AngloAmerican

Real Mining. Real People. Real Difference.

ANGLO AMERICAN IN SOUTH AFRICA:
TRANSFORMATION REPORT 2011

What it takes
TO EMPOWER OUR PEOPLE, OUR COMMUNITIES, OUR BUSINESS

CONTENTS

2 FOREWORD
4 INTRODUCTION

6 What it takes to ACHIEVE ZERO HARM
8 SAFETY AND SUSTAINABLE DEVELOPMENT

26 What it takes to be AN EMPLOYER OF CHOICE
28 EMPLOYMENT EQUITY
34 HUMAN RESOURCE DEVELOPMENT
44 HOUSING AND LIVING CONDITIONS

48 What it takes to BUILD A COMMUNITY
50 MINE COMMUNITY DEVELOPMENT

60 What it takes to be A PARTNER OF CHOICE
62 OWNERSHIP
66 LOCAL AND BEE PROCUREMENT
70 ENTERPRISE DEVELOPMENT
76 BENEFICIATION

LIVING OUR VALUES

To achieve our ambition of becoming the leading global mining company, we have identified six values that guide how we behave and interact with others. Our approach to living these values is reflected throughout this report:

Safety

This is always first on our agenda. We truly believe that all injuries are preventable and that by working together we can make safety a way of life, inside and outside the workplace.

Care and respect

We always treat people with respect, dignity and common courtesy – regardless of their background, lifestyle or position.

Integrity

This means taking an honest, fair, ethical and transparent approach in everything we do. It is not about being popular; it is about always doing the right thing.

Accountability

We take ownership of our decisions, our actions and our results. We deliver on our promises and acknowledge our mistakes. Above all, we never pass blame.

Collaboration

We are one company with a joint ambition – all working together to make decisions and get things done more effectively.

Innovation

Challenging the way things have always been done is a key priority for us. We do this by actively developing new solutions, encouraging new ways of thinking and finding new ways of working.

OVERVIEW

As one of the largest private sector employers in South Africa, Anglo American not only has the legislative responsibility but also the moral obligation to contribute to the transformation of the mining industry and the country as a whole.

Our transformation journey is underpinned by Anglo American's values and business principles. As a good corporate citizen, we respect the dignity and human rights of individuals and communities everywhere we operate. We aim to make a lasting contribution to the well-being of these communities while generating strong investor returns.

Indeed, our long-term success depends on how we work jointly with all our stakeholders.

Our progress in transforming Anglo American's business in South Africa is measured primarily against the revised Mining Charter.

To allow our stakeholders to monitor this progress, a key aspect of our disclosure and reporting is a commitment to transparency and to providing the information that stakeholders need to fully assess our efforts as a responsible corporate citizen.

This Transformation Report 2011 showcases the progress that our South African operations are making towards achieving meaningful transformation.

The report covers our business units that operate in South Africa, namely Kumba Iron Ore, Anglo American Platinum Limited (Platinum) and Thermal Coal. It also includes Anglo American's Corporate Division (ACD) and Anglo American Global Shared Services in South Africa (AAESS), which are based in South Africa. Each of these entities has therefore contributed to this report, covering the 2011 financial year.

The content of this report is based on the following nine key pillars of the Mining Charter:

- Sustainable development and growth
- Employment equity
- Human resource development
- Housing and living conditions
- Mine community development
- Ownership
- Procurement and enterprise development
- Beneficiation
- Reporting.

Taking stock, and LOOKING FORWARD

The simple truth of mining in South Africa is that a transformed business is a more competitive one: the actions that will see the sector thrive are also those that will drive our journey towards a more equitable, participative industry. This transformation report outlines how far Anglo American has come on this journey, and how much more we intend to achieve.

The 2009 review of the Mining Charter was a milestone in the evolution of the South African mining sector, in that it gave companies cause to seriously contemplate what they can do as a collective to encourage transformation and competitiveness. It also gave us the opportunity to evaluate Anglo American's own progress against the original Charter targets, and put new measures in place to help us reach our ultimate goal: moving beyond compliance.

A new kind of corporate citizen

In the broader context, transformation is being driven by two key questions: How should companies, particularly in the mining sector, respond to the challenges of the new world taking shape around us? And what will it take for us as an industry, to turn the exciting future that we envisage into a reality?

The answer lies in a new model of corporate citizenship for the world in which we now live.

Mining is a long-term business, and we are accustomed to thinking not just of today but also of the years, decades and even centuries ahead. Integral to that way of thinking is a recognition that we are totally interdependent with the countries and communities that we serve. That is why people and partnerships are key to us – partnerships with governments, local communities, employees and trade unions.

In pursuing partnership, mining companies have some very important responsibilities, the

> "We have long recognised the business case for implementing transformation in its broadest sense because it is the right thing to do."

first being the contribution that we make to economic development in terms of revenue and employment. But that direct contribution is just the beginning. Our contribution is broad-based and inclusive and it benefits all our stakeholders. In this transformation report for our business in South Africa, we offer an overview of how this belief in partnerships and commitment to a new kind of corporate citizenship, is creating these benefits.

Partner of choice

At Anglo American we have adopted a comprehensive and far-reaching approach to transformation. We have completed all necessary empowerment transactions – worth R67 billion since 1994 – and all mineral rights conversions across all businesses.

Building on previous empowerment transactions, we were very proud to announce in 2011 our groundbreaking R3.5 billion community trust scheme in Anglo American Platinum Limited. This scheme will benefit both the communities around four of our operations and communities in key labour-sending areas, in an enduring 30-year partnership.

Additionally, all Group company employees currently participate in employee share ownership schemes, one of which is widely regarded as South Africa's most successful empowerment transaction to date. Envision – the employee scheme of Kumba Iron Ore covering more than 6,800 individuals below the managerial level – was valued at R2.66 billion at the conclusion of its first phase. It paid out R576 045 to members who had worked for the company for the five years since its inception.

More on this and other employee share schemes can be found within the pages of this report.

Other areas in which we continue to make good progress are local procurement and enterprise development.

In 2011, 46% spend of our managed businesses was with historically disadvantaged South Africans (HDSAs); we also launched a local procurement policy to support our vision of sustainable responsible local procurement. Zimele, Anglo American's enterprise development arm, currently has 1,500 investments, employing 19,500 people.

Building communities

We pride ourselves on the level of direct participation we continue to see in the communities that are affected by our mining operations, and the benefits that this is generating. In 2011, Anglo American's South African business units spent more than R509 million on various mine community development initiatives, covering healthcare, education and infrastructure development. Most of these development initiatives directly contribute to progressing social and labour plan commitments and municipal integrated development plans.

In certain areas we contribute to communities beyond the scope of the Mining Charter, specifically in the fight against HIV/AIDS, with 92% of all employees having participated in voluntary counselling and testing as well as our iCare wellness programme, and more than 4,700 employees on our antiretroviral treatment campaign.

Examples that can be found in this report include the community health centre in Bushbuckridge, which is run in conjunction with Virgin Unite and the South African and US governments, as well as our business plan to revitalise primary healthcare in two districts of the Eastern Cape, through healthy systems strengthening.

Employer of choice

Perhaps the most visible evidence of transformation within our business is that of our employee profile. In aggregate, around 56% of Anglo American employees at management level locally are HDSAs, and 21% of management positions are held by women. We remain focused on increasing the number of women in core mining jobs, which reached 5,599 in 2011, representing almost 10% of the total mining workforce.

Linked to this is the ongoing drive to provide our people with proper training and development opportunities, and in the past year, this accounted for an average of 5.8% HDSA spend of total employee costs. Furthermore, 2,254 employees received portable skills training to be employable outside the mining industry in South Africa.

All of these statistics and many more are included in this report, as well as information on critical areas such as employee housing, research and development, and beneficiation.

Like many other South African companies who are taking an innovative, broad-based approach to transformation, some of our efforts have been more successful than others, and we still face a number of challenges that require a thoughtful and sensitive approach. That said, I trust that this report will provide a sense of how we are benchmarking ourselves against our achievements to date, and using the lessons we have learned to continue to improve.

We have long recognised the business case for implementing transformation in its broadest sense because it is the right thing to do, and I believe this report captures the spirit of that commitment to change and growth. I believe it provides genuine evidence of how real mining and real people are coming together to achieve a real difference, and I trust that you will concur.

Godfrey Gomwe
Executive director,
Anglo American South Africa Limited

What it takes to make A MEANINGFUL DIFFERENCE

Transformation is not a numbers game, which is why you won't find too many of them on this page.

But you will find plenty of them in the report that follows, because this publication represents a culmination of strategies, teams and individuals who have been working tirelessly to transform our business.

The results of those efforts are most evident in the number of houses built, businesses started, children educated and employees trained. But behind those numbers is a story that started long before transformation laws were enacted. And this is the story we hope to share with you through this, our first Anglo American transformation report.

Anglo American is firmly rooted in South Africa – the country where we first started our operations almost a century ago. And, as this country and its people have progressed on their journey of transformation, so too have we embraced the challenge of adapting our business to reflect the social, economic and regulatory changes that have earned this land its moniker as 'the rainbow nation'.

Anglo American has a proud track record of fighting for equal rights throughout its long history in South Africa, and although we are in some ways a smaller company than we used to be many years ago, the expectations of us are no different. We believe that our strategies and approach to transformation are very much a part of what we stand for, and are faithful to the reputation that has been built up over the years.

This was all made possible by great leadership, and it remains true today. If an organisation's leaders aren't convinced by an idea, and the sense of it, then little will come of it. However, when they are certain, that passion filters down to all levels of the business and becomes embedded in what people do, say and feel in their day-to-day work. Anglo American has the advantage of size and

experience, but our real 'edge' is that we have always had leaders who have had conviction and who have been committed to doing what was right. This is why we've been able to progress as far as we have in terms of transformation and meeting the targets of the Mining Charter.

An example of this is the fact that, in 2005, we had a 34% aggregate of HDSAs in management – significantly lower than most of the figures we are able to report today (see p29). At the time of the Mining Charter review in 2009, we anticipated that the target would change. We also anticipated it would focus on specific management levels, and already we could see where the gaps were – gaps that at the time seemed intimidating and nigh impossible to bridge. But we worked out what we needed to do; then we did it.

And we're still doing it.

Transformation is, by definition, a difficult shift. It isn't meant to be comfortable. It is about getting out of a comfort zone and at Anglo American we acknowledge this. We are quite willing to do the inconvenient and the expensive if it is the right thing to do. This is part of our DNA. It fits with what matters to the people of Anglo American, and it sits well with our consciences. This is precisely why I say that transformation is not about numbers, but about people and creating real opportunities that can last a lifetime.

Where, for example, does the value lie in providing a home for one of your employees to buy if they falter financially and lose that home in the first two years? We want to see this work in the long term, which is why, throughout this report, you will find examples like that of Kumba Iron Ore, which cushions first-time homeowners who work for the company by assisting with their bond for the first five years.

Another example is the financial training that we provide to employees who are members of employee share ownership schemes – so that when they do receive dividends, they have the acumen to invest it in ways that will pay off for years to come.

Our vision is to be the leading global mining company and that should include transformation. We aren't interested in being the lowest common denominator – not in transformation, and not ever.

We are justifiably proud of the lead we have in areas such as enterprise development. Our globally recognised Zimele model of business funding and incubation is helping to produce small and medium enterprises that are not only able to survive and service their debts, but which also flourish and become vibrant contributors to our economy.

We don't claim to be perfect, but our compass is definitely pointing in the right direction, and we want to invite all of our stakeholders and partners to play a part in this story we are creating. We welcome people to visit our operations, to glean what they can from our successes, and to take us to task on any failures.

I am very excited about our transformation journey. We are seeing more and more intelligent, passionate and energetic people coming through the ranks who believe in what we are doing and how we are doing it, and who will help us to reach our goals for 2014 and beyond.

This report is their story – and that of the leaders who support change. It is the story of everyone at our operations and corporate offices who, day after day, work so hard to make transformation happen.

Lindiwe Zikhali
Head of transformation and regulatory affairs, Anglo American South Africa Limited

"Our vision is to be the leading global mining company in all respects, and that should include transformation. We aren't interested in being the lowest common denominator – not in transformation, and not ever."

01

02

01 Daily safety training brief at Spud Shaft at Union mine.

02 Members of the ER24 team at work in the clinic at Kolomela mine.

03 Stringent safety measures in practice, at Kumba Iron Ore's Sishen mine.

04 HIV education at the Bafokeng-Rasimone platinum mine.

WHAT IT TAKES TO ACHIEVE ZERO HARM

03

04

What it takes to continuously improve SAFETY AND SUSTAINABLE DEVELOPMENT

One of Anglo American's four strategic pillars is to operate safely, sustainably and responsibly. As a company that mines a finite resource, we are fully committed to being disciplined in our use of resources, minimising our impact on the environment and operating our mines in a way that brings positive changes to host communities.

We believe that exceptional operational value can be realised by embedding sustainable development in everything that we do – from our systems, risk processes and procedures to the way in which we consult and work with our stakeholders.

Safety performance in Anglo American's South African operations, 2011

	LTIFR*	LTISR**	Fatalities	Lost-time injuries
KUMBA IRON ORE	0.08	32	0	17
PLATINUM	1.27	408	11	854
THERMAL COAL	0.19	84	2	33
TOTAL: SOUTH AFRICAN MINING OPERATIONS	0.85	277	13	904

* *LTIFR is the rate of lost-time injuries for both employees and contractors per 200,000 hours. A lost-time injury is a work-related injury resulting in the employee/contractor being unable to attend work or to perform the full duties of his/her regular work on the next calendar day after the day of injury.*

** *The LTISR is the rate of hours lost due to lost-time injuries for both employees and contractors, per 200,000 hours.*

SAFETY

While we acknowledge that mining is inherently a high-risk industry, we do not accept that anyone should be injured while working for us. We encourage a rigorous safety culture, which has three underlying principles: a Zero Harm mindset; simple, non-negotiable standards; and no tolerance for repeat incidents. As well as being unrelenting about reaching both external and internal targets, we are committed to sharing best practice and raising overall industry safety standards. To this end, management works with government, unions and peer groups to find common solutions to achieve breakthroughs in safety throughout the industry.

Safety performance

We deeply regret that in 2011, 13 employees lost their lives while working for Anglo American in South Africa. This tragic loss of life is unacceptable, particularly in light of the significant and consistent safety improvement that Group operations had achieved since 2007. The majority of these deaths (11) took place at our Platinum business. Thermal Coal suffered two fatalities while Kumba Iron Ore remained fatality-free.

The lost-time injury frequency rate (LTIFR) for our South African-based mining operations was 0.85. The increase against the 2010 rate was the result of the higher number of injuries at Platinum year on year. While we regret this temporary setback in our performance, we firmly believe that we can continue to better the 49% improvement we have achieved since 2007. In addition, the lost-time injury severity rate (LTISR) has improved, meaning that, while we recorded more injuries in 2011 than we did in 2010, they were less severe.

Anglo American understands that this progress in numbers is not a justifiable measure, but we cannot deny that this is indicative of the changes and commitments we have made in working towards achieving our safety objectives and valuing the lives of our employees. As Minister of Mineral Resources Susan Shabangu emphasised a few months ago: "It is about the fundamental right to life that the mine workers deserve to have."

While it is important to investigate and address all safety incidents, as well as 'near misses', it is also

The project to develop the new Kolomela Iron Ore mine in Postmasburg, Northern Cape, has set a new safety record – passing the ten million lost-time injury (LTI) free mark on Wednesday, 23 February 2011. Seen here are staff at the project head office in Centurion.

FIFTY THOUSAND PEOPLE GATHER TO HEAR PLATINUM'S SAFETY MESSAGE

Anglo American's Platinum business achieved a solid improvement in safety performance between 2008 and 2010, with 2010 recording the best safety performance ever in the history of the business. Sadly, this trend did not continue in 2011, with a rise in the number of both injuries and fatalities for the year.

Indeed, within the industry as a whole, fatalities did not reduce in 2011 in line with the trend experienced in the recent past. In a bold step aimed at uniting all stakeholders on the journey to Zero Harm in mining, we took an active role in the health and safety protest march organised by the National Union of Mineworkers (NUM) in October 2011. This was the first time in South African history that unions and mining house management joined forces in a public march to show their commitment to improving safety performance at mining operations, and to ensure that the safety and well-being of workers remain a priority in the industry.

In an effort to rekindle the energy around safety in its own operations, Platinum arranged a Safety Day in November 2011. Production was halted for a day as employees across the business were addressed by Anglo American chief executive Cynthia Carroll, Platinum CEO Neville Nicolau and high-level delegates from government and unions, on safety performance. At the same time, every one of Anglo American's operations around the globe observed a minute's silence to show solidarity with Platinum.

The Platinum Safety Day also saw the launch of the company's Zero Harm in Action programme. The aim of the programme is to ensure that every person, at all levels of the organisation, takes personal ownership of safety, based on best practices globally. The progress we have made in respect of enhancing our formal controls is proven. Where we need to step up is in applying the systems and standards, and this is where employees need to understand their individual roles in enhancing safe behaviour at work.

useful to reflect on the safety achievements over the last year:

- Thermal Coal's safety performance was held up as an example to the industry at the MineSafe 2011 awards in August. (See case study on p11.)
- Thermal Coal's Isibonelo colliery was awarded the Department of Mineral Resources' safety flag for 2010/11 – the most prestigious safety award given to a mine.
- Anglo American received an accolade from trade union, Solidarity, for 'the implementation and enforcement of sound occupational health and safety practices and initiatives'.
- Platinum was one of only two local mining companies in 2010 that achieved the fatal injury frequency rate (FIFR) target of 0.012 set for deep-level hard rock mines in South Africa.

Managing safety

Our approach to safety is outlined in Anglo American's *Safety Way*, a comprehensive framework of roles and responsibilities supported by a set of safety principles and mandatory safety standards. These include:

- the Safety Golden Rules, which are key non-negotiable behaviours for all employees, visitors and contractors
- Anglo American's Fatal Risk Standards, which establish the minimum performance needed to manage potentially fatal risks and therefore reduce the risk of workplace deaths and serious injuries
- Anglo American's Operational Risk Management Process, which includes training for all employees in basic risk management and assessment to improve hazard awareness and identification.

Our safety strategy sets the direction for delivering improvements in safety performance and takes a risk-based and integrated approach involving the people, systems and process elements of managing safety. All Anglo American's operations have developed risk-based safety improvement plans (SIPs) that define how they drive continuous improvement in line with the Group strategy. Our drive to develop risk management skills in the organisation continued in 2011. Around 3,675 employees at different levels of the organisation in South Africa have benefited from our award-winning safety, health and environmental risk management programme to date. To further strengthen risk management processes, we developed a new technical standard on risk management in 2011.

From a regulatory point of view, the South African Mine Health and Safety Act of 1996 sets the legislative framework for the protection of the health and safety of those working in, or affected by, the mining industry. It was agreed at a multi-stakeholder summit in 2003 that the collaborative setting of targets and milestones would help drive greater improvements in the area of occupational health and safety (OHS). In 2008, government, labour and business jointly committed to the 2008 OHS tripartite action plan to:

- strengthen the culture of health and safety
- promote a 'learning industry' and build capacity
- make workplaces safer and healthier.

Managing key safety risks

The leading cause of fatal injuries in the South African mining industry historically has been falls of ground (FOG) associated with deep-level, hard rock gold and platinum mining activities.

Through the adoption of innovative technological solutions such as roof netting and bolting at Anglo American's South African operations, the number of injuries related to FOG has dropped by 60% in the company over the last five years.

While FOG management remains a top priority for our Platinum business, an unexpected increase in the number of injuries and fatalities related to moving machinery has led to a full review of our approach to mechanised mining. Three key components – equipment, mining methods and employee competency – were examined to ensure that our strategies are aligned with best practice in risk reduction in mechanised mining.

> A major global campaign to address another of our key safety risks, transportation, has helped achieve significant reductions in our South African operations, with a 68% drop in incidents and an 86% drop in fatalities when comparing our 2011 performance with that of 2007.

Safety relates to the fundamental right to life of all mine workers.

A major global campaign to address another of our key safety risks, transportation, has helped achieve significant reductions in our South African operations, with a 68% drop in incidents and an 86% drop in fatalities when comparing our 2011 performance with that of 2007.

Achieving a next 'step change'

The significant improvement in Group-wide safety performance achieved over the previous three years has given us confidence that we have adopted the right strategy. However, it is clear from the regression experienced in 2011, as well as evidence from Group audit findings, that the speed and consistency with which this strategy is being implemented are not good enough. To understand the reasons why, and to identify the actions needed to accelerate the drive to Zero Harm at all our sites and operations, in February 2011 our chief executive, Cynthia Carroll, launched a strategic safety review and action plan. There are three main components to the plan: development of leading safety performance indicators; development of Group-wide site safety reviews; and development of corporate function action plans.

Developing leading safety performance indicators: To date, Anglo American has measured safety performance almost exclusively on the basis of lagging indicators, using measures that track outcomes, such as the numbers of

Underground mining operators, Lungile Mkhwanazi and Sidney Shingange, at the waiting place at Greenside colliery.

THERMAL COAL SHINES AT MINESAFE 2011

Thermal Coal's safety performance was held up as an example to the industry at the MineSafe 2011 awards in Johannesburg on 19 August. The conference – hosted by the Southern African Institute of Mining and Metallurgy, the Association of Mine Managers South Africa and the South African Colliery Managers' Association – was designed to share best practice among mining houses, with the aim of achieving Zero Harm. It had the support of the Department of Mineral Resources (DMR), NUM, Solidarity and the United Association of South Africa (UASA).

In his address, the DMR's chief inspector of mines, David Msiza, said that Thermal Coal is an "example to the rest of the industry". Awards were presented to the best in class in a range of commodities, including gold, platinum, coal and diamonds. The measure used to determine the winners was the best improvement, between 2009 and 2011, in all injury frequency rates, including lost-time injuries, medical treatment cases and fatalities.

New Vaal colliery walked away with the top award in the coal sector, while Goedehoop, Greenside, New Denmark and Isibonelo collieries earned third, fourth, fifth and seventh places respectively. "This is the first time that industry awards have been judged on all injuries and not purely on fatalities. The fact that Thermal Coal received five of the seven places in the coal sector shows that we are well on our way to achieving Zero Harm," said Thermal Coal head of safety, Philip Fourie. The technical conference and industry day preceding the awards gave operations that have shown specific advances and improvements in safety the opportunity to share their learnings. Three speakers from Thermal Coal featured on the agenda.

SAFETY AUDITS

32

Number of independent site safety reviews completed in South Africa by the end of 2011

LEADERSHIP SUMMIT

60

Leaders who participated in a leadership safety summit to identify how Group functions can more effectively support operations in achieving the goal of Zero Harm

RISK MANAGEMENT

3,675

Employees who have benefited from Anglo American's safety, health and environmental risk management programme to date

FATAL INJURY FREQUENCY RATE

0.012

Platinum was one of only two local mining companies in 2010 to achieve this target set for deep-level hard rock mines in South Africa

people hurt and injury frequency rates. While this is a recognised industry approach, it is not always effective as a predictor of future performance. In recognition of this, we introduced a programme aimed at developing a new set of metrics that more accurately record the efforts sites are making to improve safety, and that will enhance our ability to anticipate and pre-empt potential incidents.

Following broad internal consultation, agreement was reached on seven key leading measures relating to leadership; risk management training; safety competence; the delivery of maintenance programmes; improvements to risk management; learning from high potential incidents; and the closing review of safety competence. These measures, which make use of data already regularly collected by each site, provide a clearer view of what our safety priorities should be, and will help us to prioritise operations and areas that need attention.

Reviewing Group-wide safety practices: We have implemented a comprehensive programme of independent site safety reviews to assess compliance with fundamental aspects of safety management at all our operational sites and head office/corporate functions. The main objectives of these reviews are to evaluate the implementation of risk management processes at each site, identify the underlying reasons for any poor compliance, and agree on the priority actions needed to accelerate progress. By the end of 2011, 32 audits had been completed in South Africa.

Promoting corporate leadership on safety: In April 2011, 60 leaders, representing each of the business units and functions across the Group, took part in a safety leadership summit to identify how the Group Management Committee (GMC) and Group functions can more effectively support the operations in the goal of achieving Zero Harm. The participants prioritised a range of issues across the different functional areas, and agreed to establish six cross-functional teams to develop these into formal action plans. These teams cover the roles of communication, human resources, supply chain, mining and technology, finance and

the GMC. The action plans provide a coherent response to the safety issues experienced in 2011, while limiting the risk of 'project overload' at site level.

Working in partnership

Instilling a safety mindset and encouraging safe behaviour among all employees and contractors are as important as having the right systems, technology and processes in place. We recognise the invaluable role that safety committees, safety champions, 'visible felt leadership' site visits and the philosophy of 'our brother's/sister's keeper' all play in developing this mindset. Therefore, as well as the strong focus in 2011 on driving the strategic safety review and action plan, we continued to engage actively with our employees and externally, through our various existing partnerships.

We have recognised the significant benefit in collaborating more closely with organised labour and the DMR. Since 2008, our Tripartite Health and Safety Initiative with government and labour has grown into an immensely rewarding partnership. A core steering committee, supported by task teams, works on developing solutions that are helping to transform our own safety performance, and that of the South African mining industry in general. Through this collaboration, government and union representatives are invited to participate in Anglo American safety training courses, visit operations and interact with employees so that health and safety challenges can be more acutely understood.

Anglo American was honoured at the 2011 DuPont Safety Awards for the role the company played in creating the Tripartite Health and Safety Initiative in South Africa.

Our relationship with suppliers is another key element of our safety strategy. We collaborate with them to improve our ways of working, based on respect, trust and consistency, which delivers greater mutual value. These measures include:

- ensuring that minimum safety criteria are considered in tender adjudication processes, by including safety metrics within our supply chain scorecard and tracking performance against them
- developing and implementing a standardised Group-wide induction process for contractors
- auditing contractors against our safety requirements, and agreeing upon improvement plans where there are gaps
- inviting suppliers to attend our safety briefings
- increasing the safety focus within our supplier relationship management (SRM) process where specific high-risk products/services are purchased.

Driving massive trucks requires skill and the use of the latest technology. Kumba Iron Ore's haul trucks are equipped with vehicle collision avoidance systems so that different trucks 'know' their positions relative to one another and can communicate this 'knowledge' accordingly.

HEALTH

> "We attach great importance to controlling health hazard exposures as leading indicators of our occupational health performance."
>
> **DR BRIAN BRINK, Anglo American's chief medical officer**

New cases of occupational disease in South African business units, 2011

	Noise-induced hearing loss	Occupational dermatitis	Coal-workers' pneumoconiosis	Occupational tuberculosis	Chronic obstructive airways disease	Total new cases of occupational disease
KUMBA IRON ORE	17	0	0	2	0	19
PLATINUM	53	2	0	0	1	56
THERMAL COAL	10	0	13	0	2	25
TOTAL: SOUTH AFRICAN MINING OPERATIONS	80	2	13	2	3	100

HIV/AIDS and TB statistics in South African business units, 2011

	Percentage participation in HIV counselling and testing	Number of new HIV infections	Number of employees enrolled in wellness programmes	Percentage of employees enrolled in wellness programmes	Number of employees receiving anti-retroviral treatment	Percentage of employees receiving anti-retroviral treatment	New cases of TB
KUMBA IRON ORE	90%	122	273	51%	178	33%	16
PLATINUM	93%	511	5,781	58%	3,545	36%	838
THERMAL COAL	91%	116	1,102	78%	617	43%	34
TOTAL*	93%	749	7,156	60%	4,340	37%	888

* *These totals exclude ACD, AAESS and Other Mining & Industrial businesses.*

Occupational health management forms the foundation of our health strategy. Building on this is our employee health and wellness programme, which includes a particularly strong focus on combating HIV/AIDS and tuberculosis (TB) within our workforce and on extending the programme to dependants. The knowledge and experience we have gained through our workplace health programmes are used to support health initiatives in our community outreach programmes, as well as informing our investments in activities aimed at promoting healthcare in developing countries more broadly.

Occupational health

Our approach to managing occupational health is governed by a series of standards and guidelines (detailed in Anglo American's *Occupational Health Way*) and assurance processes. Together these are aimed at preventing harm to our employees by proactively identifying and managing the source of potential health hazards and eliminating exposure to health risk.

We recently developed new mandatory technical standards that address our principal health risks relating to noise, dust and fatigue. Exposure to noise is one of the top occupational health risks at Anglo American. Our main risk mitigation strategy remains controlling noise at source. We have, in line with the 2003 Mine Health and Safety Summit milestone on reducing exposure to noise, concentrated our efforts on reducing equipment emitting noise levels above 110 dB(A). As such, more than 98% of the equipment identified at our Platinum business has been reduced to acceptable levels over the past five years. Despite considerable efforts to bring exposure to noise to within acceptable levels, we recorded 80 new cases of noise-induced hearing loss (NIHL) in South Africa in 2011, in comparison with 28 in 2010. The increase was attributed to the long latency period of the disease, individual variability in hearing deterioration and the length of service of different employees. It should be noted that the internal reporting of NIHL in Anglo American occurs at a lower level than is required for compensation purposes and, therefore, this number will be greater than that reported in the DMR statistics.

The majority of other new cases of occupational disease recorded in South Africa resulted from exposure to inhaled hazards. While the total number of such cases is decreasing year on year, further reductions are expected through the implementation of operational programmes in line with the Group technical standard on respiratory protection.

Employee wellness

Employee wellness has always formed an important part of our health programmes and it is receiving increasing attention throughout the Group. Building on the success of previous HIV testing campaigns, in 2011 we launched the iCare programme, which provides broad-based health screening to employees in the ACD. Through our wellness programmes we aim to encourage healthy eating and regular exercise, reduce levels of stress and improve access to appropriate healthcare facilities. In many of our operations and corporate offices we provide free health assessments for cholesterol, blood pressure, weight, smoking, chronic diseases and HIV/AIDS. Each participating employee is given a personalised report, providing an assessment of his or her health as well as broad recommendations for health improvement. We provide seasonal influenza vaccinations at all our sites and many of our operations also provide free exercise facilities.

HIV/AIDS and TB

We acknowledge the significance of HIV/AIDS as a medical, social and economic burden and fully recognise the implications of this pandemic for our business, the communities associated with our operations and society as a whole. Our approach to managing the disease is outlined in our HIV/AIDS policy, through which we commit to preventing the further spread of HIV; to ensuring that all affected employees and their dependants have access to the care, support and treatment they need; and to investing in communities to reduce the broader social impact of HIV/AIDS.

HIV counselling and testing (HCT) uptake at Anglo American's South African mining operations was at 93% in 2011 and over 97,000 voluntary, confidential tests were carried out on employees,

Sister Moira Mashiane takes a swab from mine worker Moses Mbiza, as part of a voluntary test for HIV/AIDS, at Thermal Coal's Greenside colliery.

THERMAL COAL PRESENTS WINNING HIV AND TB PROGRAMME TO HEALTH MINISTER

Thermal Coal recently demonstrated just what can be achieved by industry in the fight against HIV/AIDS and TB when it showcased its award-winning workplace programme to the National Minister of Health, Dr Aaron Motsoaledi.

The Minister, accompanied by Mpumalanga MEC for Health and Social Development, Dikeledi Mahlangu, executive director of Anglo American in South Africa, Godfrey Gomwe, Group chief medical officer, Dr Brian Brink, and Thermal Coal CEO, Norman Mbazima, held boardroom discussions at Goedehoop colliery – long regarded as a centre of best practice in the fight against the pandemic.

"We are delighted that the key aspects of government's strategy align perfectly with our own five-pillar programme," said Thermal Coal AIDS champion, John Standish-White, adding that the meeting provided an excellent opportunity to share with government the victories and challenges we face on our HIV/AIDS and TB journey.

Dr Motsoaledi went underground to talk about HIV at the coalface. Fitter Jorge Schulz described how he had obtained anti-retroviral treatment from the company nine years ago, at no cost. He now has a CD4 count of well over 500, leads a full and productive life and supports Anglo American's zero tolerance of stigmatisation and discrimination against those living with the virus.

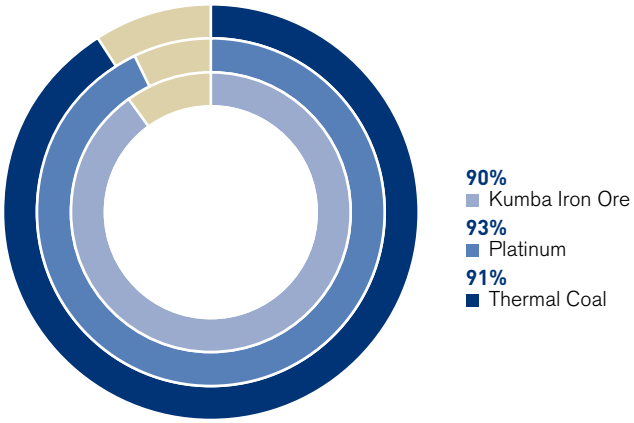
Thermal Coal's chief medical officer, Dr Jan Pienaar, gave a detailed demonstration of the Health Source at Thermal Coal's state-of-the-art Highveld Hospital. This advanced electronic health record system allows us to gather large volumes of health-related information and continually track HIV and TB incidence and prevalence in a confidential manner.

In the final stop of the tour, the Minister visited the Bhubezi Community Health Centre in Bushbuckridge, a rural Thermal Coal labour-sending area. This clinic is the result of a partnership between Anglo American's Thermal Coal business, the United States (US) government, Virgin Unite and the Ndlovu Care Group, and has served the community of this impoverished area since 2007.

Source: Anglo American intranet, theSource

> "We cannot fight HIV and TB in one corner, and the partnership between government and business will go a long way in achieving our goals."
>
> **DR AARON MOTSOALEDI, South African National Minister of Health**

HCT participation



their dependants and contractors in these operations. If we include ACD, this number grows to close on 100,000. In 2011, 749 new infections were reported at the mining business units, giving an approximate annual HIV incidence of 1.1%. This is too high – our target is zero new infections.

At the end of 2011, 60% of the near-12,000 HIV-positive employees in our South African mining operations were participating in HIV wellness programmes and more than 4,300 of those employees were receiving anti-retroviral therapy (ART). In terms of our policy, the HIV/AIDS programme is extended to dependants of employees and, at the end of 2011, close on 400 dependants were participating in company-sponsored HIV wellness programmes.

Closely linked to our HIV/AIDS programme is the monitoring and management of TB. There were 888 new cases of TB recorded in 2011, giving an annual incidence rate of 1,262 per 100,000 population. This represented an increase of 18% from 2010, which is considerable cause for concern. However, there was a 24% decrease in TB deaths, which is the result of early detection and treatment. We remain resolute in our aim of ensuring zero deaths from TB.

Community health

Improving health in the communities associated with our operations and in developing countries is a key element of the safety and sustainable development strategy that supports the business objectives of the Group. We are using the knowledge and experience that we have gained through our workplace health programmes to support community outreach programmes, with the aim of strengthening community health systems. We carry out comprehensive socio-economic assessments in local communities, including community health assessments, and develop social management plans in consultation with key stakeholders.

We are working in the Eastern Cape, Mpumalanga, Northern Cape and North West provinces, which are all associated with our operations or are labour-sending areas in South Africa. Below are some examples of our flagship initiatives.

- The Eastern Cape has some of the country's greatest healthcare needs, and more than 40% of employees in our core business units in South Africa have homes in this province, making it a primary labour-sending area. An important initiative during 2011 was our work with the DoH of the Eastern Cape, where we sponsored the development of a business plan to revitalise the funding and delivery of primary healthcare in four provincial sub-districts. We have since agreed to focus on the OR Tambo health district, which is most directly associated with the families of our employees. Our goal is to create models of excellence in primary healthcare delivery that can be replicated by the DoH throughout the province.
- We have been working to strengthen the health system in the Northern Cape community of Postmasburg, near our new Kolomela iron ore mine. We believe there is a unique opportunity to build a unified and improved health service in conjunction with the Northern Cape DoH.
- The Ulysses Gogi Modise Wellness Clinic in Kathu was lauded as a best practice model for successful public-private partnership at a recent high-level meeting in the Northern Cape. The clinic is making a significant contribution to expanding access to treatment, care and support to Kumba Iron Ore employees, their dependants and contractors, as well as the broader Gamagara community. Furthermore, nine mobile health units were launched in the Northern Cape to improve primary as well as secondary healthcare in the John Taolo Gaetsewe District. (See case study on p59.)
- In Bushbuckridge, a labour-sending area for Thermal Coal's South African collieries, the Bhubezi Community Health Centre, which was opened in 2007 by Anglo American, Virgin Unite and the US government, is making a real difference to people living in the area. In partnership with the Mpumalanga DoH and non-government organisation (NGO), Ndlovu Care Group, the clinic sees an average of 250 people a day. Some 3,700 people are now receiving life-saving ART thanks to this initiative.

Tripartite health working group

The collaborative effort of the Tripartite Health and Safety Initiative, originally intended to strengthen safety performance, has now been extended to include health. The health task team has selected a list of key deliverables for the short to medium term. Short-term deliverables include:

- implementing the stop, look, assess, manage (SLAM) approach to health, leading to more effective personal health risk management
- establishing a database of medically boarded ex-miners for occupational injuries and disease
- seeking a more equitable solution to workers' compensation dispensation
- creating a culture of well-being through enhanced wellness initiatives.

Longer-term deliverables include:

- developing a framework for the separation of medically incapacitated employees
- standardising TB controls
- improving rehabilitation, with an emphasis on vocational rehabilitation
- contributing to the strengthening of the district healthcare system in South Africa.

PLATINUM'S FOCUS ON TB

While the combating of HIV/AIDS has received much attention in South Africa, TB has tended to come under far less scrutiny. And yet the two illnesses have become closely intertwined, with TB being the most common opportunistic infection in people living with HIV/AIDS and the chief cause of death in the country (people who are HIV-positive have a 10% annual risk of developing TB, as opposed to people who are HIV-negative and have a 10% lifetime risk of developing the disease). As a result, we have for some time placed equal emphasis on TB and HIV/AIDS in our employee health management programmes. Test results for TB are available within 48 hours because we know that early detection allows for early access to treatment, which helps to curb the spread of the infection.

TB statistics: South Africa has the fifth-highest number of TB cases in the world and is classified by the World Health Organisation (WHO) as a country with a high TB burden. HIV prevalence among our employees stands at 19%, while TB prevalence is 1.38% (around 700 employees). Over the past three years, we have invested considerable effort and resources in tackling the disease, evident in the reduction of TB cases and TB deaths. These heartening trends have been attributed to a combination of approaches in managing the disease.

TB prevention: Because we have found peer educators effective in our efforts to raise awareness around HIV/AIDS, we have used a similar approach to improve employees' understanding of TB. The entire month of March each year is dedicated to education on the disease, with theatre-group performances being used to build awareness.

The joint management of TB and HIV: The improved reach of the Group's voluntary HCT – which encourages infected employees to enrol in our HIV wellness programme – has meant earlier diagnosis of both HIV and TB. Those with TB are provided with the preferred frontline drug treatment as part of a closely managed treatment programme.

Rehabilitation and treatment beyond employment: All employees infected with TB undergo physical and vocational rehabilitation. If their medical condition makes it impossible for them to return to work, a medical boarding process is initiated. Employees who are medically incapacitated as a result of TB receive free post-employment treatment at a facility closest to their home. The senior disability coordinator is responsible for following up on these former employees to ensure that they receive the necessary care and support.

Employee Thandi Mlotho at the Santa TB Hospital in eMalahleni, Mpumalanga. Anglo American employees attend the clinic every week and distribute fruit to the patients.

ENVIRONMENT

WATER SAVING

10%

Total saving at Platinum's water efficiency target tool (WETT) pilot project, from 40.6 million m^3 in 2009 to 36.3 million m^3 in 2011

REHABILITATION

R100 m

Spent by Goedehoop colliery on the rehabilitation of its dormant Bank 5 and Schoonie discard facilities

RECYCLING

1,316 t

Steel sold for scrap during the rehabilitation of the surface infrastructure and residential villages at Goedehoop's Bank 5 and Schoonie facilities

JOB CREATION

98

Jobs created by supplier BB Transport as a direct result of the rehabilitation process at Goedehoop

Growing regulatory and social pressure, competing demand for limited natural resources, and the increasing costs of energy and water all highlight the business imperative for responsible environmental management.

The Mining Charter requires that mining companies improve on industry-standard environmental management by:

- implementing environmental management systems (EMS) that focus on continuous improvement to review, prevent, and mitigate adverse environmental impacts
- undertaking continuous rehabilitation on land disturbed or occupied by mining operations in accordance with appropriate regulatory commitments
- providing for the safe storage and disposal of residual waste and process residues
- designing and planning all operations so that adequate resources are available to meet the closure requirements of these operations.

Environmental management

Anglo American's *Environment Way* outlines our mandatory, Group-wide environmental management system and includes detailed performance standards related to social and environmental impact assessments; water; air quality; mineral residue; non-mineral waste; hazardous substances; biodiversity; rehabilitation; and mine closure. It supports our vision for minimising harm through the design, operation and eventual closing of operations in an environmentally responsible manner.

The *Environment Way* requires that all operations are certified to international environmental management standards, such as ISO14001, within two years of commissioning or acquisition.

All Anglo American mines in South Africa operate in accordance with environmental management plans (EMPs) that are approved by the DMR and are certified to ISO14001 environmental management standards. The one exception to this is the recently commissioned Kolomela mine, which is within the two-year 'grace' period and is currently setting up an ISO14001 system for certification in 2012. In addition to legal compliance audits, our mines conduct self-assessments on their compliance with the *Environment Way* and are subject to risk-based internal environmental audits and peer reviews.

As and when activities are changed, or new activities added, the EMPs are amended and resubmitted to the DMR for approval. In line with

01

the requirements of the Mineral and Petroleum Resources Development Act (MPRDA), annual performance assessments against commitments made in the EMPs are submitted to the DMR.

Water

Our South African operations are located in water-stressed basins where we expect increasing competition for water resources, particularly in light of the potential effects of climate change. The Anglo American water strategy and policy, approved in 2010, support our aim to demonstrate leadership within our water basin areas. Implementation of this strategy is being realised through our initiatives in three key areas, phased over ten years: improving operational excellence, investing in technology, and engaging and partnering with our stakeholders.

In 2011, we developed a new water technical standard and water guideline, which details operational water management requirements related to target setting, water monitoring, site management and water action plans (WAPs). An important focus during the year was on the implementation of our water efficiency target tool (WETT) across all operations. We now have, for the first time, set quantitative water savings targets for each managed operation within the Group.

WETT was piloted at several sites before being introduced across the Group in 2011. The pilot at Anglo American's Platinum business achieved 10% total water saving, from 40.6 million m^3 in 2009 to 36.3 million m^3 in 2011. The process for target setting using WETT also led to more efficient water management; better tracking and reporting; increased awareness of water conservation; and closer alignment with the Group's water strategy.

The volume of water used in primary mining activities by South African operations in 2011 was 46 million m^3. This reflects a 1 million m^3 increase in relation to 2010 consumption levels. While Kumba Iron Ore's water consumption dropped, overall consumption rose due to increased production at Platinum and Thermal Coal, and improved reporting year on year.

02

GOEDEHOOP COMPLETES MAJOR REHABILITATION PROJECT

Goedehoop colliery has significantly reduced its post-closure liabilities with the rehabilitation of its dormant Bank 5 and Schoonie discard facilities. The Bank 5 plant and dump were operational between 1948 and 2007, while the Schoonie plant and its discard facility were last active in 1966. Owing to the extensive scope of the project, it has taken two years to safely close and rehabilitate the site, at a cost of around R100 million. However, the reduction in closure and environmental liabilities far outweighs this expenditure.

"The area had a history of spontaneous combustion and, by rehabilitating these dumps, water quality downstream will be greatly improved," says Goedehoop metallurgical manager, Jacob Nxele. "The undertaking also ensures Goedehoop's compliance with our EMP commitments, and closure cost liabilities on this part of the operation are reduced. The project involved the dismantling and demolition of the plants, overland conveyors, surface infrastructure and the removal of the old Schoonie rail line, as well as the reshaping and rehabilitation of the dumps.

"It also incorporated the rehabilitation of the Bank 5 incline shaft, the Block 10 overland conveyor and surface infrastructure, the demolition of redundant mine residential villages, and the rehabilitation of two vertical and two old incline shafts.

"A great deal of the surface infrastructure was reclaimed for re-use by the existing plants, while 1,316 tonnes of steel were sold for scrap. Concrete and brickwork were disposed of both in the dumps and down shafts."

BB Transport, which has worked on similar projects for Thermal Coal in KwaZulu-Natal, undertook the work, creating jobs for 98 people. Guidance and support were provided by Anglo American's Technical Services and Thermal Coal's regional metallurgical and environmental personnel.

"The team came away from the project with an excellent safety performance," says Jacob, adding that additional precautions were enforced when handling burning materials in areas of the dump where spontaneous combustion was a challenge.

01 Waste management at Platinum's Tumela (Amandelbult) mine.

02 The rehabilitated Bank 3 discard dump at Goedehoop colliery. The dump was covered with topsoil and grassed in 2008.

In 2011, we issued draft recommended practices on the responsible management of air quality, non-mineral waste and hazardous substances.

In addition to targeting overall water reductions, Group operations aim to re-use and recycle as much water as possible. More than 50% of our operational water requirements in South Africa were met by recycling/re-using water during 2011.

We also aim to reduce operational dependency on high-quality water by switching to the use of lower-quality grades, such as treated waste water. For example, Platinum's mines in the Rustenburg complex of the North West have signed an offtake agreement with the local municipality for 15 Ml per day of treated effluent from its sewage treatment plant. The mines commissioned a water treatment plant in November 2011 to improve the quality of this treated water even further to meet their needs, thereby decreasing the use of potable water for industrial activities.

From a regulatory perspective, all Anglo American mines in South Africa have registered applications to convert their existing water permits into integrated water use licence agreements (IWULAs) in terms of the National Water Act of 1998. All mines – with the exception of Thermal Coal's Landau and Goedehoop collieries and Platinum's Rustenburg, Union and Tumela (Amandelbult) mines – have approved IWULAs in place. While these outstanding mines wait for their applications to be processed, they still operate in accordance with their existing water permits.

Energy and climate change

As an energy-intensive company, a major producer of coal, and with a significant operating footprint near many newly developed or growing communities, Anglo American is exposed to three main strands of climate change risk. The first strand relates to the increase in energy and compliance costs associated with new policy measures, including potentially significant costs from carbon pricing. Second, we face changing expectations from our investors, communities, customers and suppliers. Finally, there are increased risks associated with the physical impacts of climate change on our operations and neighbouring communities.

Climate change also presents potential opportunities. In addition to the commercial opportunities offered by environmentally friendly technologies such as fuel cells, we have the chance to show leadership by working with local communities and governments to address the causes and impacts of climate change.

Our response to climate change is guided by our climate change strategy and policy. Our strategy seeks to minimise our exposure to emerging climate change regulation, maximise opportunities in our markets, and build adaptation measures against the impacts of regional climate change. The ten-year strategy will be implemented in three phases and will be focused on improving operational excellence, developing new technology and partnering with key stakeholders.

In 2011, we issued a new Group technical standard to manage carbon and energy performance at all our operations. Allied with the technical standard, we developed and implemented our energy and carbon management programme, ECO_2MAN. This programme helps us identify and prioritise energy and carbon saving opportunities at the business unit and operational level, and is tied to our internal and external verification and assurance processes. It has been used to guide the development of new, site-based, bottom-up energy and greenhouse gas (GHG) emissions savings targets.

In 2011, our Scope 1 and Scope 2 GHG emissions in South Africa amounted to 9.4 Mt of carbon dioxide equivalents (CO_2e) (2010: 8.9 Mt). This 0.5 Mt rise resulted from marginal increases at each of the South African business units.

Similarly, small increases in the energy consumption of each of the three business units resulted in an overall increase in our energy consumption, from 36.2 million gigajoules (GJ) in 2010 to 37.6 million GJ in 2011.

The majority of our GHG emissions in South Africa arise from our use of electricity. As such, we are focusing on identifying and implementing innovative technologies aimed at using energy more efficiently. These include technology solutions to optimise processes and machinery, such as air compressors, ventilation fans, pumps, draglines, conveyors and electric motors, at our operations. For example, Kumba Iron Ore, Platinum and Thermal Coal have been installing heat pumps in their mine change-houses to replace conventional boilers, and we are exploring the installation of solar water heaters. Although Kumba Iron Ore's energy consumption increased between 2010 and 2011 owing to waste stripping at Sishen and Thabazimbi mines and growth at Kolomela mine, energy-saving projects completed during 2011 at those mines saved 54,600 GJ of energy and prevented 12,422 tonnes of CO_2 from entering the atmosphere. These projects included the exploratory solar water-heating initiative as well as diesel savings and process improvements.

Other important initiatives include our investment in the renewable energy Kalahari Project in the Northern Cape, and our partnership with Johnson Matthey on a pilot project to develop technology for capturing and using ventilation air methane (VAM) from mine shafts. Through our Platinum business, we are in alliance with the fuel cell company Altergy and the South African government to manufacture and market platinum-based emissions reduction technologies locally and in other sub-Saharan countries.

We continue to work with governments and our business peers to inform the development and implementation of efficient, effective and equitable climate change policies. In 2011, we were particularly active in engaging with the South African government and making detailed submissions on the National Treasury's discussion paper individually and through the Industry Task Team on Climate Change (ITTCC). Through the ITTCC, we will be contributing substantially to the development of a comprehensive national fact-based approach to inform the implementation of an effective climate change policy aligned with the country's growth and development objectives. We also actively participated, sponsored and hosted events at the 17th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP17) in Durban in November 2011, including the showcasing of platinum-based fuel cell technology.

Waste management

The mining industry produces significant quantities of mineral waste which, if not managed effectively, pose potential risks to human health and the environment. Our approach to managing waste and air quality emissions is governed by the mandatory performance requirements and associated recommended practices that form part of the *Environment Way*. In 2011, we issued draft recommended practices on the responsible management of air quality, non-mineral waste and hazardous substances.

We strive, wherever possible, to apply the 'avoid, reduce, re-use and recycle' waste management hierarchy with the aim of avoiding potentially harmful environmental and social impacts, during both the operational and post-closure phases. Our mining sites are expected to continually research, develop and implement productivity improvement and waste-reduction initiatives. Once reduction opportunities are exhausted, we actively explore the re-use of by-products.

The separation of waste streams is a requirement within the *Environment Way*'s non-mineral waste performance, as well as in the ISO 14001 environmental management system, against which almost all of our operations are certified.

Our most significant waste streams, in terms of volume, are the mineral residues, including tailings, slimes and coarse discard from our processing plants, as well as waste rock dumps constructed on the surface from rock overburden removed during the mining process. We have 81 large-volume mineral residue facilities in South Africa, of which a number are dormant, being re-mined, rehabilitated or closed (see case study on p19). The principal environmental risks associated with these facilities include surface and groundwater contamination, dust generation and spontaneous combustion associated with coal mining residues. These risks are managed through optimal design, operation and regular inspections. Our facilities are assessed and rated according to the potential environmental and structural risk they pose, and inspections are conducted by independent parties according to the level of risk posed by a specific facility.

New Denmark colliery is reducing its carbon footprint with the commissioning of a R8.7 million ($1.2 million) methane gas-flaring project. The project involves the installation of two mobile flaring-off mechanisms that will be incorporated into the mine's existing methane drainage system. The mobile flare is a joint New Denmark-Gemini Carbon concept and is a world first in clean development mechanisms.

PLATINUM'S ROLE IN A LOW CARBON ECONOMY

As the role of platinum in making the transition to a low carbon economy becomes ever more prominent, Anglo American has launched a R100.2 million ($13.8 million) fund to invest in platinum-based technology companies in South Africa. Our partnership with fuel cell company, Altergy, and the South African government to manufacture and market fuel cell systems locally and in other sub-Saharan countries, is just one example of how this funding is already having a positive impact.

Platinum-based fuel cells provide a significant economic and environmental development opportunity for the country by facilitating the provision of clean, reliable and cost-effective power. As an inherently low carbon technology, offering high efficiency, versatility and scalability, fuel cells have become a key development area for our Platinum business and the market. This increased focus aims to help accelerate the use of fuel cells in the small and large-scale provision of electricity in mobile, stationary and portable applications.

While the basic science of fuel cells is well established, their mass deployment and the global market are still in their infancy. South Africa has a dominant position in the ownership of the natural resources needed for fuel cells and, therefore, it has the opportunity to play a part in their global provision and in providing expertise for their development.

Platinum is conducting risk assessments on applications of these systems in its operations, including in the powering of mining locomotives, back-up mine communication and power systems. By supporting the use of fuel cells in our own operations, we are providing a source of demand to stimulate the industry.

Facilities that are active or are regarded as high risk are audited every year, while medium-risk and low-risk facilities are examined at two- and three-year intervals respectively. During 2011, 47 assessments were conducted.

We also strive to reduce the amount of non-mineral waste we produce. For example, Platinum is working towards reducing quantities of waste disposal to landfill by 15% by 2014, using 2008 as a baseline. To achieve this target, the company has set waste minimisation as a key performance indicator for waste management contractors. In 2011, Platinum collected 99 tonnes of waste paper, 22 tonnes of glass, 15,615 tonnes of steel and 266 tonnes of plastic for external recycling. A further 5,680 tonnes of other general non-hazardous waste were refurbished for internal re-use. During 2011, additional internal reporting parameters for all key waste streams were introduced.

Nontsikelelo Mtshabe, Thuliswa Mhlaba and Mdingiswa Mbombane reclaim waste on the landfill site at Platinum's Union mine.

We do not generate significant volumes of hazardous waste. The main sources come from our laboratories, medical facilities, waste oil and radioactive cells. The disposal of these is carefully managed and monitored, both at the operations through internal and third-party audits, and at the receiving waste facilities, which are subject to regular second-party audits. These audits are done as part of the Group's drive for continuous improvement under ISO 14001 certification.

Rehabilitation and mine closure

The Mining Charter requires that South African mines undertake continuous rehabilitation on land disturbed or occupied by mining operations in accordance with appropriate regulatory commitments; and that they design and plan all operations so that adequate resources are available to meet the closure requirements of these operations. To reduce potential closure liabilities, and in the interests of responsible environmental stewardship, we strive to rehabilitate as much disturbed land as possible during a site's operational life.

The process of developing the optimal rehabilitation strategy for a given operation differs not only from country to country but also from site to site. We are, however, increasingly moving towards a risk-based approach to the evaluation and comparison of the options available. This takes full account of the contingent capital and operating costs associated with each option, as well as legal, societal, environmental and corporate considerations. We are constantly looking for better ways to rehabilitate disturbed land.

To ensure that our mines leave a positive legacy when they come to the end of their lives, we have shifted the traditional focus of mine closure planning from financial provisioning for rehabilitation and physical closure, to planning for long-term sustainability. Our aim is to reduce long-term risks and liabilities and to ensure that mining is a foundation for a better future for our surrounding communities.

Anglo American's Mine Closure Toolbox provides a structured approach to closure and covers

WASTE MANAGEMENT AT PLATINUM

15%
Platinum's target for reducing waste disposal to landfill by 2014, using 2008 as a baseline

99
Tonnes of waste paper collected

22
Tonnes of glass collected for recycling

15,615
Tonnes of steel collected for re-use

266
Tonnes of plastic collected for recycling

5,680
Tonnes of general non-hazardous waste that were refurbished for internal re-use

three main components: strategic planning; assessing the current status of an operation; and scheduling, resource allocation and budgeting to address the gaps that have been identified. The toolbox is used in conjunction with our socio-economic assessment toolbox (SEAT) process, and assists sites in meeting the requirements of the *Environment Way* Mine Closure Performance Standard. All of our South African operations (Thermal Coal – ten; Platinum – five; and Kumba Iron Ore – three) have closure plans in place.

Experience has taught us that closure planning is best conducted as early in the life of a project as possible, as it significantly reduces environmental liabilities and enables mines to engage and manage the expectations of stakeholders from the outset.

During 2010, we launched our *Projects Way*, which changes the way new mining projects are developed as potential investments. It includes a full set of front-end loading (FEL) requirements related to various disciplines, including sustainable development. Mine closure has a specific set of FEL requirements that focus on the level of detail required during each stage of project development: concept, pre-feasibility and feasibility. This ensures that new mines are planned, evaluated and designed with closure in mind. All projects must now have a closure plan included as part of the project development and investment evaluation process.

At **Kumba Iron Ore**, extensive physical and financial assessments are conducted as part of the mine closure plans, both to address the requirements of the MPRDA in relation to financial provisions for mine closure and as part of our adherence to good practice. During 2011, environmental legal compliance audits were conducted at Kolomela mine, Thabazimbi mine, the Sishen South Western Expansion Project, our exploration sites and operations at the port of Saldanha Bay. Key issues relating to the completion of groundwater remediation work, storm water management, the eradication of alien and invasive species and waste management were raised. Valuable lessons were learned from these audits and Kumba is developing appropriate improvements to ensure that there are no repeats, and that management systems continue to improve environmental stewardship.

In total, 154 hectares of land at Kumba's iron ore mines have been rehabilitated to date. All mines are moving towards concurrent rehabilitation. Thabazimbi mine has been conducting concurrent rehabilitation since 1984 and Sishen mine's comprehensive, five-year rehabilitation plan is currently being implemented. Sishen and Thabazimbi mines have preliminary closure plans in place, while the recently commissioned Kolomela mine's closure plan should be complete by August 2012. Kumba is fully compliant with legal requirements for guarantees and funding of rehabilitation associated with closure.

Platinum has introduced the standardised reclamation cost estimator (SRCE) model to each of its managed operations to help with the updating of the closure liability estimates at operations. This model was introduced primarily to standardise the approach to closure costing, but also to make updating easier and less costly.

On an annual basis, in terms of its approved EMP and closure commitments, each operation uses the SRCE model to estimate its total expenditure for the final rehabilitation and remediation of the operation. All the rehabilitation liabilities, based on current assets and impacts, were updated in 2011. As well as estimating its closure liability, our Platinum business places emphasis on turning rehabilitation into opportunities for community development and engagement. Although partial closure is not accepted by the DMR, the restoration costs for successful rehabilitation projects in line with EMP commitments can be offset against the annual closure provision.

The Platinum Producers Environmental Trust Fund was established for managed operations to fund their environmental closure liability. Different trust funds exist for our joint ventures. Contributions are made on the basis of the estimated environmental obligation over the life of a mine, to a maximum of 30 years. The shortfall between the total amount in all Platinum's environmental rehabilitation trusts and the undiscounted environmental rehabilitation liability for premature mine closure is funded by bank guarantees in favour of the DMR.

At **Thermal Coal**, rehabilitation of opencast mined land and discard facilities is concurrent with operations. Where this is not possible – for instance, because a particular piece of land is not available for rehabilitation – Thermal Coal backlogs the land until it can be rehabilitated. During 2011, the provision for backlog rehabilitation increased because of standard annual increases in rates and heavy rain at two of the opencast collieries.

Service providers reviewed the costs of planned and immediate closure for all operating collieries during the year. Bank guarantees will be sourced in 2012 to cover a relatively small gap that exists for the provision for immediate closure.

SAMPLE ANALYSIS

The Mining Charter requires mining companies to use South African-based facilities for the analysis of samples across the mining value chain.

The samples used for resource and reserve estimation for Kumba Iron Ore, Platinum and Thermal Coal are carried out in South Africa. In cases where the South African laboratories have reached capacity and cannot deal with the load timeously, or they are building skills, international laboratories are used. At Kumba Iron Ore, all exploration samples are assayed at an Australian laboratory. It is a South African Mineral Resource Committee and Johannesburg Securities Exchange requirement to carry out independent check assays for quality control and quality assurance. These assays are usually also done at laboratories outside South Africa.

Sample analysis at Anglo American in South Africa, 2011

KUMBA IRON ORE		
47,287	**41,102**	**87%**
PLATINUM		
170,522	**170,522**	**100%**
THERMAL COAL		
10,173	**9,809**	**96%**
TOTAL		
227,982	**221,433**	**97%**
Number of all samples across the value chain analysed per annum	Number of samples analysed at South African-based research facilities and laboratories – internally or externally	Percentage of samples analysed at South African-based organisations

Jacob Moya and Glad Letsholo take a water sample at the evaporation dam at Platinum's Precious Metals Refiners.

WHAT IT TAKES TO BE AN EMPLOYER OF CHOICE

01

01 Tebogo Motlhamme, a metallurgist working at Sishen mine, takes samples of iron ore for testing.

02 Patrilil Papala, mine overseer, Oshert Dube, mine overseer, Peter van Dorssen, general manager, Jurie Rademan, section manager and Mosala Letebele, section manager, in the surface planning office at Platinum's Tumela (Amandelbult) mine.

03 Eunice Malepe, professional health nurse, monitors the blood pressure of Wessels Joubert, foreman, as part of Kumba Iron Ore's fatigue management programme.

04 Sharon Rakobela, operator of a Komatsu 930E haul truck at the North Pit, at Platinum's Mogalakwena mine.

05 Dick Miller, mining manager, and Ningi Mdletshe, financial manager, at Greenside colliery.

02

03

05

04

What it takes to expand EMPLOYMENT EQUITY

As part of the country's process of transformation, we must meet the Mining Charter's requirements that historically disadvantaged South African (HDSA) employees make up 40% of each management level (junior, middle, senior and top management) as well as in core and critical functions.

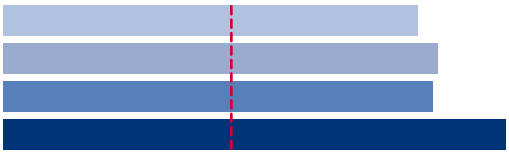
As with all our transformation initiatives, achieving – and substantially bettering – our employment equity target is not a numbers game. It is about creating meaningful and sustainable opportunities for our workforce.

Employment equity legislation in South Africa promotes equal opportunity and universal fair treatment by eliminating discrimination and implementing affirmative action measures. In this way, through a unified approach, we seek to redress the imbalances of the past.

Like any transformation initiative, employment equity is about development, and we continue to search for and grow people who support this principle and who will stay with us for the long haul.

However, the recruitment and retention of highly sought-after skilled HDSAs, particularly women, remains a challenge, as the widespread lack of skills in South Africa has resulted in huge competition for suitable candidates.

HDSAs occupying core functions as at end of December 2011



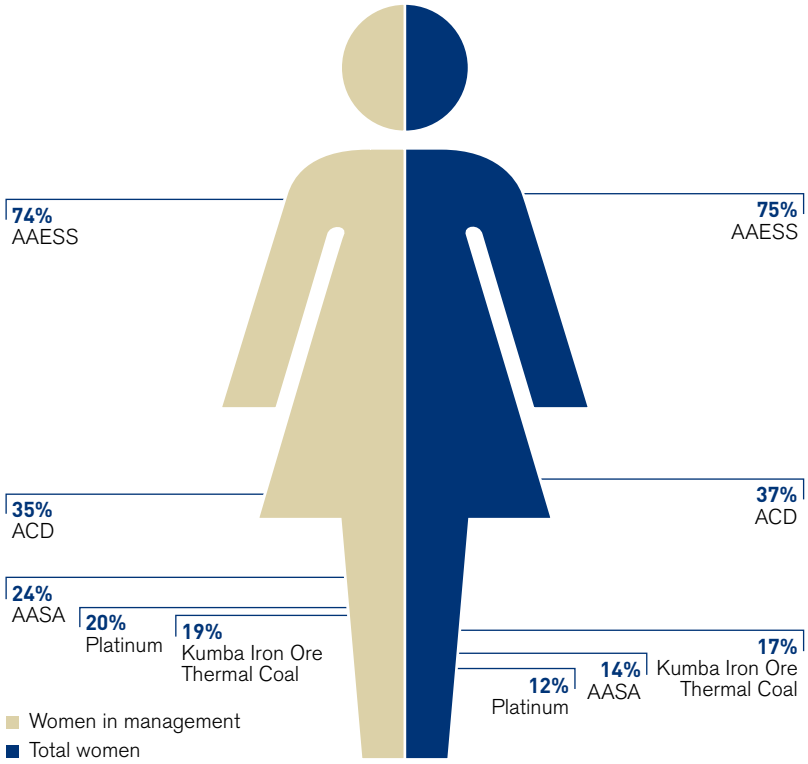
80% Kumba Iron Ore
83% Thermal Coal
84% Platinum
97% ACD

The Mining Charter defines core skills as those necessary and inextricably linked to day-to-day operations, or skills that enhance the performance of an operation and are in scarce supply. This could include artisans, engineers including rock engineers, professionals (i.e. recognised by a professional body), specialists (e.g. surveyor, safety, geologist, metallurgist, winding engine driver, environmental, etc.), technologists, technicians and persons with mining-specific qualifications or licences.

Note that AAESS does not employ people in core functions.

40% HDSA in core functions – target for 2014

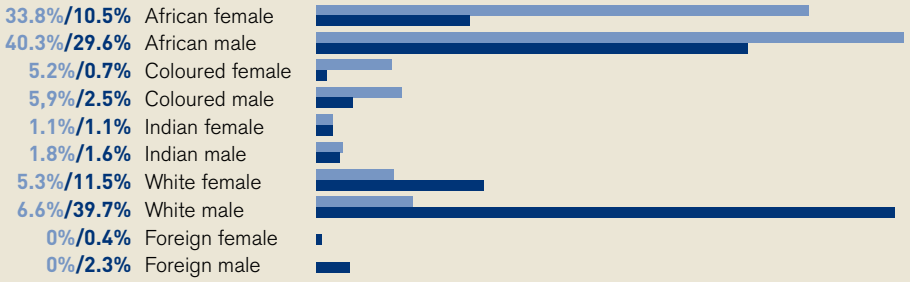
Women at Anglo American in South Africa, 2011



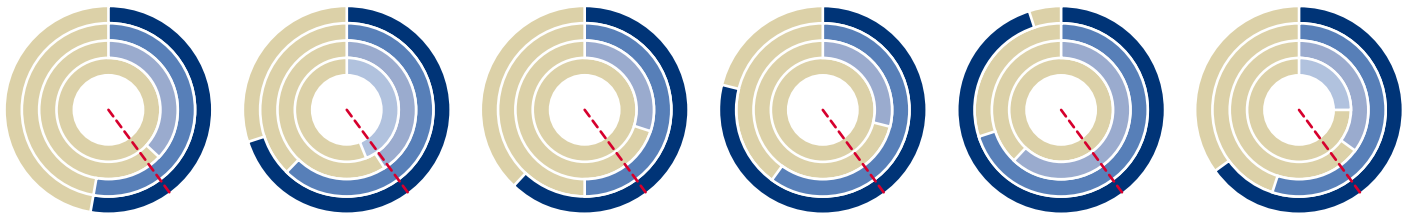
Anglo American's progress against economically active population (EAP) as at 31 December 2011

Reflective of the overall management representation per race and gender

EAP ■ Actual management



HDSA per management level, 2011



KUMBA IRON ORE
00% Top
37% Senior
53% Middle
53% Junior

PLATINUM
50% Top
41% Senior
56% Middle
63% Junior

THERMAL COAL
N/A Top
30% Senior
50% Middle
62% Junior

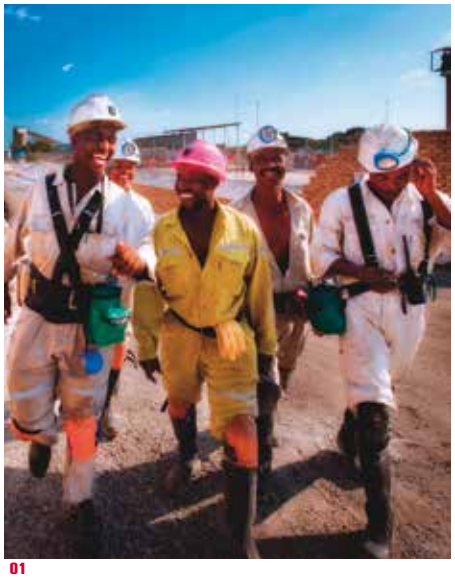
ACD
N/A Top
29% Senior
60% Middle
79% Junior

AAESS
N/A Top
62% Senior
70% Middle
95% Junior

AASA
25% Top
35% Senior
55% Middle
65% Junior

Where N/A is shown for top management it is because there is no board and this category is therefore not applicable.
The percentages are rounded off to the nearest whole number.

40% HDSA per management level – target for 2014



01

02

01 Employees at Platinum's Union mine near Rustenburg.

02 Employees attending a meeting at Thermal Coal's Goedehoop colliery mine offices.

03 Cornelia Holtzhausen, the first female general mine manager at Kumba Iron Ore's Thabazimbi mine.

EMPLOYMENT EQUITY IN OUR BUSINESS UNITS

Kumba Iron Ore: We understand that, as a major employer in South Africa, we have to play a meaningful role in the development and transformation of our skills base.

As part of Kumba Iron Ore's overall business strategy, all operations and divisions have a human resources plan in place that is aligned to the employment equity plan of the business. The employment and development of local people is a strategic objective of the Group. As such, Kumba's comprehensive human resources development programme includes mentorship programmes, succession planning, individual career development planning and constructive retention models to achieve the requisite number of HDSAs, particularly women, in terms of Mining Charter targets. A programme to support women in their physical and emotional readiness for certain core positions has also been implemented.

As a result, we can report that in 2011, HDSA representation at Kumba Iron Ore reached 37% in senior management, 53% in middle management and 53% in junior management. At the end of 2011, 51% of total management positions were occupied by HDSAs.

The mining industry has historically been male-dominated; therefore, we pay particular attention to dealing with and eliminating issues of sexual harassment. A policy is in place that specifically prohibits sexual harassment, and it aims to educate and inform both male and female employees of their rights and of the consequences of sexual harassment.

At the end of 2011, women made up 17% of Kumba Iron Ore's overall workforce and occupied 12% of our core mining positions.

Platinum: Platinum's employment equity strategy, typified by special interventions such as attracting high-potential candidates, employee development programmes, mentoring, shadowing and talent pool management, continue to help this business unit deliver positive results towards achieving our targets. In 2011, the representation of HDSAs at Platinum reached 50% in top management, 41% in senior management, 56% in middle management and 63% in junior management. At the end of 2011, HDSAs made up 58% of management in total.

Platinum has focused a great deal of attention on achieving increased involvement of women in mining, and the results speak for themselves. In 2011, 12% of employees were women, compared with 10.5% in 2010. Between 2005 and the end of 2011, the number of women in core functions at Platinum increased from 405 to 3,872. At the end of 2011, 12% of women in the business unit held positions in senior management, 21% in middle management and 20% in junior management. Overall, the percentage of women at all management levels is currently at 19.3%.

Another milestone has been the appointment of five female project managers, and three women who are being prepared to become section managers. These great strides have been made possible by introducing fast-tracking programmes, targeted recruitment and improving the working environment. Improvements have included sufficient and suitable change house facilities, appropriate personal protective equipment (PPE), and the formation of women's forums at all operations. A portfolio dedicated to women in mining was created in 2006 to attract, develop and retain female employees. Together with a focused and determined approach to increasing the presence of women in mining, these interventions contributed to Platinum winning a 2011 award as the Top Gender Empowered Company in the resources industry.

Thermal Coal: Diversity remains at the forefront of Thermal Coal's agenda, with a genuine desire to instil a culture of transformation within the organisation. While this business unit has already exceeded employment equity goals, we continue to strive for a workforce that is more demographically representative of our nation by setting ambitious internal targets.

In 2011, HDSA representation at Thermal Coal reached 30% in senior management, 50% in middle management and 62% in junior management, equating to an overall 55% HDSA participation in the business unit's management

structures. Thermal Coal is a division of Anglo Operations Limited and does not have a board of directors. Therefore, top management is not applicable in this regard.

We also implemented plans in 2011 to ensure that not only are our organisational transformational targets met but, more specifically, that each department reflects the demographics of the organisation. These plans identify specific candidates and ensure that development plans are tracked and executed within pre-determined timeframes.

At Thermal Coal, we continue to support women in mining initiatives that deal with women's rights, discrimination, gender responsibilities and the biological, religious and cultural demands of being a woman in the mining industry. Site-specific changes have created a more female-friendly working environment, including improved change house facilities, mobile toilets in mining areas and PPE designed specifically for women.

The Isibonelo colliery's Women in Mining Forum was established in 2005 – shortly after the colliery joined the Thermal Coal stable – to improve and expand the rights of women in the workplace. The members meet monthly with the aim of supporting divisional strategy, creating a communication and networking platform, overcoming barriers, educating the workforce and key stakeholders, and embracing diversity at the operation.

Greenside colliery's crèche now operates 24 hours a day, seven days a week, to cater for shift employees. We are also investigating a childcare framework to help employees at our other operations, building on what we have learnt from the Greenside crèche. This will give parents better access to quality and affordable childcare.

In 2011, 17% of our employees were women and they occupied 13% of the company's core mining positions. A prime example of women in mining at Thermal Coal is Martha Gwambe, plant manager at Greenside colliery (see case study on p33).

03

CORNELIA SCOOPS PRESTIGIOUS SA WOMEN'S AWARD

Kumba Iron Ore proudly celebrated Women's Month in August 2011 with Cornelia Holtzhausen, general manager at Kumba Iron Ore's Thabazimbi mine, scooping top honours in the mining category of South Africa's Most Influential Women in Business and Government Awards.

***CEO Magazine* hosts this annual awards function to acknowledge and honour South Africa's top female leaders across all sectors of the economy, and to provide organisations with a platform on which to celebrate their achievements in terms of gender equality and employment equity.**

The announcement of the award winners coincides each year with the launch of the magazine at an annual seminar and networking event. Attendees are also able to hear some of the great minds of our time share their thoughts on creating sustainability throughout the South African business and government landscapes.

"I am very excited and I hope this motivates other women in the industry to break that glass ceiling, especially in the mining industry," says Cornelia.

Also shortlisted in the same category from Kumba Iron Ore was Rina Botha, socio-economic development manager at Sishen mine, who was recognised for her exceptional work in the community of Kathu and the greater John Taolo Gaetsewe district.

Source: Anglo American intranet, theSource

WOMEN ARE TAKING THEIR RIGHTFUL PLACE

The number of women rising to senior positions in the mining sector is increasing. This trend is reflected at Kumba Iron Ore, where the number of women employed has risen from 411 in 2005 (under 4.5% of the total workforce) to 1,048 in 2011 (16.6% of the workforce).

Each business unit and discipline has been asked to set targets and increase the number of women in the workforce. Kumba Iron Ore has set up women in mining task teams to look at barriers and challenges facing women in the mining environment, and to examine possible ways to overcome them. We have improved conditions of employment for women in the areas of housing and childcare, and regularly recognise women who are seen as 'barrier breakers' at events in order to encourage similar behaviour.

Source: Group Sustainable Development Report 2011

> "I think that we are moving in the right direction because there is generally greater appreciation of the contribution made by women in the company. Also, much progress has been made in improving working conditions for women underground and making it possible for women to work there."
>
> **NONTOBEKO MASONDO, human resources recruitment manager, Platinum**

02

EMPOWERING WOMEN IN MINING

Nontobeko Masondo, Platinum's manager for human resources – recruitment, shares her view on women in mining:

What is the prevailing attitude towards women within the company?
"The company values and promotes equal treatment of and respect for women. The launch of our Women in Mining Forum has contributed to an increasing awareness of women in mining. I think that we are moving in the right direction because there is generally a greater appreciation of the contribution made by women in the company. Also, much progress has been made in improving working conditions for women underground and making it possible for women to work there."

What it is like being a woman in mining?
"There is greater acceptance of women in mining, especially in my area of work. A lot of progress has been made, although some challenges remain. For example, mining is still dominated by males and the representation of women in the sector continues to be minimal. As women, we find that we continually have to prove ourselves. Also, women miners still experience teething problems when trying to fit in and get the respect we deserve. One of our company values is to care about each other; we need to accept this as a workplace practice, treat each other with respect and develop positive attitudes."

What barriers does the company still need to remove?
"There is a shortage of skilled women in South Africa. We can do far more to attract and retain women in the company. We need to focus on creating more opportunities for women and raising awareness about available job opportunities. We need to institute and promote initiatives in high schools so that young women are aware of these opportunities and their associated requirements. We also need to continue supporting women in our employment."

Do you think that the career prospects for women in mining are good?
"The future for women in mining is very good within Platinum. Our career development practices promote a culture of learning, growth and empowerment. If women take advantage of the opportunities that are available, then, with the right set of skills, commitment and attitude, we will have our first female general mine manager in the near future!"

Source: Platinum Sustainable Development Report 2011

01

03

MARTHA TRACKS HER ROAD TO SUCCESS

Mining comes naturally to Martha Gwambe, plant manager at Greenside colliery, who has lived on or close to a mine for as long as she can remember. A coal miner's daughter, born and bred in eMalahleni, she opted for a career in metallurgy while gaining practical experience at Gold Fields prior to studying for her BTech degree at Technikon Witwatersrand.

It was by no means easy, as Martha worked 12-hour shifts and had no transport of her own. She also had to support herself during her third year as her bursary was withdrawn, owing to the weakening gold price. However, she persisted and was awarded a grant from Anglo American's Platinum business during her final term.

She spent several years working as a metallurgist at Platinum's smelters in North West before returning to her native Mpumalanga to be closer to her husband and family.

Martha joined Greenside as plant manager in late 2008 and, as the manager of more than 150 people, works closely with other departments and disciplines. She is a strong believer in the importance of good communication and language skills. "This is invaluable in the mining industry as it promotes understanding and aids conflict resolution." Martha practises what she preaches, being fluent in a number of South African languages, including isiZulu, isiXhosa, isiNdebele and Setswana, as well as her native sePedi.

Communication is also the key to achieving a workable balance between her private and professional lives. Married with a two-year-old son, Martha and her husband Mandla fully understand and accept the responsibilities of her position. "He is my number one supporter and gives me 100% backing."

Martha firmly believes that opportunities exist for women to take on more senior roles in the business and regards Anglo American's chief executive, Cynthia Carroll, as an inspirational example of what women can achieve. "I decided a long time ago that I have to do what it takes to achieve my goals, and I plan to start studying for a Master of Business Administration within the next two years."

Source: Anglo American intranet, theSource

01 Deoni Adams, driver/operator of a 280 tonne Caterpillar truck at Kumba Iron Ore's Sishen mine.

02 Thato Zondi, of Thermal Coal's Kleinkopje colliery.

03 Plant manager Martha Gwambe (left), a metallurgy graduate, with a co-worker at Four Seam plant at Greenside colliery.

What it takes to address HUMAN RESOURCE DEVELOPMENT

A workforce with the optimal balance of skills, experience and training is one of the industry's most basic requirements. In this regard, Anglo American invests significant resources in the development of the skills base of our employees.

We know that our success rests on the knowledge and efforts of our people, therefore we are committed to improving their skills. As part of this commitment we operate a global, world-class technical centre in South Africa – the technical business co-ordination group (TBCG) – which employs 883 personnel and for which the budget in 2011 was R946 million. Around 2,600 employees gained skills training transferable to industries outside of mining.

Employees taking part in full-time ABET per business unit in 2011

56	Kumba Iron Ore
283	Platinum
34	Thermal Coal
17	ACD
390	Total

We view human resource development (HRD) as a vital strategic tool to achieve the employment equity targets set for 2014. As such, we have made significant progress in providing basic literacy and numeracy to our employees through adult basic education and training (ABET) programmes. Related initiatives include bursaries, scholarships, learnerships, support for tertiary education and other programmes that vary across the business units. All programmes are supported by campaigns to encourage employees to participate, along with mentoring and career path initiatives.

Total HRD expenditure on HDSAs, 2011
(target: 3.5% of payroll)

HRD expenditure	HRD expenditure as a % of HDSA payroll
KUMBA IRON ORE	
R100 m	3.7%
PLATINUM	
R597 m	6.7%
THERMAL COAL	
R179.1 m	6.0%
ANGLO AMERICAN'S CORPORATE DIVISION	
R29 m	7.8%
AAESS	
R6.3 m	5.1%

The expenditure excludes the skills levy.
Figures for Anglo American in South Africa, 2011.

LEARNERSHIPS

Kumba Iron Ore: Kumba Iron Ore offers learnerships and technical vocational training. This enables employees to improve their skills through a combination of studying and practical, on-the-job training. Learnerships in qualifications that are recognised by the mining sector education training authority (SETA), and which are registered with the Department of Labour, are important for career progression.

In 2011, we spent R45 million on learnerships for 605 learners in the fields of mechanical and electrical engineering (250), civils (40) and mining and metallurgy (315). During the year, 355 participants were declared competent in their respective areas.

Platinum: In 2011, Platinum placed 284 people on engineering learnerships, of which 96% were HDSAs, and 155 on mining learnerships, of which 97% were HDSAs.

In 2011, 358 people were enrolled in engineering learnerships and 111 of these have completed their learnerships and trade tests successfully. The trade results in the various fields were: electricians (39), fitters (34), diesel mechanics (24), boilermakers (10) and instrument mechanics (4). The remainder will complete their learnerships and respective trade tests over the coming two years.

Thermal Coal: Thermal Coal trains around 100 learners each year, from high schools in local communities as well as via current employees.

ABET TRAINING

A literate employee is a safe, productive and committed employee. That is why each of our business units in South Africa offers an ABET programme. Close on 1,700 learners, consisting of employees, contractors and community members, are enrolled in full-time and own-time ABET programmes across the business units.

Kumba Iron Ore: ABET is available to all employees on a part-time voluntary basis to improve literacy and numeracy. Around 86.5% of employees are now functionally literate.

Platinum: Several successful ABET learners have been offered further development opportunities in line with their career development plans, and are progressing well. Both full-time and own-time ABET classes are offered. Voluntary programmes are offered across the company and classes are provided on a three-shift basis, so shift workers can also participate. In 2011, we recorded 122 own-time completions (representing 75 employees, 19 contractors and 28 community members).

Thermal Coal: For more than two decades, Thermal Coal has provided ABET to employees and we anticipate that our entire workforce will be functionally literate within the next seven years. While mine-based ABET centres are extensively used by dependants of employees and members of host communities, Thermal Coal still faces the challenge of encouraging those in our workforce who could benefit from participating or completing their studies, to use the facilities. Barriers include the belief that they are too old to learn, anxiety that younger participants will learn faster, and the pressures of shift work. To counteract these perceptions, we are constantly investigating alternative learning methods.

Anglo American's Corporate Division: Although ACD's number of ABET employees is relatively small (17 in total), the learners have committed themselves studiously to their programme. By the end of 2011, 90% of all registered ABET learners had achieved level 4 in all seven subjects required for them to achieve a national qualifications framework (NQF) level 1 general education and training certificate. The remaining few will complete their outstanding subjects during 2012.

KUMBA IRON ORE HAS QUALIFIED AN AVERAGE OF

150
artisans
every year
since 2007

REGISTERED FOR FULL-TIME ABET AT KUMBA IRON ORE IN 2011

23
employees at Sishen mine

33
employees at Thabazimbi mine

All current employees at Kolomela mine are literate

REGISTERED FOR FULL-TIME ABET AT PLATINUM IN 2011

283
employees

66
community members

7
contractors

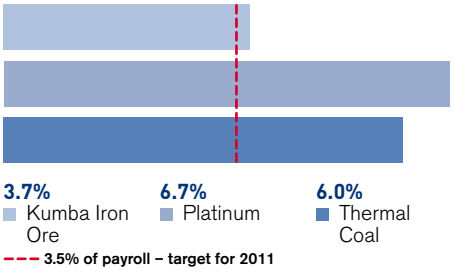
REGISTERED FOR FULL-TIME ABET IN THERMAL COAL IN 2011

34
employees

189
community members

7
contractors

Business unit HRD expenditure on HDSAs, 2011
(as a percentage of HDSA payroll)



BURSARIES AND SCHOLARSHIPS

Kumba Iron Ore: Kumba's bursary programme is extensive. Through it, we offer bursaries and study assistance to employees and learners from labour-sending areas near our mines, and at tertiary institutions in disciplines that are core to the mining industry and which form an integral part of our employment equity plan. In 2011, 65 students, 78% of which were HDSAs, received bursaries to cover their tuition fees and the cost of board and lodging, as well as providing a small allowance. Of these, over 40% were from the Limpopo and North West provinces, which are areas directly related to our operations. The total cost of bursaries and scholarships was R4.8 million in 2011.

Platinum: Platinum trained 443 bursars in 2011, of which 95% were HDSAs. The company's Young Professional Scheme aims to support the pipeline of future leadership and meet employment equity objectives and targets by providing bursaries and graduate-in-training programmes in identified fields. In this way we can ensure the long-term supply of young professionals who will be able to deliver exceptional performance and create value.

Thermal Coal: Thermal Coal's well-established bursary scheme develops suitable students who are given professional career opportunities within our organisation. In 2011, bursaries were given to 143 students, of which 85.3% were HDSAs and 43.4% were females.

We aim to attract bursars from the areas around our operations, and have launched a number of drives to improve marks in mathematics and science among local learners. The scheme is also open to the general public and the children and relatives of employees.

Anglo American's Corporate Division: During 2011, we provided full bursaries to 17 students (all HDSAs) at recognised universities throughout South Africa. These are typically awarded for disciplines that are aligned to our business requirements.

ACD is also responsible for building a pipeline of emerging talent for the business with a programme called BLAST (Building Leaders and Shaping Talent). This programme attracts bright young talent exiting universities and provides them with broad exposure to the business by moving them across three real jobs across at least two continents in five years. This programme has a 96% retention rate after eight years and the candidates completing the programme have all found significant positions within the business.

Bursars per business unit, 2011

OTHER TRAINING INITIATIVES

... at Kumba Iron Ore:

Professionals-in-training (PIT): Kumba's graduate and diploma trainees participating in the PIT programme comprise three groups of participants:

- technical graduates (completing a university degree)
- technicians and technologists (completing a technology diploma or degree)
- non-technical graduates (completing a non-technical degree or diploma).

The programmes are structured according to the requirements of different professional bodies, such as the Engineering Council of South Africa. The duration of the programme ranges from 24 to 36 months, depending on the professional's discipline and qualification. The non-technical skills of participants are also developed and they receive training in report writing, personal development and management skills. In 2011, 47 people participated in the programme.

Around 163 employees received portable skills training in welding, carpentry, bricklaying and plumbing in 2011, and 41 employees benefited from free driving lessons for codes 8, 10 and 14 licences at Itereleng (Thabazimbi). These are skills we do not traditionally need within the company, but they are developed as part of our contribution to overall skills development and job creation in South Africa.

Community training and development: We offer a number of short courses to community members at the Tshipi (Kathu) and Itereleng (Thabazimbi) training centres. During the year, 65 community members attended various courses: 15 in welding, 15 in bricklaying, 20 in plumbing and 15 in carpentry.

Envision – financial fitness: The Envision employee share scheme aims to recognise the role of employees with regard to the success of the company and to align the company's fortunes with their own, with no risk to employees (see p63 for more information). To ensure that employees benefit from the money they received through this employee share scheme, we provided financial training to beneficiaries and their spouses. This

included topics such as tax and investment opportunities and was offered to beneficiaries from Kolomela, Thabazimbi and Sishen mines as well as head office.

In total, 84% of all beneficiaries attended training sessions. Results from an opinion survey conducted during the year found that 66% of participants changed their minds about what they intended to do with the money once they had completed the course.

Diversity training: So that employees can understand diversity in their working environments better, Kumba Iron Ore has devised a series of workshops called 'Making Difference Work'. These involve exploring why people are different from one another, understanding cultural programming and how it influences the way we think and behave, as well as discussions on how differences can impact teamwork and performance.

Twenty-four workshops involving 376 managers were held at Sishen mine between February and July 2011, and pilots were completed at Kolomela and Thabazimbi mines and at head office, with very positive feedback. No major polarisation or incidents were reported by facilitators during the workshops, and a full roll-out of the programme is scheduled for 2012.

Entrepreneurship: Kumba's development initiatives attempt to redress historical inequalities. We contribute to the development of small businesses and have a preferential procurement programme in place.

... at Platinum:
Leadership Academy – frontline supervisor programme: Launched in 2008, the vision of the Leadership Academy is to provide customised leadership development to four tiers of management at Platinum. The Leadership Academy offers two culture change programmes, namely the frontline supervisor programme and the personal change programme.

Between 2008 and 2011, a total of 5,373 employees within the C1–D1 bands were trained on the frontline supervisor programme. This

The computer training centre at Thermal Coal's Kriel colliery teaches computer literacy to both mine employees and the wider community.

KOLOMELA MINE OPENS NEW SKILLS TRAINING CENTRE

"Give a man a fish and you feed him for a day. Teach a man to fish and you feed him for a lifetime."

When Aart van den Brink, general manager of Kumba Iron Ore's Kolomela mine, used this quote during his address at the opening ceremony of the mine's new skills training centre on 14 April 2011, he reminded the audience that providing community members with the opportunity to gain skills is a very important part of helping a community to become self-sustaining.

He added: "It is a wonderful occasion for the Tsantsabane community, who previously never had the chance to receive formal education in certain trades, and who will now have training opportunities at their doorstep."

To give local community members every opportunity to gain skills that may help them secure employment at the mine, the skills training centre opened its doors for business before commissioning of the mine began.

After they have completed three months' training at the Kolomela skills training centre, learners receive a SETA-accredited certificate of competence, as well as gaining valuable experience in their specific trades. The centre currently offers training in scaffolding, welding, carpentry, brick laying and plastering.

Virginia Tyobeka, human resources manager of Kumba Iron Ore, was among the delegates celebrating yet another milestone for the mine. "The development of people and their levels of confidence are very important for Kumba," she said. The skills training centre is yet another example of collaboration and partnership between Kumba, government and the community, who all want to make a difference in the lives of the Tsantsabane community. "It shows when working together we can make a difference," Virginia added.

Source: Anglo American intranet, theSource

In 2011, Platinum's mechanised mining training centre (MMTC) achieved accreditation by the mining qualifications authority (MQA). The centre is already recognised in the industry and several mining houses conducted benchmarking exercises there during the year.

represents about 70% of the target population. A total of 1,715 employees have committed themselves to attending the training in 2012.

Safety commitment workshops were implemented in 2009.

Mining-related training: Platinum's School of Mines has been designed and approved, and preliminary implementation of the project began in the last quarter of 2011. This follows a strategic decision, in support of safe, profitable platinum, to centralise the Rustenburg mining operations' training of all mining competencies and learnership levels 2 and 3 of the MQA. A comprehensive change-management action plan will guide the developments needed during 2012.

Conventional mining: A total of 162 learner miners earned the NQF level 3 rock breaker qualification. Of these, 59 also completed all the experiential training and have subsequently been appointed as miners. Ten learner shift supervisors completed the three-year programme successfully.

In total, 568 employees completed the 'back to basics' technical and supervisory courses. Designed to fill knowledge and skills gaps within the mining technical supervisory levels from miner to section manager, these courses have been attended by an impressive 83% of their target audience.

In 2011, Platinum's MMTC achieved accreditation by the MQA. The centre is already recognised in the industry, and several mining houses conducted benchmarking exercises there during the year.

Preparation for the implementation of the newly registered mechanised mining learnership was completed during 2011 and the course will be introduced during 2012. Mechanised mining cadetships were introduced in the last quarter of 2011 and 40 cadets have since completed the training, half of them women. Training in machine appreciation, conversions, new mining technology in trackless mining mobile machinery and supervisory management continued during 2011.

Fast-tracking programmes: Fast-tracking programmes address the shortage of business-critical skills and, in the process, help us to comply with legislative requirements. Five engineering development programmes are currently in place at Platinum: the foreman development programme; measurement control and instrumentation; the planned maintenance officer programme; training towards the Government Certificate of Competence (GCC); and project manager training.

Since the inception of these programmes, we are delighted to have seen significant results. In 2011, 107 employees participated in the engineering fast-tracking programmes. Of the 36 who completed the training, 31 were appointed, 39% of which were black women. The programme also delivered five black female project managers – a first for the company. Moreover, five women are training towards the GCC, which is a legal requirement for appointment as a section engineer. The mining fast-tracking programme trained 164 section supervisors, 24 mine overseers and seven section managers, some of whom have already been given permanent positions.

Critical skills development in engineering: The medium voltage training drive continued (380 people have been trained since the inception of the programme). In 2011, 148 trainees passed additional selection criteria and achieved the medium voltage certificate. We will repeat this programme every two years.

The continuous evaluation project: The continuous evaluation project will provide refresher training in the legal aspects of conventional mining at each operation. This will improve safety significantly and enable us to use our skilled workforce better. The project is scheduled to be rolled out to all operations in 2012.

Management and leadership: To enhance performance at the managerial supervisory level, employees attended various internal and external development programmes in 2011. In total, 49 first-line managers attended the junior management programme and 45 senior managers graduated from the programme for management excellence, thereby boosting the supply of

Programmes that target local learners in grade 10 to 12 are aimed at boosting the number of women in mining, such as Clair Nel, who is seen here with Keith Roelofse, filling in the cage inspection book at Thermal Coal's Zibulo colliery.

ATTRACTING WOMEN TO OUR BUSINESS

Each year, New Denmark colliery stages a two-day career exhibition to give local learners, specifically girls, a picture of the scope and benefits of a career in mining. More than 700 grade 10 to 12 learners participate annually and the event is organised with the backing of the Mpumalanga Department of Education and the National Youth Development Agency. Apart from gaining knowledge on mining disciplines, including engineering, geology and surveying, and important support functions, learners are provided with information on subject choices and Anglo American's in-house bursary scheme.

OVERALL

4,000

Platinum employees have been trained on the Zero Harm programme since its inception

leadership within the company. Altogether, 26 employees in middle management and above attended personal and professional leadership courses and 250 managers attended mentoring workshops. A total of 25 senior managers developed their people skills by attending the senior leadership programme, presented by the University of Cape Town. In addition, five senior managers attended Anglo American's advanced management programme and four senior managers began the Leaders in Anglo American programme, which will end in 2012.

Safety training: During 2011, four safety trainees were appointed as safety officers, and a new safety on-boarding programme was designed and implemented. The intention is to support our crucial Zero Harm in Action campaign by ensuring that all new employees in middle management and above are informed about our safety, health and environment policies, strategies and key performance areas. Training continued on safety-risk management and on our commitment to Zero Harm during 2011. Overall, 4,000 employees have been trained on the Zero Harm programme since its inception. In addition, 278 health and safety representatives were trained during the year.

... at Thermal Coal:

Safety training: During 2011, Thermal Coal employees attended Anglo American's safety, health and environmental risk management A1 training; 85% attended the A2 training; and 85% attended the A3 training. The programme should be completed during 2012. Refresher programmes are being designed to maintain the momentum and energy around our risk management processes. To date, 75% of our managers have attended our safety leadership programme, which is aimed at changing a person's mindset about safety in general. Having completed the programme, employees understand and believe that Zero Harm is achievable and they work according to the rules because they want to, not because they have to.

Simulator training: We have a fleet of simulated opencast equipment that is used extensively in the training of our operators. All emergency situations and best practice operating processes are simulated in the training programmes, and we plan to purchase underground simulator equipment during 2012.

Life skills training: Employees and their dependants have the chance to broaden their future employment opportunities after a life in mining at our mine-based skills development centres. These centres offer transferable skills training in computer literacy, welding, boiler making, sewing, arts and crafts and beadwork. The centres are also open to members of our host communities.

Leadership programmes: We have developed a suite of programmes aimed at creating and expanding our base of strong and competent leaders. These training initiatives will begin during the first half of 2012 and will include the foundations of leadership and leadership development programmes for frontline supervisors, and the Leading the Workplace programme for middle management and professionals. Furthermore, there is a range of Group initiatives aimed at senior and high-potential employees.

A formalised on-the-job coaching programme for mining frontline supervisors was rolled out in 2011, and will be expanded to engineering frontline supervisors during 2012. The programme has been developed to coach frontline supervisors on best practices.

... at Anglo American's Corporate Division:

The ACD training initiatives are all aligned to Anglo American's global human resources programme, which has competencies defined for the development of leaders in Anglo American. This is called the *People Development Way* and ensures that all employees are developed in a consistent and focused manner.

Besides leadership skills, staff are able to attend specialised technical training to ensure that they are developing the correct skills for the Group to meet its goals. Examples of courses provided include emotional intelligence quotient (EQ) at work; dealing with change; and mining for non-miners.

01

01 Thabisile Lukhuleni (left of centre) participates in safety induction refresher training at Thermal Coal's Greenside colliery in eMalahleni.

02 Training drills for paramedics and proto teams at Platinum's Mogalakwena mine.

02

01

02

01 Nomfundo Cebekhulu with finance staff at a personnel training session at Thermal Coal.

02 Ellie Moshoane is a senior metallurgist at Platinum's Western Limb Tailings retreatment plant near Rustenburg. Her path into Platinum was through the bursary scheme.

03 Thermal Coal divisional training at the Greenside colliery.

Diversity initiative: We launched 'Knowing Me, Knowing You' in September 2011. This diversity initiative aims to support and enhance our transformation efforts. It covers many aspects of diversity, including gender, culture, religion and belief, sexual orientation, generation and race. The objective is to create awareness and foster an environment that respects and celebrates people's differences. Pilot training sessions were run to select an appropriate service provider to deliver diversity workshops. A rollout of diversity awareness workshops will take place in 2012.

Leadership programmes: The ACD offers a range of programmes for global Group companies to develop leadership talent in the organisation. The achiever programme (TAP) aims to develop young leaders in Anglo American by building their personal and interpersonal skills and the business acumen necessary to function effectively in the contemporary world of sustainable business.

The programme for management excellence seeks to enhance leadership skills and business acumen aligned with the knowledge, awareness and perspective necessary for building a safe, sustainable and enduring mining company.

... at AAESS

Safety: AAESS is committed to ensuring the safety of our employees while at work and at home. For example, to improve driver safety for our employees who are regular road travellers, we introduced defensive driving tactics training. This training is aimed at highlighting the main causes of collisions and providing practical instruction to improve individual driver awareness.

Practical management training: The AAESS practical management training (PMT) programme is a development initiative aimed at providing our managers and supervisors with the basic skills and knowledge required to manage and lead themselves and their teams effectively. The PMT consists of seven content modules that have been customised to suit the AAESS operating environment. These include EQ and beyond, managing people for results, leading through change, performance coaching, relationship intelligence, thinking and problem-solving and customer experience management.

During 2011, the PMT programme was rolled out to more than 80 managers and supervisors in three locations in the Europe, Middle East and Africa (EMEA) region. Delegates who attended the programme offered the following feedback:

"We are so fortunate to be on a course like this; thank you for your excellent passion and commitment to developing people."

"Before anybody is promoted to a supervisory level, I would like to see that that person first attends the PMT course in order to equip him or her for the new role."

Leadership development: AAESS supported Anglo American's leadership development programmes in 2011, with 12 employees completing the achiever programme and ten the programme for management excellence.

Study assistance: In keeping with our commitment to develop our people and specifically to encourage them to improve their academic qualifications through part-time studies, we provided financial study assistance to 38 employees in 2011. The academic qualifications undertaken by employees include human resources, finance and accounting and payroll, all of which are skills required to deliver quality service in our shared services environment.

03

WELCOMING YOUNG PROFESSIONALS TO THE WORLD OF WORK

Bright and ambitious members of Thermal Coal's PIT programme recently participated in an action-packed on-boarding process. This included a four-day life skills programme, followed by a welcoming function attended by senior executives, managers and former PITs who are progressing through the ranks.

"This is a great opportunity for our graduates to network and interact with future colleagues and mentors who they will no doubt engage with during their careers," says talent officer Elmarie Bernhardt.

Apart from a session with the talent team and training managers, the PITs received their eagerly awaited letters of appointment. Head of human resources, Philip Williamson, shared with them some aspects of the Thermal Coal culture, while head of operations, Dave Haselau, described the region's strategy and vision.

Formal divisional induction took place in eMalahleni and newcomers were exposed to a series of presentations relevant to their future roles and pertinent topics within the company. These included Anglo American's values and approach to business integrity, the importance of a healthy lifestyle, the *People Development Way* and the revised performance management system.

"Our graduates were exposed to our new mentorship pilot programme and learned about the basic principles of mentoring. They also met a group of current PITs who will become their 'buddy mentors'," says Elmarie.

New and current PITs enjoyed a fun-filled networking session similar to a 'speed dating' process, in which new PITs had one minute to network with each current PIT.

"A key component of divisional induction is to make sure that graduates understand their training programmes and key aspects of their performance contracts," adds Elmarie. "This is further reinforced with technical managers from each discipline spending time with them to explain the importance of development programmes and the opportunities they have to learn. Our PITs have been well-orientated into our organisation and have been given all the tools they need to ultimately have successful careers within Anglo American."

Source: Anglo American intranet, theSource

What it takes to improve HOUSING AND LIVING CONDITIONS

At Anglo American we believe that human dignity, privacy and family life are essential to achieving real transformation. That is why we have made significant strides in improving the housing and living conditions of our employees.

Occupancy in our hostels reduced over the past few years from 19,895 to 11,574 in 2011. The current overall maximum occupancy of two people per room is 8,065 and our target rate of one person per room by 2014 will be achieved.

A memorandum of understanding was signed between Platinum and the Department of Human Settlements (DHS) in 2008. As a result, around 20,000 housing units are to be built by 2017 in the Limpopo (8,000) and North West (12,000) provinces.

As part of our broader strategy to address the issue of housing and living conditions of employees, our business units offer employees housing options, including the provision of bulk services, building houses, rent-to-buy options and company-owned housing stock. Various allowances are also available to help employees with repayments.

Business units' employee allowances, 2011

KUMBA IRON ORE

R924 – R2,400

Housing allowance plus a subsidy for first-time home owners (formula-based)

PLATINUM

R2,500 – R4,750

Home ownership allowance (for ± 5,500 employees)

R1,654 per employee

Living-out allowance (for ± 24,500 employees)

THERMAL COAL

R3,993 – R7,007

Housing allowance (for 66% of the workforce living in their own accommodation)

R1,391

Housing allowance (for skilled employees in company-provided accommodation)

Workers on the Seraleng housing project in Mogalakwena. The project will provide a total of 924 affordable subsidised homes for employees of Anglo American.

HOSTEL CONVERSIONS

Kumba Iron Ore: Kumba Iron Ore has converted 12 of its 18 hostels into bachelor flats, each with a full bathroom, kitchenette and bedroom. The remaining six units have a maximum of two persons per room occupancy (with 47 employees sharing a room) and will be converted by 2014. Specific arrangements to accommodate women only are also under way. Thabazimbi mine has converted all hostels into family units.

Platinum: All hostels have been converted into single accommodation villages (SAVs). The Rustenburg operation has met the target of one person per room occupancy, while Union, Dishaba and Tumela (Amandelbult) mines have a maximum of two persons per room. The one person per room drive is ongoing. Occupancy rate at the SAVs is at 26%, with 8,018 employees sharing rooms with other employees. Platinum's main aim is to develop family units within communities close to the operations.

Thermal Coal: At Thermal Coal, all necessary hostel conversions were completed before 2010, and the focus is now on facilitating home ownership options for all mine employees, in consultation with organised labour.

COMPANY-BUILT HOUSES

Kumba Iron Ore: To date, Kumba has built 1,167 houses to accommodate employees and their families at Sishen, Kolomela and Thabazimbi mines. Of these, 617 have been sold to employees. More housing stock is being built for sale and to let. In total, Kumba plans to build 1,700 additional houses in Kathu for current and future housing needs. Currently, an estimated 678 units are available for sale at the different mines. If employees cannot secure funding, there is a rent-to-buy option. Houses built in Kolomela will not be for sale for the first five years, but will be leased to employees. Housing allowances are paid to ensure employees can afford the properties.

Platinum: Platinum has embarked on the Seraleng housing project, through which 202 houses have been built to date and of which 198 are occupied. The total expenditure so far is approximately R42 million. However, there has been a high decline rate of bond approvals and we have appointed a debt rehabilitation specialist to help employees with their finances. The approval rate has improved since the wage increase and housing benefits were introduced.

A total of 924 units are to be built as part of Seraleng; plans are under way to build 1,250 houses in 2012 in Bokamoso and 2,000 units are to be built in Boitekong during 2014. Our target is to service around 5,000 stands by 2014.

The Northam project is also under way, with 310 stands developed to date at a cost of R21 million, and 8,000 employees potentially benefiting overall in the region. These projects form part of the partnership with the DHS to have 20,000 units built by 2017.

Thermal Coal: Thermal Coal has built 203 houses for sale so far. Of these, 20 units are currently used to house employees who are given company accommodation, and will be sold in due course. Of the remaining 183 units, 17 have been sold; 102 are in the process of being sold; and 64 have been allocated to rent-to-buy agreements, which allow employees to pay a monthly deposit towards the house until they are able to obtain bank finance to cover the remaining amount.

In addition, 350 building packages are available to all employees in Kwa Mthunzi Vilakazi. This project will be funded by the banks through normal home loans, and houses will be built only by developers chosen by us for company-provided building packages, or alternatively, by the employees in cases where they wish to build in their own capacity. The response to this initiative has been positive, with over 200 employees having applied for housing bonds so far. In 2011, we completed the bulk services for the Kwa Mthunzi Vilakazi township, covering the existing dwellings and the planned expansion. The building of roads (as well as rehabilitation of existing roads), storm water networks and bulk services will cater for approximately 500 new stands and roughly 500 existing privately owned stands.

In 2011, Thermal Coal was awarded the Nedbank Green Award for building 66 units in Kwa Mthunzi Vilakazi using gypsum by-products extracted from the eMalahleni mine water treatment process.

We have begun a new project to provide an additional 272 units in the eMalahleni area, which will be for sale to employees from mines in that area. This initiative, called Spring Valley, includes infrastructure development and will provide 3,733 housing units to the broader community. We will contribute approximately R16 million for bulk services for the first and second phases of the development.

MINE ACCOMMODATION

Kumba Iron Ore: Kumba has 1,820 employees living in company accommodation, and 476 houses will be built to accommodate employees who cannot be accommodated in the converted flats.

Platinum: Currently, 6,743 employees live in existing company houses, but we are encouraging employees to have their own accommodation.

Thermal Coal: On average, 34% of employees live in mine-provided accommodation. We have 559 existing company-owned houses in urban areas. A total of 400 houses will be retained to accommodate non-qualifying employees, such as foreign nationals. There are an additional 661 Eskom-owned houses in urban areas, which accommodate our employees at the collieries serving Eskom power stations.

We are in the process of selling 125 of the company-owned houses to our employees. We are also considering the sale of a further 100 units in eMalahleni to employees. Of the Eskom-owned houses, approximately 400 will be made available for sale to Thermal Coal employees, while those remaining will be retained as strategic stock.

Employees on mine accommodation will qualify for a full housing allowance as from 1 July 2012, subject to an agreement with organised labour on a market-related rental scheme proposal, which is currently under consideration.

Challenges and potential solutions

CHALLENGE: EMPLOYEE CREDIT PROFILE

SOLUTION
- A service provider has been employed to facilitate credit administration.
- Debt rehabilitation programme in place.
- Rent-to-buy option available.

CHALLENGE: END-USER FUNDING

SOLUTION
- Facilitate and support employee bond applications with financial institutions/rural housing loan fund.
- Implement employee payroll deduction.
- Provide company guarantees.

CHALLENGE: INSUFFICIENT AWARENESS AMONG EMPLOYEES ABOUT RIGHTS AND OBLIGATIONS OF HOME OWNERSHIP

SOLUTION
- Ongoing training on housing programme.
- Involve organised labour.

CHALLENGE: ROLE OF GOVERNMENT

SOLUTION
- Extension of housing subsidy along lines similar to memorandum of understanding between Platinum and the DHS.
- Need to engage National Treasury/South African Revenue Service (SARS) on fringe benefit tax impact on employees.

CHALLENGE: PROCLAMATION AND ZONING PROCESSES

SOLUTION
- Identify developers in zoned areas to secure sites for employees.
- Engagement at the Chamber of Mines through the housing committee, made up of employers, organised labour stakeholders and government.

CHALLENGE: PERCEPTION THAT CERTAIN HOUSING ALLOWANCES PROMOTE INFORMAL SETTLEMENTS

SOLUTION
- The aim is to provide allowances that make formal accommodation affordable to employees.
- Donate land to the municipality as a facilitation mechanism to relocate communities living in informal settlements.
- Studies were conducted on rent-to-buy and rental properties/options, positive feedback was received from employees at our operations.

CHALLENGE: LACK OF AVAILABLE SERVICED HOUSING

SOLUTION
- Working with developers to secure sites for employees.

01

02

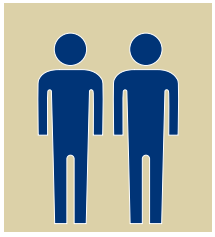
01 A construction worker at Platinum's Seraleng housing project in Mogalakwena.

02 Workers outside new houses in the village of Clewer, Mpumalanga, near Greenside colliery. The houses have been built with gypsum bricks, a by-product of the mining process.

03 Fillix Ngobeni and Russel Tshabangu, working on the airfield building project at Kumba Iron Ore's Sishen mine.

03

Employees in hostels, 2011



KUMBA IRON ORE	(TOTAL 760)
713	47
PLATINUM	**(TOTAL 10 813)**
2,795	8,018
THERMAL COAL	**(TOTAL 1)**
1	0
One per room	Two per room

Summary of accommodation conversions, 2011

ANGLO AMERICAN SOUTH AFRICA							
11,574	3,509	8,065	11,355	1,572	832	64	102
Employees in hostels	One per room	Two per room	Mine accom-modation	Company-built houses	Company-built houses sold	Houses sold on rent-to-buy agree-ments	Houses being sold and in progress

Housing summary per business unit, 2011

KUMBA IRON ORE			
1,167	617		
PLATINUM			
202	198		
THERMAL COAL			
203	17	64	102
Company-built houses	Company-built houses sold	Houses sold on rent-to-buy agreements	Houses being sold and in progress

Hostel conversion, 2011

01

02

01 Dr Gilbert Khosa reading a digital X-ray at the Bhubezi Community Health Centre at Bushbuckridge, Mpumalanga.

02 Tumi Leboea and Zandi Chibi participate in HIV/AIDS voluntary counselling and testing at Greenside colliery.

03 Mining equipment manufacturer Bucyrus has sponsored a mobile dental clinic to schools and community centres around mining operations. The programme was inaugurated at Thermal Coal's Greenside colliery's adopted school, Edward Matyeka Primary.

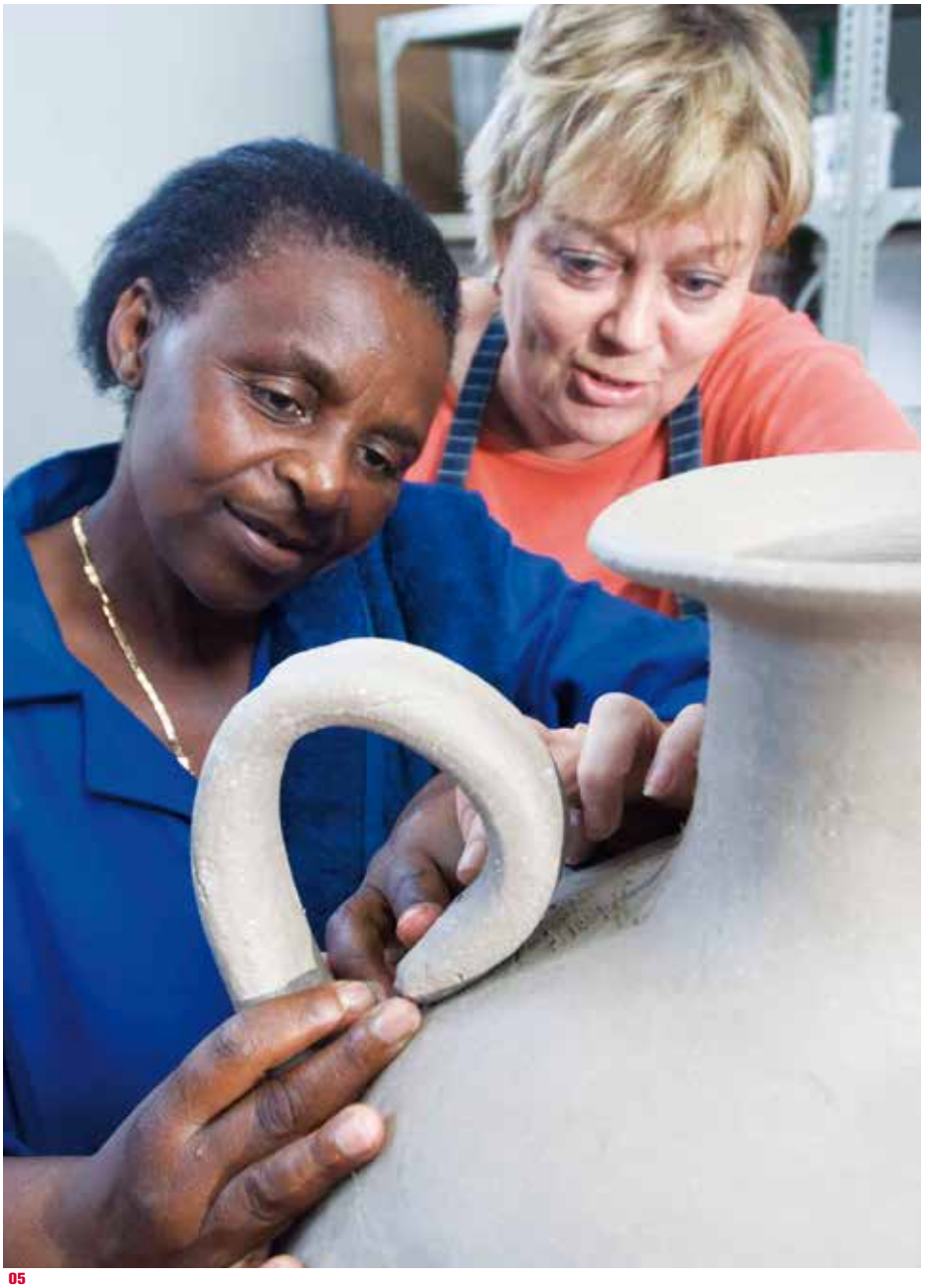
04 Grade 11 students at the KwaMashu viaduct on a civil engineering site visit through the Protec School of Excellence, which is supported by Thermal Coal.

05 The pottery school at Thermal Coal's Kleinkopje colliery, which was set up for employees and members of the community.

WHAT IT TAKES TO BUILD A COMMUNITY

03

04



05

What it takes to enhance MINE COMMUNITY DEVELOPMENT

At Anglo American we recognise the importance of engaging and working in collaboration with the communities in which we operate. Therefore, we continue to play a meaningful role in mine community development, guided not only by the Mining Charter and our associated social and labour plans (SLPs) but, importantly, also by our corporate citizenship principles.

We have embarked on extensive initiatives to develop mine communities and labour-sending areas, in line with the Mining Charter requirements. Business units spent more than R423 million on various community development initiatives (including corporate social investment — CSI) in 2011 alone. These initiatives contribute directly to progressing our SLP commitments, which are aligned to municipal integrated development plans (IDPs).

Every one of our operations has an SLP, which specifically works towards establishing and improving health and welfare, education and infrastructure within our mining communities. These plans are developed through a consultative process with local municipalities as well as through regular interaction with host communities to ensure that the identified projects are sustainable and in line with their needs.

However, our initiatives are broader than just our SLPs, and we have enjoyed a number of enterprise development and CSI successes, including some projects that would normally be the responsibility of municipalities.

EDUCATION

22%

of all community development expenditure in 2011 was on education and youth projects

01 A new road being built for the local community at Platinum's Union mine. Contractors are required to employ at least 80% of local labour.

02 A multimillion rand investment from Thermal Coal means that residents of Ogies and Phola in Mpumalanga can breathe a sigh of relief: the towns' sewage infrastructure (and residents' health) is in good hands.

03 Dr Hugo Tempelman with one of the 4x4 vehicles used in the Bhubezi AIDS outreach programme, which is supported by Thermal Coal.

01

02

03

Community development expenditure by focus area per business unit, 2011 (in Rm)

Health	Education and youth projects	General community development (including infrastructure projects)	Arts, culture and heritage	Other	Chairman's Fund contribution	Total	Net profit after tax (NPAT)	Expenditure as a % of NPAT**
KUMBA IRON ORE*								
54.7	36.8	61.3	–	19.2	10	182	19,000	1%
PLATINUM								
2.5	37.5	99.1	1.0	22.6	23.8	186.5	3,818	4.9%
THERMAL COAL								
1.9	18.7	25	0.4	8.9	–	54.9	2,908	1.9%
TOTAL								
59.1	93	185.4	1.4	50.7	33.8	423.4		

* *Kumba Iron Ore spend does not include inter-Anglo American expenditure and therefore excludes the Anglo American DBSA and Zimele costs. In total, this amounts to R191 million.*
** *The Broad-Based Black Economic Empowerment (BBBEE) Act Codes of Good Practice define a target for community development expenditure of 1% of net profit after tax (NPAT).*

EDUCATION AND YOUTH PROJECTS

01 Students in the new community library at Thermal Coal's Greenside colliery.

02 The Kriel colliery ABET centre has a library that students can use to aid their studies. There is also access to the internet.

01

Kumba Iron Ore

- Constructed Sonstraaltjie Day Care Centre, a 24-hour day care centre that can accommodate 150 toddlers. The centre opened its doors in January 2011 and currently employs 15 staff.
- Built three of six early childhood development (ECD) centres in the deep rural areas of John Taolo Gaetsewe district. The two-year project is conducted in partnership with the Northern Cape DoH.
- Funded the formation of the Pinocchio grade R as part of the Postmasburg Primary School.
- Funded the upgrading of ablution facilities at Rooiberg Primary School.

Platinum

- Officially handed over the R15 million Thlabani West Primary School to the Department of Basic Education.
- Launched a R40 million bursary fund for individuals from communities close to Twickenham mine.
- Ran second-chance programmes through Edumap to help matriculants from communities near our operations improve their matriculation results and gain entrance to university.
- Organised extra mathematics and science lessons during the winter and spring school holidays in both North West and Limpopo. Altogether, 2,034 learners attended these classes.
- Began construction of Ethridge Combined School in Bizana in the Eastern Cape, a labour-sending area.
- Started planning the Manthe School in Taung in the North West, which is also a labour-sending area.

Thermal Coal

- Funded an accelerated programme for top learners within the eMalahleni local municipality at the Protec School of Excellence.
- Supported learner and educator development programmes with various interventions aimed at increasing academic levels in mathematics, science and English at Kriel, Middelburg, Hendrina, eMalahleni and Sasolburg.
- Provided basic computer skills to community members in Standerton and Kriel.
- Funded the construction of a new block of classrooms and the renovation of old classrooms at Shongololo Combined School in Vryheid, KwaZulu-Natal.
- Established community ABET centres in Kriel, Standerton and eMalahleni.

KRIEL ABET CENTRE GIVES THE GIFT OF LEARNING

The ABET centre at Kriel colliery has been delivering quality education to mine employees, their dependants and members of the local community for a number of years, and has achieved a 100% pass rate since 2008.

Run by Jane Mahlangu, it currently has 38 learners, many of whom are residents of neighbouring farms and the Thubelihle Township. "The benefits to be gained by participants are enormous. When they complete their courses they are so happy, as it is for them a truly life-changing experience. For the first time, they are able to read a newspaper, make deposits at the bank and draw up their budgets," she says.

The facility is situated on mine property and is open from Monday to Thursday, with classes held in three separate two-hour modules to accommodate shift workers. "Learners receive tuition in ABET levels 1, 2 and 3 in communication and numeracy, and can progress to the level 4 syllabus (NQF1), which includes communication in English, mathematical literacy, natural science and life orientation. This is the equivalent of grade 9," says Jane.

She explains that having successfully completed their studies to NQF level 1, students are then eligible to continue their education by attending classes at the adjoining Ulwazi Computer Centre. Attendance at both schools is entirely free of charge, which is a boon to community members who previously lacked the opportunity to further their education. "Every year we run a campaign to attract new learners, and participants are recognised for their hard work at annual graduation ceremonies."

The learners' performance is assessed by the Independent Examinations Board and the centre is certified by uMalusi, the Council for Quality Assurance in General Education and Training. It is also regulated by the MQA.

With a team of three permanent facilitators, it has a modern appearance and facilities, which make it conducive to learning. Its library boasts an internet facility, which can be accessed not only by the students but also members of the community and learners from local schools.

"Through the hard work and dedication of our facilitators and learners we have achieved a 100% pass rate since 2008, and in 2012 we aim to offer courses on small, medium and micro-enterprise development, which will assist the growth of sustainable development in our region," says Jane.

The centre is an embodiment of Anglo American's aim to provide real and tangible benefits not only for its employees, but also for the communities in which it operates.

Source: Anglo American intranet, theSource

02

NEW SCHOOL BRINGS PEACE OF MIND TO PARENTS IN THLABANE WEST AND GEELHOUT PARK

Some years ago, it became clear that a primary school was sorely needed close to Tlhabane West and Geelhout Park, two adjacent communities whose younger children had to travel long distances on sometimes dangerous routes to schools in Thlabane or on the outskirts of Rustenburg. Anglo American's Platinum business agreed to the request by the provincial Department of Education to build the school. At a cost of R15 million, Thlabane West Primary School opened its doors in January 2011 to an intake of 460 children, enrolled in grade R to 5.

Source: Anglo American Platinum Limited Sustainable Development Report 2011

HEALTH AND WELFARE

Kumba Iron Ore

- Paid for the Ulysses Gogi Modise Wellness Clinic in Kathu, which provides counselling, confidential testing services and anti-retroviral treatment to the people of the Gamagara local municipality. Services were expanded to include the communities surrounding the Kolomela and Thabazimbi mines.
- Funded the Sesheng distribution centre, which supplies food, frozen and fresh products, clothing and a range of dry goods to an average of 1,300 people per month.
- Sponsored the nine units of the Batho Pele mobile clinics that serve the isolated villages of the John Taolo Gaetsewe district, delivering free primary and secondary healthcare to a potential 14,800 people. Kumba works in partnership with the Northern Cape DoH to deliver this much-needed medical assistance to the province's most remote areas.
- Funded 77 ambulances as part of the Northern Cape DoH's ambulance replacement strategy.
- Ran the Thabazimbi Community Wellness Clinic in partnership with the Limpopo DoH, providing primary healthcare services to the community.

Platinum

- Completed the Jalamba Clinic in the Eastern Cape in partnership with Anglo American's Chairman's Fund.
- Implemented the Abalimi Phambili food security and micro-enterprise development project with Teba in the Eastern Cape.

Thermal Coal

- Funded a security upgrade for the Village Safe Haven, a cluster foster care facility for orphaned, vulnerable and abused children.
- Ran youth interventions as part of the health and wellness day in Leandra.

GENERAL COMMUNITY DEVELOPMENT

Kumba Iron Ore

- Fitted around 250 rural households in the John Taolo Gaetsewe district with zinc air fuel cells as an alternative to paraffin and candles, making these homes more cost-efficient, safe and environmentally friendly.
- Refurbished boreholes and water storage facilities and arranged the reticulation and replacement of standpipes with pre-paid meters in homes in Dithakong village, Moshaweng.
- Was a partner in the upgrading and expansion of the sewer network in the Ditlhong Township in Olifantshoek.
- Upgraded the water management infrastructure near Kolomela mine by planning and constructing a water management infrastructure for the Siyanda municipality (Kuruman) and the Tsantsabane municipality (Postmasburg).
- Upgraded and expanded the bus and taxi terminus in Postmasburg to assist with safer traffic flow through the town, in a joint venture with the Tsantsabane municipality, with funding provided by the Kolomela and Beeshoek mines.

Platinum

- Built the R15 million Paardekraal community hall using local contractors, on behalf of the Rustenburg local municipality. Completed road improvements and a major traffic intersection upgrade in Northam, Extension 6.
- Provided training in home maintenance and portable skills for over 1,000 Twickenham and Mogalakwena community members, at a cost of R5 million.
- Is involved in the ongoing development of the glass bead and craft project in Rustenburg.
- Began viability assessments for, and piloting of, an organic farming project across four operations.
- Began the construction of, and upgrades to, parts of the wastewater treatment works at Northam.

Sister Einel Steyn works at the Ulysses Gogi Modise Wellness Clinic in Kathu. The clinic, established with funds donated by Kumba Iron Ore, has significantly bolstered the area's capacity to deal with HIV and AIDS. Its success will be mirrored in Thabazimbi where Kumba is building a similar facility.

Thermal Coal

- Installed an outfall sewer from Ogies to the Phola sewage plant and upgraded the plant from 2.8 Ml per day to 4.5 Ml per day.
- Upgraded the medium voltage network of Bethal/Emzinoni.
- Undertook a R5 million innovative waste management project aimed at the cleaning of the Phola/Ogies community. This included the purchase of waste compactor trucks, capacity building and the empowerment of local environmental groups.
- Sponsored Mpumalanga National Road Safety Debate team speakers and the promotion of community safety in primary and secondary schools in all Thermal Coal's host communities.
- Upgraded the protective clothing workshop of Hamlet Foundation (which caters for children and adults with intellectual disabilities), and renovated the administration block.
- Constructed a greenhouse garden at the Osizweni School for the Disabled.
- Renovated the home of a child-headed household in Phola, as well as the Leandra Police Station.
- Introduced crime prevention programmes in Standerton.

COMMUNITY SUPPORT

77

Ambulances funded by Kumba Iron Ore for Northern Cape's Department of Health

1,000

Community members in Twickenham and Magalakwena trained, thanks to Platinum

R5 m

Invested in waste management for the Phola/Ogies community, by Thermal Coal

MUNICIPAL CAPACITY DEVELOPMENT IN PARTNERSHIP WITH THE DEVELOPMENT BANK OF SOUTHERN AFRICA (DBSA)

To maximise the delivery of community development projects, we have identified a great need to build capacity and reduce the skills gap within the municipalities in and around our mining operations and labour-sending areas. As Anglo American, we were aware that we could not do this successfully on our own and needed to identify a suitably qualified partner with extensive experience in the area of municipal capacity development. In light of this, we have entered into a partnership with the DBSA. In collaboration with the identified municipalities, we will determine their capacity needs and strengthen their ability to improve basic service delivery to local communities, and implement socio-economic development programmes that will combat the growing poverty in South Africa.

The initiatives will be centred in and around our mining communities and areas from where our workforce originates. The initial stage of the programme will focus on ten pilot municipalities:

Kumba Iron Ore	Ga Segonyana municipality	Northern Cape
	Tsantsabane municipality	
	Moshaweng municipality	
	Gamagara municipality	
	Thabazimbi municipality	
Platinum	Mogalakwena municipality	Limpopo
	Greater Tubatse municipality	North West
	Moses Kotane municipality	
Thermal Coal	eMalahleni municipality	Mpumalanga
ACD	King Sabata Dalindyebo municipality	Eastern Cape

The specific objectives of the partnership are:

- to build technical capacity and transfer skills to municipal officials to implement operations and maintenance (O&M) of municipal infrastructure
- in line with millennium development goals (MDGs), to build technical capacity to implement poverty alleviation projects within selected municipalities
- to provide training and institutional support at local government level that will increase capacity within municipalities.

The strategic focus areas of the partnership are:

1. Skills development and training, including:

- 'classroom learning' coupled with on-the-job training, in partnership with credible tertiary institutions and artisan training centres.

2. Other support areas, including:

- strengthening IDPs through the empowerment of community structures
- institutional capacity building and training through the deployment of institutional turnaround specialists and technical experts
- strengthening programme/project planning and implementation capacity of municipalities to enable selected municipalities to undertake project preparation, project management and implementation, infrastructure planning, feasibility studies and project technical reports.

The focus will be on creating fully functional municipalities that will assist us in delivering our SLPs, as well as municipalities delivering poverty-alleviation projects aimed at improving the lives of all South Africans.

APPROACH TO MINE COMMUNITY DEVELOPMENT

Kumba Iron Ore: Sustainable and effective social and community development (SCD) is an integral part of our business model at all stages of the life of a project, from the pre-feasibility stage through operation to closure. Our approach to SCD is holistic and multipronged, identifying and addressing real needs through interventions that support the improvement of local infrastructure; facilitate the establishment of small and medium enterprises (SMEs); improve education and health services; increase community safety; and alleviate poverty.

These initiatives are broader than just meeting our SLP targets, which were developed in support of the company's mining licences and made certain commitments to government and communities. To avoid duplication of effort and to address real community needs, our SLPs are aligned with the IDPs of local municipalities.

Our total SCD expenditure was R182 million in 2011 (2010: R134 million). Of this, R42.6 million covered the company's SLP commitments.

Sishen mine has completed its five-year SLP commitment period and a new SLP for the period 2012 to 2016 has been submitted to the DMR for approval. We have met or exceeded all our SLP commitments, except those related to the conversion of hostels. Owing to housing shortages, not enough transit housing was available to accommodate employees during the conversion of the hostel blocks. We are, however, still on track to meet the Mining Charter target to convert all hostels into single-unit accommodation facilities by 2014.

Platinum: One of the key objectives of the Mining Charter is to promote the social and economic welfare of communities living close to mines and in labour-sending areas. Of particular relevance to our community engagement and development function is the formulation, through co-operation, of IDPs for these communities. This includes support in the provision of infrastructure, training and skills development, enterprise development and preferential procurement. Funding for development initiatives is committed in the SLPs of the various operations, though the budget is substantially increased through additional funding for projects not specified in the SLPs. In our approach to development, and specifically in deciding what we support, we are guided by the SLPs and also by complementary stakeholder engagement that helps us target specific projects that address community needs.

Platinum's support for local communities through direct social investment continued to grow. In 2011, total SCD expenditure reached R187 million, up from R118 million in 2010.

Local economic development (LED) projects are undertaken under the umbrella of the mines' SLPs, which require LED in host and labour-sending communities. Local infrastructural development is a strong focus of these programmes, often having a direct impact on the community.

Platinum generally includes beneficiaries of community development within a 50 km radius of our operations. This varies across operations for a number of reasons: the practical implementation of projects determines locality; differing socio-economic conditions across communities; or simply because of varying interpretations between operations.

01 Christo Engelbrecht, CAD operator, Basie Bouwer, engineer, Nathan Burkett, quantity surveyor, Chris Collie, project leader, and Jerry Bishop, contractor, at the Phola township municipal sewerage plant, which is being upgraded by Thermal Coal's Zibulo colliery.

02 An HIV/AIDS awareness session in the Ulysses Gogi Modise clinic at Kumba Iron Ore's Sishen mine.

01

Platinum's approach is intended to cover, within a single measure:

- the majority of communities that supply inputs to the mine
- communities in possession of legal rights
- communities that are impacted by an operation.

However, this approach may not always be the right one, and its rigid application might limit the value gained from our developmental programmes. We will re-examine the benefits gained from our definition of host communities and the associated developmental interventions.

Thermal Coal: Community development remains a key driver of Thermal Coal's business model. Our primary mandate is to build a mutually beneficial and sustainable environment for the company and local communities to co-exist.

Thermal Coal's approach is built on delivering targeted and focused interventions that create real opportunities for the socio-economic upliftment of host communities. This integrated approach involves engagement and alignment with local, provincial and national development imperatives. Interventions are delivered through the SLPs and other strategic CSI projects, and focus on issues such as infrastructure development, enterprise development, education, training and capacity building.

Thermal Coal's total community development expenditure for 2011 was R54.9 million, a drop from R81.6 million in 2010. About R45 million of the expenditure was carried over to 2012 because of delays in implementation with our partners in local municipalities and provincial departments.

Thermal Coal will embark on an SLP review process in 2012, as current commitments are being concluded. It will finalise most of the outstanding issues and be in a good position to meet its key commitments. The process will include extensive engagement with our stakeholders to ensure a bigger impact, based on the lessons of the current programmes.

02

LIMPOPO HEALTHCARE GETS A SHOT IN THE ARM

Healthcare in Limpopo received a much-needed injection from Anglo American's Kumba Iron Ore business unit, which has funded a state-of-the-art wellness centre in Thabazimbi.

The wellness centre was officially opened by Dikeledi Magadzi, Limpopo MEC for Health and Social Development, on 11 February 2011. The modern, fully equipped centre will benefit both the mining community and residents of Thabazimbi. It will provide services such as HIV counselling, testing and treatment; management of chronic conditions; cancer screening; disease management programmes; nutritional guidance; and various other wellness interventions that could include blood pressure monitoring and testing for diabetes.

Magadzi lauded Kumba for this initiative. "We are grateful that Kumba's Thabazimbi mine has seen the need to invest in the health of its workers and the surrounding community." Working together with the private sector to improve services was the way to go, she said. "We believe that working together with like-minded businesses of the calibre of Thabazimbi mine, we will deliver more services to our communities." She added that the centre would teach people how to take care of their own health.

Cornelia Holtzhausen, general manager of Kumba's Thabazimbi mine, said that the opening of the centre was an exciting development. "This means we can look forward to a healthy community and a population of young people that are able to get essential information on HIV counselling and testing."

The clinic will be embarking on an extensive community outreach programme that will target schools and families, aiming to promote a healthy lifestyle and prevent diseases.

Source: Anglo American intranet, theSource

The co-operative started collecting revenue in April 2011, two months after it had started production. It occasionally participates in exhibitions to promote its products, or otherwise plies its wares in the members' home village of Boitekong.

INCOME GENERATION AT BOITEKONG

Two youngsters roll up their sleeves and each takes up a seat next to a fiercely burning flame coming out of a methane gas burner. The process of melting ground glass to create beads for jewellery is about to begin. In half an hour, between 20 and 70 beads of all shapes, colours and textures will have been made. By the end of the day, a variety of products will emerge, including spectacular jewellery and teaspoons with artfully adorned handles.

The Tsakane Crafts Co-operative was founded in October 2010 to generate income for seven orphans from Boitekong, just outside Rustenburg. The start-up capital was provided by community development funds made available by the Rustenburg mines. The project was facilitated by the Lebone Women's Empowerment Group, an NGO that offers home-based care to sickly community members, and also looks after orphans and vulnerable children.

The team works like a well-coordinated orchestra. Members rotate the various duties every week so that each of them experiences all sections of the production line, from collecting and crushing glass bottles, to drying beads in the kilns, to making the products and showing the finished wares to potential buyers.

Platinum funded the co-operative to the amount of R360,000, which paid for the members' initial training course in Pretoria and production tools consisting of a bottle crusher, three methane gas burners and two kilns. It was also from these funds that the initial raw materials were purchased, such as mend rods, which add colour to the melted glass, and wire strings or bronze and silver chains to finish off the jewellery. The initial start-up capital is being used to replenish the raw materials. As part of the initial support, Platinum lent the group a workroom and provided free electricity. We also arranged to pay members a stipend, until they found their feet.

The members of the Tsakane Craft Co-operative have come a long way since their training. They have grown in confidence and are still delighted at the artistic and other resources they have discovered within themselves. One of the members, Innocentia Zibi, says that unemployed people do not always realise what talents they have. "I did not know that I could recycle a beer bottle and recreate out of it something this useful," she adds. They are also relieved to be making a financial contribution to the households that look after them.

The co-operative started collecting revenue in April 2011, two months after it started production. It occasionally participates in exhibitions to promote its products, or otherwise plies its wares in the members' home village of Boitekong. Mine employees also order their products from time to time, while other sales are realised from individuals who visit their production house. By the end of 2011, the group was supplying at least two stores in Rustenburg.

02

01 The community hall at Boitekong, just outside Rustenburg, where the Tsakane Crafts Co-operative was founded in 2010.

02 The Batho Pele mobile clinics include a fully equipped dental care unit to ensure that patients get the best dental care on offer.

As of mid-December 2011, the co-operative had accumulated a bank balance of a little over R20,000 from sales, which is encouraging but not sustainable. Follow-up research by an independent consultant into the project found that the members have tremendous faith in the future of their business and have big ideas for its development.

However, two critical issues will have to be addressed by the co-operative if the project is to continue operating successfully. First, the members need to be clear on why co-operatives are a preferred small-business model in South Africa. Second, they need to become more proactive in growing the co-operative into a business that can run independently of Platinum. For this they require training in basic business skills and entrepreneurship, and also a business coach or mentor. With these interventions, the Tsakane Crafts Co-operative should be able to live up to its glowing promise.

Source: Anglo American Platinum Limited Sustainable Development Report 2011

02

PEOPLE FIRST: KUMBA IRON ORE'S BATHO PELE MOBILE HEALTH UNITS

Just one look at the faces of the villagers sitting outside under umbrellas while they wait to be seen by staff of one of Kumba's Batho Pele mobile clinics will tell you how much this project means to them. That and the fact that 1,948 patients made use of these services in the first month of operation.

The nine units of the R19 million Batho Pele mobile clinic project serve the isolated villages of the John Taolo Gaetsewe district, delivering free primary and secondary healthcare to a potential 14,800 people. The district suffers from an extreme lack of resources and infrastructure, while huge distances make access to basic medical services very difficult. The area has the highest infant mortality and maternal death rate in South Africa, as well as one of the highest rates of HIV/AIDS infection. The provision of care and information, at the very least, makes Batho Pele a truly life-saving project.

Rina Botha, local economic development manager at Sishen mine, says with justifiable pride: "The Batho Pele mobile health units are the first of their kind in the country, so we are breaking new ground with this project. The Minister of Health, Dr Aaron Motsoaledi, is so enthusiastic about the project and its capacity to reach those in need, that he wants this type of initiative to be adopted countrywide."

Batho Pele was launched in July 2011, with the units becoming operational at the beginning of September. The units are equipped with state-of-the-art technology and offer treatments and services such as screening for chronic diseases, the management of sexually transmitted infections, condom distribution, male circumcisions as an HIV prevention intervention, laboratory tests, eye testing, cataract surgery, dental care and surgery, and minor operations. Full-time, part-time and consulting staff include a general practitioner, optometrist, ophthalmic nurse, eye specialist, dentist, oral hygienist, AIDS counsellor and nursing sister. Community members are employed at each location to cook for the travelling staff and clean the units.

The project is conducted in partnership with the DoH, which has been involved from the start and finances the costs of medical consumables, laboratory tests and food for staff. Kumba Iron Ore is financing all other operational costs for the first two years, after which the DoH will take over this responsibility.

01 Kenny Paul at the wheel. Kenny's Driving School is a Zimele beneficiary.

02 Langamed Emergency Services is headed by Dino Padayachee (centre). The business was funded by Zimele and is based in eMalahleni.

03 Shokie Phasha of Shokie and D Transport and Mining Services, a subcontractor under Stefanutti and Bressan, supervising construction of the change house at Platinum's Twickenham mine.

04 Platinum's zero-emission generator, which was installed at the COP17 conference and is part of Anglo American's collaboration with government on clean and green energy initiatives.

05 The Kriel colliery model farm is a rehabilitated area that has been previously mined. The area has been donated to locally disadvantaged people to start a vegetable growing project. The colliery also donated all irrigation, agricultural tools, fencing and shade netting for the project. The produce is sold to the mine canteen as well as to a variety of wholesalers in eMalahleni and Kriel.

06 The Black Wattle Dump reclamation project in eMalahleni, which received a R7.3 million loan from the Anglo American Khula Mining Fund.

01

02

WHAT IT TAKES TO BE A PARTNER OF CHOICE

03

04

05

06

What it takes to create DIVERSE AND INCLUSIVE OWNERSHIP

At Anglo American we pride ourselves on being an active and preferred partner of choice in black economic empowerment (BEE) mining projects. Since 1994, we have concluded BEE transactions worth around R67 billion.

Our business units have already achieved the South African Mining Charter's 2014 minimum target of 26% BEE ownership, to enable meaningful economic participation of HDSAs in the mining industry.

Community participation is a key focus in all of Anglo American's BEE ownership efforts, and our transactions are aimed at the sustainable, long-term economic upliftment of communities affected by our mining operations. Our internal 'community' is equally engaged, with all our South African employees now being members of employee share ownership plans (ESOPs).

SHARE OPTION SCHEMES

R1.6 bn

Dividends received by the Envision share option scheme, since inception

R2.7 bn

Total cash payout to enlisted employees at the end of Envision's first five-year term

BEE TRANSACTIONS

Effective and mutually beneficial BEE partnerships have led to the creation of black-owned mining companies such as Exxaro Resources, African Rainbow Minerals, Afripalm, Anooraq and Shanduka Resources.

EMPLOYEE BENEFICIARIES

Kumba Iron Ore: Kumba Iron Ore is one of our success stories, not only in terms of employee empowerment but also in terms of providing the vehicle through which employees can genuinely share in the company's success. When Kumba was listed on the Johannesburg Securities Exchange in November 2006 it implemented Envision, an employee broad-based share option scheme. At the time, 3% of ownership in the operating company was transferred to Envision. Since then, Envision has received R1.6 billion from dividends, of which R993 million settled the initial loan. Up until the maturity of its first five-year term, the scheme had paid R279 million directly to enlisted employees. The first five-year term ended on 17 November 2011, with a total cash payout to enlisted employees of R2.7 billion. This worked out to a total of R576,045 (before tax) per employee who had worked for the company for the five-year period since Kumba Iron Ore's inception.

Platinum: In 2007, Anglo American Platinum Limited established an ESOP, which owns 1% of the company. The independently managed ESOP gives all employees who do not participate in any other company share scheme access to shares. In this way, employee participation in our transformation initiatives is enhanced, and our shareholder and employee interests are more aligned by turning employees into shareholders.

Thermal Coal: Anglo American's Thermal Coal business is one of the Group companies that participate in Anglo American's Siyaphambili ESOP. Through this scheme, employees are given seven Anglo American Plc shares a year, over a period of ten years. These shares will be awarded to employees in 2013, 2016 and 2019. As well as enabling employees to participate in the benefits of company ownership, this plan is also effective in building loyalty and retaining valued employees.

Empowerment transactions completed by Anglo American in South Africa

BUSINESS UNIT	OWNERSHIP TRANSFERRED	EMPOWERMENT PARTNER
Thermal Coal Anglo American Inyosi Coal	26% of current and future production	Pamodzi; Women's Development Bank; Lithemba; workforce; communities; Eyesizwe Coal
Iron Ore Kumba Iron Ore	26% of equity of Sishen Iron Ore Company	Exxaro; workforce; communities
Platinum Anglo American Platinum Limited	More than 26% of production from disposals and joint ventures Around 3% direct equity is held by the community and employees	Afripalm; Anooraq; Bakgatla; Royal Bafokeng; ARM; Mvelaphanda; workforce; communities around Twickenham, Rustenburg (Thembelani, Khuseleka, Siphumelele, Bathopele and Khomanani); Amandelbult (Dishaba and Tumela) and Mogalakwena
Other Mining and Industrial SCAW Metals, Black Mountain, Gamsberg, AngloGold Ashanti, Hulamin, Tongaat	26% of equity	African Rainbow Minerals; Exxaro; Izingwe Holdings; Shanduka Resources; Southern Palace Holdings; workforce; communities

COMMUNITY BENEFICIARIES

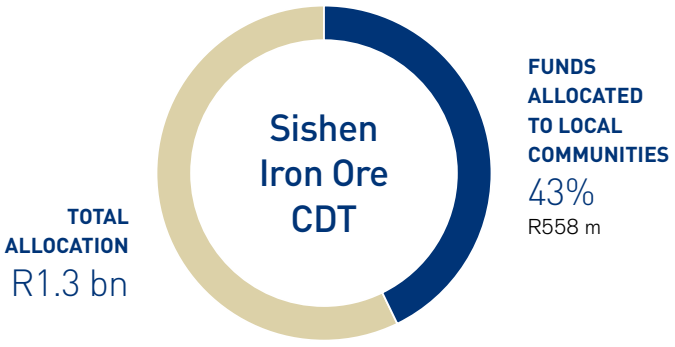
Kumba Iron Ore: We continue to engage actively with our host communities to create sustainable relationships with community members and other stakeholders. Kumba's Sishen Iron Ore Community Development Trust (CDT) is an unencumbered model for community development with a large group of beneficiaries, mainly communities located around the mines. Since inception in 2006, the CDT has received R1.3 billion, of which R852 million has been allocated directly to the community. The balance of the sum was used to settle the original loan.

Platinum: In 2011 we introduced the Project Alchemy – Lefa La Rona Trust. This R3.5 billion transaction aims to ensure the long-term sustainable development of four host communities and key labour-sending areas that currently do not benefit from our BEE programmes. The initial phase of the process has been completed, and further consultation with the mine host communities and affected stakeholders will continue as part of an ongoing programme to invest in community upliftment.

Thermal Coal: Anglo American Inyosi Coal (AAIC) has established a broad-based community development trust that will benefit historically disadvantaged communities that surround our current and future operations. The trust is part of the R7 billion BEE coal mining company that was created by Thermal Coal and the Inyosi Consortium in 2007. Thermal Coal owns 73% of AAIC, the Inyosi Consortium 23% and the community trust 4%.

The main objective of the trust is to ensure the flow of meaningful and sustainable socio-economic benefits to historically disadvantaged communities that live close to our operations and project sites. The trust is managed by a board of trustees made up of representatives from Thermal Coal and the Inyosi Consortium, five independent trustees and two community-based trustees from the areas in which AAIC will operate.

A total of R6 million will be given to the trust annually for initiatives that will benefit the communities that surround AAIC's mining operations. This amount will rise each year in line with the consumer price index. To date, the trust has committed more than R5 million to the upgrading of two primary schools in the Phola/ Ogies area, and is considering projects in other areas.



57% of R1.3 billion was used to settle original loan funding.

01 Leah Makola and Jane Khoza of the Siyathuthuka sewing project established by Thermal Coal's Greenside colliery. The project embroiders miners' names onto overalls as well as doing general embroidery work for the community.

02 The Tirisano Youth Poultry Project was started in 2002 by ten unemployed youths. The local tribal authority in Kuruman donated an old building, large enough to house 4,000 chickens. The funding from the CDT enabled the project to erect a second broiler and purchase new poultry and feed.

03 An entrepreneurial business management course held at a community centre in Ratanda, Gauteng. From left are Stride Mokhele, Anita Van Niekerk (trainer), Philemon Mzwakho and Juanita Dlamini.

01

02

03

What it takes to develop LOCAL AND BEE PROCUREMENT

Anglo American's vision is to have sustainable, responsible local procurement that builds a resilient supply chain, and which contributes to the economic and social development of the communities in which we operate throughout South Africa.

TRADE FAIR

1,400

Attendees at Anglo American's first-ever Local Procurement and Enterprise Development Trade Fair

BOOT CAMP

18

Entrepreneurs who attended business skills development sessions sponsored by Anglo American and facilitated by leaders from the Gordon Institute of Business Science and the University of the Witwatersrand

ENTREPRENEURSHIP

364

Individuals who applied to participate in Anglo American's entrepreneur internship programme in 2011. The first group of five emerging entrepreneurs will start their training in 2012

LOCAL PROCUREMENT

Following the launch of Anglo American's Local Procurement Policy at the 2010 Supplier Conference, our focus has been on building awareness of the policy within the organisation and among strategic suppliers; developing an organisation-wide strategy for local procurement; and strengthening internal capability to deliver the policy and strategy. As a result, significant local procurement achievements during 2011 included:

- **Resources:** New roles were created and resources appointed to focus on local preferential procurement.
- **Trade Fair:** In June 2011, the first Local Procurement and Enterprise Development Trade Fair was hosted successfully in Johannesburg by Anglo American's Supply Chain function and its enterprise development arm in South Africa, Zimele. Our key message of local procurement being an effective way of creating sustainable development and delivering broader wealth creation for our host communities was very evident and compelling. The event was a huge success, with more than 1,400 attendees, including union members and the Deputy Minister of the DMR, Godfrey Oliphant. The trade fair has subsequently received international recognition, winning a global communication award from the International Association of Business Communicators in March this year.
- **World best practice:** We presented the development of Anglo American's Local Procurement Policy at the International Finance Corporation Sustainability Exchange Conference in Washington DC, where it was lauded as leading practice.
- **Internal development:** We held local procurement strategy development learning clinics and workshops to build local procurement capability. We also conducted needs assessments and mapped out learning priorities among category teams and business units, including procurement project managers and resident buyers. This provided the framework for a local procurement capability programme. The first results of these efforts were learning clinics on foundations for developing local procurement strategies, which were successfully conducted with two South African business units, as well as one of the global category teams.
- **Supplier development:** During 2011, in partnership with the company's Social function, we focused on implementing a localised SME supplier development programme. The intent is to increase the capacity and capability of the SMEs operating in our host communities, strengthen the local economies of these communities and increase localised spend. Specific progress in 2011 included drafting and piloting guidelines and tools, and appointing external service providers to complete SME mappings.
- **Entrepreneurship 'boot camp':** Several initiatives are under way to support and capacitate local entrepreneurs, both for access into Anglo American business units' supply chains and for existing local markets. One initiative we are particularly proud of is the partnership with Endeavour, which resulted in Anglo American sponsoring entrepreneurship boot camps where 18 entrepreneurs — nominated via Zimele hubs and supply chain structures — attended business skills development sessions facilitated by leaders from the Gordon Institute of Business Science and the University of the Witwatersrand. As a follow-up, we hosted a focus group session with the beneficiaries of the 2011 boot camps to assess the value-add to the beneficiaries, and we will potentially sponsor further boot camps during 2012.
- **Entrepreneur internship:** Anglo American's entrepreneur internship programme (EIP) aims to be a catalyst for high-potential entrepreneurs interested in developing or growing a business in strategic, non-traditional areas. It will do this by providing a mix of skills training, targeted business exposure and business planning support to ensure these individuals are in business within 12 months. The EIP was launched on 24 November 2011, attracting 364 applicants, including current Anglo American employees. The first group of five emerging entrepreneurs has been selected and will start their training in 2012.

> "Our focus on local procurement within Anglo American has never been more intense. Local procurement has the capacity to create a positive impact through job creation, skills development and investment in local infrastructure, all of which are essential for establishing thriving, healthy communities."
>
> **ANDREW HINKLY, former Group head of supply chain, Anglo American**

Essau Motloung from Four Tops Engineering, one of the small businesses that form part of Anglo American's Supply Chain function.

LOCAL PROCUREMENT TARGETS

To achieve sustainable levels of local procurement, targets have been set, measured and monitored. We are particularly focusing on spend with suppliers that are based close to our operations.

BEE procurement

During 2011, our total BEE procurement spend by managed and independently managed businesses and enterprise development was R23.3 billion, compared to R20.9 billion spent in 2010. Our managed businesses spent R21.5 billion with HDSA businesses (not including goods and services procured from parastatal companies and municipalities), compared to the 2010 figure of R17.6 billion.

As required by the Mining Charter, each business unit developed and submitted an annual report to the DMR covering all aspects of the Mining Charter scorecard, including procurement and enterprise development.

To enable the Group to meet its Mining Charter targets for the procurement and enterprise development pillar, we presented an overarching BEE procurement strategy to Anglo American's Transformation Committee in May, which was well received.

Our 2011 HDSA procurement spend in all three South African business units is above the Mining Charter procurement targets. While our biggest challenge lies in the services category, we believe that, with focus and strategic planning, we will meet our 2014 targets.

We focus on BEE procurement not only at a national level, but also at a local level to strengthen the social and economic development of the communities in which we operate. Our Local Procurement Policy includes commitments to supplier development, appropriate payment terms for SMEs, and improving the accessibility and visibility of procurement opportunities through mechanisms such as targeted procurement.

We firmly believe that developing BEE procurement at a national, regional and local level will create jobs, including for unemployed youth.

Kumba Iron Ore: A preferential procurement and transformation committee at Kumba has been established to encourage existing suppliers to transform; track procurement performance against targets; verify the BEE status of existing suppliers; and provide suppliers with relevant information. We are delighted to have had many success stories in the area of local procurement, including:

- Booi Holdings, a black-owned construction company, awarded the tender for building the caucus rooms at Sishen mine.
- Local black supplier, Ekhayalihle Construction, won the tender for building the offices at Sishen mine.
- The Bucket and Bowl workshop project – using only BEE-compliant suppliers – will provide mechanical maintenance and tyre handling support for 39 new large Komatsu 960E and 860E haul trucks at Sishen mine over the next two years, at an estimated value of R232 million.
- Dirt Friends, a company with 100% BEE credentials, was created to supply a laundry and cleaning service to the Kolomela mine change house.
- A joint venture was facilitated between construction giant Stefanutti Stocks and a local construction company for the upgrade of the Sesheng hostels. Stefanutti Stocks will help local suppliers in project management, exposing them to best-in-class project implementation systems and sharing intellectual capital.
- Vukani Musa Construction, which was established through the social and community development department and funded by Zimele, was awarded the housing maintenance contract for Sishen mine.

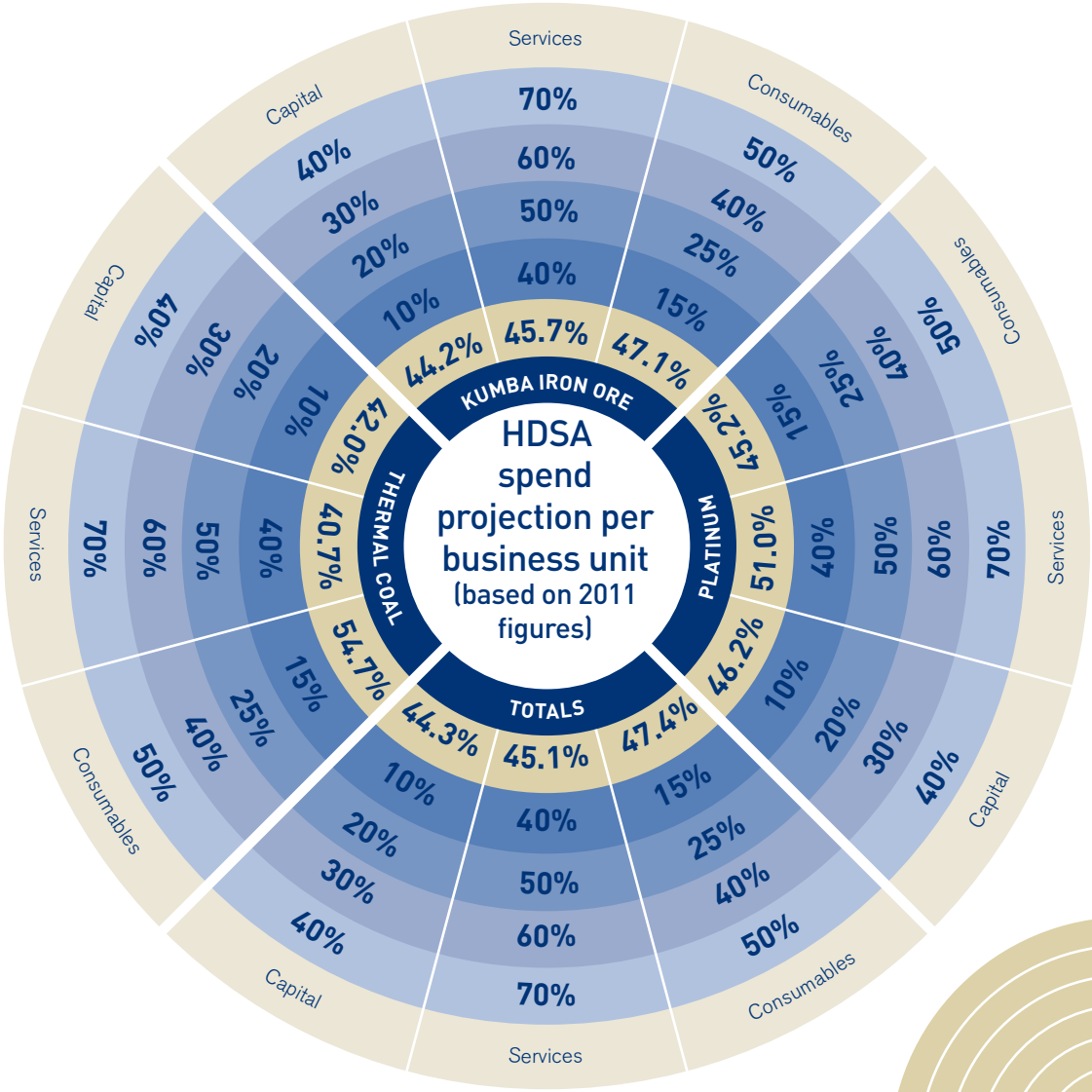
Platinum: By supporting HDSA vendors and with increasing focus on vendors situated close to its operations, Anglo American's Platinum business unit has continually met its commitment to procuring goods and services from HDSAs. (See diagram opposite.) This approach is sometimes referred to as 'HDSA procurement in the shadow of the headgear'. While local communities are often able to provide services similar to those purchased elsewhere, the tenders they submit are in many instances not competitive, as they are up against much larger companies capable of benefiting from economies of scale. To counteract this disadvantage, Platinum has included an HDSA component in its tender process, including a weighting system favouring local HDSA companies.

As part of its commitment to local procurement, the company places strong emphasis on the sustainability of enterprise development. Although its overall HDSA targets are at the desired level, much greater effort needs to be expended on local economic development and community empowerment, which are of particular concern to host communities. To this end, Platinum has created a methodology that will help it to identify and prioritise ring-fencing opportunities for SME suppliers situated within communities. The HDSA procurement numbers are subject to regular audits. In 2011, the DMR also audited systems and processes. A report from the DMR has not been issued to date.

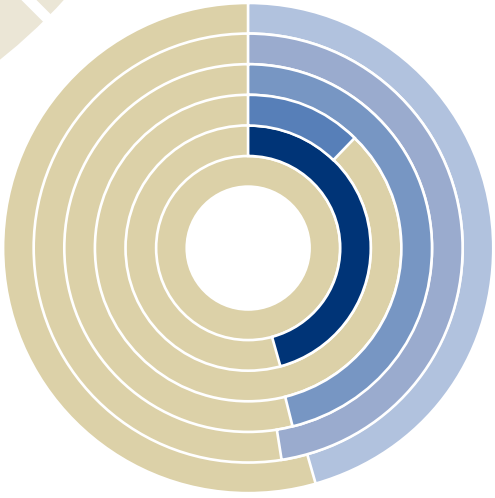
Thermal Coal: In the third quarter of 2011, Thermal Coal developed its own preferential procurement policy, which is aligned to Anglo American's Local Procurement Policy, to be rolled out in 2012. We also engaged a strategic partner to ensure that the business unit reports on BEE and local spend are accurate, and to verify the status of suppliers on the database.

We are awaiting approval to conduct a feasibility study to develop a supplier park in Mpumalanga (close to our operations). The park will house both SMEs and corporate suppliers. This will increase employment and business opportunities in the local communities, which will have a positive impact on the socio-economic environment of the area and so improve livelihoods.

Finally, we are in the process of developing a strategy to facilitate business partnerships between local suppliers and multinational companies in order to facilitate the transfer of skills and capacity development. The larger partners will accredit and license smaller suppliers to be their local distributors and after-sales service and maintenance agents for their equipment. This initiative will yield both employment and technical expertise to local communities.



BEE spend in South Africa, 2011
(as a percentage of total BU spend)



45.6% Kumba Iron Ore
47.5% Platinum
46.2% Thermal Coal
12.4% ACD
46.0% Total: Anglo American in South Africa

Spend with suppliers based in host communities per business unit (2010 vs 2011)

What it takes to advance ENTERPRISE DEVELOPMENT

Zimele, Anglo American's initiative created to focus on developing enterprises in South Africa, has undertaken to create and preserve 25,000 jobs within 1,500 companies by 2015. This is based on our commitment to the United Nations development programme's Business Call to Action in support of the millennium development goals (MDGs).

We are on track to meet our 2015 target, with 19,575 jobs in 1,085 companies created since 2008. In our mining communities and poverty-stricken labour-sending areas, 31 of the intended 36 small business hubs are already in place. From 2008 to 2011, we have directed R567 million to enterprise development.

Such is the success of our Zimele strategy that the International Finance Corporation (IFC) has prescribed our model as the best approach globally for companies seeking to integrate local SMEs into their supply chains.

The name 'Zimele' originates from the Zulu and Xhosa languages and means 'to be independent'. It is appropriate for what we are achieving with this initiative – the funding, training and mentoring of entrepreneurs in emerging black businesses in mining communities, as well as in labour-sending and impoverished areas. We have been doing this for more than two decades, and believe that enterprise development is one of the most effective means for ensuring sustainable benefits for our host communities.

Through our five different funds we have been helping to build sustainable, commercially viable enterprises, and empowering entrepreneurs to operate in the mainstream economy. The advancement of black SME entrepreneurs has successfully generated sustainable job creation and socio-economic development in predominantly peri-urban mining communities.

GREEN SUPPORT FOR GREENER BUSINESS

Zimele's new Green Fund aims to achieve the following:

- It is helping to design a sustainable and inclusive mitigation policy, enabling Anglo American to remain competitive and facilitate new investments in low carbon sectors.
- It will enhance the environmental conscience of South African businesses and communities.
- It will create viable platforms for talented entrepreneurs and SMEs to thrive within the green economy.
- By stimulating environmental development and job creation, it will help to create sustainable communities.

Tshimo Gardens is a domestic landscaping company, partly owned by Piet Wilson and Happy Olyn. Anglo American's enterprise development arm, Zimele, provided the seed funding for this business, based in Kathu, Northern Cape.

OUR APPROACH

Our strategic blend of financial support and incubator-style mentorship allows the companies that we invest in to be independent and to grow. Our input in areas such as corporate governance, management, legal issues, accounting, company secretarial functions, public relations, safety, health and the environment has contributed to the success of our approach to enterprise development.

Kumba Iron Ore: Kumba's social and community development department works with Zimele to coordinate its enterprise development initiatives. Most of these activities take place at the business simulation hubs at Kathu and Kuruman in the Northern Cape, which have offices and training facilities. These hubs provide training, funding, advice and ongoing mentoring, as well as facilitating partnerships. The Kathu hub was created in 2008, and the Kuruman business support centre in January 2011, to service entrepreneurs from the rural areas of the John Taolo Gaetsewe district. Since June 2008, 54 businesses have been established, 490 jobs created/maintained, R24.7 million provided in loans, and 111 SMEs assisted and advised. These small businesses have a combined turnover of R129 million, and have repaid loans inclusive of interest to the value of R9.4 million.

Platinum: Since the establishment of the hubs associated with Anglo American's Platinum business in 2008, these hubs have completed 605 transactions, creating/maintaining more than 5,378 jobs. The hubs have funded the establishment of 399 businesses, advanced R131 million in loans, and resulted in approximately R382 million in turnover through the hub structures in Rustenburg, Mogwase, Thabazimbi, Mogalakwena, Atok and Burgersfort.

Platinum's Rustenburg hub won first prize for three years in succession as the overall best performing hub within Anglo American. Furthermore, Platinum's hubs were the first, second and third prize winners for individual Best Performing Hub Manager of the Year in the same period.

Thermal Coal: From June 2008 to December 2011, Thermal Coal has worked with Zimele to complete 410 transactions, which maintain or sustain 3,249 jobs. We have funded or established 281 businesses during this period and advanced R81 million in loans. The turnover of these small businesses totalled R259 million.

OUR FUNDS

Since we began conducting BEE transactions through Zimele in 1989, our involvement has grown to five funds, the latest addition being the Green Fund.

- **Supply Chain Fund:** This R200 million fund supports BEE enterprises by providing equity and loan finance, as well as hands-on support, business guidance and skills transfer to black-owned and managed SMEs within our supply chain. In 2011, the fund completed five transactions, providing R14 million in funding (with a cap of R5 million per deal) and sustaining 266 jobs.
- **Anglo American Khula Mining Fund:** This joint initiative with government-owned Khula Enterprise Finance Limited holds a R200 million fund (capped at R40 million per deal) to provide equity and loan finance to emerging black-owned mining companies, as well as technical support during the exploration and pre-feasibility phases. In 2011, the fund completed two successful exits.
- **Community Fund:** This fund provides seed and working capital for entrepreneurs and emerging businesses in our host communities and in labour-sending and impoverished areas. With a cap of R1 million per deal, the fund completed 475 transactions during 2011, providing R110 million in funding and creating or maintaining 3,958 jobs.
- **Olwazini Fund:** By providing training and small loans, this fund focuses on helping HDSAs — particularly women, the youth and the disabled — establish and operate their own businesses. In 2011, the R5 million fund (with a cap of R20,000 per deal) completed 39 transactions, sustaining 143 jobs.
- **Green Fund:** Anglo American has committed R100 million (capped at R10 million per deal) to the Green Fund, which was launched in November 2011. This new fund aims to target investment opportunities that mitigate carbon emissions, reduce energy and water consumption, and improve waste and emissions management. It aims to empower entrepreneurs and SMEs to operate in the green economy.

Performance – all Zimele funds
(2008 to 31 December 2011)

	Total	Supply Chain Fund	Anglo American Khula Mining Fund	Community Fund	Olwazini Fund
NUMBER OF TRANSACTIONS	1,481	43	20	1,346*	72*
PEOPLE EMPLOYED	19,575	7,122	1,014	11,216	223
TURNOVER – R MILLION	2,371	1,011	491	850	19
FUNDING – R MILLION	567	104	164	298	0.62
YOUTH SUPPORTED	48%	12%	25%	49%	50%
COMPANIES*	1,085	43	20	951	71
REPEAT TRANSACTIONS WITH THE SAME COMPANIES	396	0	0	395	1
COST PER JOB – R	28,965	14,602	161,735	26,569	2,780

* *This indicates the number of companies including repeat transactions.*

KEY ZIMELE HIGHLIGHTS OF 2011

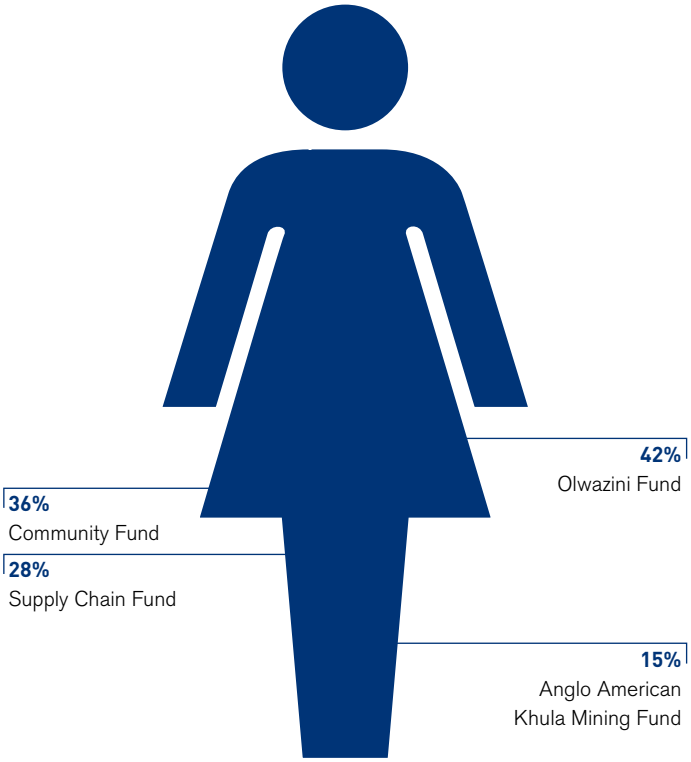
- Completed 519 transactions (Supply Chain – five, Community Fund – 475, and Olwazini Fund – 39), which employ 4,367 people, generate an annual turnover of R574 million, and provided R124 million in funding.
- Opened six new hubs (Kuruman, Phola/Ogies, Dennilton, Musina-Venetia, Kleinzee and Qwa-Qwa), bringing the total to 31.
- The Anglo American Khula Mining Fund concluded two successful exits – Leeuw Mining Exploration (Pty) Ltd and Umsimbithi Mining (Pty) Ltd.
- Launched the Green Fund in November 2011.

Community Fund – HUB structure

KUMBA IRON ORE	PLATINUM		THERMAL COAL	DE BEERS	ACD	MONDI
Kathu	Western Limb	Eastern Limb	eMalahleni	Kimberley	Johannesburg	Piet Retief
Kuruman	Rustenburg Mining	Mokopane	Middelburg	Kroonstad (Voorspoed)	Mthatha	Richards Bay
Postmasburg 2012	Rustenburg Process	Atok	Secunda	Elementsix	Pretoria (Irene)	Hitachi
Thabazimbi 2012	Mogwase	Burgersfort	Vaal	Musina (Venetia)	Philippi (Cape Town)	Lephalale
Saldanha Bay 2012	Thabazimbi	Sekhukhune 2012	Bushbuckridge	Kleinzee	King Williams Town	Vedanta
		Unki (Zim) 2012	Phola/Ogies		Qwa-Qwa	Black Mountain
			Dennilton			

Existing hubs **31** Proposed/approved new hubs **5**

Female entrepreneurs supported
(as a percentage of total support by each fund)



Bakgokathabafi Projects, assisted by the Small Business Start-Up Fund and the Platinum Atok small business hub, is owned and managed by Selina Maphanga (front left).

REV YOUR ENGINES

Atok Motor Spares sells motor parts and underground machines with electrical parts to the Bokoni platinum mine and the local community, approximately 80 km south-east of Polokwane. Atok owner Ellington Mathebe and his two children, who are his only employees, are involved in the day-to-day operations of the business. Atok's products include parts for load-haul-dump machines, scoop machines and dump trucks, as well as starters, alternators, MR 16 globes, pigtails, hooters and reverse hooters.

The Bokoni mine is a joint venture between Anooraq Resources and Rustenburg Platinum Mines Limited, and is located between Burgersfort and Polokwane. It forms part of the Eastern Limb of the Bushveld Complex and is 47 years old, operating since 1965.

Atok has a solid relationship with Bokoni, as it strives to be prompt, professional and efficient in supplying parts to the mine. Atok employs a philosophy of hard work and commitment in everything it does, with the intention of providing an amicable and professional service that attends to all of its customers' needs. While it currently serves the Bokoni mine exclusively, Atok plans to expand in the near future to service other mines in the area, such as Twickenham and Marula. Atok also aims to develop the business further by acquiring machines for wheel balancing, wheel alignment and fixing tyres.

Zimele transactions
(2008 to 31 December 2011)

BOJANALA PROMOTIONS

Zimele beneficiary, Bojanala Promotions, is a corporate communications and event management solutions provider that guarantees its clients attention to detail and specialised, tailor-made products. It prides itself on providing an efficient and professional service to its public and private sector clients.

The company also aspires to be at the forefront of innovation, and conducts research on a regular basis. It views every new project as a chance to grow, to challenge itself and to push the boundaries in terms of delivery to its clients.

Bojanala Promotions employs a synergised strategy and approach, focusing on its clients' current business situation, needs and expectations; communicating effectively before, during and after an engagement; and delivering service on time, within budget and with the highest quality. It anticipates issues and proactively addresses them by devising solutions that help its clients to accomplish their business objectives.

The company is committed to uplifting its community and ensures that it contributes in a significant and meaningful way. It achieves this mainly through its social outreach programme, which seeks to change the lives of people by creating jobs, transferring skills and equity ownership. The programme also assists those in need with financial sponsorships to local schools and churches. Bojanala's clients include, among others, Bojanala Platinum district municipality, Impala Platinum, the North West Provincial Government, Magalies Water, the South African Social Security Agency (SASSA) and Toro Ya Africa Consultants.

01

03

04

01 Willem Smit and Joseph Kente, partners in Vukani Musa Construction, which specialises in building and civil works in the rapidly expanding Kathu region of the Northern Cape.

02 Violet Bam and Pretty Mahlangu, from Hiyikumile Trading Enterprises, at the Local Procurement and Enterprise Development Trade Fair at the Sandton Convention Centre.

03 Anglo American has worked in partnership with Endeavor South Africa (a global non-profit organisation) on its entrepreneur 'boot camp', held at the African Leadership Academy in Johannesburg. Seen here is David Langa, MD of Pamaplim, a small engineering firm.

04 A representative of Masakhane Consulting and Projects, a Zimele fund recipient, seen at the launch of the Green Fund.

05 Cynthia Carroll and the Deputy Minister of the Department of Mineral Resources Godfrey Oliphant, with Oupa Bhali at the Local Procurement and Enterprise Development Trade Fair at the Sandton Convention Centre.

02

FINE DINING

Hiyikumile Trading Enterprises, which trades as Hands on Catering, provides a wide range of catering and event services. This includes catering for weddings, birthday parties and corporate events, preliminary planning and event co-ordination for corporate and mining events, installations for cafeterias, and the supply of a wide range of catering equipment.

The company aims to satisfy its customers' needs by providing quality catering at reasonable rates, and offering a variety of products and services. It constantly strives to ensure that its events are professional and memorable, by adhering to the highest possible quality and safety standards.

With the assistance of Zimele, Hands on Catering has encountered much success since its establishment in 2009. This support was invaluable in helping owners Pretty Mahlangu and Violet Bam to learn the ropes of the business. The company now supports the development of the local Goedehoop mine community by hosting baking classes twice a year for 15 women from the community. Both classes last six months and are run by Violet Bam and a woman from the local community. Hands on Catering plans to expand its services in the future to cater for more Anglo American mines, as well as other mines in the Mpumalanga area. It also aims to employ more people from the local community.

05

What it takes to facilitate BENEFICIATION

The original Mining Charter definition and meaning of beneficiation was limited to "the transformation of a mineral – or a combination of minerals – to a higher value product". At Anglo American we continue to conduct extensive research into formalising our beneficiation strategy and approach.

We have implemented beneficiation initiatives across all our business units in South Africa, which has directly contributed to job creation and local empowerment.

Beneficiation, as a pillar of the Mining Charter, has been linked to ownership through the concept of offsets, where recognition of beneficiation efforts could offset a company's requirement for HDSA ownership by up to 11%. The Mining Charter, however, provided for a suspension of the beneficiation pillar to March 2012, pending finalisation of the beneficiation strategy.

KUMBA IRON ORE

50:50

Commercial partner in the development of the Zandrivierspoort Project to beneficiate iron ore from 35% iron content to 67% iron content through the application of innovative proprietary technology

The jig plant at Kumba Iron Ore's Sishen mine beneficiates ore previously discarded as waste. It is the largest plant of its type in the world. Production reached 13.3 Mt in 2011, a 28% increase year on year.

KUMBA IRON ORE

More than 70% of iron ore demand from the domestic steel industry is supplied by Kumba Iron Ore. For a number of years, Kumba has engaged with relevant stakeholders regarding beneficiation. Kumba also supports efforts by the Department of Trade and Industry (the dti) and the Industrial Development Corporation (IDC) to attract other steel producers to South Africa, and the potential establishment of additional steel capacity in South Africa, including a pelletising and steel plant at the port of Coega in the Eastern Cape.

Kumba currently operates three iron ore mines and mineral beneficiation plants at two of its operations, Sishen in the Northern Cape and Thabazimbi in Limpopo. The company has developed a formal strategy to identify areas where we can support the government's beneficiation policy.

Key beneficiation initiatives

- Kumba has invested substantially in mineral beneficiation at its operations, resulting in a higher proportion of mineral beneficiation of its ore (80%) than in other major iron ore exporting countries.
- About 15% of our production is supplied to the domestic market, translating into a local steel production capacity of around 10 million tonnes per annum.
- Our novel JIG technology plant is a great example of using pioneering technology to better utilise current resources, as the plant enables the upgrading of lower grade waste material into ore, thereby increasing iron ore production by 13 million tonnes per annum. This development has had a positive impact on the economy through job creation and an initial capital investment of over R6 billion in 2007.

Key research and development initiatives:

- Kumba is a 50:50 commercial partner in the development of the Zandrivierspoort Project to beneficiate iron ore from 35% iron content to 67% iron content through the application of innovative proprietary technology.
- In partnership with state organisations, we have investigated concentrating Sishen C-grade material to a required iron ore or pellet grade to feed a portion to a proposed Coega pellet/steel plant in the Eastern Cape.
- Since 2006, we have assisted various roleplayers in investigating alternative business models and iron ore sources in South Africa.
- We are playing an active role with the state in the development of suitable technology to convert domestic fine and ultrafine iron ore and local coals into value-added products that can replace scrap in the steelmaking value chain.
- Kumba has a dedicated research and development (R&D) facility to develop new and innovative ways of adding value to its products.
- It also investigates alternative technologies that are more energy and water-efficient to beneficiate its ore.
- A research initiative was also started to investigate alternative beneficiation technologies to exploit the Bushveld Iron Ore Complex in Limpopo economically.
- Of the 70,000 samples we analyse annually, 87% are analysed in South Africa.

PLATINUM

Our Platinum business is implementing its market development and beneficiation strategy. Market development and beneficiation are interdependent and so form part of the same strategic framework. The strategy focuses on identifying new sustainable applications for our metals and, to be successful, needs collaboration and alignment with a large number of different stakeholders.

The main aim of our market development and beneficiation approach is to increase company value by boosting the use of platinum group metals (PGMs). We can achieve this by establishing a balanced pipeline of product-development portfolios; facilitating the commercialisation of products; enhancing our relationships with government and other stakeholders; and enabling greater acceptance of our activities by communities. As a result, we have played a variety of roles in beneficiation.

Key beneficiation initiatives

- Given the current global energy crisis and global warming concerns, the company has invested heavily in identifying alternative energy sources and related technologies. We have an equity stake in a Johnson Matthey Fuel Cells company to keep abreast of developments and consider future opportunities in the field, particularly in promoting the ongoing use of PGMs.
- We are engaging with a multitude of government departments at various levels, including the Department of Science and Technology (DST), the dti, the Presidency, the DMR and the Department of Energy (DoE), with the intention of collaborating in the development of PGM technologies in South Africa. The initial collaboration is aimed at developing a programme focusing on the fuel cell industry. There has been much work done in this area to create an enabling environment, including all the logistical issues with the fuel source varieties. This is a challenging programme that requires a coordinated approach and a vision that can realistically address energy issues while contributing to job creation.
- In line with this strategy, through various demonstration projects, we have introduced

"Platinum in particular is a unique commodity that enables the producers to directly support the demand and the growth of the market development for the product. Our large reserves in southern Africa mean that there is an opportunity to directly inject economic growth and job creation into this economy."

NEVILLE NICOLAU, Platinum CEO

fuel cell technology to South Africa. The first such project is a coal bed methane (CBM) fuel cell on a Thermal Coal site that generates electricity for exploration work. We also showcased fuel cell technology at COP17 hosted in Durban in 2011, and the 2012 Cape Town Mining Indaba.

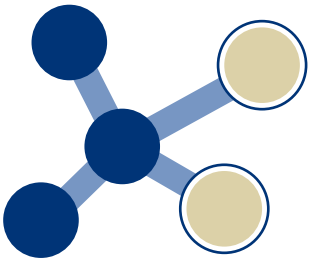
- We are investing in a fuel cell company that currently services the mobile communication industry. There is potential to set up a manufacturing facility in South Africa.
- Collaborating with the DST, we are providing seed capital through the R100 million PGM Development Fund and connecting international and local partners.
- To ensure ongoing success of the industry, we are supporting catalyst manufacturing within the Automotive Production and Development Plan.
- We are providing the local jewellery industry access to a metal financing scheme.
- We sponsor annual jewellery and innovation competitions to promote interest, excitement and drive creativity and innovation across the PGMs sector.
- We commercialise R&D: there are some interesting products at various stages of development, with the ethylene scavenger (E+™) being the most advanced in terms of commercialisation. This controls the concentration of ethylene around fresh foods and flowers and can prevent spoilage, enhance quality and prolong shelf life which, in turn, helps to reduce wastage. The technology is licensed to It's Fresh Inc, which is developing a range of products suitable for fresh produce packaging.
- Together with international fabricators and partners, we continually support research into other applications of PGMs to ensure continued market demand. In most instances, local research institutions, such as the Council for Scientific and Industrial Research (CSIR), the universities of Cape Town and Witwatersrand and other tertiary institutions, are partners in the development of local competence in South Africa. We also have five research projects with organisations in South Africa, two of which align with the hydrogen strategy of government.
- In line with our collaboration with government on the development of fuel cells, Platinum has internally developed a programme called Fuel Cells in Mining, which considers the opportunities for this technology in our own operations, helping to make these technologies commercially viable.
- We sponsored the fourth Innovation Summit to get a better understanding of the innovator and inventor community in South Africa, with the aim of stimulating interest for PGM innovations. Although the uptake has been slow, the potential remains positive as PGMs offer characteristics and properties unlike any other metals.
- We stimulate global demand for platinum jewellery in key markets through our work with the Platinum Guild International (PGI). In South Africa, we support the local industry by building advanced technical and design capacity in platinum jewellery. We also give the industry access to the PGI's research and materials regarding markets and trends in jewellery.

Key research and development initiatives

In finding new applications and uses for PGMs, Platinum funds R&D in various institutions and fabricators across a wide spectrum of research areas. We track these projects carefully and are cautiously optimistic that they will bear positive results. These programmes are implemented either directly with local institutions or in collaboration with international organisations, enhancing research competence in mineral value addition processes fundamental to building the South African economy.

We fully support beneficiation in South Africa and will ensure that our strategy aligns with the aims and objectives outlined in the government's strategy. Opportunities for beneficiation exist along the entire PGM value chain. It is important not to overlook opportunities for side-stream beneficiation (specifically human resource development), which could offer more significant results for the economy. We continue to engage and work in partnership with the relevant government departments on all aspects of value addition in South Africa.

We believe the country requires a two-pronged approach to beneficiation. The first is to ensure that the current PGM industries in South Africa (the autocatalytic converter and jewellery industries) are maintained and set on a growth path, with appropriate incentives and market conditions. The second is to provide the correct enabling environment for the development of new manufacturing and job opportunities in the PGM space.



RESEARCH AND DEVELOPMENT

5

The number of research projects Platinum is currently involved in with organisations in South Africa, two of which are aligned to government's hydrogen strategy

As part of its collaboration with government on clean and green energy initiatives, Anglo American's Platinum business installed a 150 kW hydrogen platinum-based fuel cell at the COP17 conference.

OUR PRESENCE AT COP17

A 150 kW platinum-based hydrogen fuel cell was installed at the Greyville Racecourse in Durban during the COP17 conference. The zero-emission generator demonstrated clean energy efficiency by generating electricity that was then fed into the local electricity grid. The generator was based on Dantherm Power's DBX5000 fuel cell system, which uses Ballard fuel cell stacks, and was powered by hydrogen from Air Products South Africa Proprietary Limited.

The technology uses platinum-based polymer electrode membrane (PEM) fuel cells. These cells offer high efficiency, versatility and scalability, and have the potential to assist the global move to a low carbon economy by enabling the provision of clean, reliable and cost-effective power. This potential has guided our extensive engagement with key local stakeholders and with global fuel cell companies in developing opportunities for the commercialisation of fuel cell technology in South Africa. We continue to have an equity interest in Johnson Matthey Fuel Cells. Platinum also has equity interests, together with the DST and Altergy, in Clean Energy, which will market and distribute the fuel cells with a view to setting up a manufacturing facility in South Africa if the market proves viable.

At the launch of the generator, the CEO of our Platinum business, Neville Nicolau, expressed his hopes regarding the development of a new industry in South Africa and the impact this could have on job creation. In response, the Minister of Mineral Resources, Susan Shabangu, elaborated on the importance of beneficiation and the role the resources industry can and should play in enabling the industrialisation of South Africa. She commended us for being "a company that contributes to the evolution of the mining industry", noting that "a precedent has now been set for all other mining companies".

Source: Anglo American Platinum Limited Sustainable Development Report 2011

THERMAL COAL

Thermal Coal is committed to beneficiation activities that result in the cleaner and more efficient use of coal, particularly in the energy sector. Also, we are active in initiatives to reduce GHG emissions through the use of technologies for low-emission coal-fired production, carbon capture and storage, and clean-coal technologies.

Key beneficiation initiatives

- Most of the coal mined by Thermal Coal undergoes a beneficiation 'washing process' to improve its saleability (Eskom's new-generation power will require washed coal). The construction and operation of new washing plants will result in more jobs.
- In partnership with Platinum, we are piloting a stationary fuel cell on a Group CBM exploration site near Lephalale in Limpopo (the electricity generated will be channelled to support a project in a disadvantaged community).
- We supply weathered coal for the production of a specialised humic-acid-based fertilizer. This enhances rehabilitation of the environment through the use of what would otherwise be a potential pollutant.
- The eMalahleni Water Treatment Plant treats water from mining operations, transforming it to a potable standard. It currently purifies around 30 Ml of water a day in the eMalahleni area, supplying approximately 80,000 people. Some 60-70% of the treated water is pumped to the municipality. The plant will soon enter its second phase, increasing capacity to 50 Ml per day.
- Anglo American is at the feasibility stage for the development of a long-life mega-mine, using its New Largo coal resource for supply to Eskom's new Kusile power station, which is under construction. This will provide up to 17 million tonnes per annum of beneficiated coal to the power station for up to 60 years. Two generations of South Africans will be employed at this operation, which is expected to provide jobs for up to 850 people.
- The development of new mines using Anglo American reserves in the Limpopo and Waterberg basins will result in job creation, both primary (approximately 1,500) and secondary.

A general view of the stacker reclaimer system at Landau colliery, which will supply discard to the Khanyisa power project.

Key research and development initiatives

- Thermal Coal is a leader in CBM technology in South Africa, having run a successful pilot looking at the beneficiation of the by-products of CBM, which is being considered for potential power generation.
- In collaboration with the government and other major players in the coal industry, we have established (and serve on the board and steering committee of) the South African Centre for Carbon Capture and Storage (SACCCS). SACCCS has developed a Carbon Storage Atlas for South Africa and is working towards a test injection in 2016. This initiative supports research and will create human capacity in areas of carbon capture, pipeline transport, geological storage, monitoring and public outreach.
- Thermal Coal has demonstrated leadership in South Africa in investigating ways to commercially exploit discard coal for power generation purposes. One example is Project Khanyisa, the development of a 450 MW independent power producer generation project using Thermal Coal discard.
- We are a leading participant in the South African Coal Roadmap initiative and supporter of the Coaltech initiative. Coaltech supports tertiary education through the sponsorship of postgraduate degrees.
- We are a member of, and provide funding to, the FutureGen Industrial Alliance, which was formed to partner with the US Department of Energy on the FutureGen project. It is a non-profit membership organisation created to benefit the public interest as well as the interest of science through the research, development and demonstration of near-zero emissions coal technology.
- Thermal Coal is exploring opportunities to derive economic value from using by-products, such as the gypsum produced as a by-product at the eMalahleni Water Treatment Plant. In conjunction with Platinum, we built a pilot three-bedroom house almost entirely from gypsum-based building products. After a range of tests to prove its quality and social acceptance, a number of houses were built and are being occupied by people who previously did not have homes.
- We have introduced closed water circuits into more recent coal washing plant designs, which allows for the potential recovery of previously discarded slimes and enhanced water efficiency.

ACRONYMS

AAESS	Anglo American Global Shared Services in South Africa
AAIC	Anglo American Inyosi Coal
AASA	Anglo American in South Africa
ABET	Adult basic education and training
ACD	Anglo American's Corporate Division
ART	Anti-retroviral therapy
BBBEE	Broad-based black economic empowerment
BEE	Black economic empowerment
CBM	Coal bed methane
CDT	Community Development Trust
CO_2e	Carbon dioxide equivalent
COP17	17th Conference of the Parties to the United Nations Framework Convention on Climate Change
CSI	Corporate social investment
DBSA	Development Bank of South Africa
DHS	Department of Human Settlements
DMR	Department of Mineral Resources
DoE	Department of Energy
DoH	Department of Health
DST	Department of Science and Technology
DWA	Department of Water Affairs
EAP	Economically active population
EIP	Entrepreneur internship programme
EMEA	Europe, Middle East and Africa
EMP	Environmental management plan
EMPR	Environmental management programme report
EMS	Environmental management system
EQ	Emotional intelligence quotient
ESOP	Employee share ownership plan
FEL	Front-end loading
FIFR	Fatality injury frequency rate
FOG	Falls of ground
GCC	Government certificate of competence
GHG	Greenhouse gas
GJ	Gigajoule
GMC	Group management committee
HCT	HIV counselling and testing
HDSA	Historically disadvantaged South Africans
HIV/AIDS	Human immuno-deficiency virus/Acquired immuno-deficiency syndrome
HRD	Human resource development
IDC	Industrial Development Corporation
IDP	Integrated development plan
IFC	International Finance Corporation
ITTCC	Industry task team on climate change
IWUL	Integrated water use licences
LED	Local economic development
LTIFR	Lost-time injury frequency rate
LTISR	Lost-time injury severity rate
MDGs	Millennium development goals
MMTC	Mechanised mining training centre
MPRDA	Minerals and Petroleum Resources Development Act
MQA	Mining qualifications authority
NGO	Non-government organisation
NIHL	Noise-induced hearing loss
NQF	National qualifications framework
NUM	National Union of Mineworkers
OHS	Occupational health and safety
PGI	Platinum Guild International
PGMs	Platinum group metals
PITs	Professionals-in-training
PMT	Practical management training
PPE	Personal protective equipment
R&D	Research and development
S&SD	Safety and sustainable development
SACCCS	South African Centre for Carbon Capture and Storage
SARS	South African Revenue Service
SASSA	South African social security agency
SAVs	Single accommodation villages
SCD	Social and community development
SEAT	Socio-economic assessment toolbox
SETA	Sector education training authority
SIP	Safety improvement plan
SLAM	Stop, look, assess, manage
SLP	Social and labour plan
SME	Small and medium enterprises
SRCE	Standardised reclamation cost estimator
SRM	Supplier relationship management
TAP	The achiever programme
TB	Tuberculosis
TBCG	Technical Business Co-ordination Group
the dti	The Department of Trade and Industry
UASA	Union Association of South Africa
VAM	Ventilation air methane
VCT	Voluntary counselling and testing
WAP	Water action plan
WETT	Water efficiency target tool
WHO	World Health Organisation

Anglo American South Africa Limited
PO Box 61587
Marshalltown
Johannesburg 2107
South Africa

Tel +27 (0)11 638 9111

www.angloamerican.co.za

Head of Transformation and Regulatory Affairs
Lindiwe Zikhali
Tel +27 (0)11 638 3232

Media enquiries
Head of Corporate Communications South Africa
Pranill Ramchander
Tel +27 (0)11 638 4400

Cover image: Diesel and surface crew (from front) Jaco, Thandeka, Xolani, Khetiwe and Jeffrey at Zibulo colliery.