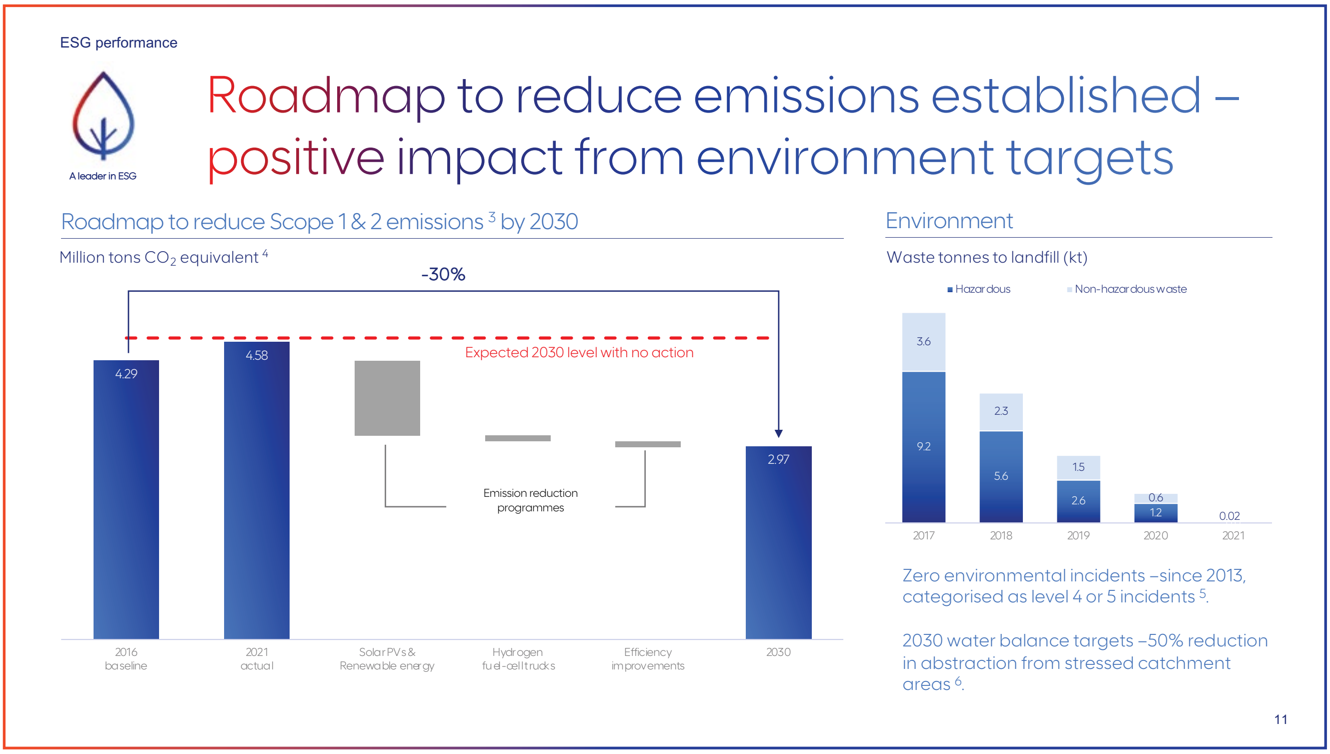
Bloomberg Gender-Equality Index 2022

WeCare Protecting our wellbeing during Covid-19

ENGAGE

COVID-19 VACCINATION

10


ESG performance
A leader in ESG
Roadmap to reduce emissions established – positive impact from environment targets
Roadmap to reduce Scope 1 & 2 emissions 3 by 2030
Million tons CO2 equivalent 4
-30%
Expected 2030 level with no action
4.29
4.58
2.97
Emission reduction programmes
2016 baseline
2021 actual
Solar PVs & Renewable energy
Hydrogen fuel-cell trucks
Efficiency improvements
2030
Environment
Waste tonnes to landfill (kt)
Hazardous
Non-hazardous waste
3.6
9.2
2.3
5.6
1.5
2.6
0.6
1.2
0.02
2017
2018
2019
2020
2021
Zero environmental incidents – since 2013, categorised as level 4 or 5 incidents 5.
2030 water balance targets – 50% reduction in abstraction from stressed catchment areas 6.
11

Operational performance

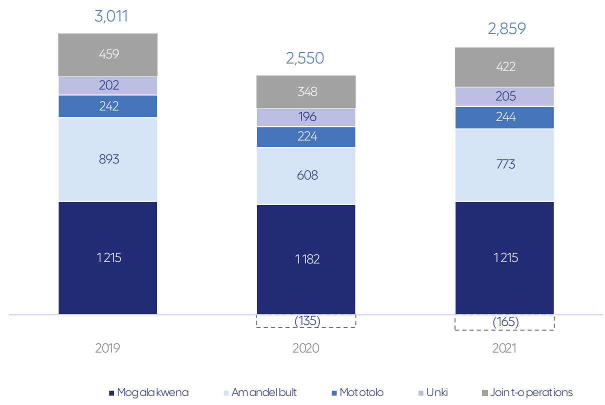

Dishaba colleagues

Production performance

Benefit of a diversified portfolio contributing to EBITDA and strong margins

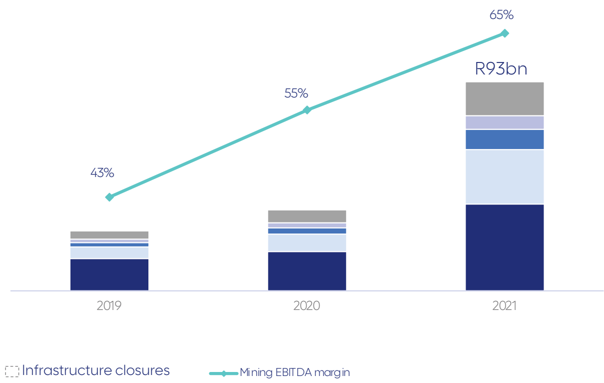
Own-mine PGM production

000 ounces



EBITDA contribution per own-mine operation

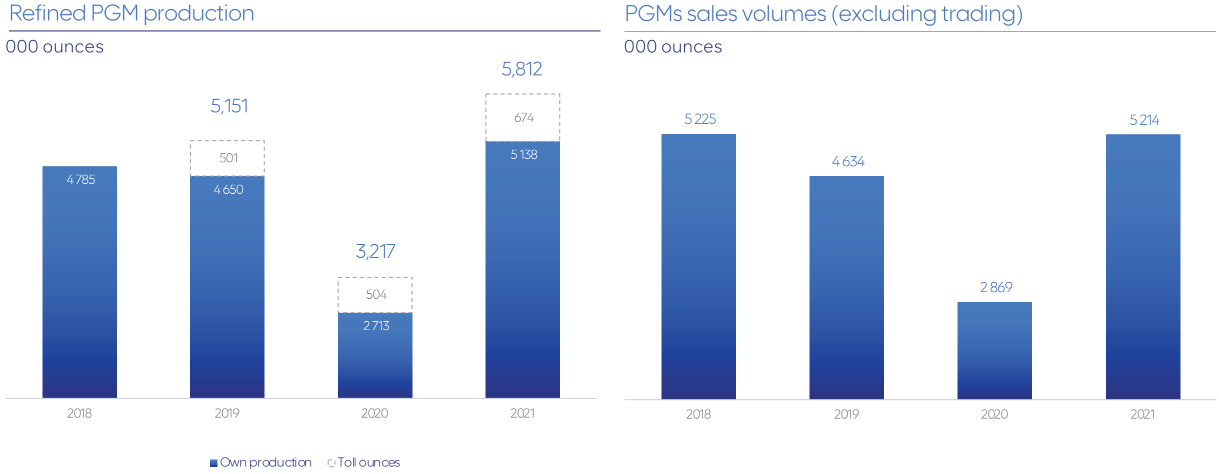
Rand billion



13

Production performance

Record refined production driven by ACP performance, leading to strong sales volumes



14

Production performance

Maximize value from our core

Mogalakwena driving new technology for operational efficiencies and sustainability

Bulk ore sorting

Bulk ore sorter is fully operational at North Concentrator.

Pilot testing work is underway and rejection rates >5% achieved.

Target to reject >10% low-grade material to increase the feed grade downstream.

Coarse particle rejection

Coarse particle rejection plant under construction – commissioning in Q3 2022.

Trialling and demonstration to take place and full time production by year end.

Target to increase North Concentrator capacity by >5%.

Hydrogen fuel-cell truck

Power plant module arrived on site - full integration with truck expected by Q1 2022.

Continuously delivered over 830kW of power from fuel cell assembly.

Hydrogen production plant to be online by Q2 2022.

15

Production performance

Going beyond resilience, thrive through change

Advancing modernisation and mechanisation at Amandelbult

Modernisation

Modernisation journey to address inherent safety and health risks – leading to productivity benefits.

Fully rolled out rock-stop nets, rock movement detection and Dishaba is now converted to a timberless mine.

Cycle mining

Transitioning from a conventional shift-cycle to a cycle-mining shift-cycle.

Results in better co-ordination and planning of mining activities and improved labour efficiencies.

Embedded with full benefits by 2023.

Mechanisation

Mechanisation advancing at Tumela 15E dropdown - multiple technologies trialed.

Incorporating learnings to continuously improve mechanised mining equipment.

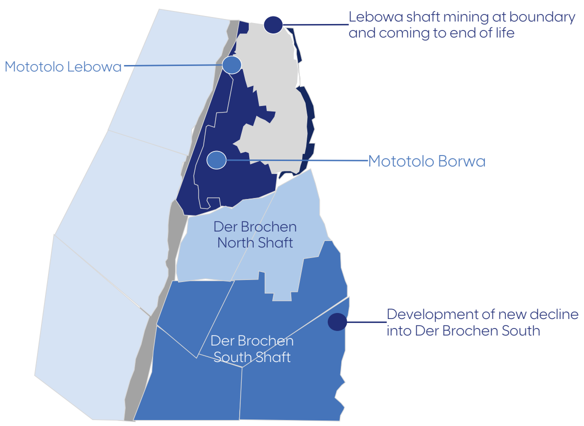
16

Production performance

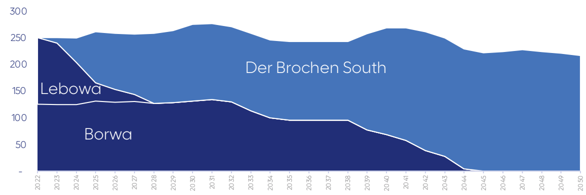
Maximize value from our core

Mototolo life extension approved – construction to start in H1 2022

Life extension plan – new decline at Der Brochen South

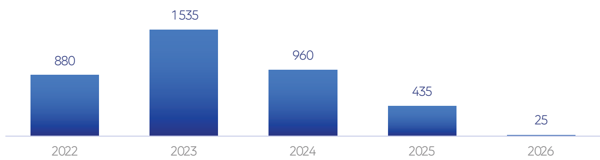


PGM production profile (000 ounces per annum)

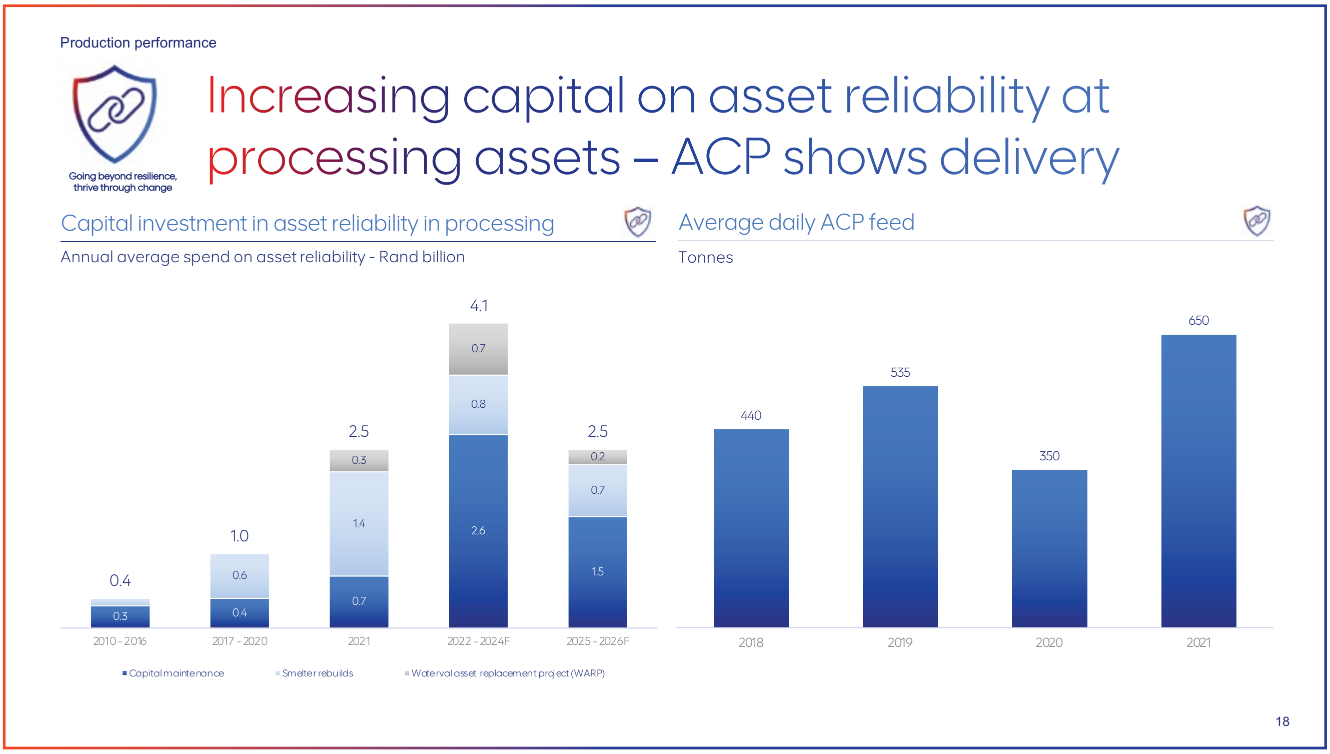


Life extension capital profile

Rand million (nominal terms)



17



Production performance
Going beyond resilience, thrive through change
Increasing capital on asset reliability at processing assets – ACP shows delivery
Capital investment in asset reliability in processing
Annual average spend on asset reliability - Rand billion
0.4
0.3
1.0
0.6
0.4
2.5
0.3
1.4
0.7
4.1
0.7
0.8
2.6
2.5
0.2
0.7
1.5
2010 - 2016
2017 - 2020
2021
2022 - 2024F
2025 - 2026F
Capital maintenance
Smelter rebuilds
Waterval asset replacement project (WARP)
Average daily ACP feed
Tonnes
440
535
350
650
2018
2019
2020
2021
18

Financial performance

ACP Phase A – Furnace matte tap

Financial performance

Record 2021 financial performance

Revenue	EBITDA	Headline earnings
↑ R215bn	↑ R108bn	↑ R79bn

Return on capital employed (ROCE)	Net cash	2021 dividend declared
↑ 183%	↑ R49bn	↑ R300/share H2 2021: R125/share

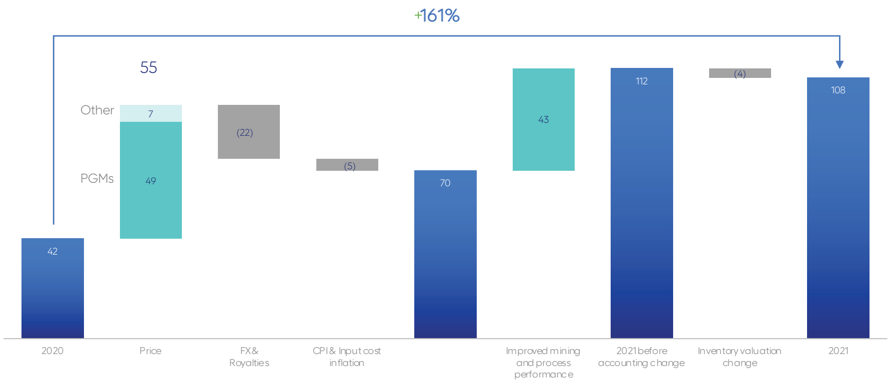
20

Financial performance

Record EBITDA: Higher PGM prices and volumes

EBITDA

Rand billion



PGM rand basket price

↑ 22%

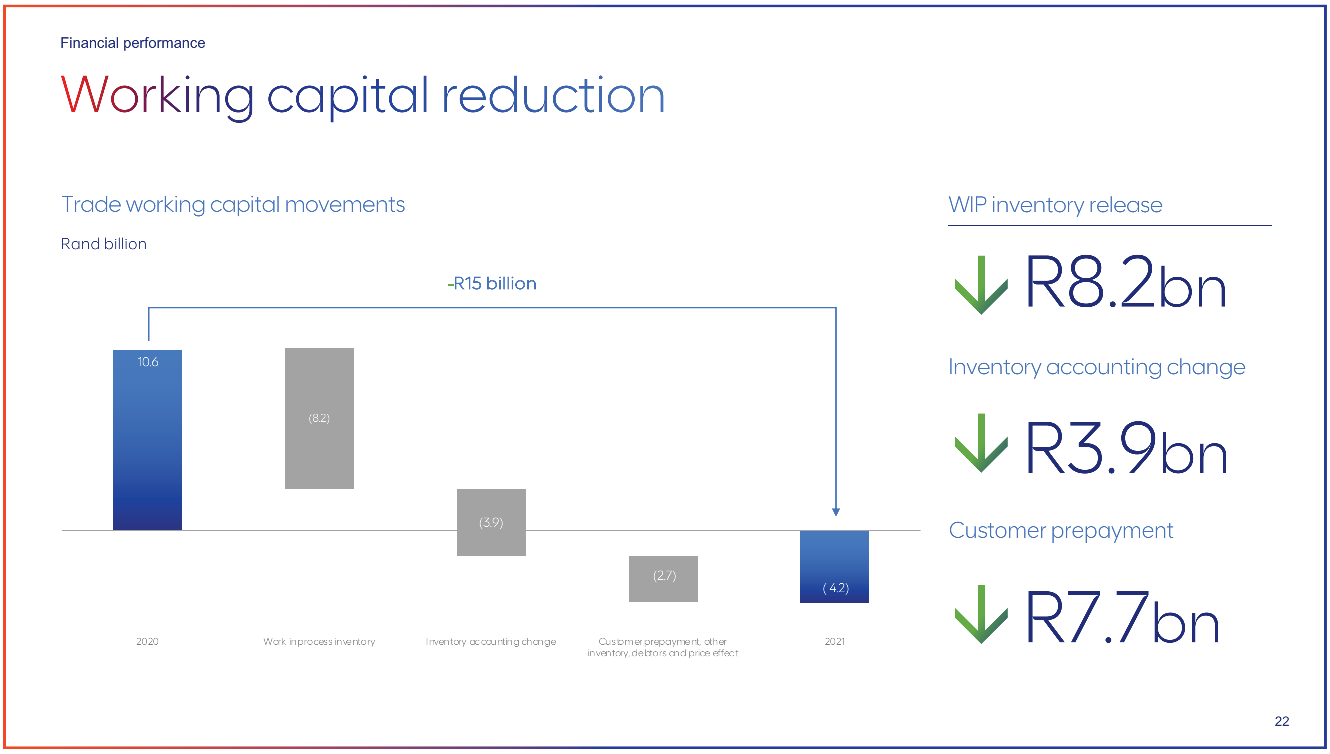
PGM sales volumes

↑ 82%

Mining EBITDA margin

65%

21



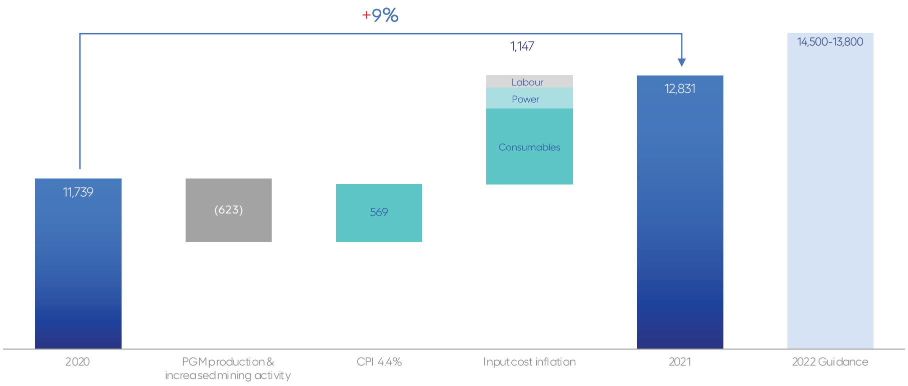
Financial performance
Working capital reduction
Trade working capital movements
Rand billion
-R15 billion
10.6
(8.2)
(3.9)
(2.7)
(4.2)
2020
Work in process inventory
Inventory accounting change
Customer prepayment, other inventory, debtors and price effect
2021
WIP inventory release
R8.2bn
Inventory accounting change
R3.9bn
Customer prepayment
R7.7bn
22

Financial performance

Unit cost impacted by steep rise in input cost inflation

Unit cost per PGM ounce

Rand per PGM ounce



Mining production

↑ 13%

Input inflation

↑ 14%

2022 Unit cost increase

↑ 8 - 13%

23

2021 Annual results presentations continued

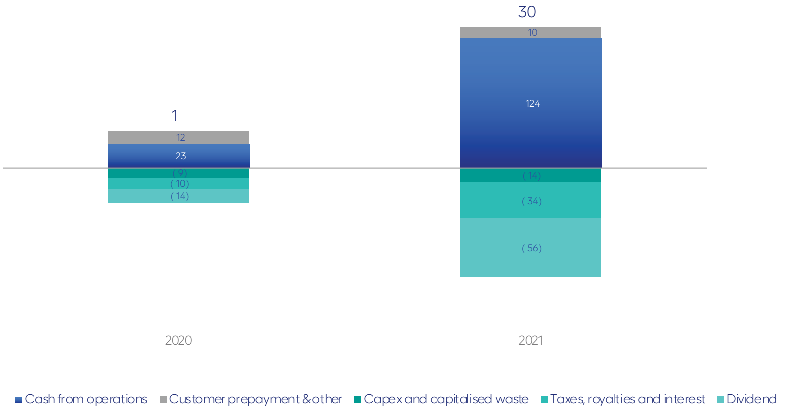
for the year ended 31 December 2021

Financial performance

Strong net cash position

Net cash evolution

Rand billion



Cash from operations

↑ R124bn

Customer prepayment extension

5 years

Net cash position

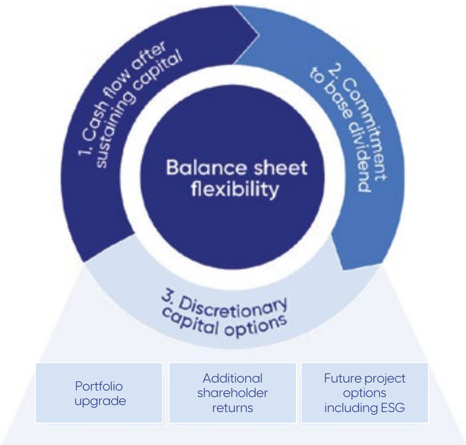
↑ R49bn

24

Financial performance

Balanced and disciplined capital allocation

Capital allocation framework



Generate strong free cash flow from operations

Maintain balance sheet flexibility whilst prioritising:

- Sustaining capital
- Commitment to base dividend of 40% payout ratio of headline earnings

Then assess discretionary capital options including:

- Portfolio upgrades
- Additional shareholder returns (special dividends)
- Breakthrough and growth capital options including ESG project options

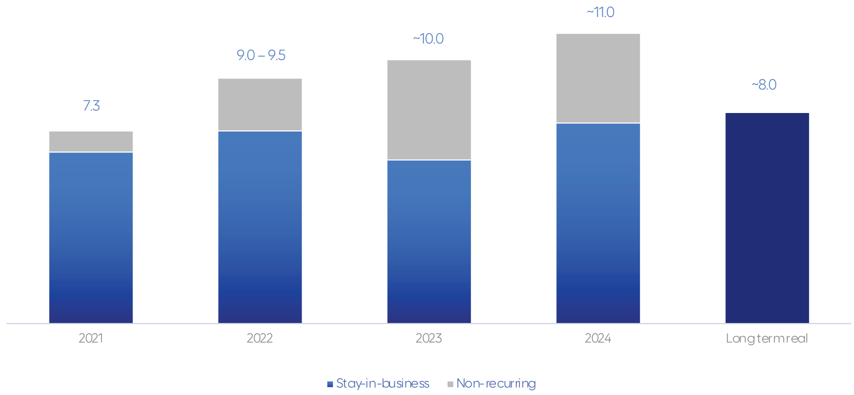
25

Financial performance

SIB capital focused on asset reliability

Stay-in-business capital

Rand billion



Total SIB capital

R7.3bn

Life extension capital

R0.4bn

Breakthrough & growth capital

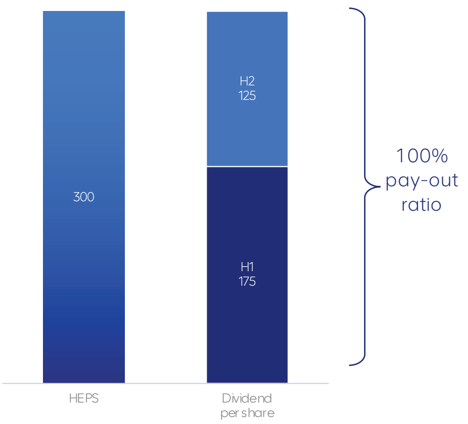
R2.8bn

26

Financial performance

Industry-leading returns to shareholders

2021 dividend per share



2021 dividend declared

R80bn

H2 2021: R33 bn

Dividend pay-out ratio

100%

Dividend per share

R300/share

H2 2021 R125/ share

Dividend yield [7]

17%

27


Financial performance
A leader in ESG
A leader in ESG – embedding ESG into our capital allocation framework
What we have done
Example of changes we have made
Embedding ESG into capital allocation framework
Prioritised ESG dimensions that can be influenced by the capital portfolio with supporting metrics and targets
Annual targets identified from the capital portfolio for each priority ESG dimensions
Introduced ESG boundary conditions and shadow prices across our capital projects
Shadow price introduced
Baselined our entire capital portfolio to understand the ESG impact of each project
800+ projects quantified for estimated carbon emissions, water usage & livelihoods (jobs) impact
Optimised the 2022 capital portfolio to meet new ESG targets (in addition to financial and risk thresholds)
25+ dedicated ESG projects (e.g., energy efficiency and water reduction projects) have been prioritised and have now been allocated funding
Revised our capital project process to embed ESG at the core of our new ways of working
Ongoing training for all capital project managers to calculate and mitigate adverse impacts of capital projects
28

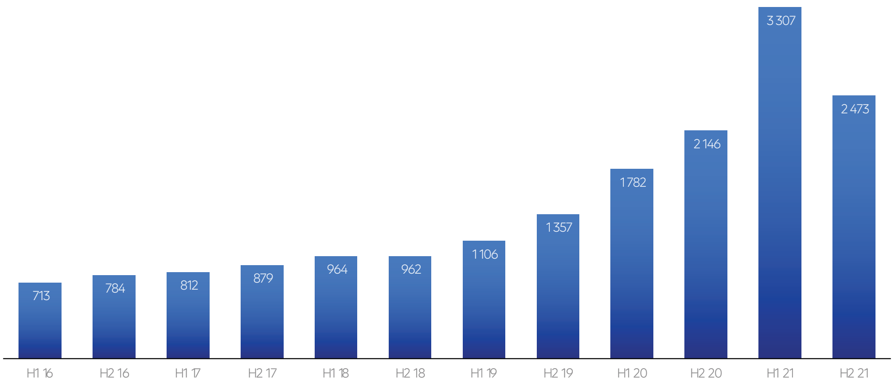
Market review

PMR: Palladium good delivery bar with grain

Market review

PGM basket price reached new highs in 2021

US$ basket price – half year average market price [8]



PGM basket price reached a record high in H1 2021.

Despite a fall in H2 2021, prices remain elevated against previous periods.

Rhodium market price increased 79% contributing most to the gains.

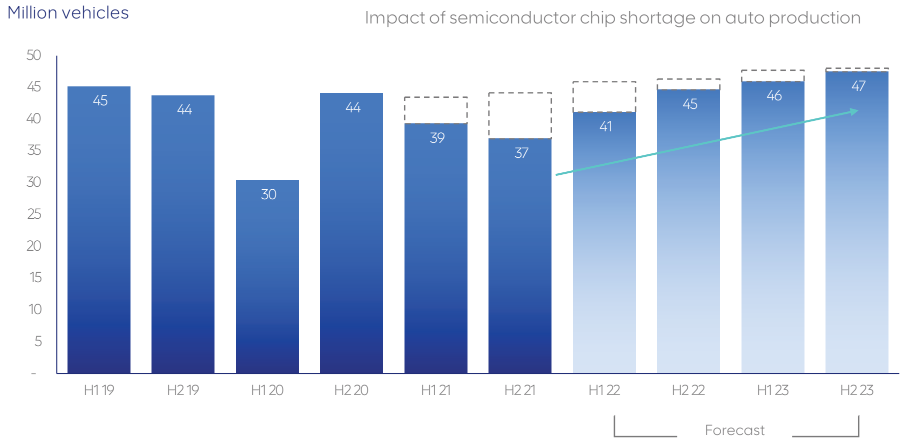
Minor PGMs – iridium and ruthenium – also made sizeable contributions.

30

Market review

Short term: easing chip shortage allows rising auto production

Semiconductor shortage impacts 2021 light duty vehicle output [9]



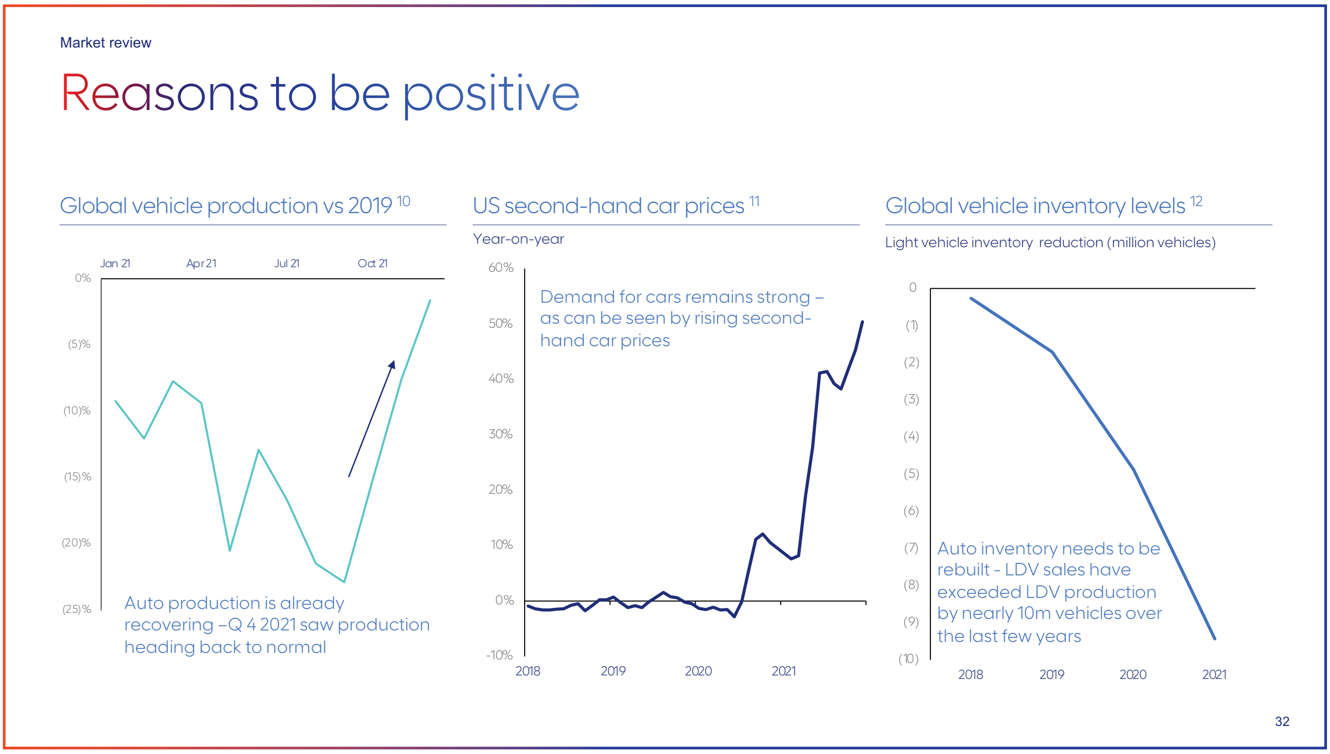
Semiconductor shortages reduced auto production in 2021 by 11m vehicles compared to starting-year forecasts.

Largest impact was H2 2021 - resulting in only a 3% increase over Covid-19 impacted 2020.

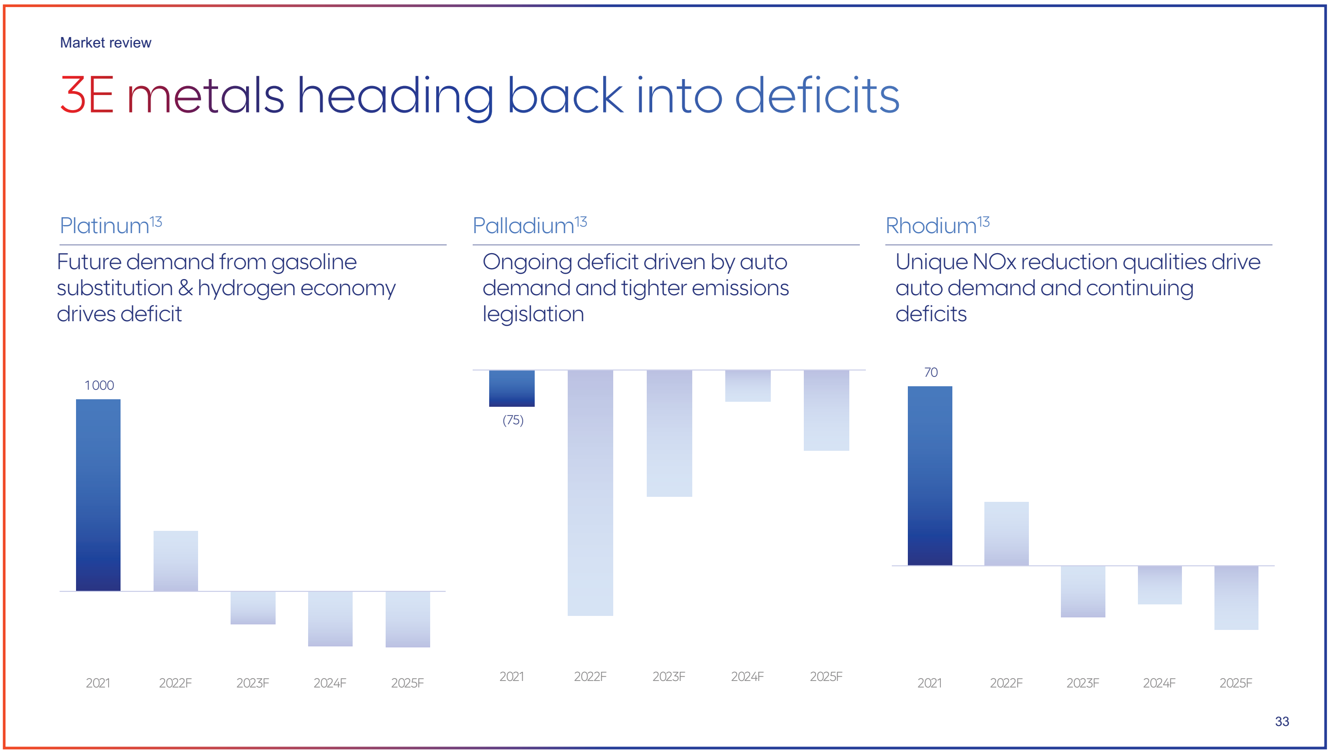
Industry forecasts semiconductor shortage is easing.

Auto production in 2023 is expected to be above pre-Covid-19 levels.

31



Market review
Reasons to be positive
Global vehicle production vs 2019 10
Jan 21
Apr 21
Jul 21
Oct 21
0%
(5)%
(10)%
(15)%
(20)%
(25)%
Auto production is already recovering – Q 4 2021 saw production heading back to normal
US second-hand car prices 11
Year-on-year
60%
50%
40%
30%
20%
10%
0%
-10%
2018
2019
2020
2021
Demand for cars remains strong – as can be seen by rising second-hand car prices
Global vehicle inventory levels 12
Light vehicle inventory reduction (million vehicles)
0
(1)
(2)
(3)
(4)
(5)
(6)
(7)
(8)
(9)
(10)
2018
2019
2020
2021
Auto inventory needs to be rebuilt - LDV sales have exceeded LDV production by nearly 10m vehicles over the last few years
32



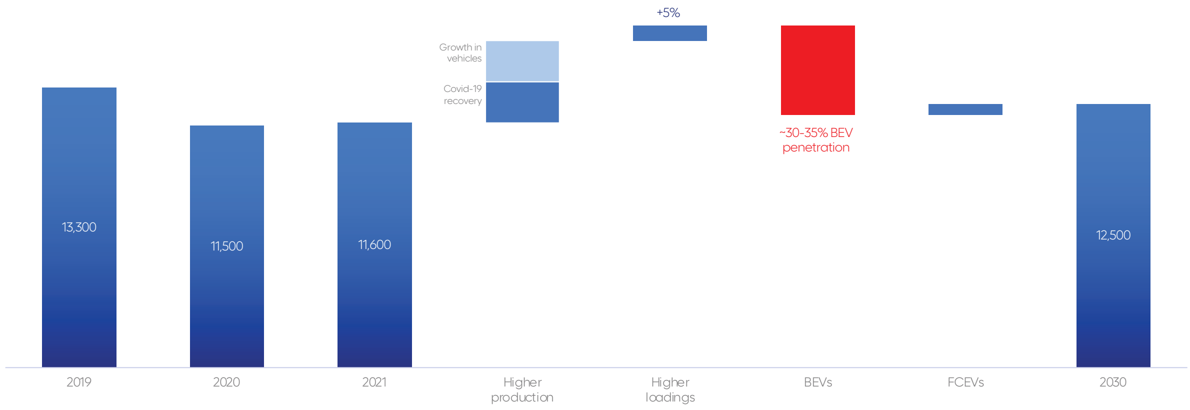
Market review
3E metals heading back into deficits
Platinum[13]
Future demand from gasoline substitution & hydrogen economy drives deficit
1000
2021
2022F
2023F
2024F
2025F
Palladium[13]
Ongoing deficit driven by auto demand and tighter emissions legislation
(75)
2021
2022F
2023F
2024F
2025F
Rhodium[13]
Unique NOx reduction qualities drive auto demand and continuing deficits
70
2021
2022F
2023F
2024F
2025F
33

Market review

Medium-term: higher production and loadings help offset rise of BEVs

Global autocatalyst PGM demand [14]

000 ounces



34

Market development

Hydrogen fuel-cell car

Market development

Hydrogen economy to create new PGM demand

Stimulate new markets & leverage new capabilities

Fuel-cell vehicles

Potential PGM ounces[15]:

If FCEV % of market

Cars	12%	4 Moz
Trucks	50%	2 Moz
Buses	25%	80 kOz

The traction:

- Toyota & Hyundai have introduced next iteration of their FCEV models
- BMW began road testing
- SAIC Motor (China) to roll out at least 10 new FCEV models in the next 5 years

PEM electrolysers

Potential PGM ounces[16]:

If 5 GW	40 kOz
If 25 GW	200 kOz

The traction[17]:

- Electrolyser shipments in 2021 are estimated to double from 2020's level
- Further quadrupling is forecasted for 2022 (over 2020)

Market development

Vehicle user-group aggregations

- Vehicle consortiums in SA, UK. Now looking at China & US
- Establish freight corridors

Support ground level FCEV demonstrations

- E.g. city cluster initiatives of FCEV globally, including China

Lowering delivered cost of green hydrogen at the nozzle

- Continue to invest in PEM & fuel cell growth companies

Neutral technology stance

- Continue advocate in key jurisdictions

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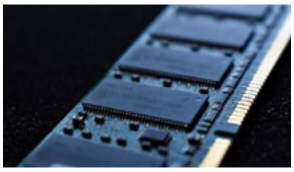
Market development

Stimulate new markets & leverage new capabilities

Driving innovation in new applications for palladium demand

In computing

R&D on using palladium in memory devices e.g. magnetic and resistive random-access memories



Creating opportunity for uptake across high-tech applications such as data centres and consumer electronics such as mobile phones

In batteries (and BEVs)

R&D and commercial efforts on using Pd to improve performance of all types of lithium-battery technologies

Supporting multiple applications from green mobility to stationary power

In food preservation

Progressing the commercialisation of product containing palladium to prolong food freshness

Supporting logistics application throughout the B2B and B2C food chain

In new materials

Creating a physical & digital platform using big data to explore new materials incorporating Pd to new potential applications

Widening the possibility of palladium applications

37

Market development

Stimulate new markets & leverage new capabilities

Increasing our market development activities in platinum jewellery

Better materials

Collaborating to explore and create superior alloys

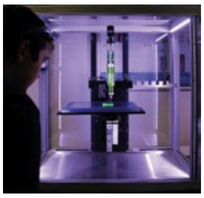
Alloyed

Addressing the challenges from manufacturing to product design

New technology

Collaborating on additive manufacturing of Pt jewellery components

Alloyed



Unlocking new commercial opportunities and even novel jewellery design

Facilitating transactions

Collaborating on business creation opportunities e.g.:
- Jewellery-FinTech

RAINMAKING

New target consumers, new commercial opportunities and creating fluidity of supply

New consumers

PGI continuing to build consumer-focused brands and grow awareness of Pt as the jewellery metal of choice

MEN OF PLATINUM

EVARA PLATINUM BLESSINGS

PLATINUM DAYS OF LOVE

platinum born

Sustain and grow established market segments

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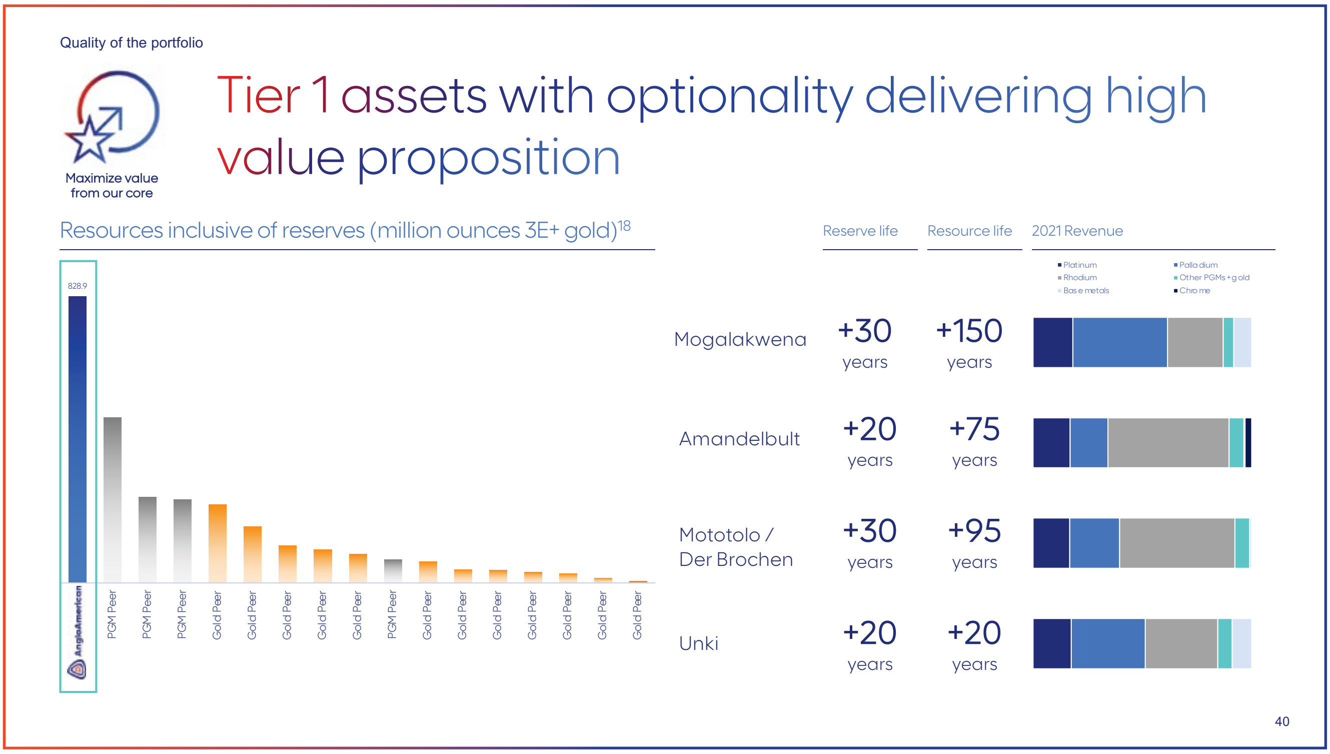
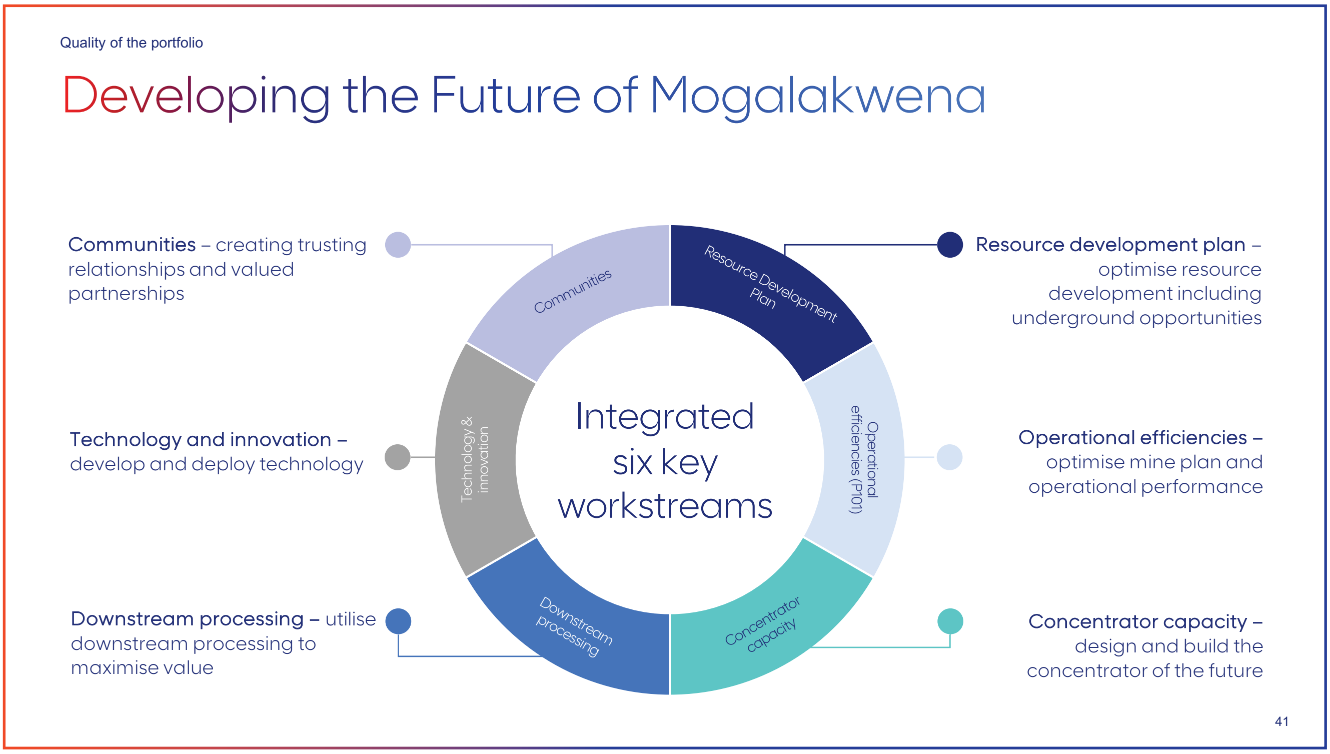
Quality of the portfolio

Unki smelter



Quality of the portfolio
Maximize value from our core
Tier 1 assets with optionality delivering high value proposition
Resources inclusive of reserves (million ounces 3E+ gold)18
828.9
AngloAmerican
PGM Peer
PGM Peer
PGM Peer
Gold Peer
Gold Peer
Gold Peer
Gold Peer
Gold Peer
PGM Peer
Gold Peer
Gold Peer
Gold Peer
Gold Peer
Gold Peer
Gold Peer
Gold Peer
Reserve life
Resource life
2021 Revenue
Platinum
Palladium
Rhodium
Other PGMs + gold
Base metals
Chrome
Mogalakwena
+30 years
+150 years
Amandelbult
+20 years
+75 years
Mototolo / Der Brochen
+30 years
+95 years
Unki
+20 years
+20 years
40


Quality of the portfolio
Developing the Future of Mogalakwena
Communities – creating trusting relationships and valued partnerships
Technology and innovation – develop and deploy technology
Downstream processing – utilise downstream processing to maximise value
Resource development plan – optimise resource development including underground opportunities
Operational efficiencies – optimise mine plan and operational performance
Concentrator capacity – design and build the concentrator of the future
Integrated six key workstreams
Communities
Resource Development Plan
Operational efficiencies (P101)
Concentrator capacity
Downstream processing
Technology & innovation
41

Quality of the portfolio
Maximising value from our integrated value chain
Maximize value from our core
Processing
Exploration
Mining
Concentrating
Smelting
Refining
Marketing & market development
Leading capabilities, achieving operational excellence and deploying technology
Our network scale...
10+
Ore inputs from 4 reef types
7
Components in processing network
13
End-products with changing demand and customer needs
>50%
of integrated producer capacity
42

Quality of the portfolio

Strategy delivering strong financial returns and value to our stakeholders

Four priorities of strategy

- A leader in ESG
- Going beyond resilience, thrive through change
- Maximize value from our core
- Stimulate new markets and leverage new capabilities

Targeting value creation for all our stakeholders

	2020 baseline	2025	2030
Mechanised and modernised operations, % of PGM production	88%	100%	→
Cost curve position	3 of 4 own-mines in H1	All mines in H1	→
Mining EBITDA margin, %	35%[19]	~40%[20]	~35 - 40%[20,21]
ROCE, %	35%[19]	>30%[20]	~25 - 35%[20]
Communities, jobs support	1,400	→	5 jobs off site for every 1 on site
Net reduction in CO_2 emissions, % off 2016 baseline	8%	→	30%

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Thank you

Mogalakwena drilling and exploration

Appendix

2022 guidance

PGM production (M&C)

4.1–4.5

million ounces

Refined PGM production

4.2–4.6

million ounces

PGM sales volume

4.2–4.6

million ounces

Unit cost per PGM ounce

13,800–14,500

Rand per PGM ounce

Polokwane smelter

Appendix

Three-year guidance

	Unit	2022E	2023E	2024E
Metal in concentrate				
Total PGMs	(m ounces)	4.1 – 4.5	4.1 – 4.5	4.1 – 4.5
Platinum	(m ounces)	1.9 – 2.1	1.9 – 2.1	1.9 – 2.1
Palladium	(m ounces)	1.3 – 1.4	1.3 – 1.4	1.3 – 1.4
Other PGMs and gold	(m ounces)	0.9 – 1.0	0.9 – 1.0	0.9 – 1.0
Refined production				
Total PGMs	(m ounces)	4.2 – 4.6	3.8 – 4.2	4.1 – 4.5

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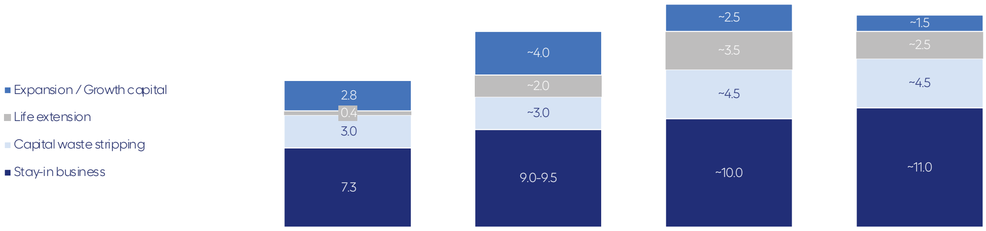
Appendix

Capital expenditure guidance



Capital expenditure		2021	2022E	2023E	2024-2025E
Total capital expenditure	(R billion)	13.6	~18.0 - 18.5	~20.5	~19.5
Total Sustaining capital	(R billion)	10.8	14.0-14.5	~18.0	~18.0
Stay-in-business	(R billion)	7.3	9.0-9.5	~10.0	~11.0
Capitalised waste stripping	(R billion)	3.0	~3.0	~4.5	~4.5
Life extension capital	(R billion)	0.4	~2.0	~3.5	~2.5
Expansion / breakthrough capital	(R billion)	2.8	~4.0	~2.5	~1.5

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Appendix

Exiting Bokoni and Kroondal - creating value uplift for stakeholders and shareholders

Bokoni

Concluded an agreement for the disposal of Bokoni Mine to African Rainbow Minerals for R3.5 billion.

Important that Bokoni Mine was sold to an operator with the technical and operational capability and access to funding.

The restart should support sustainable future for host communities and regional economy.

Purchase-of-concentrate terms agreed on the basis of the current mine plan.

Kroondal

Signed an agreement to exit the Kroondal and Marikana pool-and-share agreements to Sibanye-Stillwater.

Marikana operation is on care and maintenance, the Kroondal operation has a short mine life under the current PSA terms.

Kroondal will be able to mine through the boundary at Sibanye-Stillwater's Rustenburg operations.

This enables us to extract our remaining 4E ounces from Kroondal more quickly and efficiently than under the previous mine plan.

Anglo American Platinum will transfer environmental liabilities and closure costs of c.R420m to Sibanye-Stillwater.

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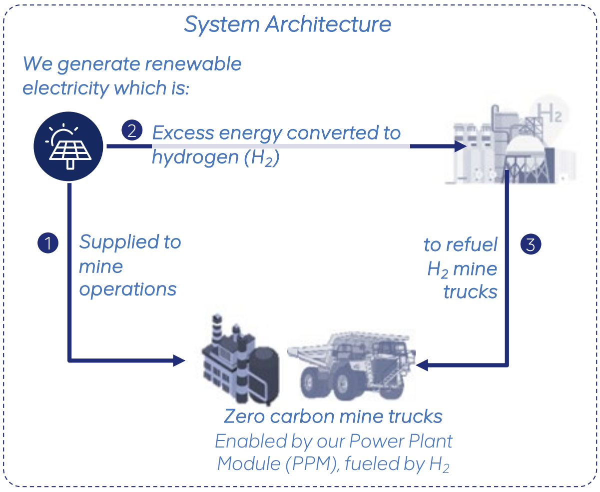
Progress on zero-emissions mine solution at Mogalakwena

Completed design and build of infrastructure for electrolysers, storage & refuelling.

Integration of fuel cell power module and integrated drive train – on site in South Africa



Performed high speed hydrogen refuelling tests and hydrogen storage installed .

Installation of hydrogen production equipment in progress

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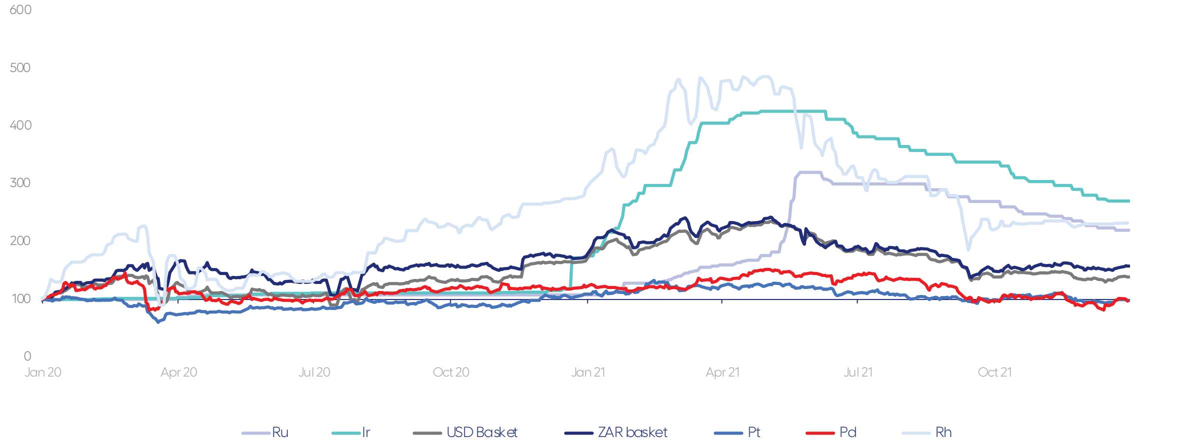
Appendix

Strong basket price – led by rhodium and minor PGMs

Indexed market prices log scale (1 Jan 2019=100)[22]



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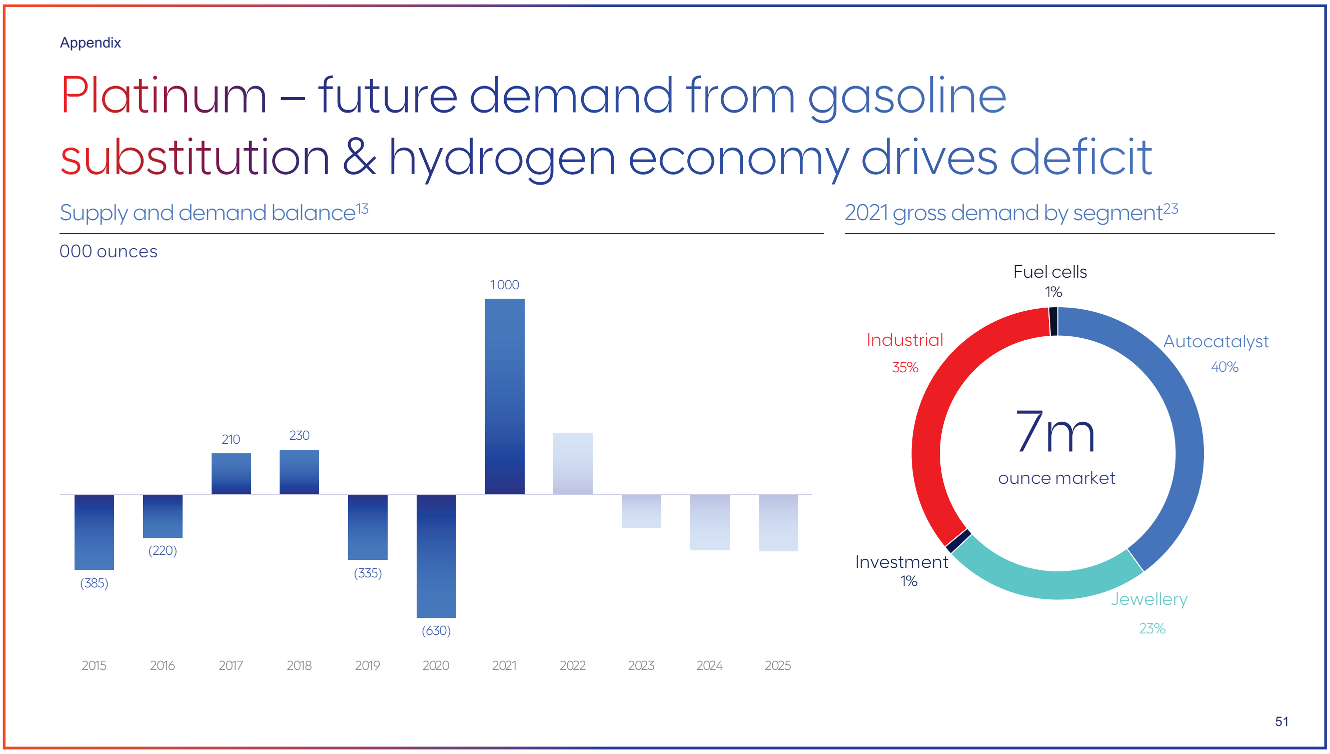
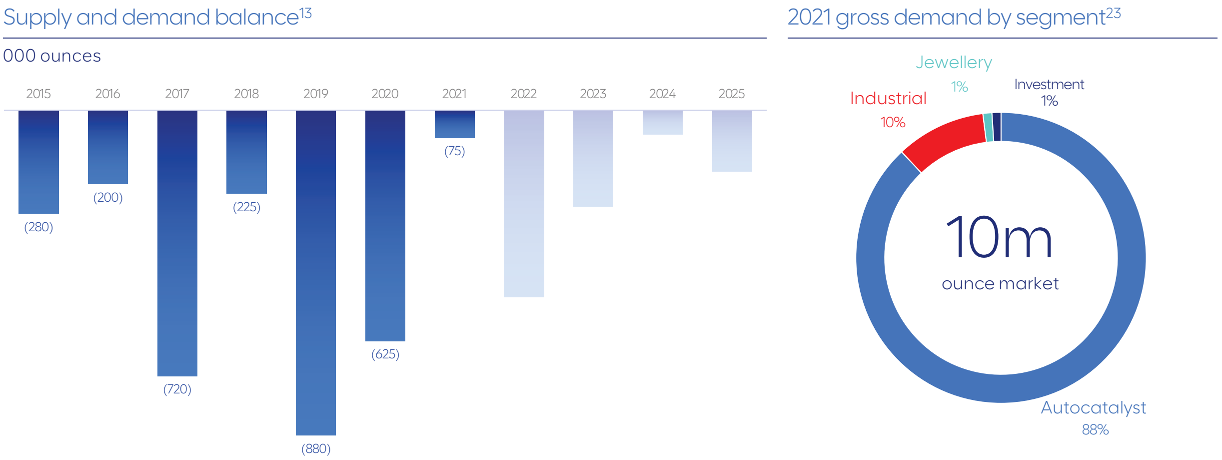

Appendix
Platinum – future demand from gasoline substitution & hydrogen economy drives deficit
Supply and demand balance13
000 ounces
(385)
(220)
210
230
(335)
(630)
1 000
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
2021 gross demand by segment23
Fuel cells
1%
Autocatalyst
40%
Industrial
35%
7m
ounce market
Investment
1%
Jewellery
23%
51

Appendix

Palladium – ongoing deficit driven by auto demand and tighter emissions legislation



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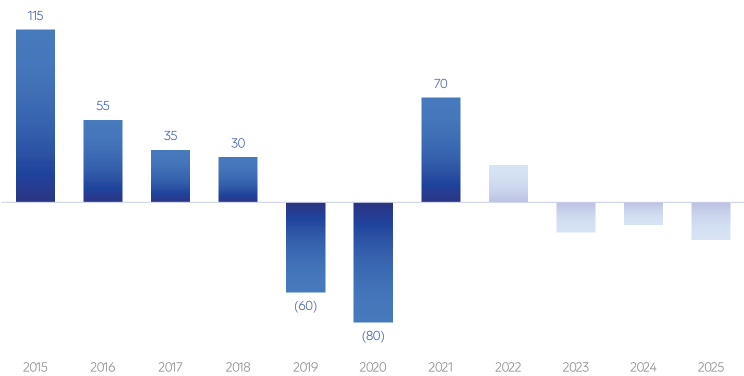
Appendix

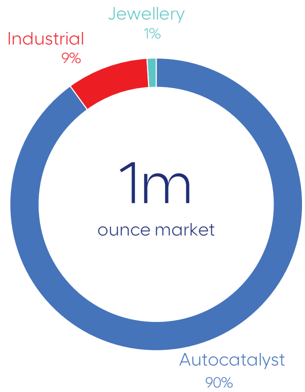
Rhodium – unique NOx reduction qualities drive auto demand and continuing deficits

Supply and demand balance[13]

000 ounces



2021 gross demand by segment[23]



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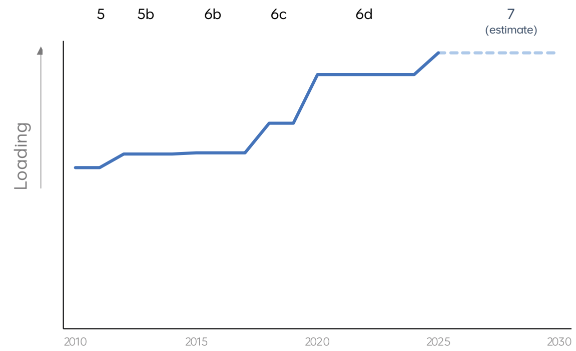
Appendix

Medium term: auto PGM demand driven by tighter emissions legislation

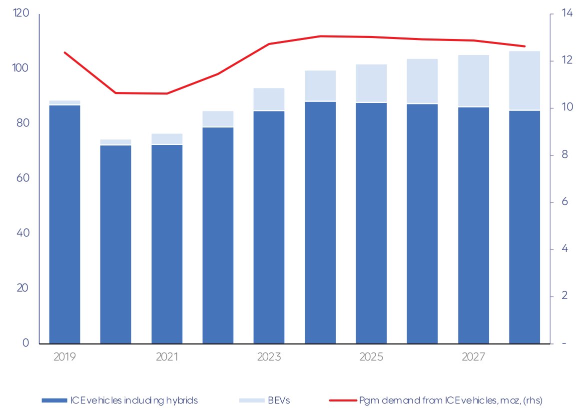
Rising PGM loadings – example Euro gasoline LDV

Euro emissions standards [24]



Robust PGM demand from LDV globally

Million vehicles (LHS), million ounces (RHS) [25]



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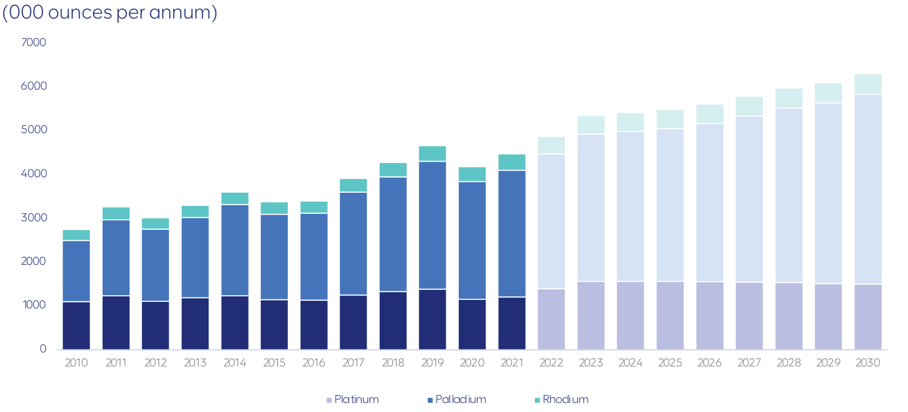
Appendix

Secondary supply – rising trend mainly from palladium

Projected autocatalyst recycling volume[26]



Autocatalyst recycling volumes set to increase as scrapped cars have higher loadings.

Well-established trends expected to continue - mature autocat recycling market.

Palladium volumes will grow fastest, reflecting demand patterns in mid-2000s.

Covid-19 and chips shortage led to fewer cars scrapped in 2020/2021 than might be expected.

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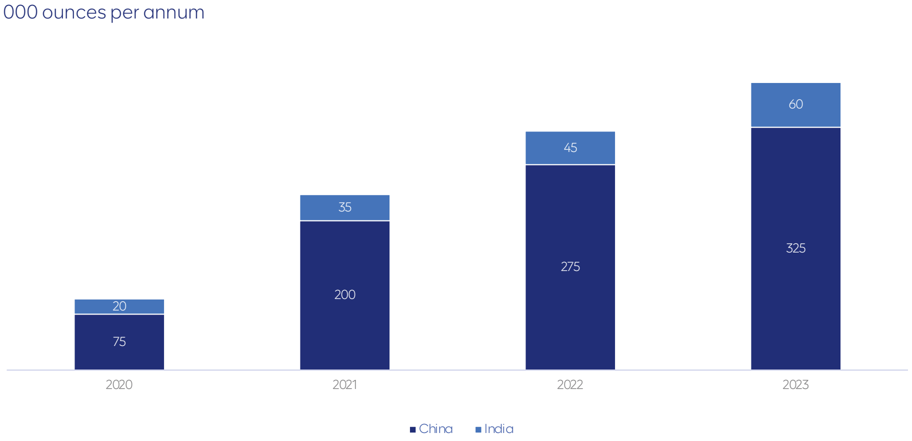
Appendix

Truck demand – a platinum growth area

Heavy-duty platinum automotive demand in China and India[27]



All Chinese trucks sold by 2023 will need platinum-based catalysts due to tightening emissions.

Many manufacturers implementing systems earlier to meet legislation.

Demand to be ~4x higher in 2023 than 2020.

Indian heavy-duty trucks see similar uplift from Bharat V legislation in 2020 and real-world testing from 2023.

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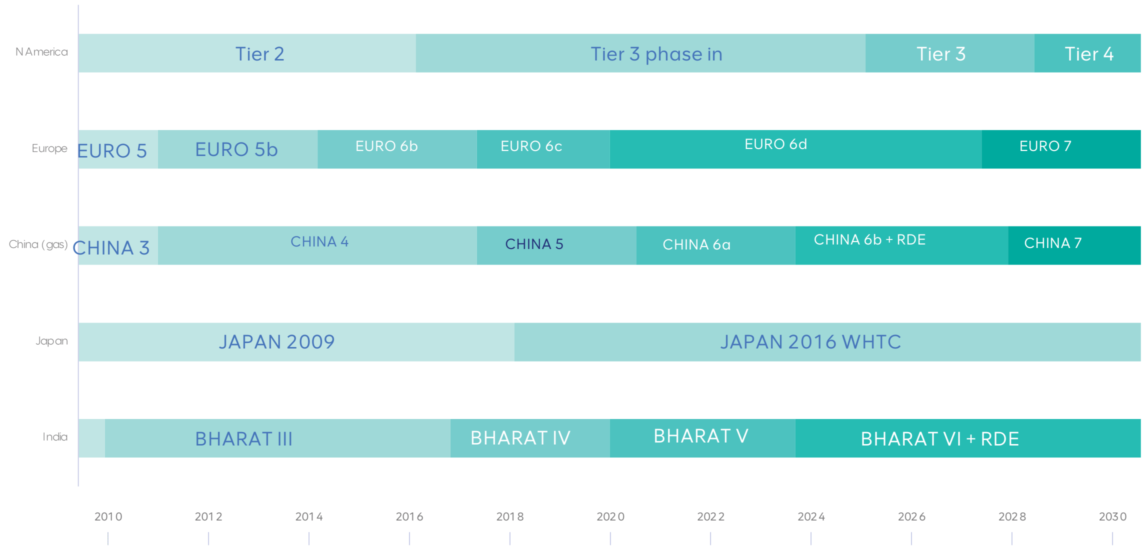
Appendix

Outlook for global emissions regulation – light duty[28]



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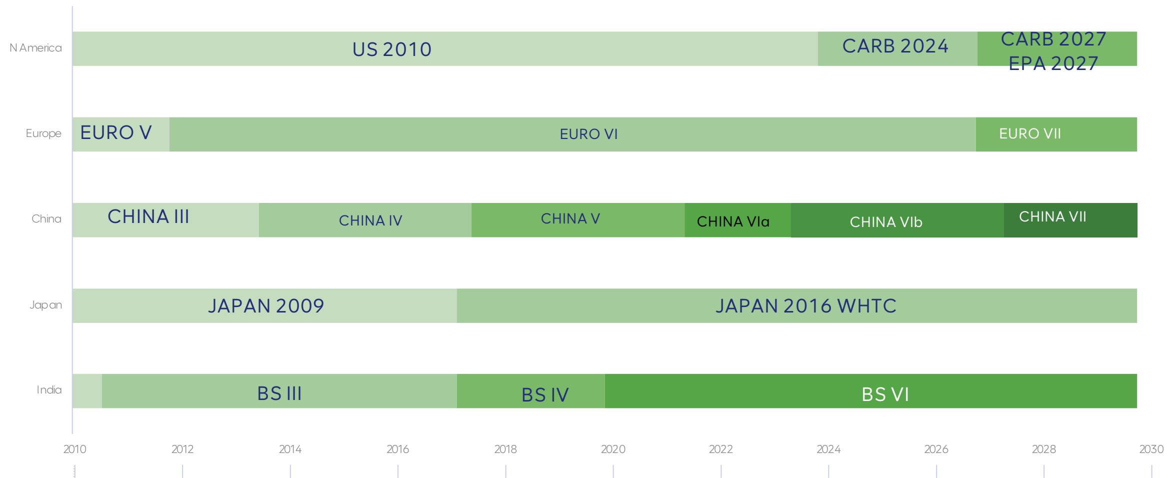
Appendix

Outlook for global emissions regulation – heavy duty[28]



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Appendix

Market development of all PGMs

End use sector diversity Opportunity Areas	Full PGM basket resilience Creating possibilities and options for
Hydrogen & mobility	Pt Ir
Low-Loss Computing	Pt Pd Ru Ir
Battery & Storage	Pt Pd
New Materials	Pt Pd Rh Ru Ir
Carbon-Neutral Feedstock	Pt Ru
FoodTech	Pt Pd
MedTech	Pt Os
Waste & Pollution Control	Pt

Possibilities for meaningful incremental demand.

For example

- **Hydrogen & mobility** if 6-7% of global car sales is FCEV, that could equate to ~2 to 4.5+ Moz a year, equivalent or even exceed peak Pt autocat in Europe throughout 2005-08
- **Battery & Storage** could be equivalent **to half or nearly the same** consumption seen in automotive sector today
- **Low-Loss Computing** could create PGM demand in the **millions of oz a year**
- **FoodTech** could be equivalent to an average platinum mining shaft

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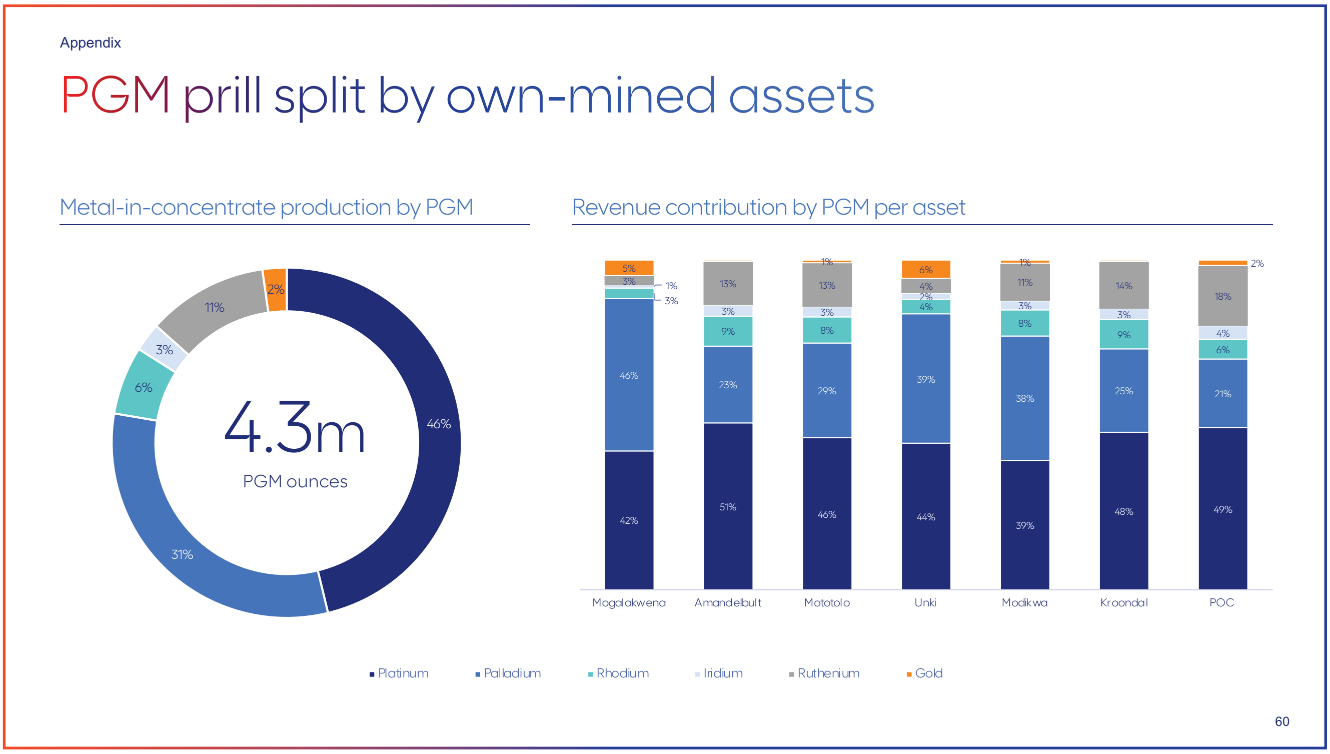
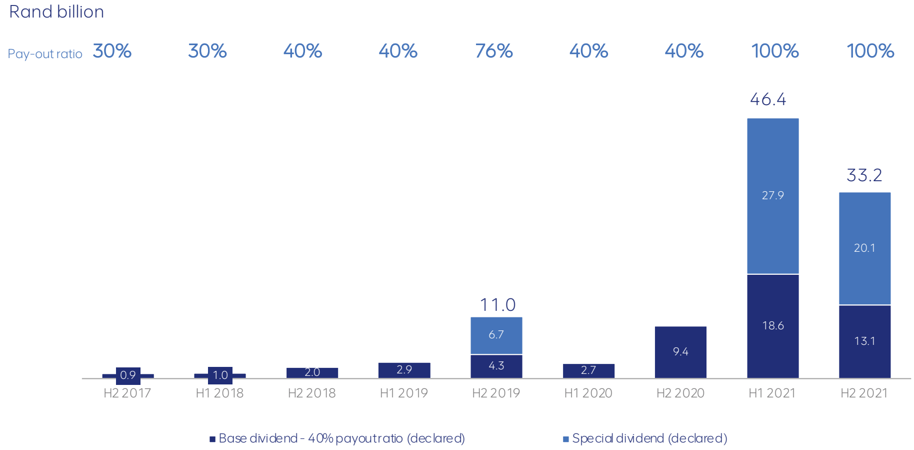

Appendix
PGM prill split by own-mined assets
Metal-in-concentrate production by PGM
4.3m
PGM ounces
46%
31%
6%
3%
11%
2%
Revenue contribution by PGM per asset
Mogalakwena
42%
46%
3%
1%
3%
5%
Amandelbult
51%
23%
9%
3%
13%
Mototolo
46%
29%
8%
3%
13%
1%
Unki
44%
39%
4%
2%
4%
6%
Modikwa
39%
38%
8%
3%
11%
1%
Kroondal
48%
25%
9%
3%
14%
POC
49%
21%
6%
4%
18%
2%
Platinum
Palladium
Rhodium
Iridium
Ruthenium
Gold
60

Appendix

Returning excess cash to shareholders

Dividend declared – base and special dividends



Total 2021 dividend declared

R80bn

Dividend pay-out ratio

100%

Dividend yield

17%

Based on 31 December 2021 closing share price

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Appendix

EBITDA sensitivity

Sensitivity analysis – 2021	31 December spot	Average realised	Impact of 10% change in price/FX
Commodity / unit			
Platinum ($/oz)	965	1,083	3,527
Palladium ($/oz)	1,967	2,439	5,872
Rhodium ($/oz)	14,100	19,613	7,962
Gold ($/oz)	1,818	1,788	242
Nickel ($/ton)	20,498	18,472	455
Copper ($/ton)	9,726	9,248	138
Chrome ($/ton)	175	155	130
Currency			
South African rand/dollar	15.89	14.71	16,824

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Appendix

Net cash flow by mine

Assets	Net cash 31 Dec 2020	Cash generated	SIB capital and capitalised waste	Economic free cash flow	Project capital + capitalised interest	Customer prepayment	Deferred consideration	Income tax paid	Effect of FX changes on cash	Dividends paid	Net cash 31 Dec 2021
Mogalakwena		39,294	(6,642)	32,652	(1,440)	--	--	--	--	--	
Amandelbult		24,766	(744)	24,022	(857)	--	--	--	--	--	
Mototolo		8,941	(553)	8,388	(92)	--	(1,710)	--	--	--	
Unki		6,076	(545)	5,531	(526)	--	15	--	--	--	
Joint operations (mined)		15,593	(650)	14,943	(100)	--	--	--	--	--	
Third party POC		20,577	(1,018)	19,559	(128)	--	3,480	--	--	--	
Other		348	(213)	132	(123)	7,704	--	(27,902)	2,653	(55,718)	
	18,650	115,595	(10,365)	105,228	(3,265)	7,704	1,785	(27,902)	2,653	(55,718)	49,137

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Appendix

Cost breakdown

Costs reflective of AAP own mined and joint operations share of production and costs at operations (excludes all purchase of concentrate costs and volume, overhead and marketing expenses).

2021	Cost base (Rbn)	Volume %	PGMs (koz)	Labour	Contractors	Materials	Utilities	Sundries
Opencast Mining	7.0	44%	1,247	17%	7%	43%	2%	30%
Conventional Mining	10.9	29%	843	55%	4%	18%	8%	16%
Mechanised Mining	7.4	27%	768	37%	9%	33%	7%	14%
Concentrating	7.3			15%	0%	36%	22%	27%
Processing	10.6			22%	1%	23%	25%	29%
Total	43.2	100%	2,858	31%	4%	29%	13%	23%

2020	Cost base (Rbn)	Volume %	PGMs (koz)	Labour	Contractors	Materials	Utilities	Sundries
Opencast Mining	6.1	47%	1,190	17%	8%	43%	2%	30%
Conventional Mining	10.4	26%	675	57%	3%	17%	9%	14%
Mechanised Mining	6.3	27%	692	39%	8%	32%	6%	14%
Concentrating	4.9			14%	0%	38%	23%	26%
Processing	8.3			25%	2%	22%	25%	27%
Total	36.0	100%	2,557	34%	4%	28%	13%	21%

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All in sustaining cost (AISC)

		Mogalakwena	Amandelbult	Mototolo	Unki	Modikwa	Kroondal	Other	Mining
	Costs (US$ million)								
	Cash operating costs (excl. stock piles)	829	875	226	190	145	229		2,493
	Other costs and marketing	324	280	74	80	27	67	19	872
	Capitalised waste costs	207							207
	Sustaining capital	245	57	38	37	20	24	15	435
a	Total Cost	1,605	1,212	337	308	192	320	33	4,007
	Total revenue excluding PGMs revenue (US$m)								
b	Base and other metals	324	113	11	63	7	7		524
c = a- b	All-in sustaining costs	1,281	1,100	327	245	185	313	33	3,484
d	PGM ounces sold	1,479	907	307	243	164	342		3,442
e = c x 1,000 ÷ d	US$ AISC / PGM oz sold	866	1,213	1,062	1,007	1,130	917		1,012
	Average PGM price achieved ($)	2,356	3,001	2,904	2,542	2,982	2,981		2,680
	Realised $ cash margin/PGM ounce sold	1,489	1,788	1,842	1,535	1,852	2,064		1,667

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Appendix

Rand basket price

		Mogalakwena	Amandelbult	Mototolo	Unki	Joint operations	Total Mining	POC and Other	Company (ex-trading)
	Net sales revenue (US$ million)								
	from platinum	690	482	151	119	239	1,682	893	2,575
	from palladium	1,653	486	207	230	342	2,917	945	3,863
	from rhodium	967	1,573	476	225	827	4,068	2,249	6,317
	from other metals	498	292	69	106	113	1,079	585	1,610
a	Total revenue	3,808	2,833	904	681	1,521	9,747	4,671	14,364
	Sales volume (000 ounces)								
b	platinum ounces sold	633	444	139	110	220	1,546	821	2,367
	other PGMs sold	846	462	168	133	286	1,896	951	2,847
c	Total PGMs sold	1,479	907	307	243	506	3,442	1,773	5,214
	US$ Basket prices								
d = a ÷ c x 1,000	US$ basket price per PGM ounce[1]	2,575	3,125	2,939	2,801	3,008	2,832	2,635	2,761
e = a ÷ b x 1,000	US$ basket price per platinum ounce	6,018	6,375	6,498	6,214	6,915	6,305	5,687	6,082
f	US Dollar/ZAR exchange rate	14.71	14.71	14.71	14.71	14.71	14.71	14.71	14.71
	Rand Basket prices								
g = d x f	Rand basket price per PGM ounce[2]	37,862	45,958	43,226	41,198	44,231	41,645	38,756	40,511
g = e x f	Rand basket price per platinum ounce[2]	88,500	93,745	95,567	91,391	101,694	92,726	83,627	89,233

[1]$6 variance from Rand basket price conversion due to monthly metal Prices in dollar
[2]Company Ex trading calculated as ((a x f) / c x 1000)

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Appendix

Simplified EBITDA per PGM ounce

(R million)		Mogalakwena	Amandelbult	Mototolo	Unki	Attributable joint operations	Exit and C&M mines	Mined	POC & toll	Trading	Other	Company	Company (ex trading)
a = (b x c)/1000 + d	Net revenue	56,001	41,662	13,290	10,008	22,372		143,334	70,098	1,137		214,568	213,431
b	Basket price per PGM ounce	37,862	45,958	43,226	41,198	44,231		41,645	38,756	1,475			
c	PGM ounces sold	1,479	907	307	243	506		3,442	1,773	771		5,985	5,214
d	Other revenue								1,399			1,399	1,399
e = (f x g)/1000 + h	Cash operating costs	12,469	12,884	3,336	2,741	5,491	(244)	36,676	48,990	11		85,677	85,666
f	Cash operating cost / PGM oz	10,266	16,665	13,651	13,392	13,026		12,831					
g	PGM ounces produced	1,215	773	244	205	422		2,858	1,440				
h	POC and toll costs								48,990				
i = (j + k + l + m + n)	Other costs	4,921	4,627	1,081	1,063	1,956	(433)	13,214	5,126	299	1,813	20,453	20,154
j	- Metal inventory	429	706	56	(71)	685		1,806	4,840			6,646	6,646
k	- Other costs	1,679	1,171	365	844	153	(433)	3,779	286	299	847	5,211	4,912
l	- Royalties	2,812	2,003	660	290	1,108		6,874				6,874	6,874
m	- Chrome		746			10		756				756	756
n	- Market and development costs										966	966	966
o = (e + i)	Total costs	17,390	17,511	4,417	3,803	7,447	(678)	49,890	54,116	310	1,813	106,130	105,820
p = (a - o)	EBITDA	38,612	24,151	8,873	6,204	14,925	678	93,443	15,982	827	(1,813)	108,438	107,611
q = (p ÷ a)	EBITDA margin	69%	58%	67%	62%	67%	0%	65%	23%	73%	0%	51%	50%

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Footnotes

1) Total recordable case injury frequency rate (TRCFR) is a measure of all injuries requiring treatment above first aid per 1,000,000 hours worked
2) New case of Occupational Disease defined as: A case of disease (diagnosed by a physician and counted from the date of diagnosis) where an employee has been exposed to an agent/hazard with a known causative association to the disease being reported and, where the period of exposure – while employed by Anglo American Platinum – has been sufficient (from both a dose and time perspective) to have caused the disease.
3) Scope 1 covers direct emissions from owned or controlled sources. Scope 2 covers indirect emissions from the generation of purchased electricity, steam, heating and cooling sources
4) CO_2e (carbon dioxide equivalent) compares the emissions from various greenhouse gases on the basis of their global warming potential by converting other gases to the equivalent amount of CO_2 with the same global warming potential
5) A level 4 environmental incident is defined whereby the size/scale of the impact is high relative to the receiving environment, the receiving environment has high sensitivity to the impact and the containment, remediation and/or clean up of the impact requires high intervention and time. A level 5 environmental incident is defined whereby the size/scale of the impact is major relative to the receiving environment, the receiving environment has major sensitivity to the impact and containment, remediation and/or clean up of the impact requires major intervention and impacts may be irreversible.
6) Water abstraction from stressed catchments is defined as: all the water received by the site/operation from the environment or a 3rd party supplier in a catchment where the demand/use is greater than the resource availability or the water available is of poor quality.
7) Dividend yield based on 20-21 dividend declared as at share price on 31 December 2021 of R1,816 per share.
8) Calculated using 5E production share of South African mined output during 2017-2019.
9) Source: LMC Automotive, Light Vehicle Production Forecast.
10) Own calculations based on publicly available national light vehicle production data.
11) US Bureau of Labor Statistics.
12) Calculated by Anglo American Platinum as difference between light vehicle sales and light vehicle production using LMC historical data.
13) Source: JM historical data to 2020, JM 2021 data modified by Anglo American Platinum in 2021. Anglo American Platinum forecasts thereafter
14) JM historical data to 2021. Production assumptions: LMC long-term forecasts, loadings: Anglo American Platinum estimates, BEV: high-end of industry forecasts, FCEVs: Anglo American Platinum estimates.
15) Based on assumed PGM loading of 0.125 g/kW, and fuel cell vehicle market shares of 15% in medium/light duty passenger vehicles, 50% of heavy-duty trucks, 5% of small passenger vehicles, and 25% of buses.
16) Based on 0.15 g/kW for iridium and 0.1 g/kW for platinum.
17) Source = Bloomberg New Energy Finance (BNEF), "Hydrogen – 10 predictions for 2022"
18) Mineral Resources classified as Measured, Indicated and Inferred, inclusive of Ore Reserves based on latest available information from Company sources and Company analysis
19) Restated using long term consensus averages prices
20) Based on long-term consensus average pricing
21) 2026-2035 average
22) Source: Bloomberg, Johnson Matthey, Anglo American Platinum
23) Source: Johnson Matthey adapted by Anglo American Platinum.
24) Source: Johnson Matthey, Anglo American Platinum. Note, loadings averaged over period legislation was in force
25) Source: LMC Automotive (ICE & BEV production), Anglo American Platinum (PGM demand from ICE vehicles)
26) Source: Anglo American Platinum from historical JM demand data and Anglo American Platinum future projected demand data
27) Source: Anglo American Platinum
28) Source: Johnson Matthey, May 2021 Platinum Survey

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Administration

Directors

Executive directors

N Viljoen (Chief executive officer)

CW Miller (Finance director)

Independent non-executive directors

NP Mageza (Lead independent director)

R Dixon

T Leoka

NT Moholi

D Naidoo

JM Vice

Non-executive directors

M Cutifani (Australian)

NB Mbazima (Zambian)

N Fakude

A Michaud-Ahmed (British)

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Fraud line – yourvoice

Anonymous whistleblower facility 087 232 5426 (South Africa)

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HR-related queries

Job opportunities: www.angloamericanplatinum.com/careers/job-opportunities

Bursaries, email: bursaries@angloplat.com

Career information: www.angloamericanplatinum.com/careers/working-at-anglo-american-platinum

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AngloAmerican

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Date of incorporation: 13 July 1946
Registration number: 1946/022452/06
JSE code: AMS – ISIN: ZAE000013181

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