ANGLO AMERICAN PLATINUM LIMITED

INTERIM RESULTS 2020

RE-IMAGINING MINING TO IMPROVE PEOPLE'S LIVES

AngloAmerican

Real Mining. Real People. Real Difference.

KEY FEATURES

FATALITY-FREE
Own managed operations

0

2020 H1 0
2019 H1 0

NET SALES REVENUE

R54.8bn

2020 H1 R54.8bn
2019 H1 R42.9bn

EBITDA

R13.1bn

2020 H1 R13.1bn
2019 H1 R12.4bn

BASIC EARNINGS PER SHARE

2,546 cents

2020 H1 2,546 cents
2019 H1 2,788 cents

HEADLINE EARNINGS PER SHARE

2,627 cents

2020 H1 2,627 cents
2019 H1 2,815 cents

EBITDA MARGIN

32%

2020 H1 32%
2019 H1 31%

NET CASH

R11.3bn

2020 H1 R11.3bn
2019 H1 R6.0bn

ROCE

48%

2020 H1 48%
2019 H1 45%

DIVIDEND PER SHARE
Interim Final

1,023 cents

2020 1,023 cents
2019 1,100 4,160 cents

CONTENTS

PERFORMANCE HIGHLIGHTS

		Six months ended			Year ended
		30 June 2020	30 June 2019	% change	31 December 2019
OPERATIONAL PERFORMANCE					
Tonnes milled	000 tonnes	**11,163**	14,151	(21)	28,911
Built-up head grade	4E g/tonne	**3.44**	3.57	(4)	3.62
Total M&C PGM production[1]	000 oz	**1,620**	2,147	(25)	4,441
PGM ounces produced per employee	per annum	**80.2**	107.5	(25)	110.5
REFINED PRODUCTION					
Total PGMs	000 oz	**1,247**	2,298	(46)	5,151
Platinum (Pt)	000 oz	**538**	1,100	(51)	2,514
Palladium (Pd)	000 oz	**415**	771	(46)	1,635
Rhodium (Rh)	000 oz	**93**	140	(33)	324
Other PGMs	000 oz	**156**	239	(35)	564
Gold (Au)	000 oz	**45**	48	(7)	114
Nickel (Ni)	tonnes	**5,126**	9,822	(48)	23,036
Copper (Cu)	tonnes	**4,547**	6,712	(32)	14,211
FINANCIAL PERFORMANCE					
Total net sales revenue	R million	**54,771**	42,887	28	99,551
from operations	R million	**39,905**	39,193	80	91,697
from trading	R million	**14,866**	3,694	302	7,854
Basket price per PGM ounce	R/PGM oz sold	**32,166**	17,901	80	19,534
Cost of sales	R million	**41,781**	32,126	30	72,737
Cost of sales per PGM ounce	R/PGM oz sold	**22,289**	13,183	69	14,056
Cash on-mine cost per tonne milled	R/tonne	**1,008**	853	18	890
Cash operating cost per PGM oz produced	R/PGM oz	**12,555**	9,951	26	10,189
Gross profit on metal sales	R million	**12,990**	10,761	21	26,814
Gross profit margin	%	**24**	25	(1)	27
EBITDA	R million	**13,063**	12,371	6	29,950
EBITDA (excluding trading)	R million	**12,577**	12,328	4	29,703
EBITDA margin (excluding trading)	%	**32**	31	1	32
Headline earnings	R million	**6,898**	7,384	(7)	18,603
Headline earnings per share	cents	**2,627**	2,815	(7)	7,087
Dividend per share	cents	**1,023**	1,100	(7)	5,260
Capital expenditure (excluding waste stripping)	R million	**1,942**	2,192	(12)	6,239
Capital waste stripping	R million	**1,395**	1,148	22	2,062
Net cash	R million	**11,298**	5,987	88	17,278
Return on average capital employed (ROCE)	%	**48**	45	3	58
ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)					
Fatalities	Number	**—**	—	—	—
Total recordable case frequency rate (TRCFR)	Rate/million hrs	**2.24**	2.83	(21)	2.50
Employees[2]	Number (at period end)	**25,239**	25,263	(0)	25,268
HDSAs in management[3]	%	**78**	78	—	78
GHG emissions, CO_2 equivalents[4]	1,000 tonnes	**1,445**	1,661	(13)	4,436
Water withdrawals or abstractions	Megalitres	**8,196**	12,986	(37)	25,094
Energy use	Terajoules	**6,461**	8,049	(20)	20,079
Number of Level 4 and 5 environmental incidents	Number	**—**	—	—	—
Total social investment excluding dividends[5]	R million	**216**	185	17	392

1 *Sum total of platinum, palladium, rhodium, iridium, ruthenium and gold in concentrate produced and purchased.*

2 *Amplats total own and contractor employees excluding joint operations and associate employees and contractors.*

3 *Includes all levels of management.*

4 *Excludes Scope 3 emissions.*

5 *Total social investment includes SLP and CSI expenditure of R161 million and R55 million for Covid-19 related initiatives. Dividends to communities of R331 million was paid during H1 2020.*

2020 INTERIM RESULTS

BUILDING THE BUSINESS FOR THE FUTURE, DESPITE CURRENT HEADWINDS

KEY MESSAGES

- **Resilient business that has managed its way through headwinds in H1 2020** – the temporary closure of the converter plant (ACP) for repairs following a force majeure incident, and the ongoing impact of the Covid-19 global pandemic
- **Commitment to elimination of fatalities** – zero fatalities for 620 consecutive days at managed operations to 30 June 2020
- **Dedication to the health and wellness of our employees and communities during the pandemic**
  - comprehensive WeCare programme to protect lives and livelihoods of employees and communities
  - R1.2 billion paid to employees not working during lockdown to ensure all employees receive their full salaries and benefits
  - R251 million invested in additional Covid-19 measures including R55 million on community initiatives with various programmes benefiting over 1 million people
- **PGM production impacted by national lockdowns in South Africa and Zimbabwe** – c.585,500 ounces lost in H1 2020
- **Refined PGM production affected** by the temporary shutdowns of the ACP for repairs and Eskom power outages that occurred in the first quarter
- **Build-up of work-in-progress inventory** – of approximately 500,000 PGM ounces
- **Strong financial position**
  - EBITDA of R13.1 billion
  - Net cash position of R11.3 billion
  - Liquidity headroom of R16.6 billion (excluding customer prepayment)
- **Interim dividend declared** – R2.8 billion or R10.23 per share based on a 40% of headline earnings pay-out ratio
- **Building the business for the future** – fundamental building blocks and a simplified business are in place to deliver further operational improvement and growth, utilising breakthrough technology, as well as a focus on developing the market for PGMs
- **A stronger performance is expected in H2 2020** – but significant headwinds and risk still exist that need to be managed, including the Covid-19 pandemic impacts, the repair of ACP Phase A, and potential for Eskom power outages

Natascha Viljoen, CEO of Anglo American Platinum, commented:

"On behalf of everyone at Anglo American Platinum, I would like to pay our respects to the victims of the Covid-19 virus. We extend our deepest condolences to their family, friends and colleagues.

Anglo American Platinum has faced significant headwinds in the first six months of 2020, with the impact of Covid-19 on our operations and markets compounded by the force majeure incident leading to the temporary shutdown of the Anglo Converter Plant.

Despite these challenges, our financial results, our response to Covid-19, as well as our continuous drive to P101 performance and the roll-out of technology in the last six months illustrate the resilience of the business and the ability and commitment of our team to live up to our purpose - 'to re-imagine mining to improve people's lives'.

I am particularly proud of the important work we have been doing to help keep our employees and host communities healthy during the pandemic, with R55 million invested in community relief efforts. We developed our comprehensive WeCare lives and livelihoods programme in close collaboration with a wide range of stakeholders to help identify and address the areas of greatest need. Our efforts include water and food supply, support to local clinics and hospitals, Covid-19 education and awareness campaigns and supporting victims of gender-based violence.

The health, safety and wellbeing of our employees and contractors is the heart of our approach, and we have invested R251 million in industry-leading measures to limit the spread of the virus at the workplace and our communities. These investments include our own testing laboratories and isolation and quarantine facilities.

We have been in the fortunate position to continue paying all employees throughout the lockdown, including those who are still not yet back at work. This group covers vulnerable employees who are at high risk of serious illness should they contract the virus, due to age or underlying health conditions. To date, we have spent more than R1.2 billion on salaries and benefits during the lockdown for employees not working.

Covid-19 has shone the spotlight on many of the serious needs in our communities, which no organisation or institution can address fully on its own. The pandemic has offered us a unique opportunity to work together in new ways with our stakeholders, and I believe we are investing in partnerships and solutions that will continue to benefit all our stakeholders long after the pandemic is over.

Despite the challenges and safety risks brought about by shutting down and restarting operations, we have reported our best ever safety performance in the past six months, with managed operations running without a fatal incident for an unprecedented consecutive 620 days to the end of June. Strong leadership commitment to safety, despite the additional risk brought about with the uncertainty of Covid-19, allowed us to achieve this result.

The shutdown of operations in South Africa and Zimbabwe in response to Covid-19, has seen a 25% decline in output year-on-year to 1.6 million PGM ounces. However, by the end of June, our own-mine production levels were at around 80% of normal capacity, and we expect this to increase to above 95% by the end of the year, as our own-mines benefit from a high proportion of open-pit and mechanised production.

Refined production (excluding tolling) declined by 49% to 1.0 million ounces in the first half due to the impact of a force majeure incident resulting in the temporary closure of ACP, as well as power interruptions that occurred in the first quarter of the year. As a result of the temporary closure of ACP in the first half, we saw a large build-up of work-in-progress inventory. Repairs to Phase B have completed and is operating at full capacity.

I am pleased to report that the repair work on Phase A at ACP is progressing well and should be completed by the end of the year, a few months ahead of schedule.

Our financial performance was underpinned by strong prices for our metals, with the PGM basket price up 80% per PGM ounce in rand terms, illustrating the robust fundamentals of the market.

We ended the period with an increase in EBITDA to R13.1 billion, a net cash position of R11.3 billion and an increase in return on capital employed to 48% in the period. As always, we remain committed to disciplined capital allocation, prioritising the need to maintain asset integrity, ensuring a strong balance sheet, and continue our base dividend pay-out ratio of 40% of headline earnings. The Board has declared an interim dividend of R10.23 per share.

As we build the business for the future, our focus remains on implementing technological improvements and innovation across our operations to meet and exceed the world benchmarks for operational excellence.

We also continue with our market development efforts. We believe the metals we mine are uniquely positioned to help address global climate and clean air challenges, and we are encouraged by recent further developments in the hydrogen economy. The long-term fundamentals for our metals are strong, and we will continue investing to deliver value for all our stakeholders through the cycle."

MANAGING THROUGH THE COVID-19 PANDEMIC

South Africa protocols

On 23 March 2020, South Africa's President Cyril Ramaphosa declared a national lockdown to curb the spread of Covid-19 and ensure national preparedness for the pandemic. The lockdown was initially set for 21 days, effective from midnight 26 March. On 9 April, the President extended the lockdown period to end at midnight on 30 April. It was then announced, on 23 April, that the country would be taking a risk-adjusted strategy to opening the economy. This would see the country move from a hard lockdown (Level 5) which, with respect to mining, would only allow certain open-pit mining operations and processing facilities to operate, to the next level down (Level 4) from 1 May. At Level 4, mining activity could resume in a phased approach at 50% of normal capacity for underground mines and a 100% for open-pit and processing facilities. From 1 June, the country moved to Level 3, and all mining operations are permitted to operate at full capacity, if effective Covid-19 safety measures and protocols are in place.

Zimbabwe protocols

On 28 March 2020, Zimbabwe's President Emmerson Mnangagwa declared a national lockdown for 21 days, effective from midnight on 30 March. The lockdown was subsequently extended indefinitely, subject to fortnightly reviews. However, permission remains in place for mining and processing activities at Unki to continue at full capacity, and the mining operations restarted on 7 April 2020.

Safety

At Anglo American Platinum, the safety and health of all employees and host communities is our absolute priority and our first value across the business.

We are committed to the elimination of fatalities, and our performance in the first six months has continued the company's record fatality-free performance to 620 consecutive days at own-managed operations. Tragically, at Kroondal mine, a non-managed joint operation, there was a fatal incident on 17 January 2020. While drilling roof bolt support holes, a rock dislodged and fatally injured Joao Silindane. Our sincere condolences go to his family, friends and colleagues.

Improvements in safety continue, despite the challenges associated with the Covid-19 pandemic and, in the six-month period under review, our total recordable case injury-frequency rate (TRCFR) improved by 15% to 2.24 per million hours worked.

During this period, we have safely managed the operations through the unique risks posed by both a safe shutdown and the start-up of operations in a Covid-19 environment following the extended lockdown.

Health

Anglo American Platinum's response to Covid-19 has been founded on the principle that the health, safety and wellbeing of our employees, contractors and communities come first. While we have stringently followed both government and industry guidelines, we have sought to be proactive in our approach to testing and monitoring, and the implementing of both preventative and treatment measures.

From a preventative perspective, we acted promptly in line with regulations and guidelines to implement the safe shutdown of most operations. In addition, we implemented broad-based medical health and occupational hygiene protocols, imposed strict travel restrictions for personnel, and introduced appropriate respiratory protection equipment and social distancing protocols on sites that were still operating. All protocols and processes put in place have been in collaboration with safety and health committees and the Department of Mineral Resources and Energy (DMRE), and with labour unions to ensure they support our actions.

We implemented Anglo American's global WeCare lives and livelihoods programme, providing a broad range of urgent support covering physical and mental health, community support and support to victims of gender-based violence. Measures that have been implemented include:

- 1.4 million cloth masks issued to employees and their family members and local communities;
- Digital thermometers issued to all employees to allow them to self-screen at home, preventing those with symptoms from coming to the operations and keeping colleagues safe from infection;
- All sites have equipment and protocols in place to enable comprehensive screening of all employees and contractors entering the operations, and their ongoing well-being;
- De-densification of the workplace, with clear requirements for social distancing;
- Broad-based workplace hygiene measures implemented included embedding safe and hygienic behaviour, with use of hand sanitiser;
- Established our own Polymerase Chain Reaction (PCR) testing facilities across our operations which can perform 2,500 tests per day;
- Established accommodation facilities around our operations to support 2,500 individuals who require quarantine or isolation;
- Trained 120 staff to become medical first aiders, who can provide telephonic support as well as on-site support for employees in need. In addition, we have a 24-hour counselling line in place to specifically assist those residents at our quarantine/isolation sites.

In addition, a comprehensive risk-based screening strategy was enacted across all sites to ensure that potentially infected employees were identified for testing and quarantine. Employees who have undergone medical assessments which determine them to be vulnerable, or those aged 60 years and older, have not been recalled to work during the Covid-19 pandemic to ensure their safety. In total, around 1,500 vulnerable employees were identified across our operations. They continue to receive their salaries, pension and medical aid benefits and, where appropriate, housing allowances.

Employee and community response plan

All Anglo American Platinum employees and fixed-term contractors, including all those who have not been able to work as a result of the lockdown, have been paid their full fixed pay, pension and medical benefits, as well as housing allowances where applicable, for the full duration of the extended lockdown period.

The Board and Executive Committee of Anglo American Platinum fully supported the call by President Ramaphosa to contribute to supporting the national fight against the spread of Covid-19. The non-executive directors elected to contribute 30% of their fees for three months to charities that are aiding the pandemic relief effort. The CEO and Finance director donated 30% of their salaries for three months to the Solidarity Fund. Moreover, all the Executive team elected to contribute to the employee-matching scheme supported by the Anglo American Foundation, and many employees have chosen to make contributions to charities of their choice.

The South African government has announced measures to not only combat the spread of the virus, but to support those affected most severely, such as the poor, the homeless, informal traders, and small and medium-sized businesses. Anglo American Platinum is fully committed to support the government on these critical initiatives.

Our WeCare programme to combat Covid-19 in our host communities is split into four phases:

1. **Planning** – understanding the risks and impacts of the spread of Covid-19 in the communities.
2. **Prevention –** focusing on several areas to ensure awareness and education (radio interviews, social media, community newspapers, training of local and traditional faith leaders). This also encompasses: the provision of masks and sanitisers to local leaders and taxi drivers, provision of water to communities, training local government healthcare workers on Covid-19 protocols, and providing PPE to local community clinics and health workers.
3. **Response** – ensuring that we take action, such as providing food parcels for the vulnerable, support in tackling gender-based violence, helping small and medium-sized businesses, establishing screening stations at local government clinics, providing ongoing PPE, medical equipment, assisting government clinics with training, screening and swabbing, as well as supporting schools and tutoring.
4. **Recovery** – is focused on saving livelihoods, including support for small business and entrepreneurs; helping to ensure the safe re-opening of schools, including assistance for students and teachers; and backing employment programmes to assist those who find themselves unemployed post the Covid-19 crisis.

The company is helping more than 430 villages through these various initiatives, and 24,000 food parcels and vouchers have been distributed to vulnerable households. Through our water programme, we are supporting 23 villages in South Africa and 10 in Zimbabwe with boreholes and water reticulation. In addition, we are assisting local communities around our operations by providing water trucks; as a result, 53,000 community members will have water for drinking and personal hygiene. We will support 77 local clinics and hospitals and have sourced twenty-five ventilators for hospital use.

Our radio campaign on regional and community stations reached in excess of 4.6 million people. We ran awareness and educational campaigns on Covid-19 in May and June, in partnership with the Department of Health. In addition to Covid-19 awareness and education, the company used the radio slots to inform communities about our support initiatives.

In response to Covid-19, Unki in Zimbabwe has provided support to its host communities through a comprehensive response plan, focusing on food and water provisions, and the supply of medical equipment to establish a 10-bed intensive care unit ward at the Gweru Provincial Hospital.

Small business support

Anglo American Platinum has developed a supplier response plan which delivers a range of support, including reviewing payment terms, committing as far as possible to early settlement of invoices for small businesses and assisting in small-business owners in applying for help from government and other NGO assistance programmes.

OPERATIONAL PERFORMANCE

Total PGM production – metal in concentrate

Total production (M&C)	H1 2020 ('000 ounces)	H1 2019 ('000 ounces)	% change
PGMs	**1,619,900**	2,146,900	(25)
Platinum	**748,400**	992,200	(25)
Palladium	**531,600**	673,700	(21)

Impact on production from Covid-19 lockdowns

Impact from Covid-19	Lost PGM production (M&C) Q1 2020 ('000 ounces)	Q2 2020 ('000 ounces)	Production level at end June 2020 %
Mogalakwena	9,000	46,900	100
Amandelbult	15,400	174,000	50
Mototolo	5,100	48,000	90
Unki	3,400	17,600	100
Joint operations	14,800	126,000	85
Third-party purchase of concentrate	16,300	109,100	100
AAP total	63,900	521,600	85

Total PGM production and gold (expressed as platinum, palladium, rhodium, gold, iridium and ruthenium metal in concentrate) in the first six months of 2020 decreased by 25% year on year to 1,619,900 ounces, mainly attributable to the shutdown of operations in response to Covid-19 and some operational challenges in the first quarter. By the end of June, production levels were at around 85% of normal production capability.

The 4E built-up head grade of 3.44 grams per tonne was 4% lower compared with the corresponding period in 2019 owing to Mogalakwena producing lower grades of ore, as the mine, for certain periods of the national lockdown, utilised higher volumes from lower-grade ore stockpiles in order to fill the mills.

Own-managed mines

PGM production from own-managed mines (Mogalakwena, Amandelbult, Unki and Mototolo) decreased by 24% to 939,600 ounces (H1 2019: 1,234,500 ounces) due to lower production at all operations as a result of the Covid-19 shutdowns. Platinum production decreased by 25% to 423,500 ounces and palladium output declined by 19% to 363,100 ounces.

By the end of June, production levels at own-managed mines were around 80% of normal production capability. Owing to the measured and conservative ramp-up (notably at Amandelbult), no operation had to close temporarily following outbreaks of Covid-19 at own-managed mines. Total production levels at own-managed mines are expected to be around 90% by the end of the third quarter and around 95% by year-end, on the assumption of some but no major Covid-19 interruptions.

Mogalakwena

Total production (M&C)	H1 2020 ('000 ounces)	H1 2019 ('000 ounces)	% change
PGMs	**559,900**	609,700	(8)
Platinum	**239,200**	258,300	(7)
Palladium	**257,500**	281,000	(8)

PGM production decreased by 8% compared to the first half of 2019, mainly due to the Covid-19 shutdown. In addition, production was affected by maintenance at the North concentrator and lower built-up head grade following a drawdown of ore stockpiles, though this was partially offset by improved concentrator recovery.

When South Africa announced the national lockdown, Mogalakwena's non-mining, surface operations were granted the right to continue operating and, as a result, the North concentrator continued to operate by drawing-down on ore stockpiles. Thereafter, a gradual increase in operational activity was granted and, by the end of June, the mine was operating at 100% production levels, and is expected to continue at this level for the balance of the year.

Key financials	H1 2020	H1 2019	% change
EBITDA (R million)	**6,443**	6,280	3
Economic free cash flow (R million)	**3,022**	3,807	(21)
AISC[1] ($/Pt oz)	**$(594)**	$(292)	103

[1] *All-in sustaining costs (AISC) (includes operating costs as defined above, all sustaining capital expenditure, capitalised waste stripping and allocated marketing and market development costs net of by product revenue) per platinum ounce sold*

The mine delivered an EBITDA margin of 57%, (H1 2019: 57%). Return on capital employed (ROCE) increased to 50% from 47% (on an annualised basis).

Cash operating costs (costs after allowing for off-mine smelting and refining activities) increased by 2% to R5.1 billion (H1 2019: R5.0 billion). Cash operating costs, including capitalised waste stripping, increased by 7% to R6.5 billion (H1 2019: R6.1 billion).

Cash operating costs per PGM ounce (metal in concentrate), excluding the non-productive labour costs, increased by 10% to R8,978 per ounce (H1 2019: R8,139 per ounce) due to lower volumes.

AISC reduced to a negative $594 per platinum ounce, due to a stronger palladium price and weaker rand.

Amandelbult

Total production (M&C)	H1 2020 ('000 ounces)	H1 2019 ('000 ounces)	% change
PGMs	**217,800**	421,700	(48)
Platinum	**110,900**	215,100	(48)
Palladium	**50,800**	98,600	(48)
Chrome	**260,900**	424,000	(38)

PGM production decreased by 48% against the first half of 2019. This decline was mainly as a result of the national lockdown, the closure of parts of the Tumela Upper section in December 2019 as they reached the end of life of mine (these sections had contributed 30,100 PGM ounces in the prior period), and Eskom load-shedding power outages in January and February this year causing a loss of 8,300 PGM ounces. At the end of June, Amandelbult mine was operating at a production level of around 50%. By the end of the third quarter, it is estimated to attain production levels of 75% and, by year-end, should reach approximately 85%. Over 1,000 vulnerable employees have been identified at Amandelbult who will not be recalled for work during the Covid-19 pandemic and in addition, some labour crews are being redeployed to accelerate the implementation of modernised equipment in the mine.

Chrome production from Amandelbult decreased by 38%, yielding 260,900 tonnes of chrome concentrate on a 100% basis (H1 2019: 424,000 chrome tonnes). This was due in part to a 17% decrease in plant feed as a result of the Covid-19 shutdowns.

Key financials	H1 2020	H1 2019	% change
EBITDA (R million)	**2,281**	1,785	28
Economic free cash flow (R million)	**1,575**	504	213
AISC[1] ($/Pt oz)	**(176)**	672	126

[1] *All-in sustaining costs (AISC) (includes operating costs as defined above, all sustaining capital expenditure, capitalised waste stripping and allocated marketing and market development costs net of by product revenue) per platinum ounce sold*

Amandelbult delivered an EBITDA margin of 29%, up from 26% in the corresponding period in 2019. ROCE increased to 56% from 33%.

Cash operating costs decreased by 13% to R4.5 billion (H1 2019: R5.2 billion), driven by lower production. The mine continued to incur full labour costs during the lockdown period and paid R616 million to employees who could not be utilised productively during that time. Excluding the non-productive labour costs, cash operating costs per PGM ounce (metal in concentrate) were R17,798 (H1 2019: R12,247), reflecting lower volumes and other fixed costs being incurred.

Economic free cash flow significantly increased due to the increase in rhodium and palladium prices and the weakening of the rand. This resulted in the improvement in the all-in sustaining unit cost per platinum ounce.

Amandelbult chrome contributed attributable free cash flow of R102 million (H1 2019: R262 million), which was lower because of a decrease in the chrome price and a reduction in sales volumes arising from lower production.

Mototolo

Total production (M&C)	H1 2020 ('000 ounces)	H1 2019 ('000 ounces)	% change
PGMs	**81,500**	107,300	(24)
Platinum	**37,700**	49,800	(24)
Palladium	**23,000**	30,300	(24)

Mototolo's PGM production decreased by 24% to 81,500 PGM ounces from 107,300 PGM ounces. The impact of Covid-19 shutdowns was the primary reason for the lower production. Collaboration with labour unions was key to re-starting operations, and these discussions with Mototolo's majority labour union, General Industries Workers Union of South Africa (GIWUSA), lasted approximately six weeks.

At the end of June, Mototolo mine was operating at a production level of around 90%. By the end of the third quarter, it is estimated to reach production levels of 100%.

Key financials	H1 2020	H1 2019	% change
EBITDA (R million)	**823**	722	14
Economic free cash flow (R million)	**483**	443	9
AISC[1] ($/Pt oz)	**(320)**	237	235

[1] *All-in sustaining costs (AISC) (includes operating costs as defined above, all sustaining capital expenditure, capitalised waste stripping and allocated marketing and market development costs net of by product revenue) per platinum ounce sold*

The mine delivered an EBITDA margin of 38% and a ROCE of 44% up from 40% in the first half of 2019.

Cash operating costs reduced by 8% from R1,127 million to R1,043 million. The mine continued to incur full labour costs during the lockdown period and paid out R103 million to employees who have not worked during the period. Excluding the non-productive labour costs, cash operating costs per PGM ounce rose by 10% to R11,524 (H1 2019: R10,511), attributable to lower volumes and other fixed costs being incurred.

Unki

Total production (M&C)	H1 2020 ('000 ounces)	H1 2019 ('000 ounces)	% change
PGMs	**80,300**	95,800	(16)
Platinum	**35,700**	42,400	(16)
Palladium	**31,700**	37,900	(16)

PGM production decreased by 16% to 80,300 PGM ounces from 95,800 PGM ounces, primarily due to the Covid-19 shutdown.

When Zimbabwe announced a national lockdown on 28 March 2020, Unki mine conducted a safe and measured ramp-down to care and maintenance. With effect from 7 April 2020, however, the government recognised mining as an essential service and Unki was able to ramp up to full production. As a result of the precautions taken to ensure a safe start, mining operations lost nine days of production, concentrator operations lost 33 days, and smelting operations lost 60 days. At the end of June, the mine was operating at normal 100% production levels and is expected to continue at this level to the end of the year.

Key financials	H1 2020	H1 2019	% change
EBITDA (R million)	**562**	488	15
Economic free cash flow (R million)	**129**	229	(44)
AISC[1] ($/Pt oz)	**525**	456	(15)

[1] *All-in sustaining costs (AISC) (includes operating costs as defined above, all sustaining capital expenditure, capitalised waste stripping and allocated marketing and market development costs net of by product revenue) per platinum ounce sold*

The mine delivered an EBITDA margin of 28% and a ROCE of 14%.

Cash operating costs increased by 2% to R1.1 billion. As a US dollar-denominated operation, Unki was affected adversely by the weakening of the rand against the US currency, with the rand depreciating by 15% on average to R16.44 per dollar (H1 2019: R14.26 per dollar), adding R156 million to its cost base on conversion. Cash operating costs per PGM ounce, excluding the foreign currency impact and non-productive labour costs paid to employees at the start of the lockdown, increased by 2% to R11,521 per ounce (H1 2019: R11,327 per ounce), driven by lower volumes and other fixed costs being incurred.

Unki generated economic free cash flow of R129 million, (H1 2019: R229 million), with AISC increasing to $525 per platinum ounce.

Joint operations (own-mined and purchase of concentrate)

Total PGM production from joint operations (Modikwa and Kroondal) are on a 100% basis and inclusive of both own-mined and purchase of concentrate production.

Total production (M&C)	H1 2020 ('000 ounces)	H1 2019 ('000 ounces)	% change
PGMs	**290,400**	438,600	(34)
Platinum	**129,300**	198,100	(35)
Palladium	**86,400**	127,200	(32)

Modikwa

Total production (M&C) – mined and purchased	H1 2020 ('000 ounces)	H1 2019 ('000 ounces)	% change
PGMs	**103,600**	135,200	(23)
Platinum	**40,600**	53,800	(25)
Palladium	**39,100**	50,300	(22)

Modikwa's production decreased by 23% to 103,600 PGM ounces (H1 2019: 135,200 PGM ounces), mainly due to the Covid-19 shutdowns. Modikwa operated at around 50% of normal production capability at the end of June and is expected to increase to 90% by end of the third quarter and increase to 100% by year-end.

Our share of Modikwa's costs reduced 3% or R25 million to R793 million. Modikwa mine incurred R87 million on non-productive labour costs during the lockdown period. Excluding the non-productive labour costs, Modikwa's unit cost per PGM ounce produced rose 13% to R13,621 (H1 2019: R12,085).

Kroondal

Total production (M&C) – mined and purchased	H1 2020 ('000 ounces)	H1 2019 ('000 ounces)	% change
PGMs	**186,800**	303,400	(38)
Platinum	**88,700**	144,300	(39)
Palladium	**47,300**	76,900	(38)

PGM production decreased by 38% to 186,800 PGM ounces (H1 2019: 303,400 PGM ounces), primarily due to Covid-19 shutdowns. Production was further affected by safety-related stoppages following the fatality on 17 January and an underground-vehicle fire incident in March.

In addition, owing to the temporary closure of the Anglo American Platinum Converter Plant (ACP), resulting in the declaration of force majeure to purchase-of-concentrate suppliers, it was agreed that 50% of the concentrate produced by Kroondal (a pool and share agreement) would be sold to, and processed by, Sibanye-Stillwater for the duration of the force majeure period. As a result, Sibanye-Stillwater purchased material equivalent to 16,000 PGM ounces in the first half of this year.

Kroondal was operating at 100% capacity at the end of June and is expected to remain at this level.

Our share of Kroondal's costs reduced by 8% to R1.3 billion. Kroondal mine incurred R139 million on non-productive labour costs during the lockdown period. Excluding the non-productive labour costs, unit cost per PGM ounce produced increased by 33% to R12,239 (H1 2019: R9,187).

Purchase of concentrate from third parties

Total production (M&C) – mined and purchased	H1 2020 ('000 ounces)	H1 2019 ('000 ounces)	% change
PGMs	**390,000**	473,800	(18)
Platinum	**195,600**	228,400	(14)
Palladium	**82,000**	98,800	(17)

Purchase of PGM concentrate from third parties decreased by 18% as volumes received from Bafokeng-Rasimone Platinum Mine (BRPM) and Siyanda Resources declined owing to the impact of the Covid-19 shutdowns.

ACP repairs

The company's ACP Phase A converter plant, at Waterval in Rustenburg, was damaged following an explosion within the converter on 10 February 2020. Nobody was injured in the incident and work is well under way to repair Phase A, which is expected to be completed by the year-end.

As per normal business procedure, Phase B was commissioned to take over from Phase A and was in the process of ramping up to steady state, when water was detected in the furnace. Notwithstanding extensive testing being conducted to determine the source of the water, and several circuits being isolated, water continued to be observed in the furnace. This posed a safety risk and it was decided that there was no other option but to temporarily shut down Phase B to ensure the safety of all employees and avoid a catastrophic explosion event.

The repairs to ACP Phase B, which were expected to take 80 days, were completed ahead of schedule and a safe ramp-up was completed, with the ACP Phase B fully operational from 12 May 2020.

On 31 May 2020, a separate water leak, unrelated to the previous incident, was detected in the high-pressure cooling section of ACP Phase B. The company took the decision to again temporarily close ACP Phase B to ensure an ongoing safe operating environment, protect employees and protect the integrity of the plant. Following repair work, ACP Phase B was able to conduct a safe ramp-up, with operations ramped up to full capacity.

A cautious approach has been taken with the on-going operation of ACP Phase B during this period with increased monitoring likely to result in intermittent stoppages to inspect the plant until the repairs to ACP Phase A are completed. The repairs to ACP Phase A are progressing well and are now expected to be completed towards the end of 2020, ahead of original expectations of Q2 2021, owing to the successful accelerated procurement of key long-lead-time items.

Refined production (excluding tolling and 4E purchase of concentrate now tolled)

Refined production excluding 4E POC and toll refining	H1 2020 ('000 ounces)	H1 2019 ('000 ounces)	% change
PGMs	**1,019,300**	2,003,500	(49)
Platinum	**400,900**	923,100	(57)
Palladium	**344,500**	678,400	(49)

Refined PGM production (excluding toll-treated metal and concentrate purchased from Sibanye-Stillwater) decreased by 49% to 1,019,300 ounces. Refined platinum production decreased 57% to 400,900 ounces while refined palladium output decreased 49% to 344,500 ounces. Refined production was particularly affected by the temporary shutdown at the ACP and Eskom load-shedding interruptions during the first quarter.

The annual stock count was completed as per normal business practice during the first half. This excluded the precious metals refinery, where the stock count, which is scheduled every three years, was completed in 2019. This resulted in a net stock count loss, mainly affecting palladium and rhodium of c.25,000 3E PGM ounces. In comparison, in 2019 we had a stock count gain mainly impacting platinum and palladium of c.120,000 3E ounces.

As a result of the ACP process interruptions, the platinum work-in-progress inventory increased from a pipeline inventory level of c.950,000 3E ounces at the 2019 year-end, which included an 89,000 PGM ounce build-up due to the Rustenburg power disruptions in Q4 2019, to c.1,450,000 3E ounces at the end of June 2020. The higher than normal work-in-progress stock levels are expected to be released by the end of 2021.

Refined production (including tolling)

Refined production including toll refining	H1 2020 ('000 ounces)	H1 2019 ('000 ounces)	% change
PGMs	**1,246,900**	2,298,200	(46)
Platinum	**537,900**	1,100,500	(51)
Palladium	**414,900**	770,900	(46)

Total refined PGM production, including tolling, decreased by 46% to 1,246,900 ounces.

In the first six months of 2020, toll-refining volumes, on a 4E basis, amounted to 227,600 ounces (H1 2019: 153,400 ounces). Platinum production tolled amounted to 137,000 ounces, while palladium tolled production was 70,400 ounces.

Sales volumes (excluding trading volumes and 4E purchase of concentrate now tolled)

Sales volume (excluding traded and 4E POC volumes now tolled)	H1 2020 ('000 ounces)	H1 2019 ('000 ounces)	% change
PGMs	**1,229,300**	1,992,100	(38)
Platinum	**435,600**	916,000	(52)
Palladium	**383,400**	711,100	(46)

PGM sales volumes decreased by 38% to 1,229,300 ounces. Platinum sales volumes decreased by 52% to 435,600 ounces, while palladium sales declined by 46% to 383,400 ounces, largely due to the ACP shutdown. Refined inventory was drawn down to supplement sales.

Trading volumes

	H1 2020 ('000 ounces)	H1 2019 ('000 ounces)	% change
PGMs	**459,200**	184,700	149
Platinum	**146,300**	18,000	713
Palladium	**292,300**	139,700	109

PGM trading volumes increased by 149%, as additional metal was sourced from third parties to mitigate the supply disruption to our customers following the temporary closure of the ACP.

FINANCIAL PERFORMANCE

H1 2020 overview

The financial performance of the Company in the first half of the year was impacted by the temporary closure of the Anglo Converter Plant (ACP) and the Covid-19 pandemic.

The resilience of the business assisted us in managing through these headwinds and despite their impact the Company achieved EBITDA of R13.1 billion, an increase of 6% over the R12.4 billion in H1 2019. The EBITDA margin was 32% (H1 2019: 31%) driven by higher prices for our commodities. Headline earnings are slightly lower than the prior period at R6.9 billion (H1 2019: R7.4 billion) with headline earnings per share of 2,627 cents (H1 2019: 2,815), a decrease of 7%.

The Company's balance sheet remained strong, with net cash of R11.3 billion, after paying a 2019 final dividend of R11.1 billion in March 2020.

Return on capital employed increased to 48% (H1 2019: 45%).

Key financials	H1 2020	H1 2019	% change
Dollar basket price per PGM ounce sold	**1,956**	1,255	56
Rand basket price per PGM ounce sold	**32,166**	17,901	80
Revenue (R billion)	**54.8**	42.9	28
EBITDA (R billion)	**13.1**	12.4	6
EBITDA margin (%)	**32%**	31%	1pp
Headline earnings (R billion)	**6.9**	7.4	(7)
Headline earnings per share (R/share)	**26.27**	28.15	(7)
Basic earnings (R billion)	**6.7**	7.3	(9)
Basic earnings per share (R/share)	**25.46**	27.88	(9)
Operating free cash flow (R billion)	**5.0**	7.4	(33)
Net cash (R billion)	**11.3**	6.0	88
Dividend per share (R/share)	**10.23**	11.00	(7)
ROCE (%)	**48**	45	3pp

Sales revenue

Net sales revenue increased by 28% to R54.8 billion (H1 2019: R42.9 billion), mainly due to higher PGM prices and higher sales from trading activities. The PGM dollar basket price increased by 56% to $1,956 per PGM ounce, attributable to a 53% increase in the palladium price and a 216% increase in the price of rhodium. The stronger US dollar basket price, coupled with a 15% weakening of the rand against the US dollar, resulted in an 80% higher rand basket price of R32,166 per PGM ounce sold (H1 2019: R17,901). This was partly offset by a 28% decrease in PGM sales volumes due to the temporary ACP closure and the impact of Covid-19, as well as lower chrome sales, which were affected by a combination of lower production due to Covid-19 and disruptions to the movement of product to the port.

Additional PGM metal was sourced from third parties to mitigate the supply disruption to customers following the temporary closure of the ACP. As a result, revenue generated from third-party purchases increased by R11.2 billion to R14.9 billion.

Revenue from tolling was R0.4 billion for the half-year, a decrease of 22% due to the declaration of force majeure in March following the ACP temporary shutdown.

Cost of sales

On-mine costs (mines and concentrators) decreased by 6% to R11.3billion, reflecting lower mining activity as a result of the lockdown and processing costs decreased by 2% to R3.8 billion, as variable costs were saved during the ACP temporary shutdown. The lower operational costs were despite the continuation of paying R1.2 billion for unproductive labour during the lockdown period which was part of the Company's decision to support the well-being of its employees.

Costs associated with the purchase-of-concentrate increased by R4.5 billion to R13.9 billion (H1 2019: R9.4 billion) because of higher prices and weaker exchange rates.

Purchased and borrowed metal costs increased to R16.8 billion from R3.4 billion in the corresponding prior period, reflecting increased trading activity to mitigate supply risk.

Other costs increased by R0.3 billion to R2.3 billion (H1 2019: R2.0 billion) primarily related to higher royalty costs of R0.3 billion. The company supports the government's approach to mitigate the spread of Covid-19 and incurred c.R0.3 billion in additional costs in respect of contributions towards healthcare and community-response plans.

As a result of the increased trading activity and higher purchase-of-concentrate expenditure, cost of sales increased by 30% to R41.8 billion. This was partially offset by a decrease in operational costs as a result of reduced activity due to Covid-19 and cost-saving initiatives of R2.0 billion that have been undertaken across the business.

In line with the 28% decrease in mining production, the unit cost of production per PGM ounce rose by 26% to R12,555 (H1 2019: R9,951). Excluding the costs associated with unproductive labour amounting to R1.2 billion, or R1,057 per ounce unit costs would have been R11,498, or 16% higher than H1 2019.

The all-in sustaining cost for own mined production was $(480) per platinum ounce sold, compared with an achieved price of $857 per platinum ounce.

EBITDA

EBITDA increased by R0.7 billion to R13.1 billion (H1 2019: R12.4 billion). This was mainly due to the higher US dollar palladium and rhodium prices and the weaker rand/dollar exchange rate, contributing R9.6 billion and R2.6 billion respectively, whilst inflation and higher royalties reduced EBITDA by R0.9 billion. Operational headwinds eroded R11.2 billion of EBITDA. Cost saving initiatives across the business resulted in R2.0 billion lower cost compared to the prior year, before the impact of the R1.2 billion in labour costs for people not working during the lockdown and R0.3 billion expenditure incurred in respect of Covid-19 healthcare and community response plans.

Capital expenditure

The company's capital-allocation framework highlights the importance of appropriate levels of capital investment to support safety, operational resilience, asset integrity and environmental compliance. Interruptions to operational activity across the company as a result of Covid-19 lockdowns impacted capital expenditure plans in the first six months of 2020. Capital expenditure for the period, excluding capitalised interest and capitalised waste stripping, reduced by R0.2 billion to R1.9 billion (H1 2019: R2.1 billion).

Capital expenditure (R billion)	H1 2020	H1 2019	% change
Stay in business	**1.2**	1.3	(8)
SO_2 abatement	**0.2**	0.4	(57)
Projects	**0.2**	0.3	(24)
Breakthrough	**0.3**	0.1	373
Capitalised waste stripping	**1.4**	1.1	21

Stay-in-business (SIB) capital expenditure was R1.2 billion, focused on tailings dams, Mogalakwena heavy machinery equipment, smelter rebuilds, and capital maintenance for asset reliability. As previously guided, the SO_2-abatement project for the Polokwane smelter began in 2018 (capital spend to date of R1.4 billion), and this will continue through 2020. The Mortimer smelter's SO_2-abatement project is expected to start in 2021.

The ACP Phase B repair total cost is R150 million, and it is anticipated an additional R0.4 billion will be spent on the repairs to ACP Phase A in the second half of 2020.

Project capital was R0.2 billion, lower than the comparative period, and lower than planned as a result of deferments attributable to the Covid-19 lockdowns, which affected both the Unki debottlenecking project in Zimbabwe and the Tumela 15E mechanisation project in South Africa. Other main projects in execution are the construction of the Modikwa Chrome plant and the development of UG2 North 1 Phase 2 also at Modikwa, which are both progressing well, with minimal disruption as a result of the lockdown restrictions.

A further R0.3 billion has been spent on breakthrough projects to reach and exceed benchmark performance. These include Mogalakwena coarse particle rejection and bulk ore sorting, Amandelbult modernisation and the Rustenburg Base Metal Refinery (RBMR) copper debottlenecking project.

During the period under review, R54 million was spent on project studies on expansion opportunities at Mogalakwena and Mototolo/Der Brochen.

Over the six-month period, waste-stripping costs increased by 53% owing to an increase in planned waste tonnes mined in a new mining cut at Mogalakwena.

Working capital

Trade working capital (inventory, trade debtors, trade creditors and the customer pre-payment) at 30 June 2020 was R6.6 billion, equivalent to 47 days, compared with R3.1 billion at 31 December 2019 (3 days). The net increase was attributable to the higher work-in-progress inventory owing to the impact of the ACP shutdowns at a higher unit cost due to the increase in purchase-of-concentrate prices. This was offset in part by a net stock count loss of R0.8 billion (H1 2019: stock count gain of R1.0 billion). The stock count loss comprised mainly palladium and rhodium volume with c.14,000 and c.11,000 ounce losses respectively. The stock adjustment was within the acceptable range.

Trade creditors were R2.1 billion lower compared to December 2019 owing to lower quantities of concentrate purchased between March and June this year, on revised payment terms, due to the declaration of force majeure to purchase-of-concentrate suppliers and the impact of the Covid-19 shutdowns compared to the last four months of 2019, resulting in R0.7 billion lower purchase-of-concentrate creditors, and R1.4 billion lower trade creditors resulting from a decrease in procurement during the lockdown.

The customer pre-payment of R16.1 billion increased by R6.7 billion, driven by higher metal prices and a weaker rand.

Other working capital was R1.8 billion higher than 31 December 2019, largely as a result of outstanding VAT refunds owed to the company.

Net debt and liquidity

The company ended the period in a net cash position of R11.3 billion compared to net cash of R17.3 billion at the end of 2019, a decrease of R6.0 billion. Operations generated cash of R1.1 billion and an increase in the customer pre-payment added R6.7 billion. In January, the company received the outstanding deferred consideration from Royal Bafokeng Platinum of R1.8 billion. These cash flows were used to fund capital expenditure and capitalised waste stripping, collectively amounting to R3.3 billion; pay taxation and interest of R1.3 billion; and to pay dividends to shareholders of R11.1 billion. In addition, leases resulted in financial liabilities increasing to c.R0.1 billion.

Excluding the current value of the customer pre-payment of R16.1 billion, the company is in a net debt position of R4.8 billion (31 December 2019: net cash R7.9 billion). Our net debt to EBITDA ratio was 0.2x, well below the through-the-cycle target of no more than 1.0x. Liquidity headroom, excluding the customer pre-payment is at R16.6 billion, comprising both undrawn committed facilities of R12.1 billion and cash of R4.5 billion. The company operates comfortably within its debt covenants.

Dividend

The company dividend policy targets a pay-out ratio of 40% of headline earnings. In line with our capital allocation framework supported by the strong balance sheet, the anticipated improvement in refined production in H2 2020, the continuation of relatively strong PGM prices and the ability of the Company to withstand downside price risk and operational challenges, the Board has declared a first-half cash dividend of c. R2.8 billion, or R10.23 per share, to our shareholders.

The dividend applies to all shareholders on the register on Friday, 28 August 2020 and is payable on Monday, 31 August 2020.

PGM MARKET REVIEW

PGM prices in H1 2020

The first half of 2020 saw very volatile PGM prices as the Covid-19 pandemic hit both the demand and supply sides of the PGM markets. The US dollar platinum price ended the first six months at $814 per ounce, almost unchanged year on year (H1 2019: $818 per ounce), but down from $981 per ounce at the start of 2020 – and having traded in a range from above $1,000 per ounce to below $600 per ounce at various times during the period. The palladium price was firm, ending the half at $1,905 per ounce, 25% higher year on year (H1 2019: $1,524 per ounce], and little changed from the 2019 year-end of $1,920 per ounce. Although during the financial period under review the price at times had been higher, setting a new all-time high of $2,795 per ounce on 27 February, it also hit a low of $1,557 per ounce on 16 March. Rhodium was again exceptionally strong, closing at 30 June at $8,000 per ounce, 139% higher year on year (H1 2019: $3,350 per ounce). It too set a record high, reaching nearly $14,000 per ounce on 10 March.

In dollar terms, the average realised basket price was 56% higher year on year at $1,956 per PGM ounce (H1 2019: $1,255 per ounce). The rand, in weakening by 15% against the US currency, supported the rand basket price, which increased by 80% to R32,166 per PGM ounce (H1 2019: R17,901 per ounce).

Supply and demand summary

The Covid-19 pandemic and unprecedented government responses worldwide, including widespread lockdowns, had a significant impact on both the supply and demand for PGMs in the first six months of 2020. While the early stages of recovery are underway in many geographic regions, there remains a great deal of uncertainty, with limited visibility beyond a few months, leading to what is likely to be a significant impact for some time to come.

Mine supply will be sharply lower in 2020 than in 2019 owing to the loss of ounces caused by the Covid-19 lockdown in South Africa from 26 March to 30 April, which saw all non-surface or mechanised mines closed, but also because of the subsequent slow ramp-up and the impact of ongoing enforced social distancing. Global recycling volumes will be less affected, with many participants continuing to operate and able to process stocks, but they will still decline considerably as fewer vehicles are scrapped. PGM demand will be hit heavily by the fall in global car and commercial vehicle sales and production, weaker sales of platinum jewellery, and more variable, but mostly softer, industrial demand.

Platinum

Platinum did not share in the price gains of other PGMs in the first half of 2020. A small market deficit (where demand exceeds supply) was largely due to increases in investment but struggling jewellery sales and subdued diesel automotive demand outlook had all kept sentiment weak even before the onset of the Covid-19 pandemic. The platinum price reached a trough in March as the extent of the impact of Covid-19 on demand became apparent. However, the lower platinum price in local currencies resulted in strong retail investor buying, and the price steadied as the Covid-19 pandemic began to have a significant impact on supply.

Global platinum supplies are set to fall materially in 2020 on the back of much lower refined South African output (South Africa accounts for over 70% of mined platinum), given the national shutdowns in South Africa and Zimbabwe, and the subsequent slow ramp-up. Secondary supply is also likely to be lower, though by a smaller amount.

Gross demand for platinum will also fall significantly this year. Automotive uses of platinum (c.40% of gross demand) are exposed to weaker car production in Europe, which was badly affected by Covid-19, and in the commercial vehicle sector.

Jewellery demand (c.25% of gross demand) has been affected by general weakness in retail sectors and uncertain recovery prospects. Industrial demand (c.25% of gross demand) is holding up better but will also be considerably lower.

Palladium

Palladium reached an all-time nominal and real-price high of $2,795 per ounce on 27 February. Leading up to the peak pricing, the market was extremely tight, as indicated by a rising bid-offer spread (the difference between the price at which metal is bought and sold) and widening backwardation (the difference between future and current prices). Market estimates were also indicating that the palladium deficit in 2020 would exceed the 2019 deficit, as automotive demand for catalytic converters (c.80% of gross demand) would continue to grow.

The spread of Covid-19 caused a significant pullback in prices, and points to a much smaller deficit in 2020. The global light-vehicle market will shrink considerably this year, and even though palladium loadings per vehicle will continue to rise, automotive palladium demand is likely to decline significantly. Mine supply will be less affected than for platinum or rhodium, given that c.60% of the metal comes from Russia or North America, both regions having been much less affected than South Africa by Covid-19 shutdowns so far.

We continue to see palladium in a modest deficit this year. Looking further out, market balances will depend on the recovery in vehicle sales globally, but current expectations see palladium returning to a sizeable deficit in 2021.

Rhodium

The rhodium price has continued to strengthen over the past two years. It increased from c.$6,000 per ounce at the start of 2019 (Johnson Matthey base price) to reach a peak of nearly $14,000 per ounce in March 2020, an all-time nominal high for the metal and higher in real terms than the 2008 peak of $10,000 per ounce. As was the case with the other PGMs, the impact of Covid-19 led to a sharp price pullback, with rhodium closing on 30 June at $8,000 per ounce, though this was still much higher than its close-out a year earlier (H1 2019: $3,350 per ounce). The average price over the first six months of this year was $9,254 per ounce, an increase of $6,371 per ounce, or 221%, compared with the same period in 2019.

The increase in the rhodium price was driven by strong automotive demand (c.80% of gross demand) and a market deficit, and rhodium has remained well supported since the emergence of Covid-19, despite the major hit to automotive demand owing to the even larger impact the epidemic is having on the supply side. Over the first six months, rhodium investment, through exchange-traded funds (ETFs) increased marginally in comparison with a year ago. We expect the market to remain in deficit in 2020. Looking ahead, rhodium's important role in reducing nitrogen oxide (NOx) emissions from internal combustion engine vehicles should continue to underpin demand for the metal.

Minor metals

Prices for the minor PGMs have continued to strengthen over the past year, and iridium ended the first half at $1,645 per ounce (H1 2019: $1,480 per ounce), an all-time high in nominal-price terms for the metal. The ruthenium price ended the period at $270 per ounce, matching the record level it attained in 2019, then an 11-year high.

Demand for these metals should remain robust over the medium term, particularly from the electrical industry, the largest demand sector for both ruthenium and iridium. Covid-19-related economic disruption will take its toll in the short term, though this will be relatively limited owing to both metals diversified and industrial-focused spread of applications.

Automotive

The largest sector for PGM demand is automotive, where palladium and rhodium are used in the catalytic converters of gasoline-engine vehicles, while platinum is the dominant PGM in exhaust after-treatment for diesel vehicles.

The Covid-19 pandemic has already had and will continue to have a negative impact on car and commercial vehicle sales and production worldwide in 2020.

Light-duty vehicle demand

Global light-duty vehicle (LDV) sales are forecast by research group LMC Automotive to fall by 21% year on year in 2020, a reduction of 19 million light-duty vehicles. All regions are forecast to be affected significantly, though China, forecast to be 11% lower, is expected to do less badly than the US and Europe, where sales are expected to decrease by 22% and 25%, respectively. Global LDV production is forecast to reduce by a similar 20%, highlighting that vehicle inventory was relatively low going into the crisis.

The worst stage of the Covid-19 crisis seems to have passed, with sales and production in China at their lowest levels during the lockdowns imposed in February and March, and in most other countries in April and May. Subsequently, as those lockdowns have been eased, a recovery has begun. By May, China, which is a few months ahead of the curve in relation to the vast majority of countries, saw sales and production back at normal levels; in most other countries, while both sales and production remain substantially lower year on year, they are recovering month on month.

PGM demand in automotive is determined not only by production volumes but also technological factors, such as choice of drivetrain and changing metal requirements to meet new emissions legislation. Loadings of palladium and rhodium per gasoline-driven vehicle, which increased significantly in 2019 in China and Europe to meet tougher emission standards, are likely to increase modestly in 2020.

The diesel engine's share of LDV sales in Europe was 30% for January-May (Source: LMC), slightly lower than the 33% figure for the corresponding period last year. Battery Electric Vehicle (BEV) market share for the same period, however, has risen to 4%, from 2%, partially reflected by the longer lead times for ordering and delivery, which has meant volumes have held up better than in the case of traditional internal-combustion engine vehicles.

In China, BEVs have seen their market share ease on reduced subsidies, though steady growth is expected to resume in the second half. Globally, at present, we see Covid-19 as having a neutral impact on LDV electrification, with both BEVs and Plug-in Hybrid Electric Vehicles (PHEVs), with PHEV's requiring PGM catalysts, maintaining the same steady increase in market share as expected before the pandemic.

Heavy-duty vehicle demand

Demand for heavy-duty vehicles (HDV) in 2020 is also forecast to fall sharply in comparison with 2019, with forecasts of a full-year fall in sales of 22%, and in production of 25% (Source: LMC). However, China's market has seen a strong recovery and is likely to make full-year gains considerably ahead of previous forecasts. Globally, while PGM demand from this sector will fall in 2020, the outlook over the next few years is robust, given that the proportion of new HDVs fitted with PGM-containing catalyst systems continues to rise, especially in China where platinum demand from the HDV sector should be particularly strong over the next few years.

Gross demand

Gross platinum demand from the automotive sector in 2020 is expected to fall more than palladium and rhodium demand, as loadings continue to rise in gasoline-driven vehicles' catalysts, in which the latter two metals are mainly used.

With the platinum price currently less than half that of palladium, there are ongoing questions around substituting platinum for palladium in gasoline-engine or three-way catalytic converters. Already in 2020, there has been an announcement from BASF, a leading catalytic converter manufacturer, of a commercially available technology in order to do this, and we believe small volumes of substitution will occur this year, with more substantial amounts in 2021 and 2022.

Fuel cell vehicles, which contain platinum catalysts, are being sold in increasing numbers, though volumes remain small.

Industrial

Following several years of healthy industrial demand for platinum, we expect lower demand during 2020 because of Covid-19, although it will be less hard-hit than the catalytic converter or jewellery sectors. Indeed, many industrial applications for PGMs were not affected adversely by Covid-19-related lockdowns and, consequently, PGM demand from this sector remained relatively resilient over the first half of 2020. However, any delays in the construction of new industrial capacity will also delay PGM demand from this sector. Over the medium term, we remain positive on the outlook for industrial demand.

Due to the high rhodium price, well above historical levels, there are some signs of price-related thrifting in the relatively small industrial applications for this metal, particularly in the glass sector where a higher platinum mix is preferred.

Jewellery

Global gross demand for platinum from the jewellery industry is set to fall again in 2020. In China, which accounts for about 50% of global gross jewellery demand, sales were already facing tough competition from gold jewellery, and the Covid-19 lockdown came during a key period for jewellery purchases (Chinese New Year and Valentine's Day). Subsequently, the recovery in the broader retail sector in the country has been slower than for industry, as consumers have stayed away from shopping malls. However, during May, there was a clear improvement in jewellery sales, coupled with jewellery retailers enhancing their online sales capabilities, raising hopes that Chinese demand will increase in the second half of this year.

Outside China a stronger year had been forecast, in India where volumes had been growing around 10% per annum. Covid-19 lockdowns have reduced this outlook, and their economic consequences will continue to weigh on consumers. Nevertheless, the underlying trend remains robust and Indian offtake should improve going into the second six months.

Investment

Net investment demand for platinum has been positive in the year to date. ETFs saw net selling of just over 100,000 ounces during the first half (leaving total holdings at 3.4 million ounces), though purchases were volatile and were linked to the volatility in platinum prices during the period. Coin and bar investment demand was robust, with investors taking advantage of the multi-decade-low platinum price in March and purchasing a net 312,000 ounces in the first quarter (Source: WPIC). Of this, 155,000 ounces came from Japanese bar investment, as the Japanese yen platinum price fell to its lowest level since the early 2000s.

Net disinvestment of palladium continued during the period, both when palladium was rising in price and during the weaker period for the metal from March onwards. In total, 170,000 ounces were liquidated, leaving total ETF holdings at just over 500,000 ounces. Rhodium ETF holdings ended the period marginally higher, at around 24,000 ounces, with liquidation of 9,000 ounces up to late May then reversed by new inflows of 9,000 ounces in the last six weeks of the first half.

Hydrogen economy

Over the longer term, there is considerable demand potential for PGMs from the 'hydrogen economy'. Hydrogen has long played an important role in many industrial processes, in particular oil refining and chemical production, but the growth in affordable renewable energy has raised the possibility of using 'green' hydrogen as an energy carrier to accelerate the drive towards 'net zero' carbon emissions targets for many economies. Platinum is used within many types of fuel cells which convert hydrogen to electrical energy, and it is also used in the reverse process, the production of hydrogen from electricity, when using Polymer Electrolyte Membrane electrolyser (PEM) technology.

In 2020, there has been increased momentum in a wide range of hydrogen economy applications. The best-known application for fuel cells is in the transport sector, though the broadest application so far is in smaller sectors such as forklift trucks rather than conventional cars and trucks. Development in the latter continues, however, and several OEMs have announced plans this year, including joint operations and new-model development. Most of these will not come to fruition until the second half of the 2020s, though sales of existing light-duty fuel-cell vehicles (FCVs), mainly from Toyota and Hyundai, are forecast by LMC to double this year to nearly 15,000 vehicles. Platinum loadings on FCVs continue to trend towards their longer-term target of 0.125 grams/kW or 10–12 grams per car.

Hydrogen is being actively considered as a potential fuel source for other transport sectors. The technology is already being used on a small scale in the maritime and railway sectors (such as the Alstom Coradia iLint hydrogen train project in the Netherlands). Trials are also being carried out in the aviation sector and for off-road vehicles, such as the innovative hydrogen-powered fuel-cell mine haul truck, which we have developed with partners and will trial at Mogalakwena mine in 2021.

Hydrogen-based technology is gaining traction in other areas and will be supported by a range of government initiatives around the world. The focus on the need for 'green hydrogen' as the fuel source could increase the demand for platinum, as much of the green hydrogen is produced using PEM electrolysers, which contain PGMs. PEM electrolysis is the preferred process by which to produce hydrogen from renewable energy owing to the higher power densities and higher capacities supported by PEM electrolysis compared with other methods.

Many governments are looking at 'green' economic stimulus packages in light of Covid-19. We believe this may provide further support for the hydrogen economy and fuel cell technology, across a wide range of industries. For instance, the German government's coronavirus-recovery stimulus package will offer €9 billion of support for the hydrogen economy, while the European Commission's long-awaited hydrogen plan, focusing on green hydrogen was announced on 9 July.

Copper, Nickel, Chrome

The copper price, as with most other commodities, was hit badly by the Covid-19 pandemic, but it has staged a solid recovery. Beginning 2020 at just below $6,200 per tonne (LME 3-month), it fell sharply as the virus emerged first in China, then the rest of world, reaching a low of $4,630 per tonne on 23 March). China's faster-than-expected economic recovery, however, and signs of shortages at Chinese smelters, saw the price quickly rally, with momentum maintained by the realisation that some supply disruption was possible from the Americas, given that Covid-19 is still rampant. Add to this a positive shift in investor sentiment, as well as a drain in inventories, by the end of the first quarter copper was once again over $6,000 per tonne, almost bringing the price back to what it was at the start of the year.

LME nickel prices, along with the rest of the base metals complex, were negatively impacted by Covid-19; though nickel held up relatively well in comparison. Nickel prices declined into the low $11,000s/t range in March but recovered to an average of $12,703/t in May, 6% higher year on year and were trading above $13,000/t in June. Nickel consumption was also negatively affected by Covid-19, but the V-shaped recovery in China (over 50% of nickel consumption) was positive for demand and prices. Nickel consumption in China reached a monthly record high in June. Covid-19 also led to lower than expected nickel supply, which tightened the supply-demand balance. Philippines nickel ore output was reduced owing to Covid-19 prevention measures, which in addition to the introduction of the Indonesian nickel ore export ban at the start of the year, reduced available ore to produce nickel pig iron (NPI) in China.

Chrome prices started the year at $135/t but declined to $114/t in March owing to the impact of Covid-19 on stainless steel production in China. But as Chinese demand and stainless-steel production recovered, chrome supply from the main producer in South Africa was adversely affected by Covid-19 lockdowns, restricting supply. This combination pushed the UG2 price up to a high of $170/t in June and a monthly average of $166/t, a year-on-year increase of 14%.

BUILDING THE BUSINESS FOR THE FUTURE

Anglo American Platinum strives for continuous improvement in performance and capitalising on value-enhancing opportunities to position itself as the leading PGM producer. The restructured and simplified, high-quality assets are the building blocks to drive the future of the business. Our Environment, Social and Governance (ESG) philosophy is embedded in all we do, and ensures we seek to strike the balance between producing industry-leading returns for shareholders and creating a sustainable future for communities and other stakeholders, so that we can meet our purpose of 're-imagining mining to improve people's lives'.

While the Covid-19 pandemic has required significant effort to keep our employees safe, as well as ensure that operations continue, we are focused on progressing the next stage of value delivery for all stakeholders, based on the following key areas:

Operational improvements

We are working to reset operational performance benchmarks across our business, recognising the further latent potential that exists in our operations, and building on the material improvements we have made in recent years. We believe there is substantial additional value to be gained by focusing on achieving stable operations and best-practice benchmarks and to take performance beyond benchmark (also known as P101). Stability in our processes brings safer operations, improved efficiencies, lower cost and a strong base from which to deliver improvements in performance.

Breakthrough technology and innovation

We are studying breakthrough opportunities, which enable a step-change in production or value, through FutureSmart Mining™ our approach to technology, digitalisation and sustainability. Anglo American Platinum aims to be at the forefront of digitalisation and mechanisation of operations, designed to make them safer, more efficient and reduce energy usage, water usage and reduce emissions. Examples include our current trial of bulk-ore sorting at Mogalakwena, which aims to increase grade delivered to the concentrator plant, and our deployment of narrow-reef mechanised equipment at Tumela 15E, a separate mechanised section of the mine, which will lead to safer and more efficient mechanised production and set up the operations for a mechanised future.

Projects

The company remains committed to investing in fast payback, high-returning projects such as the copper debottlenecking at Rustenburg Base Metals Refinery, the Unki concentrator debottlenecking, and modernisation of Amandelbult, among other projects in execution. These projects are focused on maximising value, not necessarily volume, with our disciplined capital allocation focused on generating strong returns.

In addition, we are also studying potential growth and replacement options at Mogalakwena and Mototolo/Der Brochen:

Mogalakwena expansion

Mogalakwena remains the world's most significant PGM operation and the only major open-pit PGM operation globally. Given the size of the resource, the project study has identified several options to expand PGM production. The study is reviewing both open-pit and future underground mining options, additional concentrator capacity, and deployment of new technology to improve throughput and recoveries and to maximise long-term value and the impact on downstream processing capacity. Aligned with our purpose we are striving to be an employer of people who are doing safe, productive and meaningful work as well as reshaping our relationships with our local communities to ensure they can also thrive. A decision on the next steps will be taken in the latter half of 2021.

Mototolo/Der Brochen

The acquisition of 100% of Mototolo mine unlocked significant synergies between this mine and Anglo American Platinum's already owned and adjacent Der Brochen resource. Project studies are underway to assess the most value-accretive options for the replacement and potential growth of this new PGM complex. By combining the Mototolo mine area with the down-dip and adjacent Der Brochen resource, the ability to mine into the contiguous resource, which only requires extending existing infrastructure, has significantly extended the life of mine from the current five years to potentially beyond 30 years.

We have two project studies under way. The most advanced study is the replacement of Mototolo into the Der Brochen ground, which is in feasibility study. The study is focused on establishing Der Brochen South Shaft, replacing the Lebowa shaft which is coming to the end of its life. This replacement project will utilise the current concentrator infrastructure, and therefore be a low-cost replacement project. The potential expansion of Mototolo/Der Brochen is also being evaluated and is in pre-feasibility B stage. Breakthrough technology is being assessed to enable an increase in throughput and improve grade to the concentrator, which could result in both replacement and potential growth in production.

Market development

Growing the market for PGMs remains a strategic priority for Anglo American Platinum. Our approach to market development continues to evolve as we find new ways and new partners to grow demand for each of our metals. Today, we have a broad range of programmes underway that support both near- and long-term demand creation.

Jewellery

Jewellery market development is undertaken through the Platinum Guild International (PGI), which is funded by the industry, except for PGI India which is exclusively funded by Anglo American Platinum. In China, the PGI's Reboot programme has helped to kick-start the recovery of platinum in retail. In India, programmes and marketing campaigns for existing brands, such as Platinum Days of Love and Evara, will continue with the PGI's strategic partners. After successfully introducing men's jewellery with the launch of Men of Platinum in 2019, the PGI expects this category to increase its contribution to demand through sales of heavier-weight pieces. In Japan, branded collections targeting mature customers, such as Hello Me, Platinum, continue to receive strong orders, thanks to increasing industry and consumer recognition. The PGI is also focusing efforts on digital marketing and sales conversion, necessary to accelerate a recovery, but also in capturing growth opportunities among a younger generation of consumers. In the US, focus has been on the growing recognition that platinum has the most secure setting for a diamond. The PGI is leveraging this opportunity through the upcoming launch of a Forevermark™ x Micaela, a popular celebrity stylist who has curated a collection of diamond engagement rings and wedding bands exclusively in platinum.

Investment

Investment demand creation activities are undertaken by the industry-funded World Platinum Investment Council (WPIC). In the first half of 2020, the WPIC focused on product partnerships in the key markets of China (where three new product partnerships were added), North America, Europe and Japan, which continued to support the growth in platinum ounces held by investors. The WPIC also increased its frequency of research and contact, supported by Metals Focus, and broadened its engagement with the automotive markets, encouraging the substitution of palladium by platinum.

Industrial and other market-development activities

Beyond the jewellery and investment themes, Anglo American Platinum continues to innovate by finding new ways and opportunities to grow demand for our metals. Our activities include investing in primary research and development; investing in early-stage companies commercialising PGM technologies, including in the hydrogen economy sector; and working towards a favourable policy environment for these technologies.

Anglo American Platinum is helping to develop the hydrogen market globally through advocacy helping to shape global policy. In addition, we are directly involved in developing the hydrogen economy and are currently developing the world's biggest mobile application for fuel cells in the form of a hydrogen-powered, mining haul truck that will be commercially adopted at Mogalakwena. This demonstration will entail the onsite generation of hydrogen from renewables (solar), which is then used to refuel the truck. At scale, this application would create significant demand for green hydrogen, accelerating the hydrogen supply chain and ultimately helping to lower the cost of hydrogen for other fuel cell applications through economics of scale. Importantly, if the technology is commercial adopted, this will also enable significant decarbonisation of our operations.

AP Ventures

AP Ventures, spun out of Anglo American Platinum in 2018, continued to make excellent progress during the first half of 2020, with more than 170 PGM-related technology opportunities reviewed; several of these have moved to advanced due diligence and two new investments were completed.

Moreover, the existing portfolio of PGM-technology companies continued to perform. Hydrogenious Technologies, which provides safe, low-cost, bulk-hydrogen storage and transport solutions, received further investment from Hyundai Motors and is leading large-scale implementation projects for hydrogen storage across Europe, including with its other strategic investors, Covestro (previously Bayer) and Royal Vopak. In the United States, Greyrock is ramping up its clean-diesel production capacity with additional commercial projects and has extended the technology to produce zero-carbon fuels utilising green hydrogen and captured carbon dioxide. Both Hydrogenious Technologies and Greyrock use significant quantities of PGMs in their innovative technologies.

AP Ventures also concluded its first sale of a portfolio company, with the transfer of its interest in United Hydrogen Group, a merchant trader of hydrogen in the US, to Plug Power, the world's largest producer of hydrogen-powered forklift trucks. As well as realising a financial return for Anglo American Platinum, the transaction positions United Hydrogen Group and Plug Power for further growth and ultimately increased demand for PGMs used within Plug Power's products. This transaction further validates our market-development approach, showing that our investment in market development can achieve both increased PGM demand and direct financial return for Anglo American Platinum.

Our global advocacy activities also continue to make an impact in creating conducive policy environments for hydrogen and fuel cell technologies in the major early-adopter markets of China, the European Union, United Kingdom and the US. Several high-impact announcements were made by governments globally during the first six months of 2020. China, for example, is extending subsidies for new-energy vehicles and, very recently, included hydrogen as an energy carrier in draft Chinese energy law for the first time. The EU Commission has announced a €750 billion package to unlock investment in clean technologies, including to kick-start a green hydrogen economy in Europe. Germany alone, for example, has agreed to set aside around $10 billion to grow its electrolysis capacity for renewable hydrogen production to 5 gigawatts (GW) by 2030. Australia has committed another A$300 million to support its National Hydrogen Strategy, while in the US, California has approved a ground-breaking policy to wean its trucking sector off diesel fuel by requiring manufacturers to sell a rising number of zero-emission vehicles, starting in 2024. All these developments point to an increasing momentum behind hydrogen and fuel cells as key technologies in decarbonising the global economy in the years ahead.

Environment, Social and Governance (ESG)

Environment

Our approach to sustainability sets out our commitment to demonstrating leadership in environmental stewardship. Mining must play its part to address the environmental challenges of a carbon-constrained world and society's wider expectations of us as enablers of change, while we continue to meet the ever-growing demand for our products.

Anglo American's FutureSmartTM Mining programme is designed to tackle many of these challenges, both environmental and social. In the transition to a low-carbon economy, PGMs are critical to enable associated technologies. In delivering these products, we are committed to materially reducing our environmental footprint over the next decade. This will lead to fundamental changes in how we mine and process our products. Our ultimate vision is to maintain a healthy environment by creating waterless, carbon-neutral mines that deliver net positive biodiversity and conservation outcomes.

Anglo American Platinum had no major environmental incidents (categorised as Levels 4 and 5) in the first half of the year, thereby extending the period of experiencing no major environmental incidents since 2013.

The company has an ultimate ambition to reduce all waste to landfill. Since the programme started in 2013, there has been an 84% reduction of waste to landfill. Currently, at least two (Unki and Mototolo) out of the 10 operations in our portfolio are ready to be certified for achieving zero waste to landfill, with the rest continuing to make progress. The company acknowledges there are some waste streams that do not have recycle or re-use solutions yet but remains committed to pursue all possible opportunities to ensure zero waste will be send to landfill.

Our most material air-quality priority remains the reduction of sulphur dioxide (SO2) emissions from our three smelters in South Africa. Construction of an abatement plant is nearing completion at the Polokwane smelter, which is using innovative technology to capture SO2 gas from the furnace to convert into sulphuric acid. This technology will ultimately reduce SO2 emissions by c.96% in order to comply with stringent limits and become global best practice. Once construction and commissioning has been completed, and the project proven effective, a similar plant will be constructed at the Mortimer smelter.

Carbon neutrality by 2040

In responding to the global challenge of climate change, Anglo American Platinum, as part of the wider Anglo American Group, has set a target of achieving carbon neutrality across our operations (Scope 1 and Scope 2) by 2040.

Anglo American Platinum continues to focus on reducing its energy consumption and improving energy efficiency through adopting Anglo American's FutureSmart MiningTM. Examples we are developing and deploying include step-change technologies such as bulk ore sorting and coarse particle recovery/rejection, which are aimed at significantly reducing energy use and Scope 1 emissions. We are also developing new applications for our metals and minerals that enable lower emissions, both at our operations and globally (e.g. green-hydrogen-powered fuel cell transport using PGMs, including for mine haul trucks). Finally, we are looking at changing our energy mix to include renewable-energy and low-carbon energy sources.

We have a two-tracked approach to addressing our Scope 2 emissions. First, by reducing our overall energy consumption through the application of our FutureSmart Mining™ technologies. For example, we are deploying energy-recovery applications in ore processing – the most energy-intensive part of our operations. Secondly, we are increasing the proportion of renewable energy in our mix.

As a consequence of Covid-19, and lower levels of production, our energy usage for the first six months was 20% lower than for the same period in 2019. In addition, our energy intensity was c.3.75% less.

The company has set targets to improve energy efficiency and reduce absolute greenhouse gas (GHG) emissions by 30% by 2030 (against a 2016 baseline). As part of this target, we have progressed the proposal for a large-scale solar-photovoltaic facility at the Mogalakwena complex. To expedite the timelines to commercial operation, we have, in parallel, commenced with the environmental scoping study and will shortly begin work on the lease agreement for the intended site.

Currently, we estimate commercial operation by the end of 2022, but acknowledge that the impact of Covid-19 could result in delays.

Social

Despite the headwinds of Covid-19, the company remains dedicated to delivering on its social labour plans and Community social investment commitments. The company spent R161 million on delivering on its social labour plans, as well as the payment of a dividend to the Alchemy community trust, extension of the community water projects and contributions to the Anglo American Zimele and Chairman's Funds. In addition, the company spent R55 million on various community initiatives to help communities during the Covid-19 pandemic.

Our social licence to operate remains a key focus for the long-term sustainability of our business. Our social strategy plays a significant role in supporting our business strategy and addressing key social issues at our operations. Our business strategic priorities are enacted in a safe, values driven and socially responsible way, underpinned by the need to build leading community and stakeholder relationships and make a lasting contribution. The social strategy therefore helps the business to fulfil its societal obligations by delivering shared value – creating social value for stakeholders while generating business value.

This strategy was adapted to the changing needs of the business and to better meet the needs of our stakeholders. It clearly defines our objective to enable a sustainable business and thriving communities by enhancing our social licence to operate through engaged and empowered stakeholders.

The future of our business is linked to the future of communities in our operating areas. To support the sustainability of our business, we invest in our communities by creating social and economic benefits that meet explicit needs during and beyond the life of a mine.

We will work towards ensuring community upliftment through investing in several socio-economic development programs and develop innovative approaches to inclusive engagement. We will need to continue progress on working collaboratively with relevant stakeholders and development partners, and work on solving the challenges that continue to exist in our local communities. It is essential that we rebuild trust and ensure that benefit from our operations accrues to the communities, so that we will be a valuable partner in the eyes of our stakeholders.

Governance

Anglo American Platinum is committed to ethical leadership and behaviour, as well as acting with integrity. Our governance strategy is based around five pillars:

- **Developing a competent and diverse board** – The nominations committee has approved a Board Succession Blueprint that provides a framework for strategic, long-term and effective orderly succession of directors that would result in the appropriate balance of knowledge, skills, experience, diversity and independence on the board to discharge its governance role and responsibilities in support of the company's strategic objectives. The recent board changes are an output of this process.
- **Ethical leadership and behaviour** – The board, through the SET committee, has invested significant time in the company's culture transformation journey to embed a culture that values significance over success and is focused on developing an organisation known as an employer of choice in fostering high-performance teams and individuals as well as monitoring the business infringements that include fraud, corruption, and dishonesty-related incidents.
- **Strategic alignment** – Alignment is achieved by meaningful engagement with management that allows the board to set strategic direction and approve planning, policy and budgets. This includes setting appropriate remuneration policies for performance.
- **Defining roles and responsibilities** – The board is mandated by its charter, which sets out the role of the board, chairman and CEO to ensure a balance of power and authority and preclude any one director from exercising unfettered powers of decision-making. The board is supported by various committees governed by their respective approved terms of reference. The board is accountable to its shareholders and stakeholders to lead, control and monitor activities of the company. An integral part of this accountability constitutes delegating contractual and transactional authority to key Committees/Management to execute day to day transactions of the company. These delegations are recorded in a formal approved Delegation of Authority Framework approved by the board.
- **Accountability** – The board remains ultimately accountable for the governance and performance of the company – financially and socially as a corporate citizen. The board ensures there is accountability for company performance through, among others, reporting and disclosure.

Respect for human rights is a non-negotiable value enshrined in Anglo American Platinum's core values, its human rights policy and social way. These were drafted in line with the UN guiding principles on business and human rights. They guide behaviour at our operations in South Africa and Zimbabwe in a way that respects the human rights of our employees, host communities and business partners.

ESG recognition

Anglo American Platinum has continued to demonstrate strong Environmental, Social and Governance (ESG) performance in 2020, owing to the company's focus on ESG disclosure and continued, strong management of ESG issues encountered by the business. The key ESG achievements for H1 2020 include:

1. Being ranked, in June, as the overall ESG Leader among the top 5 sub-sector peers on the FTSE Russell Index. The company received the highest overall ESG rating of 4.8, the highest environmental score (4.7), the highest social score (4.7), and highest governance score (5.0) among the top 5 sub-sector peers within the Platinum and Precious metals sector.
2. Significantly improving its Sustainalytics ranking, with an improvement of 6.1 points.
3. Remaining part of the FTSE4Good Index Series, as at June.
4. Entering the Bloomberg Gender Equality Index in January.
5. Maintaining its inclusion in the FTSE/JSE Responsible Investment Index and the FTSE/JSE Responsible Investment Top 30 Index.

BOARD AND EXECUTIVE COMMITTEE CHANGES

Richard Dunne retired from the Board and Audit and Risk Committee at the annual general meeting on 25 June 2020.

John Vice, already a member of the Board, assumed the role of Chairman of the Audit and Risk Committee on 25 June 2020.

Natascha Viljoen was appointed as the Chief Executive Officer and Executive Director on 16 April 2020.

Riaan Blignaut was appointed as the Executive Head of Safety, Health and Asset Reliability on 1 May 2020.

Yvonne Mfolo was appointed as the Executive Head of Corporate Affairs on 1 May 2020.

Dean Pelser stepped down as Executive Head of Mining on 15 May 2020.

Seara Mkhabela resigned as Executive Head of Corporate Affairs on 31 March 2020 and transferred to a position in the Anglo American South Africa corporate office.

On recommendation from the Nominations Committee, the Board at its meeting held on 23 July 2020 approved the appointment of Thabi Leoka and Roger Dixon as independent non-executive directors with effect from 27 July 2020.

OUTLOOK

Market outlook

The short-term outlook for PGMs is dominated by the prospects for the Covid-19 pandemic and, as such, is highly uncertain; longer term, however, we see continued robust demand. Our current assumptions are based on the virus outbreak being controlled but not defeated, meaning an ongoing impact on supply and demand for the foreseeable future. Platinum is likely to be in deficit in 2020 owing to the fall in supply outpacing the fall in demand, and strong investment demand. In 2021, platinum should return to surplus as supply recovers. The palladium deficit will likely reduce in 2020 as demand contracts but supply remains more resilient but should increase again in 2021 assuming recovery in vehicle production. Rhodium is likely to be in a larger deficit in 2020, based on lower supply, but will see a smaller deficit in 2021 as supply recovers.

In the automotive market, where LMC forecasts light-vehicle sales to fall 21% this year owing to the Covid-19 pandemic, the market is now recovering, though how completely sales do so, and how sustainably, will depend on the success in restricting and living with the Covid-19 virus, as well as economic issues such as the state of consumer incomes and confidence. There is also a debate about whether Covid-19, if it prevails for a long time, will mean more profound changes in car-ownership patterns, with compelling arguments either way as to whether this means higher or lower vehicle demand. LMC forecasts light-vehicle sales in 2021 to rise year on year by 16%, but this means they would still be 10% lower than in 2019.

The extent of the recovery in production and sales of cars will be the main determinant of automotive PGM demand, but other drivers are emissions standards and technology. Platinum demand will be helped by the need to meet tighter emission standards on heavy-duty vehicles in China and India, while the impact of the ongoing decline in the diesel engine's share of the European light-duty vehicle market appears to be slowing. We also expect to see increasing substitution of platinum for palladium in three-way catalytic converters in gasoline-driven engines. Palladium and rhodium have benefited from higher loadings on gasoline-engine car catalysts in recent years to meet tougher emission standards; from next year, there is little imminent new legislation, though Euro 7 is now under discussion. The electrification of vehicles is expected to continue its steady advance, although their overall market share will remain small. Battery-electric vehicles do not use platinum catalysts, but plug-in hybrid electric vehicles do. Fuel cell vehicles also contain a platinum catalyst, which currently have a tiny market share but one that is growing.

Industrial demand, which has been more robust through the pandemic, should remain well supported. The weaker global economy will take its toll, with the potential for capacity expansion to be delayed. But an ongoing focus on better environmental performance in China and the increased momentum globally behind the 'hydrogen economy' are important positives. In respect of palladium and rhodium, higher prices could incentivise thrifting in industrial applications over the medium term.

Jewellery demand is likely to recover in the second six months of 2020 and in to 2021 as economies improve, with encouraging signs in China in recent months and some possibility of pent-up demand in the bridal sector. However, the longer-term challenges that have seen platinum jewellery demand decline in China over the past few years remain. Elsewhere, we expect the Indian market will return to strong growth.

Investment demand for platinum should be strong in 2020, supported by solid buying in the first half and, while investment flows may moderate in the second six months and in 2021, ongoing market-development efforts indicate that there is further upside for investment offtake over the medium term. Palladium is likely to see continued investor selling, encouraged by high prices.

Primary supply of PGMs will fall significantly this year, especially in platinum and rhodium where a greater proportion of supply comes from South Africa. We expect a recovery in 2021, though ongoing social-distancing measures and the possibility of further Covid-19-related shutdowns means output is unlikely to return to its previous level, particularly from underground operations. Secondary supply has also been disrupted and, while refiners have been able to process stockpiled material, ultimately these volumes will reflect the number of cars being scrapped, and this is forecast to slow in line with new car sales. Longer term, we believe platinum secondary supply is near to peaking, while palladium and rhodium will continue growing in line with historical demand patterns.

Operational outlook

There are several variables that could impact our ability to meet year-end guidance including:

- Ongoing social-distancing and 'de-densification' measures to keep employees safe from the virus, and the potential impact this may have on ensuring safe production;
- Rebounds of the coronavirus, which could result in further government measures, leading to shutdowns and/or extensions of existing Covid-19-containment policy, any of which could impact production;
- The possibility of the spread of Covid-19 despite significant efforts to implement safety and hygiene measures, leading to employees needing to self-isolate;
- Ensuring all stakeholders agree with the approach to establish safe working practices;
- Possibility of power outages from Eskom;
- Ongoing stability of ACP Phase B unit the repairs to ACP Phase A have been completed.

Considering this, PGM production guidance (metal in concentrate) for 2020 is expected to be in the range of 3.1–3.6 million ounces. Of this total, the platinum outlook is for 1.45–1.65 million ounces, with a palladium forecast of 1.0–1.15 million ounces.

Refined production guidance is expected to be 3.1–3.6 million ounces. The guidance for refined platinum production is 1.45–1.65 million ounces, with refined palladium production of 1.0–1.15 million ounces. The build-up in work-in-progress inventory of c.500,000 3E ounces should be released by the end of 2021.

Sales volumes are expected to be in line with refined production.

Financial outlook

Unit cost guidance for 2020 has been revised to increase to between R11,800 to R12,200 per PGM ounce (previously R10,600 to R11,000 per PGM ounce), as a result of lower production to date and considering the potential operational challenges as the pandemic progresses over the coming months.

Total capital expenditure guidance for 2020, excluding capitalised waste stripping is expected to be between R5.7 and R6.5 billion. Capitalised waste-stripping guidance remains at R2.4–R2.6 billion.

The financial information on which the guidance is based has not been reviewed or reported on by the Company's auditors.

Johannesburg, South Africa
23 July 2020

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the six months ended 30 June 2020

	Notes	Reviewed six months ended 30 June 2020 Rm	30 June 2019 Rm	% change	Audited Year ended 31 December 2019 Rm
Gross sales revenue	5	**54,778**	42,892	28	99,571
Commissions paid		**(7)**	(5)		(20)
Net sales revenue		**54,771**	42,887	28	99,551
Cost of sales	6	**(41,781)**	(32,126)	30	(72,737)
Gross profit on metal sales	6	**12,990**	10,761	21	26,814
Other net expenditure	9	**(1,644)**	(187)		(388)
Market development and promotional expenditure		**(400)**	(354)		(788)
Loss on impairment and scrapping of property, plant and equipment		**(277)**	(109)		(173)
Operating profit		**10,669**	10,111	6	25,465
Interest received	10	**278**	191		349
Income/(losses) from associates and joint ventures (net of taxation)		**66**	(32)		(108)
Fair value remeasurements of other financial assets and liabilities	10	**(1,378)**	376		248
Interest expensed	10	**(241)**	(531)		(572)
Impairment of non-current financial assets		**(39)**	(36)		(77)
Other		**(8)**	—		—
Impairment of Primus Power		**—**	(22)		—
Profit before taxation		**9,347**	10,057	(7)	25,305
Taxation		**(2,650)**	(2,696)	(2)	(6,736)
Profit for the year		**6,697**	7,361	(9)	18,569
Total other comprehensive income/(loss), post-tax		**2,126**	(89)		33
Items that will be subsequently reclassified to profit or loss		**1,282**	(146)		(192)
Deferred foreign exchange translation gains/(losses)		**1,282**	(146)		(192)
Items that will not be subsequently reclassified to profit or loss		**844**	57		225
Net gains on equity investments at fair value through other comprehensive income (FVTOCI)		**959**	76		279
Tax effects		**(115)**	(19)		(54)
Total comprehensive income for the year		**8,823**	7,272	21	18,603
Profit attributed to:					
Owners of the Company		**6,686**	7,313		18,497
Non-controlling interests		**11**	48		72
		6,697	7,361		18,569
Total comprehensive income attributed to:					
Owners of the Company		**8,812**	7,224		18,531
Non-controlling interests		**11**	48		72
		8,823	7,272	21	18,603
EARNINGS PER SHARE					
Earnings per ordinary share (cents)					
– Basic		**2,546**	2,788	(9)	7,046
– Diluted		**2,512**	2,779	(10)	7,021

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2020

	Notes	Reviewed six months ended 30 June 2020 Rm	Reviewed six months ended 30 June 2019 Rm	Audited Year ended 31 December 2019 Rm
ASSETS				
Non-current assets		**60,188**	54,951	57,177
Property, plant and equipment		**45,520**	42,445	43,504
Capital work-in-progress		**9,001**	6,744	8,501
Other financial assets	14	**2,842**	3,434	2,558
Inventories	15	**1,006**	650	1,006
Investments held by environmental trusts		**776**	1,252	798
Investment in associates and joint ventures	13	**646**	426	413
Goodwill		**397**	—	397
Current assets		**62,291**	39,431	46,843
Inventories	15	**31,021**	22,607	22,446
Cash and cash equivalents	16	**23,333**	12,285	18,546
Other financial assets	14	**3,716**	1,041	2,532
Other assets		**2,783**	888	1,633
Trade and other accounts receivable		**1,438**	2,253	1,686
Taxation		**—**	357	—
Total assets		**122,479**	94,382	104,020
EQUITY AND LIABILITIES				
Share capital and reserves				
Share capital		**27**	27	27
Share premium		**22,639**	22,767	22,691
Retained earnings		**30,570**	26,590	35,039
Foreign currency translation reserve		**3,734**	2,498	2,452
Remeasurements of equity investments irrevocably designated at FVTOCI		**1,285**	273	441
Non-controlling interests		**134**	199	192
Shareholders' equity		**58,389**	52,354	60,842
Non-current liabilities		**22,753**	17,986	14,646
Deferred taxation		**11,707**	9,673	11,120
Interest-bearing borrowings	17	**7,039**	5,158	281
Environmental obligations		**2,028**	1,927	1,898
Other financial liabilities	19	**1,395**	670	924
Lease liabilities	18	**556**	543	404
Employee benefits		**19**	15	19
Share-based payment provision		**9**	—	—
Current liabilities		**41,337**	24,042	28,532
Other liabilities	20	**20,821**	9,540	11,306
Trade and other payables		**13,803**	13,336	16,246
Interest-bearing borrowings	17	**3,961**	89	42
Other financial liabilities	19	**1,394**	917	609
Taxation		**1,226**	—	96
Lease liabilities	18	**99**	136	164
Share-based payment provision		**33**	24	69
Total equity and liabilities		**122,479**	94,382	104,020

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the six months ended 30 June 2020

	Notes	Reviewed six months ended 30 June 2020 Rm	Reviewed six months ended 30 June 2019 Rm	Audited Year ended 31 December 2019 Rm
Cash flows from operating activities				
Cash receipts from customers		**55,318**	42,161	98,715
Cash paid to suppliers and employees		**(46,962)**	(31,982)	(66,499)
Cash generated from operations		**8,356**	10,179	32,216
Interest paid (net of interest capitalised)		**(162)**	(250)	(429)
Taxation paid		**(1,342)**	(1,184)	(3,349)
Net cash from operating activities		**6,852**	8,745	28,438
Cash flows used in investing activities				
Purchase of property, plant and equipment (includes interest capitalised)		**(3,415)**	(3,231)	(8,600)
Receipt of deferred consideration		**2,667**	348	348
Interest received		**275**	148	342
Other proceeds		**56**	—	—
Proceeds from sale of plant and equipment		**8**	—	38
Growth in environmental trusts		**3**	(28)	7
Investment in joint ventures (AP Ventures)		**(60)**	(43)	(59)
Advances made to Plateau Resources Proprietary Limited		**(39)**	(43)	(93)
Shareholder funding capitalised to investment in associates		**(38)**	(34)	(68)
Purchase of AA plc shares for the Bonus Share Plan (BSP)		**(2)**	—	(1)
Other advances		**—**	9	(4)
Purchases of financial assets investments		**—**	(4)	(24)
Insurance proceeds for damage to assets		**—**	8	—
Net cash used in investing activities		**(545)**	(2,870)	(8,114)
Cash flows used in financing activities				
Proceeds from/(repayment of) interest-bearing borrowings		**10,677**	(900)	(5,793)
Dividends paid		**(11,059)**	(1,996)	(4,921)
Repayment of deferred consideration		**(522)**	—	(184)
Purchase of treasury shares for the Bonus Share Plan (BSP)		**(254)**	(129)	(232)
Cash distributions to non-controlling interests		**(69)**	(80)	(111)
Repayment of lease liabilities		**(59)**	(29)	(67)
Net cash used in financing activities		**(1,286)**	(3,134)	(11,308)
Net increase in cash and cash equivalents		**5,021**	2,741	9,015
Cash and cash equivalents at beginning of year	16	**18,546**	9,541	9,541
Foreign exchange differences on Unki cash and cash equivalents		**(227)**	3	(10)
Decrease in cash and cash equivalents due to RA Gilbert disposal		**(7)**	—	—
Cash and cash equivalents at end of year	16	**23,333**	12,285	18,546

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2020

	Share capital Rm	Share premium Rm	Foreign currency translation reserve (FCTR) Rm	Remeasurements of equity irrevocably designated at FVTOCI investments Rm	Retained earnings Rm	Non-controlling interests Rm	Total Rm
Balance at 1 January 2019 (audited)	27	22,746	2,644	216	21,428	231	47,292
Total comprehensive (loss)/income for the year			(146)	76	7,313	48	7,291
Deferred taxation charged directly to equity				(19)	8		(11)
Cash distributions to minorities						(80)	(80)
Shares acquired in terms of the BSP – treated as treasury shares	(—)*	(129)					(129)
Shares vested in terms of the BSP	— *	150			(150)		—
Equity-settled share-based compensation					84		84
Shares purchased for employees					—		—
Shares forfeited to cover tax expense on vesting					(11)		(11)
Transfer of reserve upon disposal of investments					—		
Dividends paid					(1,996)		(1,996)
Balance at 30 June 2019 (reviewed)	27	22,767	2,498	273	26,676	199	52,440
Profit for the year					11,184	24	11,208
Other comprehensive income for the year			(46)	203			157
Total comprehensive (loss)/income for the year			(46)	203	11,184	24	11,365
Deferred taxation charged directly to equity				(35)	25		(10)
Dividends paid					(2,925)		(2,925)
Retirement benefit					(2)		(2)
Cash distributions to minorities						(31)	(31)
Shares acquired in terms of the BSP – treated as treasury shares	(—)*	(103)					(103)
Shares vested in terms of the BSP	— *	27			(27)		—
Equity-settled share-based compensation					104		104
Shares forfeited to cover tax expense on vesting					4		4
Balance at 31 December 2019 (audited)	27	22,691	2,452	441	35,039	192	60,842
Profit for the year					**6,686**	**11**	**6,697**
Other comprehensive income			**1,282**	**959**			**2,241**
Total comprehensive income for the year			**1,282**	**959**	**6,686**	**11**	**8,938**
Deferred taxation charged directly to equity				**(115)**	**(2)**		**(117)**
Dividends paid[1]					**(11,059)**		**(11,059)**
Retirement benefit							**—**
Cash distributions to minorities						**(69)**	**(69)**
Shares acquired in terms of the BSP – treated as treasury shares	**(—)***	**(254)**					**(254)**
Shares vested in terms of the BSP	**— ***	**202**			**(202)**		**—**
Equity-settled share-based compensation					**116**		**116**
Shares forfeited to cover tax expense on vesting					**(8)**		**(8)**
Balance at 30 June 2020 (reviewed)	**27**	**22,639**	**3,734**	**1,285**	**30,570**	**134**	**58,389**

** Less than R500,000.*

[1] *Dividends paid*	*Per share*	*Rm*
Final 2019	*R41.60*	*11,059*

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 30 June 2020

1. The condensed consolidated interim financial statements are prepared in accordance with and contain the information required by IAS 34 *Interim Financial Reporting*, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and the requirements of the Companies Act of South Africa.

The preparation of the Anglo American Platinum Group's (Group) reviewed consolidated interim results for the six months ended 30 June 2020 were supervised by the Finance Director, Mr CW Miller CA(SA).

Going concern

The financial position of the Group, its cash flows, liquidity position and borrowing facilities for the six months ended 30 June 2020 are set out in this announcement. The Group's net cash at 30 June 2020 was R11.3 billion (31 December 2019: R17.3 billion). The Group's liquidity position (defined as cash and undrawn committed facilities) of R16.6 billion at 30 June 2020 remains in a strong position. Details of borrowings and facilities are set out in note 17.

The directors have considered the Group's cash flow forecasts for the period to the end of 31 December 2021 under base and downside scenarios, with consideration given to the uncertainty of the impact of the Covid-19 pandemic on both the wider macroeconomic environment and the Group's operations. In all of the scenarios modelled, the Group maintains sufficient liquidity and headroom throughout the period of assessment without the use of mitigating actions.

The Board is satisfied that the Group's forecasts and projections, taking into account reasonably possible changes in trading performance show that the Group will be able to operate within the level of its current facilities for the foreseeable future. For this reason the Group continues to adopt the going concern basis in preparing its condensed consolidated financial statements.

Changes in the current reporting period

In the six months ended 30 June 2020, the mining, treatment and refining operations have not been fully operational and have not run at normal production levels throughout the period. This was as a result of the shutdown of the Anglo Converter Plant (ACP) due to an explosion within Phase A of the converter, a subsequent temporary shut down of Phase B and the nationwide lockdown that resulted in all assets being placed on care and maintenance. Under these circumstances not all operations have ramped up to full production. The Group has adjusted the inventory valuation to ensure that the allocation of fixed production overheads to the costs of conversion are based on the normal capacity of the production facilities. Variable production costs are allocated to each unit of production on the basis of the actual use of the production facilities. Management assesses on a monthly basis whether normal production levels have been reached throughout the value chain. An impairment loss of R264 million was recognised on ACP.

2. ACCOUNTING POLICIES

The accounting policies applied in the preparation of these condensed consolidated interim financial statements are in terms of International Financial Reporting Standards (IFRS) and are consistent with those applied in the financial statements for the year ended 31 December 2019, except as set out in note 3 below.

3. ACCOUNTING POLICIES

Impact of new standards issued and amendments to existing standards not yet effective

At the reporting date, the following new accounting standards and amendments to existing standards were in issue but not yet effective:

New standards and amendments	Effective for annual periods commencing on or after
• IFRS 3 *Business Combinations* – amendment updates a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.	1 January 2022
• IAS 1 *Presentation of Financial Statements* – Classification of liabilities as current or non-current: Narrow-scope amendments to IAS 1 to clarify how to classify debt and other liabilities as current or non-current.	1 January 2022
• IAS 16 *Property, Plant and Equipment* – Proceeds before Intended Use: The amendments prohibit an entity from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss.	1 January 2022
• IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* – Onerous Contracts – Cost of Fulfilling a Contract: The amendments specify which costs should be included in an entity's assessment whether a contract will be loss-making.	1 January 2022
• IFRS 17 *Insurance Contracts* – requires insurance liabilities to be measured at a current fulfilment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. IFRS 17 supersedes IFRS 4 *Insurance Contracts* as of 1 January 2021.	1 January 2023
• Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – deal with situations where there is a sale or contribution of assets between an investor and its associates or joint ventures.	To be determined

The above standards and amendments, are not expected to have a material impact for the Group.

4. SEGMENTAL INFORMATION

	Net sales revenue			EBITDA[1]		
	Reviewed six months ended		Audited Year ended	Reviewed six months ended		Audited Year ended
	30 June 2020 Rm	30 June 2019 Rm	31 December 2019 Rm	**30 June 2020 Rm**	30 June 2019 Rm	31 December 2019 Rm
Segment revenue and results						
Operations						
Mogalakwena Mine	**11,385**	11,067	25,845	**6,443**	6,280	14,375
Amandelbult Mine	**7,923**	6,890	17,424	**2,281**	1,785	5,132
Mototolo Mine	**2,173**	1,830	4,506	**823**	722	1,956
Unki Platinum Mine	**1,977**	1,810	4,403	**562**	488	1,520
Modikwa Platinum Mine[2]	**1,402**	1,255	2,988	**695**	403	1,080
Kroondal Platinum Mine[2]	**2,957**	2,368	5,824	**1,471**	967	2,499
Twickenham Project	**—**	—	—	**(89)**	(199)	—
Other mined	**—**	—	—	**42**	(18)	(462)
Total – mined	**27,817**	25,220	60,989	**12,228**	10,428	26,099
Tolling and purchase of concentrate	**12,088**	13,973	30,708	**2,121**	2,256	4,392
Trading[3]	**14,866**	3,694	7,854	**486**	43	247
Foreign currency losses	**—**	—	—	**(1,063)**	—	—
Market development and promotional expenditure	**—**	—	—	**(400)**	(355)	(788)
Covid-19 costs	**—**	—	—	**(251)**	—	—
Restructuring	**—**	—	—	**(58)**	(1)	—
	54,771	42,887	99,551	**13,063**	12,371	29,950
Depreciation				**(2,099)**	(2,153)	(4,441)
Foreign currency losses				**1,063**	—	—
Marketing development and promotional expenditure				**400**	354	788
Other expenses				**320**	156	409
Covid-19 costs				**251**	—	—
Restructuring				**58**	1	—
(Income)/loss from associates and joint ventures				**(66)**	32	108
Gross profit on metal sales				**12,990**	10,761	26,814

1 *Earnings before interest, tax, depreciation and amortisation adjusted to exclude scrapping of property, plant and equipment.*

2 *The Group's share (excluding purchase of concentrate).*

3 *Includes purchases of third-party refined metal.*

Information reported to the Executive Committee of the Group for purposes of resource allocation and assessment of segment performance is done on a mine-by-mine basis.

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

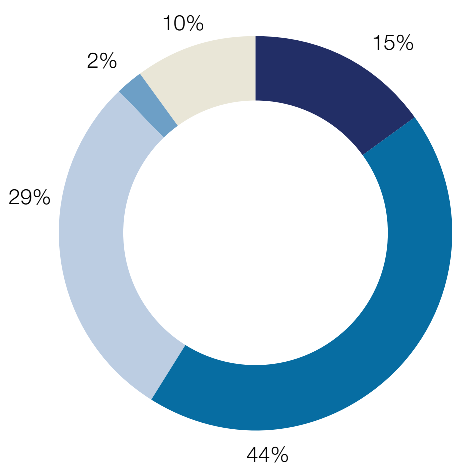
The group's mining, smelting and refining operations are all located in South Africa with the exception of Unki Platinum Mine, which is located in Zimbabwe.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

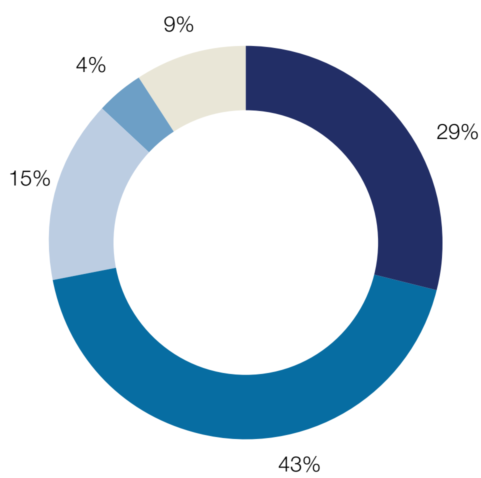
for the six months ended 30 June 2020

	Reviewed six months ended 30 June 2020 Rm	Reviewed six months ended 30 June 2019 Rm	Audited Year ended 31 December 2019 Rm
5. GROSS SALES REVENUE			
Sales revenue emanated from the following principal regions:			
Precious metals	**51,442**	39,310	91,176
Asia	**30,530**	15,404	36,862
Europe	**18,531**	20,825	48,650
North America	**2,365**	2,103	4,448
South Africa	**16**	978	1,216
Base metals	**1,814**	2,397	5,719
South Africa	**83**	131	228
Rest of the world	**1,731**	2,266	5,491
Other	**1,130**	683	1,563
South Africa	**445**	205	350
Rest of the world	**685**	478	1,213
	54,386	42,390	98,458
Gross sales revenue by metal			
Platinum	**8,209**	12,183	28,200
Palladium	**23,728**	18,138	39,258
Rhodium	**15,643**	6,301	17,668
Nickel	**1,320**	1,745	4,427
Other	**5,486**	4,023	8,905
	54,386	42,390	98,458
Revenue from services			
Toll refining	**392**	502	1,113
Gross revenue	**54,778**	42,892	99,571

Gross sales revenue by metal – June 2020



Gross sales revenue by metal – June 2019



	Reviewed six months ended 30 June 2020 Rm	Reviewed six months ended 30 June 2019 Rm	Audited Year ended 31 December 2019 Rm
6. GROSS PROFIT ON METAL SALES			
Net sales revenue	**54,771**	42,887	99,551
Cost of sales	**(41,781)**	(32,126)	(72,737)
Cash operating costs	**(15,104)**	(15,866)	(33,612)
On-mine	**(11,302)**	(11,969)	(25,624)
Smelting	**(2,005)**	(1,973)	(4,159)
Treatment and refining	**(1,797)**	(1,924)	(3,829)
Purchase of metals and leasing activities[1]	**(30,690)**	(12,828)	(30,384)
Depreciation	**(2,099)**	(2,153)	(4,441)
On-mine	**(1,414)**	(1,513)	(3,051)
Smelting	**(352)**	(298)	(685)
Treatment and refining	**(333)**	(342)	(705)
Increase in metal inventories	**8,367**	761	910
Increase/(decrease) in ore stockpiles	**48**	(100)	(137)
Other costs (note 8)	**(2,303)**	(1,940)	(5,073)
Gross profit on metal sales	**12,990**	10,761	26,814
Gross profit margin (%)	**24**	25	27

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

7. DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT

Depreciation of plant and equipment comprises of the following categories:

	30 June 2020 Rm	30 June 2019 Rm	31 December 2019 Rm
Operating assets	**2,099**	2,153	4,441
Mining	**1,414**	1,513	3,051
Smelting	**352**	298	685
Treatment and refining	**333**	342	705
Depreciation included in other costs	**38**	38	13
	2,137	2,191	4,454

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the six months ended 30 June 2020

	Reviewed six months ended		Audited Year ended
	30 June 2020 Rm	30 June 2019 Rm	31 December 2019 Rm
8. OTHER COSTS			
Other costs comprise the following principal categories:			
Corporate related costs			
Corporate costs	**315**	251	564
Corporate costs – Anglo American[1]	**76**	62	133
Share-based payments	**63**	54	116
Research	**21**	7	109
Community social investment	**8**	43	73
Exploration	**6**	17	26
	489	434	1,021
Operational related costs			
Transport of metals	**309**	319	836
Technical and sustainability – Anglo American[1]	**305**	278	506
Community social investment	**108**	89	175
Share-based payments	**68**	50	141
Studies	**60**	35	121
Research – Anglo American[1]	**50**	49	83
Exploration	**7**	22	39
Other	**3**	55	17
	910	897	1,918
Royalties and carbon tax			
Royalties and carbon tax	**904**	609	2,134
Total other costs	**2,303**	1,940	5,073

[1] *Services provided by fellow subsidiaries.*

9. OTHER NET EXPENDITURE			
Other net expenditure comprises the following principal categories:			
Realised and unrealised foreign exchange loss[1]	**(1,315)**	(164)	(156)
Project maintenance costs[2]	**(102)**	(60)	(153)
Restructuring and other related costs	**(58)**	(1)	(42)
Royalties received	**78**	42	87
Profit/(loss) on disposal of plant, equipment and conversion rights	**6**	—	(2)
Insurance proceeds	**3**	8	22
Other – net	**(256)**	(12)	(144)
	(1,644)	(187)	(388)

[1] *As described in note 20, the Group enters into certain complex transactions to deliver metal in future for which the resultant contract asset or liability requires judgement in terms of its treatment as monetary or non-monetary. Where the Group enters into a contract to deliver a variable number of metals in which the fair value to be delivered equals a fixed or determinable number of units of currency, such items are treated as monetary items and are exposed to movements in exchange rates.*

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

	Reviewed six months ended 30 June 2020 Rm	Reviewed six months ended 30 June 2019 Rm	Audited Year ended 31 December 2019 Rm
10. INTEREST EXPENSED AND RECEIVED			
Interest expensed			
Interest paid on financial liabilities	**(125)**	(505)	(304)
Interest paid on financial liabilities[1]	**(214)**	(644)	(520)
Less: Capitalised	**89**	139	216
Time value of money adjustment to environmental obligations	**(79)**	(26)	(194)
Decommissioning costs	**(27)**	(35)	(102)
Restoration	**(52)**	9	(92)
Interest paid on lease liabilities	**(37)**	—	(74)
	(241)	(531)	(572)
Interest received			
Interest received on financial assets	**278**	191	349
Interest received	**275**	188	342
Growth in environmental trust investments	**3**	3	7
Remeasurements of financial assets and financial liabilities measured at FVPL			
(Losses)/gains on remeasurements of other financial assets and liabilities	**(1,378)**	376	248

[1] *Includes interest paid to Anglo American SA Finance Limited of R11 million at 30 June 2020 (30 June 2019: R299 million; 31 December 2019: R375 million)*

11. TAXATION

A reconciliation of the standard rate of South African normal taxation compared with that charged in the statement of comprehensive income is set out in the following table:

	30 June 2020 %	30 June 2019 %	31 December 2019 %
South African normal normal tax rate	**28.0**	28.0	28.0
Deferred consideration fair value remeasurements	**1.6**	(0.4)	(0.6)
Disallowable items that are individually immaterial	**0.3**	(0.4)	0.3
Impairment of investments in associates	**0.1**	(0.2)	(0.1)
Impairment of non-current financial assets	**0.1**	0.1	0.1
Difference in tax rates of subsidiaries	**(1.5)**	(0.1)	(1.0)
Effect of after-tax share of (gains)/losses from associates	**(0.2)**	0.1	0.1
Prior year overprovision	**—**	(0.1)	(0.2)
Disallowable provisions	**—**	—	(0.2)
Other	**—**	(0.2)	0.2
Effective taxation rate	**28.4**	26.8	26.6

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the six months ended 30 June 2020

	Reviewed six months ended		Audited Year ended
	30 June 2020 Rm	30 June 2019 Rm	31 December 2019 Rm
12. RECONCILIATION BETWEEN PROFIT AND HEADLINE EARNINGS			
Profit attributable to shareholders	**6,686**	7,313	18,497
Adjustments			
Loss on impairment and scrapping of property, plant and equipment[1]	**277**	109	173
Tax effect thereon	**(78)**	(30)	(48)
Impairment of investments in associates	**14**	—	—
Tax effect thereon	**—**	—	—
Loss on disposal of investment in subsidiary	**7**	—	—
Tax effect thereon	**(3)**	—	—
Profit on disposal of property, plant and equipment	**(4)**	(3)	(3)
Tax effect thereon	**1**	1	—
Insurance proceeds on loss of assets	**(3)**	(8)	(22)
Tax effect thereon	**1**	2	6
Headline earnings	**6,898**	7,384	18,603
Shares			
Number of ordinary shares in issue (millions)	**269.7**	269.7	269.7
Weighted average number of ordinary shares in issue (millions)	**262.6**	262.3	262.5
Weighted average number of diluted ordinary shares in issue (millions)	**266.1**	263.1	263.5
Attributable headline earnings per ordinary share (cents)			
Headline	**2,627**	2,815	7,087
Diluted	**2,592**	2,806	7,061

[1] *Includes an amount of R264 million relating to impairments at ACP.*

	30 June 2020 Rm	30 June 2019 Rm	31 December 2019 Rm
13. INVESTMENT IN ASSOCIATES AND JOINT VENTURES			
Unlisted			
AP Ventures	**588**	367	355
Peglerae Hospital Propriety Limited	**58**	59	57
	646	426	413

	Reviewed six months ended 30 June 2020 Rm	Reviewed six months ended 30 June 2019 Rm	Audited Year ended 31 December 2019 Rm
14. OTHER FINANCIAL ASSETS			
Non-current financial assets			
Loans carried at amortised cost			
Loan to ARM Mining Consortium Limited	**46**	44	68
Loans to Plateau Resources Proprietary Limited (Plateau)	**—**	231	—
Other	**100**	100	100
	146	375	168
Equity investments irrevocably designated at FVTOCI			
Investment in Ballard Power Systems Inc.	**1,273**	270	480
Investment in Rand Mutual Holdings	**117**	—	—
Investment in Wesizwe Platinum Limited (Wesizwe)	**81**	83	108
Investment in SA SME Fund	**40**	—	40
Investment in Anglo American plc shares	**10**	17	17
	1,521	370	644
Other financial assets mandatorily measured at FVPL			
Deferred consideration on sale of Rustenburg Mine	**946**	1,429	1,566
Deferred consideration on sale of Pandora Joint Operation	**229**	164	181
Deferred consideration on sale of BRPM	**—**	1,096	—
	1,175	2,689	1,746
Total other financial assets – non-current	**2,842**	3,434	2,558
Current financial assets			
Other financial assets mandatorily measured at FVPL			
Deferred consideration on sale of Rustenburg Mine	**777**	482	673
Fair value of derivatives	**2,939**	11	19
Deferred consideration on sale of BRPM	**—**	548	1,840
Total other financial assets – current	**3,716**	1,041	2,532
15. INVENTORIES			
Refined metals	**4,266**	3,367	4,466
At cost	**3,800**	2,726	3,778
At net realisable values	**442**	641	688
At fair value	**24**	—	—
Work-in-process	**22,877**	15,260	14,310
At cost	**21,792**	12,972	12,685
At net realisable values	**1,085**	2,288	1,625
Total metal inventories	**27,143**	18,627	18,776
Ore stockpiles	**2,167**	2,156	2,119
Stores and materials at cost less obsolescence provision	**2,717**	2,474	2,557
	32,027	23,257	23,453
Less: Non-current inventories (ore stockpiles)	**(1,006)**	(650)	(1,006)
	31,021	22,607	22,446

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the six months ended 30 June 2020

		Reviewed six months ended		Audited Year ended
		30 June 2020 Rm	30 June 2019 Rm	31 December 2019 Rm
16.	**CASH AND CASH EQUIVALENTS**			
	Cash on deposits and on hand	**22,953**	11,913	18,169
	Restricted cash[1]	**380**	372	377
		23,333	12,285	18,546

1 *Cash held in trust comprises funds which may only be utilised for purposes of community development activities and villages resettlements. All income earned on these funds is reinvested or spent to meet these obligations.*

		30 June 2020 Rm	30 June 2019 Rm	31 December 2019 Rm
17.	**INTEREST-BEARING BORROWINGS**			
	The Group has the following borrowing facilities:			
	Committed facilities	**20,709**	20,559	20,540
	Uncommitted facilities	**6,735**	6,417	6,403
	Total facilities	**27,444**	26,976	26,943
	Less: facilities utilised[1]	**(8,539)**	(5,247)	(323)
	Non-current interest-bearing borrowings	**(7,039)**	(5,158)	(281)
	Current borrowings	**(1,500)**	(89)	(42)
	Available facilities	**18,905**	21,729	26,620
	Non-current interest bearing borrowings	**7,039**	5,158	281
	Current borrowings	**3,961**	89	42
	Interest bearing borrowings	**1,500**	89	42
	Contract liability top-up[2]	**2,461**	—	—
	Total interest-bearing borrowings	**11,000**	5,247	323
	Weighted average borrowing rate (%)	**5.64**	8.46	9.67

1 *Includes Rnil (30 June 2019: R4,851 million; 31 December 2019: Rnil) owing to Anglo American SA Finance Limited on the committed and uncommitted facilities.*

2 *The contract liability top-up represents amounts received in advance which will be deducted from payments to be received on future deliveries of metal.*

Committed facilities are defined as the bank's and Anglo American SA Finance Limited's obligation to provide funding until maturity of the facility, by which time the renewal of the facility is negotiated.

An amount of Rnil (30 June 2019: R500 million; 31 December 2019: Rnil) of the facilities is committed for less than a year; R17,409 million (30 June 2019: R16,517 million; 31 December 2019: R17,240 million) is committed for one to five years; Rnil (30 June 2019: R242 million; 31 December 2019: Rnil) is committed for more than five years, R1,000 million (30 June 2019: R1,000 million; 31 December 2019: R1,000 million) is committed for a rolling period of 364 days; R2,300 million (30 June 2019: R2,300 million; 31 December 2019: R2,300 million) is committed for a rolling period of 18 months. The Company has adequate committed facilities to meet its future funding requirements. Uncommitted facilities are callable on demand.

		30 June 2020 Rm	30 June 2019 Rm	31 December 2019 Rm
18.	**LEASE LIABILITIES**			
	The group holds leases, under IFRS 16, at its various operations with various lease terms. These are disclosed as follows:			
	Lease obligations	**655**	679	568
	Less: Short-term portion included in current liabilities	**(99)**	(136)	(164)
	Long-term portion included in non-current liabilities	**556**	543	404

	Reviewed six months ended 30 June 2020 Rm	Reviewed six months ended 30 June 2019 Rm	Audited Year ended 31 December 2019 Rm
19. OTHER FINANCIAL LIABILITIES			
Financial liabilities carried at fair value			
Deferred consideration payable on acquisition of Mototolo Joint Operation	**1,395**	670	924
Non-current	**1,395**	670	924
Financial liabilities carried at amortised cost			
Platinum Producers' Environmental Trust (PPET) payable to Sibanye	**—**	489	—
Financial liabilities carried at fair value			
Deferred consideration payable on acquisition of Mototolo Joint Operation	**1,331**	402	592
Fair value of derivatives	**63**	1	17
Fair value of commodity contracts	**—**	25	—
Current	**1,394**	917	609
Total other financial liabilities	**2,789**	1,587	1,533
20. OTHER LIABILITIES			
Contract liability[1]	**16,072**	7,427	9,356
Liabilities for the return of metal[2]	**2,584**	—	—
Accrual for leave pay	**1,178**	971	1,037
Other accruals	**987**	1,142	913
	20,821	9,540	11,306

[1] *The contract liability represents a payment in advance for metal to be delivered in six months time. An amount is received monthly on a rolling six-month basis over six years of the contract ending in March 2023. The increase in the current period is due to higher PGM prices and fluctuations in the ZAR/USD exchange rate.*

[2] *Liabilities for the return of metal comprise provisions arising from metal leasing transactions, the best estimate of which is determined with reference to the spot metal price at the end of the reporting period applied to the ounces of metal obtained under such leasing arrangements.*

	30 June 2020 Rm	30 June 2019 Rm	31 December 2019 Rm
21. COMMITMENTS AND CONTINGENT LIABILITIES			
Commitments			
Property, plant and equipment			
Contracted for	**3,256**	2,387	2,511
Not yet contracted for	**4,313**	3,501	3,617
Authorised by the directors	**7,569**	5,888	6,128
Project capital	**3,133**	1,291	2,304
Within one year	**2,041**	685	1,298
Thereafter	**1,092**	606	1,006
Stay-in-business capital	**4,436**	4,597	3,824
Within one year	**2,776**	3,441	2,445
Thereafter	**1,660**	1,156	1,379

[1] *Prior period has been adjusted.*

These commitments will be funded from existing cash resources, future operating cash flows, borrowings and any other funding strategies embarked on by the Group.

The Group has a commitment to fund the care and maintenance costs of its associate, Bokoni Mine, for the remainder of 2020 for an amount of R122 million. This funding is contingent on the Group's financial director reviewing the costs to ensure they are for approved care and maintenance costs before they are paid over to Bokoni. 51% of the committed funding is accounted for as a loan to Plateau when the funds are paid to Bokoni.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the six months ended 30 June 2020

21. COMMITMENTS AND CONTINGENT LIABILITIES

Contingent liabilities

Letters of comfort have been issued to financial institutions to cover certain banking facilities. There are no encumbrances over Group assets.

The Group is the subject of various claims, which are not expected, in aggregate, to result in material losses.

The Group has, in the case of some of its mines, provided the Department of Minerals Resources with guarantees that cover the difference between the closure costs and amounts held in the environmental trusts. At 30 June 2020, these guarantees amounted to R3,240 million (30 June 2019: R 3,270 million; 31 December 2019: R 2,973 million).

22. RELATED PARTY TRANSACTIONS

The Company and its subsidiaries, in the ordinary course of business, enter into various sale, purchase, service and lease transactions with Anglo American South Africa Investments Proprietary Limited (parent company) and the ultimate holding company (Anglo American plc), their subsidiaries, joint arrangements and associates, as well as transactions with the Group's associates. Certain deposits and borrowings are also placed with subsidiaries of the holding company. The Group participates in the Anglo American plc insurance programme. Material related party transactions with subsidiaries and associates of Anglo American plc and the Group's associates (as set out in note 8) and not disclosed elsewhere in the notes to the financial statements are as follows:

	Reviewed six months ended		Audited Year ended
	30 June 2020 Rm	30 June 2019 Rm	31 December 2019 Rm
Deposits (including interest receivable)[1]	**20,697**	10,372	16,783
Purchase of goods and services from fellow subsidiaries	**800**	706	1,445
Technical and sustainability	**305**	278	506
Marketing administration costs[2]	**94**	58	127
Corporate costs	**76**	62	133
Supply chain	**68**	55	91
Information management	**56**	65	185
Research	**50**	49	83
Shared services	**47**	48	97
Shipping costs[2]	**45**	34	110
Office costs	**19**	18	38
Routine analysis (sample testing)	**17**	28	55
Base metals sales commission[2]	**15**	3	7
Enterprise development	**8**	8	13
Sale of metals to fellow subsidiaries[2]	**351**	18	731
Amounts owed to fellow subsidiaries[2]	**295**	120	162
Insurance paid for the year[1]	**206**	226	431
Interest received for the year[1]	**202**	109	253
Compensation paid to key management personnel	**147**	69	123
Commitment fees paid for the year[1]	**34**	—	37
Amounts receivable from fellow subsidiaries[2]	**17**	18	113
Interest paid for the year[1]	**11**	299	376
Interest-bearing borrowings (including interest accrued)[1]	**—**	4,882	—
Insurance received for the year[1]	**—**	—	40
Commitment fees owed to related parties[1]	**—**	—	32

1 *Fellow subsidiaries.*

2 *Prior period has been adjusted.*

Trade payables

Trade payables are settled on commercial terms.

Deposits

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

Interest-bearing borrowings

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

23. FAIR VALUE DISCLOSURES

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

The levels are classified as follows:

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

Description	30 June 2020 Rm	Fair value measurement as at 30 June 2020 Level 1 Rm	Level 2 Rm	Level 3 Rm
Financial assets at fair value through profit or loss				
Investments held by environmental trusts	**776**	**776**	**—**	**—**
Other financial assets	**4,891**	**—**	**2,940**	**1,951**
Equity investments irrevocably designated at FVTOCI				
Other financial assets	**1,521**	**91**	**—**	**1,430**
	7,188	**867**	**2,940**	**3,381**
Financial liabilities at fair value through profit and loss				
Trade and other payables[1]	**(7,150)**	**—**	**(7,150)**	**—**
Other financial liabilities	**(2,789)**	**—**	**(63)**	**(2,726)**
Non-financial liabilities at fair value through profit or loss				
Liabilities for return of metal	**(2,584)**	**—**	**(2,584)**	**—**
	(12,523)	**—**	**(9,797)**	**(2,726)**

[1] *Represents payables under purchase of concentrate agreements.*

Description	30 June 2019 Rm	Fair value measurement as at 30 June 2019 Level 1 Rm	Level 2 Rm	Level 3 Rm
Financial assets through profit or loss				
Investments held by environmental trusts	1,252	1,252	—	—
Other financial assets	3,730	—	11	3,719
Equity investments irrevocably designated at FVTOCI				
Other financial assets	370	100	—	270
	5,352	1,352	11	3,989
Financial assets through profit or loss				
Trade and other payables[1]	(6,684)	—	(6,684)	—
Other current financial liabilities	(1,098)	—	(26)	(1,072)
	(7,782)	—	(6,710)	(1,072)

[1] *Represents payables under purchase of concentrate agreements.*

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the six months ended 30 June 2020

23. FAIR VALUE DISCLOSURES

Description	31 December 2019 Rm	Fair value measurement as at 31 December 2019 Level 1 Rm	Level 2 Rm	Level 3 Rm
Financial assets at fair value through profit or loss				
Investments held by environmental trusts	798	798	—	—
Other financial assets	4,278	—	19	4,259
Equity investments irrevocably designated at FVTOCI				
Other financial assets	644	125	—	519
	5,720	923	19	4,778
Financial liabilities at fair value through profit and loss				
Trade and other payables[1]	(8,722)	—	(8,722)	—
Other financial liabilities	(1,533)	—	(17)	(1,516)
	(10,255)	—	(8,739)	(1,516)

[1] *Represents payables under purchase of concentrate agreements.*

There were no transfers between the levels during the year.

Valuation techniques used to derive Level 2 fair values

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

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

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

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

The Level 3 fair value of other financial assets comprises investment in unlisted companies Ballard Power Systems, SA SME Fund and Rand Mutual Holdings. These investments are irrevocably designated as at fair value through other comprehensive income per IFRS 9 *Financial Instruments* and the deferred consideration on the disposal of the Rustenburg Mine and Pandora Joint Operation which are classified as financial assets at fair value through profit or loss. The fair values are based on unobservable market data, and estimated with reference to recent third-party transactions in the instruments of the company, or based on the underlying discounted cash flows expected.

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

23. FAIR VALUE DISCLOSURES

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

	Reviewed six months ended		Audited Year ended
	30 June 2020 Rm	30 June 2019 Rm	31 December 2019 Rm
Reconciliation of level 3 fair value assets			
Opening balance	**4,778**	3,887	3,887
Total gains included in other comprehensive income	**911**	100	279
Remeasurements of deferred considerations through profit or loss[1]	**359**	377	918
Payment received	**(2,667)**	(348)	(348)
Impairment of Primus Power	**—**	(22)	—
Investment in Primus Power convertible notes	**—**	4	—
Foreign exchange translation	**—**	(9)	42
Closing balance	**3,381**	3,989	4,778
Reconciliation of level 3 fair value liabilities			
Opening balance	**(1,516)**	(938)	(938)
Remeasurement of deferred consideration through profit and loss[1]	**(1,732)**	(242)	(762)
Repayments	**522**	108	184
Closing balance	**(2,726)**	(1,072)	(1,516)

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

Deferred consideration terms are as follows:

Rustenburg Mine

Deferred consideration is calculated as 35% of the distributable free cash flows generated by Sibanye-Stillwater's Rustenburg Mine over a six-year period from inception in November 2016, subject to a minimum receipt of R3 billion. The movement for the current period relates to changes in cash flows and the discount rate.

Pandora Joint Operation

Deferred consideration is calculated as 20% of the distributable free cash flows generated by Pandora operations over a six-year period from inception in December 2017, subject to a minimum consideration of R400 million. The movement for the current period relates to changes in cash flows and the discount rate.

Mototolo Joint Operation

Deferred consideration of R925 million is payable monthly over a period of 72 months from the effective date in November 2018 in monthly instalments, as well as annual top-up payments where applicable. The deferred consideration is remeasured based on the actual PGM 4E prices realised over the deferred consideration period. The maximum amount payable is limited to R22 billion. The movement for the period relates to increases in PGM prices and fluctuations in the ZAR:USD exchange rate.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the six months ended 30 June 2020

23. FAIR VALUE DISCLOSURES

Level 3 fair value sensitivities

Assumed expected cash flows, discount rates and market prices of peer groups have a significant impact on the amounts recognised in the statement of comprehensive income. A 10% change in expected cash flows and a 0.5% change in the discount rates would have the following impact:

	Reviewed six months ended		Audited Year ended
	30 June 2020 Rm	30 June 2019 Rm	31 December 2019 Rm
Financial assets			
Deferred consideration on Rustenburg Mine			
10% change in expected cash flows			
Reduction to profit or loss	**25**	51	51
Increase to profit or loss	**12**	51	51
0.5% change in discount rates			
Reduction to profit or loss	**11**	34	28
Increase to profit or loss	**11**	34	28
Deferred consideration of Pandora Joint Operation			
0.5% change in discount rates			
Reduction to profit or loss	**4**	3	3
Increase to profit or loss	**4**	3	3
Investment in equity investments			
10% change in market price of peer groups			
Reduction to OCI	**127**	27	49
Increase to OCI	**127**	27	49
Financial liabilities			
Deferred consideration payable on Mototolo Joint Operation			
10% change in PGM prices			
Reduction to profit or loss	**530**	468	461
Increase to profit or loss	**530**	468	461
0.5% change in discount rates			
Reduction to profit or loss	**16**	10	11
Increase to profit or loss	**16**	10	11
10% change in exchange rates			
Reduction to profit or loss	**530**	468	461
Increase to profit and loss	**530**	468	461

24. CHANGES IN ACCOUNTING ESTIMATES

Change in estimate of quantities of inventory

During the current period, the Group changed its estimate of the quantities of inventory based on the outcome of a physical count of in-process metals. The Group runs a theoretical metal inventory system based on inputs, the results of previous counts and outputs. Due to the nature of in-process inventories being contained in weirs, pipes and other vessels, physical counts only take place once per annum, except in the Precious Metal Refinery, where the physical count is usually conducted every three years. The Precious Metals Refinery physical count was conducted in 2019.

This change in estimate has had the effect of decreasing the value of inventory disclosed in the financial statements by R782 million (31 December 2019: increasing of R961 million). This results in the recognition of an after-tax-loss of R566 million (31 December 2019: after-tax-gain of R692 million).

Rustenburg deferred consideration

The Group's sale of the Rustenburg Mine completed on 1 November 2016. The present value of the deferred consideration was recognised as a level 3 financial asset at fair value through profit or loss. Remeasurements arising from changes in estimates of cash flows as well as the unwinding of the discount are included in fair value remeasurements of other financial assets and liabilities. This has given rise to a post-tax increase of R236 million (30 June 2019: R220 million; 31 December 2019: R495 million) in the present value of the deferred consideration, and the recognition of a gain in profit or loss which is included in headline earnings.

25. IMPAIRMENT OF ASSETS AND INVESTMENTS

Equity investments in Bokoni Holdco and associated loans

AAP holds a 49.00% shareholding in Bokoni Holdco, which is equity accounted as an associate.

On 21 July 2017 Atlatsa Resources (parent of Plateau) announced the placement of Bokoni Platinum Mine on care and maintenance, which was effected on 1 October 2017. AAP committed to support Bokoni while on care and maintenance until the end of December 2020. A total of R77 million was advanced during the period ended 30 June 2020.

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

Bokoni

R38 million (49%) of the care and maintenance funding was capitalised to the investment in Bokoni and equity-accounted losses to the same value were applied against this amount. The equity-accounted losses impact headline earnings.

Plateau

R39 million (51%) of the care and maintenance funding for 2020 was capitalised as a loan to Plateau. The full value hereof was impaired.

26. POST-BALANCE SHEET EVENTS

There are no post-balance sheet events other than disclosed below.

Dividend declared

A final dividend of R10.23 per share (~R2.8 billion) for the period ended 30 June 2020 was declared after period end, payable on Monday, 31 August 2020 to shareholders recorded in the register at the close of business on Friday, 28 August 2020.

27. AUDITORS REVIEW

These condensed consolidated interim financial statements have been reviewed by the Group's auditors, PricewaterhouseCoopers Inc. The review of the condensed consolidated interim financial statements was performed in accordance with ISRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. The auditor's review report does not necessarily report on all the information contained in these interim results. Shareholders are advised that in order to obtain a full understanding of the nature of the auditors engagement they should read the auditor's review report and obtain the accompanying financial information from the registered office.

Any reference to future financial performance, included in these interim results, has not been reviewed or reported on by the Group's auditors.

INDEPENDENT AUDITOR'S REVIEW REPORT ON INTERIM FINANCIAL STATEMENTS

To the Shareholders of Anglo American Platinum Limited

We have reviewed the condensed consolidated interim financial statements of Anglo American Platinum Limited in the accompanying interim report, which comprise the condensed consolidated statement of financial position as at 30 June 2020 and the related condensed consolidated statements of comprehensive income, changes in equity and cash flows for the six-months then ended, and selected explanatory notes.

Directors' Responsibility for the Interim Financial Statements

The directors are responsible for the preparation and presentation of these interim financial statements in accordance with the International Financial Reporting Standard, (IAS) 34 *Interim Financial Reporting,* the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on these interim financial statements. We conducted our review in accordance with International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the interim financial statements are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of interim financial statements in accordance with ISRE 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

The procedures in a review are substantially less than and differ in nature from those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements of Anglo American Platinum Limited for the six months ended 30 June 2020 are not prepared, in all material respects, in accordance with the International Financial Reporting Standard, (IAS) 34 *Interim Financial Reporting*, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and the requirements of the Companies Act of South Africa.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Director: JFM Kotzé
Registered Auditor
Waterfall City
27 July 2020

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Chief Executive Officer: L S Machaba
The Company's principal place of business is at 4 Lisbon Lane, Waterfall City, Jukskei View, where a list of directors' names is available for inspection.
Reg. no. 1998/012055/21, VAT reg.no. 4950174682.

SUSTAINABILITY COMMITMENTS

for the six months ended 30 June 2020

Objective areas	2020 target	2020 half year performance	
Safety and health	Zero fatalities	Zero fatalities	☑
	TRCFR (per million hours) lower than 2.54	2.24 TRCFR per million hours worked	☑
	LTIFR (per million hours) lower than 2.25 (15% improvement target on prior three-year average) **Note: No longer a targeted metric for Anglo American Platinum**	1.82 LTIFR per million hours worked	☑
	HIV management: 90% of at risk population knowing their status	54% of employees know their HIV status (end May)	⊘
	HIV management: 90% of HIV-positive undergoing treatment (on ART)	94% of known HIV-positive employees are on ART	☑
	TB incidence rate of below 600 per 100,000 **Note: No longer a targeted metric for Anglo American Platinum**	TB incidence rate of 215 per 100,000 employees	☑
	Medical Surveillance: 100% annual medical surveillance of persons potentially at risk of exposure to airborne pollutants (Cat A)	100% annual medical surveillance of Cat A employees (Excludes Unki)	☑
Mineral policy and legislative compliance	26% ownership of Reserves and Resources by historically disadvantaged South Africans (HDSAs)	As at 31 December 2019, 48.6% ownership measured as the HDSA shareholding in the businesses that we control and the portion of our business transferred to HDSAs. Which excludes 9.7% ownership held by HDSAs through mandated investments.	☑
	MCIII procurement expenditure: **Measure:** **Mining Goods** 21% HDP 5% Women/Youth 44% BEE compliant **Mining Services** 50% HDP 15% Women 5% Youth 10% BEE compliant	**Performance:** **Mining Goods** 38% HDP 10% Women/Youth 48% BEE compliant **Mining Services** 51% HDP 10% Women 6% Youth 47% BEE compliant	☑
	According to MC3 Targets (2019 – 2024) HDSA in: Top management (Board): 50% Women in top management (Board): 20% Executive management (Exco): 50% Women at Exco level: 20% Senior management: 60% Women in senior management: 25% Middle management: 60% Women in middle management: 25% Junior management: 70% Women in junior management: 30% Core Skills: 60%	36% 27% 43% 29% 51% 17% 72% 27% 83% 24% 76%	⊘
	Maintain ISO 14001 certification: 100% renewal of certificates for RBMR and PMR	Rustenburg Base Metals Refinery (RMBR) had the stage 2 Bureau Veritas (BV) audit on 23-25 June 2020 on part 1 (Systems). Part 2 of the audit (field verification) is yet to be confirmed. Once this is done, a final recommendation will be made. Precious Metals Refinery (PMR), The BV audit is scheduled for 15 and 16 September. Our certificate expires in October 2021. Both operations ISO14001:2015 certification remains valid until 2021 (pending 2020 audits).	☑

SUSTAINABILITY COMMITMENTS

for the six months ended 30 June 2020

Objective areas		2020 target	2020 half year performance	
Mineral policy and legislative compliance		Zero Level 4 and 5 environmental incidents	On target – No level 4 or 5 environmental incidents reported	☑
		Zero environmental legal non-compliance directives	On target – No directives received	☑
Labour relations and our performance		Target of 113 PGM ounces produced per employee	Achieved – 80 PGM ounces produced per employee	☒
		Labour unavailability to be below 19.07%	The total absence rate for Jan to June 2020 is 35.06% (Dec 2019 18.37%, Dec 2018 = 20%) against a target of 19.07%. The sharp increase in absences is a consequence of COVID-19 and the subsequent protocols followed in line with all the relevant regulations.	⊘
Community development		Implementation of second generation SLP	In progress – 48 of the 74 projects from all our sites have been completed. The 26 are at different stages of implementation and have been impacted by the lockdown due to COVID-19 as all projects were placed on hold. The implementation schedules are being reviewed after and the delays will be communicated to the relevant stakeholders in due course and construction has resumed under strict COVID-19 protocols.	⊘
		1% after-tax profit to be spent on community development	Social Performance spend internally amounted to R115m YTD, excluding Unki spend of R0.86m	☑
Access to and allocation of natural resources	Energy	• Energy Used: 20.2 million GJ • Energy Intensity: 0.78 GJ/ton milled) Premised on the trend required to achieve the 2030 targets for a 30% reduction (off a 2016 baseline)	• Energy consumption of 6.46 million GJ (end May) (Below the year to date target of 8.41 million GJ) • Energy intensity of 0.80 GJ per ton milled. (Above target due to lower than planned production)	☑ ☒
	CO_2 emissions	• CO_2e: 4.46 million tonnes • Carbon (CO_2e) Intensity: 0.173 tonnes CO_2/ton milled Premised on the trend required to achieve the 2030 targets for a 30% reduction (off a 2016 baseline)	• CO_2 equivalent emissions of 1.44 million tonnes CO_2e (Below the year to date target of 1.86 million tonnes) • Carbon Intensity of 0.179 t CO_2e per ton milled (Above target due to lower than planned production)	☑ ☒
	Water	Reduction in potable and raw water consumption towards our 2030 reduction of fresh water goal: • 2020 potable water abstraction target of 22.5 Mℓ/d	• Potable water withdrawal of 17.2 Mℓ/d	☑
		• 2020 potable water intensity target of 0.32 m³/ton milled	• Potable water intensity of 0.32 m3 per tonne milled	☑
		• 2020 raw water abstraction of 8.4 Mℓ/d	• Raw water withdrawal of 5.1 Mℓ/d	☑
		• 2020 optimal use of effluent by Mogalakwena and ACP/WVS to 19.4 Mℓ/d	• Optimal use of effluent of 15.2 Mℓ/d	☒
		• 90% compliance with Anglo American Water Management Standards (WMS)	• 38% compliance to WMS	⊘
		• Installation of all critical measuring instrumentation	• 31% critical measuring instruments installed	⊘

☑ Achieved/on target
☒ Not achieved/below target
⊘ In progress

GROUP PERFORMANCE DATA

for the six months ended 30 June 2020

Glossary of terms	Description/Definition
Average in service employees	The average number of employees costed on both working cost and SIB, in service over the full financial year
All-in sustaining costs (AISC)	Includes cash operating costs, other indirect costs, other direct and allocated net expenses, direct and allocated sustaining capex, capitalised waste stripping and allocated marketing and market development costs net of revenue from all metals other than platinum – presented before project and restructuring costs and abnormal activities
Attributable economic free cash flow	Cash flow after all cash expenses (mining, overhead, marketing and market development), sustaining (SIB) and capitalised waste
Attributable net cash flow	Cash flow after all cash expenses (mining, overhead, marketing and market development), sustaining (SIB), capitalised waste and project capital expenses
Cash-on mine costs	Includes all direct mining, concentrating plus on-mine and allocated centralised services costs
Cash operating costs	Includes all direct mining, concentrating, on-mine and allocated centralised services, allocated smelting, treatment and refining costs
Cash on-mine cost per tonne milled	Cash-on mine costs over tonnes milled – mined volume metric only
Cash operating cost per PGM oz produced	Cash operating costs for mined volume over PGM ounces produced from mined volume. Excludes Purchase of concentrate (POC) and project costs for Twickenham
EBITDA	Earnings before interest, tax, depreciation and amortisation adjusted to exclude scrapping of property, plant and equipment.
EBIT	Earnings before interest and tax adjusted to exclude scrapping of property, plant and equipment.
Headcount (as at period ended)	Includes AAP own and contractors excluding JV employees and contractors as at period end costed to working costs and stay-in business capital
Other PGMs + Gold	Sum total of rhodium, iridium, ruthenium and gold
PGMs	Sum total of platinum, palladium, rhodium, iridium, ruthenium and gold
PGM ounces produced per employee	PGM ounces produced from mined volume (both own and JV mines) expressed as output per average employee for both Own mines and attributable JV employees
POC	Purchase of concentrate
Produced ounces M&C	Metal in concentrate delivered to the smelters for onward processing
Rand basket price per PGM oz sold – average	Net sales revenue from all metals (PGMs, base metals and other metals) over PGM ounces sold – excluding trading
Rand basket price per Pt oz sold – average	Net sales revenue from all metals (PGMs, base metals and other metals) over Pt ounces sold – excluding trading
ROCE	Return on capital employed calculated as EBIT over average capital employed
Stay–in–business (SIB)	SIB capital reported on asset analysis includes on-mine sustaining capital as well as allocated off-mine smelting, treatment and refining sustaining capital expenditure

GROUP PERFORMANCE DATA CONTINUED

for the six months ended 30 June 2020

SALIENT FEATURES

		Six months ended			Year ended
		30 June 2020	30 June 2019	% change	31 December 2019
Average market prices achieved					
Platinum	US$/oz	**857**	831	3	861
Palladium	US$/oz	**2,141**	1,400	53	1,518
Rhodium	US$/oz	**8,985**	2,840	216	3,808
Iridium	US$/oz	**1,525**	1,457	5	1,462
Ruthenium	US$/oz	**241**	256	(6)	238
Gold	US$/oz	**1,631**	1,317	24	1,396
Nickel	US$/tonne	**13,145**	12,356	6	14,050
Copper	US$/tonne	**5,573**	6,145	(9)	5,949
Chrome	US$/tonne	**109**	129	(15)	121
% contribution of net revenue					
PGMs	%	**95.7**	92.7	3	92.6
Platinum	%	**15.3**	28.8	(13)	28.7
Palladium	%	**44.2**	42.8	1	39.9
Rhodium	%	**29.1**	14.9	14	18.0
Iridium	%	**3.0**	2.3	1	2.2
Ruthenium	%	**1.6**	1.3	0	1.4
Gold	%	**2.5**	2.6	(0)	2.5
Nickel	%	**2.5**	4.1	(2)	4.5
Copper	%	**0.9**	1.4	(1)	1.2
Chrome	%	**0.8**	1.4	(1)	1.4
Other metals	%	**0.2**	0.4	(0)	0.2
Exchange rates					
Average achieved on sales	ZAR/US$	**16.44**	14.26	15	14.50
Closing exchage rate at end of period	ZAR/US$	**17.36**	14.17	22	14.03
Basket prices achieved – excluding trading					
PGM – Dollar basket price	US$/PGM oz	**1,956**	1,255	56	1,347
PGM – Rand basket price	Rand/PGM oz	**32,166**	17,901	80	19,534
Platinum – Dollar basket price	US$/Pt oz	**5,520**	2,685	106	2,819
Platinum – Rand basket price	Rand/Pt oz	**90,776**	38,305	137	40,862
Total PGM ounces sold – excluding trading		**1,229.3**	2,160.0	(43)	4,633.7
Platinum	000 ounces	**435.6**	1,009.4	(57)	2,215.1
Palladium	000 ounces	**383.4**	768.0	(50)	1,520.7
Other PGMs+Gold	000 ounces	**410.3**	382.6	7	897.9
Total PGM ounces sold – trading		**459.2**	184.7	149	349.0
Platinum	000 ounces	**146.3**	18.0	713	46.1
Palladium	000 ounces	**292.3**	139.8	109	262.2
Rhodium	000 ounces	**10.6**	6.4	66	20.3
Gold	000 ounces	**10.0**	20.5	(51)	20.5

		Six months ended			Year ended
		30 June 2020	30 June 2019	% change	31 December 2019
Financials – excluding trading					
Net sales revenue	R million	**39,905**	39,193	2	91,697
from platinum	R million	**6,213**	11,976	(48)	27,625
from palladium	R million	**13,855**	15,305	(9)	33,486
from rhodium	R million	**13,893**	6,038	130	16,556
from other PGMs and gold	R million	**3,591**	2,246	60	5,572
from base and other metals	R million	**1,909**	3,025	(37)	7,088
from chrome	R million	**444**	603	(26)	1,370
Total operating costs	R million	**(27,328)**	(26,865)	2	(61,994)
EBITDA	R million	**12,577**	12,328	2	29,703
EBITDA margin	%	**32**	31	0	32
EBIT	R million	**10,449**	10,137	3	25,262
ROCE	%	**49**	45	5	57
Attributable economic free cash flow	R million	**903**	4,883	(82)	18,258
Attributable net cash flow	R million	**465**	4,657	(90)	17,170
Costs and unit costs					
Cash operating costs	R million	**13,924**	14,641	(5)	30,285
Cash on-mine cost per tonne milled	R/tonne	**1,008**	853	18	890
Cash operating cost per PGM ounce produced	R/PGM oz	**12,555**	9,951	26	10,189
Cash operating cost per PGM ounce produced	$/PGM oz	**753**	701	7	703
Stay-in-business capital	R million	**1,408**	1,799	(22)	4,875
Capitalised waste stripping	R million	**1,394**	1,148	21	2,062
Financial statistics					
Gross profit margin	%	**24**	25	(1)	27
Operating profit as a % of average operating assets	%	**29**	30	(1)	38
EBITDA including trading[1]	R million	**13,063**	12,371	6	29,950
EBITDA excluding trading[1]	R million	**12,577**	12,328	2	29,703
Return on average capital employed (ROCE)	%	**48**	45	3	58
Return on average attributable capital employed	%	**57**	50	7	66
Current ratio		**1.5:1**	1.6:1	(6)	1.6:1
Interest cover – EBITDA excluding trading	times	**59**	19	208	57
Debt coverage ratio	times	**0.7**	1.7	(59)	36.2
Dividend cover	times	**2.6**	2.6	—	1.3
Interest-bearing debt to shareholders' equity	%	**20**	11	9	2
Net asset value as a % of market capitalisation[2]	%	**17**	23	(6)	17
Effective cash tax paid rate	%	**14**	12	2	13
Market information and share statistics					
Total shares in issue (net of treasury shares)	millions	**269.0**	268.9	—	268.8
Weighted average number of shares in issue	millions	**262.6**	262.3	0	262.5
Treasury shares held	millions	**0.7**	0.8	(11)	0.9
Market capitalisation[2]	billions	**337.3**	225.1	50	351.4
Closing share price	cents	**125,408**	83,693	50	130,733
Head count (as at period ended)					
Total employees (AAP own and contractors excluding JVs)		**25,239**	25,263	(0)	25,268
Own enrolled		**22,601**	22,804	(1)	22,960
Contractors		**2,638**	2,459	7	2,308
Productivity					
PGM ounces produced per employee	per annum	**80.2**	107.5	(25)	110.5

[1] *Earnings adjusted for asset scrapping and insurance receipt for damage to assets.*
[2] *Net of 682 113 (Six months ended 2019: 766 128, Year ended 2019: 854 112) shares held in respect of the Group's share scheme.*

GROUP PERFORMANCE DATA CONTINUED

for the six months ended 30 June 2020

GROSS PROFIT ON METAL SALES AND EBITDA

	Mined	POC	Trading	Total
Six months ended 30 June 2020				
Net sales revenue	27,817	12,088	14,866	54,771
Cost of sales	(17,266)	(10,135)	(14,380)	(41,781)
Cash operating costs	(13,973)	(1,131)	—	(15,104)
On-mine	(11,302)	—	—	(11,302)
Smelting	(1,440)	(565)	—	(2,005)
Treatment and refining	(1,231)	(566)	—	(1,797)
Depreciation	(1,944)	(184)	—	(2,128)
On-mine	(1,414)	—	—	(1,414)
Smelting	(263)	(90)	—	(352)
Treatment and refining	(247)	(86)	—	(333)
Other costs	(20)	(9)	—	(29)
Purchase of metals and leasing activities	(1,842)	(14,719)	(14,128)	(30,690)
Increase in metal inventories	2,631	5,989	(252)	8,367
Decrease in ore stockpiles	48	—	—	48
Other costs	(2,186)	(89)	—	(2,275)
Gross profit on metal sales	10,551	1,953	486	12,990
Gross profit margin (%)	38	16	3	24
Add back depreciation	1,944	184	—	2,128
Other income and expenses	(333)	(16)	—	(349)
Profit and loss on associates	66	—	—	66
Operating EBITDA	12,227	2,121	486	14,834
Operating EBITDA margin (%)	44	18	3	27
Market development and promotional expenditure	(279)	(121)	—	(400)
Restructuring	(58)	—	—	(58)
Covid-19 costs	(251)	—	—	(251)
Foreign Currency gains/losses	(1,063)	—	—	(1,063)
EBITDA	10,577	2,000	486	13,063
EBITDA margin (%)	38	17	3	24

	Mined	POC	Trading	Total
Six months ended 30 June 2019				
Net sales revenue	25,220	13,973	3,694	42,887
Cost of sales	(16,587)	(11,888)	(3,651)	(32,126)
Cash operating costs	(14,671)	(1,194)	(1)	(15,866)
On-mine	(11,969)	—	—	(11,969)
Smelting	(1,397)	(576)	—	(1,973)
Treatment and refining	(1,305)	(618)	(1)	(1,924)
Depreciation	(2,000)	(191)	—	(2,191)
On-mine	(1,513)	—	—	(1,513)
Smelting	(218)	(80)	—	(298)
Treatment and refining	(245)	(97)	—	(342)
Other costs	(24)	(14)	—	(38)
Purchase of metals and leasing activities	137	(9,315)	(3,650)	(12,828)
Increase in metal inventories	1,863	(1,102)	—	761
Increase in ore stockpiles	(100)	—	—	(100)
Other costs	(1,816)	(86)	—	(1,902)
Gross profit on metal sales	8,633	2,085	43	10,761
Gross profit margin %	34	15	1	25
Add back depreciation	2,000	191	—	2,191
Other income and expenses	(173)	(20)	—	(193)
Profit and loss on associates	(32)	—	—	(32)
Operating EBITDA	10,428	2,256	43	12,727
Operating EBITDA margin %	41	16	1	30
Market development and promotional expenditure	(226)	(128)	—	(354)
Restructuring	(1)	—	—	(1)
EBITDA	10,200	2,128	43	12,371
EBITDA margin %	40	15	1	29

GROUP PERFORMANCE DATA CONTINUED

for the six months ended 30 June 2020

GROSS PROFIT ON METAL SALES AND EBITDA

	Mined	POC	Trading	Total
For the year ended 31 December 2019				
Net sales revenue	60,989	30,708	7,854	99,551
Cost of sales	(38,520)	(26,610)	(7,607)	(72,737)
Cash operating costs	(31,267)	(2,345)	—	(33,612)
On-mine	(25,624)	—	—	(25,624)
Smelting	(2,963)	(1,197)	—	(4,159)
Treatment and refining	(2 680)	(1,149)	—	(3,829)
Depreciation	(4,059)	(382)	—	(4,441)
On-mine	(3,053)	—	—	(3,053)
Smelting	(499)	(186)	—	(685)
Treatment and refining	(509)	(196)	—	(705)
Other costs	2	—	—	2
Purchase of metals and leasing activities	61	(22,838)	(7,607)	(30,384)
Increase in metal inventories	1,750	(840)	—	910
Increase in ore stockpiles	(137)	—	—	(137)
Other costs	(4,868)	(205)	—	(5,073)
Gross profit on metal sales	22,469	4,098	247	26,814
Gross profit margin %	37	13	3	27
Add back depreciation	4,058	383	—	4,441
Other income and expenses	(322)	(87)	—	(409)
Profit and loss on associates	(108)	—	—	(108)
Operating EBITDA	26,099	4,392	247	30,738
Operating EBITDA margin %	43	14	3	31
Market development and promotional expenditure	(524)	(264)	—	(788)
Restructuring	—	—	—	—
EBITDA	25,575	4,128	247	29,950
EBITDA margin %	42	13	3	30

REFINED PRODUCTION

		Six months ended			Year ended
		30 June 2020	30 June 2019	% change	31 December 2019
Total operations					
Refined production from mining operations					
Total PGMs	000 oz	**693.0**	1,363.2	(49)	3,037.3
Platinum	000 oz	**271.3**	616.6	(56)	1,410.8
Palladium	000 oz	**264.5**	511.4	(48)	1,074.6
Rhodium	000 oz	**51.1**	79.5	(36)	179.4
Other PGMs	000 oz	**73.1**	118.2	(38)	285.3
Gold	000 oz	**33.0**	37.5	(12)	87.2
Nickel	tonnes	**3,718**	7,286	(49)	16,391
Copper	tonnes	**3,728**	4,995	(25)	11,562
Chrome tonnes (100%)	tonnes	**260,923**	424,150	(38)	908,672
Refined production from purchases (including toll refined metal)					
Total PGMs	000 oz	**553.9**	935.0	(41)	2,113.8
Platinum	000 oz	**266.6**	483.9	(45)	1,103.3
Palladium	000 oz	**150.4**	259.5	(42)	560.3
Rhodium	000 oz	**42.3**	60.2	(30)	144.9
Other PGMs	000 oz	**83.1**	120.8	(31)	278.4
Gold	000 oz	**11.5**	10.6	9	26.9
Nickel	tonnes	**1,408**	2,536	(44)	6,645
Copper	tonnes	**819**	1,717	(52)	2,649
Total refined production (including toll refined metal)					
Total PGMs	000 oz	**1,246.9**	2,298.2	(46)	5,151.0
Platinum	000 oz	**537.9**	1,100.5	(51)	2,514.2
Palladium	000 oz	**414.9**	770.9	(46)	1,634.9
Rhodium	000 oz	**93.4**	139.7	(33)	324.2
Other PGMs	000 oz	**156.2**	239.0	(35)	563.6
Gold	000 oz	**44.5**	48.1	(7)	114.1
Nickel	tonnes	**5,126**	9,822	(48)	23,036
Copper	tonnes	**4,547**	6,711	(32)	14,211
Chrome tonnes (100%)	tonnes	**260,923**	424,150	(38)	908,672

GROUP PERFORMANCE DATA CONTINUED

for the six months ended 30 June 2020

REFINED PRODUCTION

		Six months ended			Year ended
		30 June 2020	30 June 2019	% change	31 December 2019
SPLIT OF TOTAL REFINED PRODUCTION					
Platinum	%	**43**	48	(5)	49
Palladium	%	**33**	34	(0)	32
Rhodium	%	**7**	6	1	6
Other PGMs	%	**13**	10	2	11
Gold	%	**4**	2	1	2
Base metals					
Nickel	%	**52**	58	(6)	61
Copper	%	**46**	40	6	37
Other Base Metals	%	**2**	2	1	2
PLATINUM PIPELINE CALCULATION					
Own mined volume	000 oz	**423.5**	565.6	(25)	1,060.4
JV mined volume	000 oz	**64.7**	99.1	(35)	317.8
Purchase of concentrate	000 oz	**260.2**	327.5	(21)	672.4
M&C platinum production	000 oz	**748.4**	992.2	(25)	2,050.6
Pipeline stock adjustment	000 oz	**0**	83.3	(100)	83.3
Pipeline movement	000 oz	**(347.5)**	(72.8)	377	77.0
Refined platinum production (excluding toll refined metal)	000 oz	**400.9**	1,002.7	(60)	2,210.9

TOTAL MINED VOLUME

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

		Six months ended 30 June 2020	Six months ended 30 June 2019	% change	Year ended 31 December 2019
Production					
Total development	km	**16.3**	24.6	(34)	52.5
Immediately available ore reserves	months	**30.7**	39.2	(22)	43.0
Square metres	000 m²	**709**	991	(28)	2,108
Tonnes milled	000 tonnes	**11,163**	14,151	(21)	28,932
Surface tonnes	000 tonnes	**6,772**	7,568	(11)	15,070
Underground tonnes	000 tonnes	**4,391**	6,583	(33)	13,862
UG2 tonnes milled to total Merensky and UG2	%	**98.0**	96.8	1	97.1
Built-up head grade	4E g/tonne	**3.44**	3.57	(4)	3.62
Surface tonnes	4E g/tonne	**3.21**	3.31	(3)	3.36
Merensky Underground tonnes	4E g/tonne	**8.06**	5.24	54	5.01
UG2 Underground tonnes	4E g/tonne	**3.84**	3.92	(2)	3.96
Total production (M&C)					
PGMs	000 ounces	**1,084.8**	1,453.8	(25)	3,011.2
Platinum	000 ounces	**488.2**	664.7	(27)	1,378.2
Palladium	000 ounces	**406.3**	511.4	(21)	1,049.2
Rhodium	000 ounces	**59.8**	88.1	(32)	186.0
Iridium	000 ounces	**19.2**	29.6	(35)	63.0
Ruthenium	000 ounces	**77.5**	119.3	(35)	252.1
Gold	000 ounces	**33.7**	40.7	(17)	82.7
Nickel	tonnes	**9,115**	9,912	(8)	20,677
Copper	tonnes	**6,123**	6,440	(5)	13,517
Chrome	tonnes	**260,923**	424,150	(38)	908,672
Total PGM ounces refined		**693.0**	1,363.2	(49)	3,037.3
Platinum	000 ounces	**271.3**	616.6	(56)	1,410.8
Palladium	000 ounces	**264.5**	511.4	(48)	1,074.6
Other PGMS+Gold	000 ounces	**157.2**	235.2	(33)	551.9
Total PGM ounces sold – excluding trading		**821.7**	1,360.0	(40)	3,002.8
Platinum	000 ounces	**294.9**	611.5	(52)	1,401.6
Palladium	000 ounces	**293.7**	534.8	(45)	1,092.3
Other PGMS+Gold	000 ounces	**233.1**	213.7	9	508.9
Employees and efficiencies					
Own employees	average	**23,283**	23,598	(1)	23,639
Contractor employees	average	**3,988**	3,457	15	3,607
PGM ounces produced per employee	per annum	**80.2**	107.5	(25)	110.5

GROUP PERFORMANCE DATA CONTINUED

for the six months ended 30 June 2020

TOTAL MINED VOLUME

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

		Six months ended			Year ended
		30 June 2020	30 June 2019	% change	31 December 2019
Financials – excluding trading					
Rand basket price per PGM oz sold	R/PGM oz	**33,853**	18,544	83	20,310
Dollar basket price per PGM oz sold	$/PGM oz	**2,060**	1,300	58	1,401
Rand basket price per Pt oz sold	R/Pt oz	**94,311**	41,241	129	43,515
Dollar basket price per Pt oz sold	$/Pt oz	**5,738**	2,891	98	3,001
Net sales revenue	R million	**27,817**	25,220	10	60,989
from platinum	R million	**4,222**	7,262	(42)	17,520
from palladium	R million	**10,637**	10,674	(0)	24,153
from rhodium	R million	**9,194**	3,479	164	10,143
from other PGMs and gold	R million	**2,184**	1,369	59	3,474
from base and other metals	R million	**1,136**	1,833	(38)	4,329
from chrome	R million	**444**	603	(26)	1,370
Total operating costs	R million	**(15,589)**	(14,792)	5	(34,890)
EBITDA	R million	**12,227**	10,428	17	26,099
EBITDA margin	%	**44**	41	3	43
EBIT	R million	**10,284**	8,427	22	22,041
ROCE	%	**51**	39	12	51
Attributable economic free cash flow	R million	**6,767**	5,747	18	17,976
Attributable net cash flow	R million	**6,348**	5,521	15	16,916
Costs and unit costs					
Cash operating costs	R million	**13,924**	14,641	(5)	30,285
Cash on-mine cost per tonne milled	R/tonne	**1,008**	853	18	869
Cash operating cost per PGM oz produced	R/PGM oz	**12,555**	9,951	26	10,189
Cash operating cost per PGM oz produced	$/PGM oz	**753**	701	8	703
Stay-in business capital	R million	**1,268**	1,579	(20)	4,391
Capitalised waste stripping	R million	**1,394**	1,148	21	2,062
All-in sustaining costs net of metal revenue credits other than Pt	$ million	**(250)**	122	(304)	(22)
All-in sustaining costs per platinum ounce sold	$/Pt oz	**(480)**	199	(342)	(15)
Reconciling items for AISC and free cash flow					
Allocated marketing and market development costs	$/Pt oz sold	**57**	26	117	26

TOTAL PURCHASED AND TOLLED VOLUME

(All statistics represent attributable contribution for purchased and tolled production)

		Six months ended			Year ended
		30 June 2020	30 June 2019	% change	31 December 2019
Total production (M&C)					
PGMs	000 ounces	**535.2**	693.1	(23)	1,429.6
Platinum	000 ounces	**260.2**	327.5	(21)	672.4
Palladium	000 ounces	**125.3**	162.4	(23)	336.7
Rhodium	000 ounces	**36.1**	47.1	(24)	98.0
Iridium	000 ounces	**19.5**	27.1	(28)	56.4
Ruthenium	000 ounces	**86.8**	120.6	(28)	249.0
Gold	000 ounces	**7.2**	8.4	(14)	17.0
Nickel	tonnes	**2,237**	2,458	(9)	8,881
Copper	tonnes	**1,320**	2,250	(41)	3,523
Total PGM ounces refined		**553.9**	935.0	(41)	1,612.7
Platinum	000 ounces	**266.6**	483.9	(45)	800.1
Palladium	000 ounces	**150.4**	259.5	(42)	405.9
Other PGMs+Gold	000 ounces	**137.1**	191.6	(28)	406.7
Total PGM ounces sold – excluding trading		**407.6**	800.0	(49)	1,630.8
Platinum	000 ounces	**140.7**	397.9	(65)	813.5
Palladium	000 ounces	**89.7**	233.2	(62)	428.5
Other PGMs+Gold	000 ounces	**177.2**	168.9	5	388.8
Financials – excluding trading					
Rand basket price per PGM oz sold	R/PGM oz	**28,691**	16,839	70	18,147
Dollar basket price per PGM oz sold	$/PGM oz	**1,746**	1,181	48	1,251
Rand basket price per Pt oz sold	R/Pt oz	**83,144**	33,859	146	37,746
Dollar basket price per Pt oz sold	$/Pt oz	**5,059**	2,374	113	2,603
Net sales revenue	R million	**12,088**	13,973	(13)	30,708
from platinum	R million	**1,991**	4,714	(58)	10,106
from palladium	R million	**3,218**	4,631	(31)	9,332
from rhodium	R million	**4,699**	2,559	84	6,413
from other PGMs and gold	R million	**1,406**	877	60	2,098
from base and other metals	R million	**773**	1,192	(35)	2,760
Total operating costs	R million	**(9,967)**	(11,717)	(15)	(26,316)
EBITDA	R million	**2,121**	2,256	(6)	4,392
EBITDA margin	%	**18**	16	1	14
EBIT	R million	**1,937**	2,065	(6)	4,009
ROCE	%	**173**	130	43	501
Attributable economic free cash flow	R million	**(4,093)**	(508)	705	1,070
Attributable net cash flow	R million	**(4,111)**	(508)	709	1,041
Costs and unit costs					
Cash operating costs	R million	**14,709**	10,261	43	25,222
Stay-in business capital	R million	**140**	221	(36)	483

GROUP PERFORMANCE DATA CONTINUED

for the six months ended 30 June 2020

MOGALAKWENA PLATINUM MINE

(100% owned)

		Six months ended			Year ended
		30 June 2020	30 June 2019	% change	31 December 2019
Production					
Metres drilled	000 m	**712**	665	7	1,440
In-pit ore reserves	months	**28.1**	27.7	2	31.2
Total tonnes mined	000 tonnes	**38,130**	38,635	(1)	81,315
Waste tonnes mined	000 tonnes	**32,899**	34,455	(5)	67,033
Ore tonnes mined	000 tonnes	**5,231**	4,180	25	14,282
Stripping ratio		**6.3**	8.2	(24)	4.7
Tonnes milled	000 tonnes	**6,551**	6,891	(5)	13,710
Built-up head grade	4E g/tonne	**3.24**	3.42	(5)	3.45
Total mined production (M&C)					
PGMs	000 ounces	**559.9**	609.7	(8)	1,215.0
Platinum	000 ounces	**239.2**	258.3	(7)	517.5
Palladium	000 ounces	**257.5**	281.0	(8)	557.9
Rhodium	000 ounces	**17.7**	18.5	(4)	36.7
Iridium	000 ounces	**3.6**	4.2	(14)	8.3
Ruthenium	000 ounces	**15.3**	16.8	(9)	32.9
Gold	000 ounces	**26.5**	30.9	(14)	61.8
Nickel	tonnes	**7,438**	7,533	(1)	15,674
Copper	tonnes	**4,921**	4,861	1	10,210
Total PGM ounces refined		**317.4**	571.6	(44)	1,228.5
Platinum	000 ounces	**114.3**	234.7	(51)	523.8
Palladium	000 ounces	**151.5**	275.9	(45)	567.8
Other PGMs+Gold	000 ounces	**51.6**	61.0	(15)	136.9
Total PGM ounces sold – excluding trading		**343.3**	571.1	(40)	1,221.9
Platinum	000 ounces	**121.9**	231.3	(47)	519.2
Palladium	000 ounces	**164.3**	286.0	(43)	575.5
Other PGMs+Gold	000 ounces	**57.1**	53.8	6	127.2
Employees and efficiencies					
Own employees	average	**1,990**	1,916	4	1,936
Contractor employees	average	**255**	274	(7)	272
PGM ounces produced per employee	per annum	**499**	557	(10)	550

		Six months ended			Year ended
		30 June 2020	30 June 2019	% change	31 December 2019
Financials – excluding trading					
Rand basket price per PGM oz sold	R/PGM oz	**33,164**	19,376	71	21,152
Dollar basket price per PGM oz sold	$/PGM oz	**2,018**	1,358	49	1,459
Rand basket price per Pt oz sold	R/Pt oz	**93,370**	47,841	95	49,780
Dollar basket price per Pt oz sold	$/Pt oz	**5,681**	3,354	69	3,433
Net sales revenue	R million	**11,385**	11,067	3	25,845
from platinum	R million	**1,726**	2,749	(37)	6,486
from palladium	R million	**5,891**	5,712	3	12,712
from rhodium	R million	**1,982**	691	187	1,966
from other PGMs and gold	R million	**844**	554	52	1,469
from base and other metals	R million	**943**	1,361	(31)	3,213
Total operating costs	R million	**(4,943)**	(4,787)	3	(11,470)
EBITDA	R million	**6,443**	6,280	3	14,375
EBITDA margin	%	**57**	57	(0)	56
EBIT	R million	**5,496**	5,302	4	12,466
ROCE	%	**50**	47	3	55
Attributable economic free cash flow	R million	**3,022**	3,807	(21)	9,935
Attributable net cash flow	R million	**2,863**	3,788	(24)	9,715
Costs and unit costs					
Cash operating costs	R million	**5,106**	4,963	3	9,940
Cash on-mine cost per tonne milled	R/tonne	**517**	489	6	488
Cash operating cost per PGM oz produced	R/PGM oz	**9,120**	8,139	12	8,181
Cash operating cost per PGM oz produced	$/PGM oz	**547**	573	(5)	564
Stay-in-business capital	R million	**720**	843	(15)	2,162
Capitalised waste stripping	R million	**1,394**	1,148	21	2,062
All-in sustaining costs net of metal revenue credits other than Pt	$ million	**(113)**	(67)	69	(223)
All-in sustaining costs per platinum ounce sold	$/Pt oz	**(594)**	(292)	103	(429)
Reconciling items for AISC and free cash flow					
Allocated marketing and market development costs	$/Pt oz sold	**57**	31	85	29

GROUP PERFORMANCE DATA CONTINUED

for the six months ended 30 June 2020

AMANDELBULT PLATINUM MINE

(100% owned)

		Six months ended			Year ended
		30 June 2020	30 June 2019	% change	31 December 2019
Production					
Total development	km	**10.4**	17.3	(40)	36.8
Immediately available ore reserves	months	**31.6**	26.2	20	31.0
Square metres	000 m²	**225**	379	(41)	804
Tonnes milled	000 tonnes	**1,746**	3,430	(49)	7,057
Surface tonnes	000 tonnes	**221**	616	(64)	1,289
Underground tonnes	000 tonnes	**1,525**	2,814	(46)	5,768
UG2 tonnes milled to total Mer and UG2	%	**95.5**	93.8	2	94.4
Built-up head grade	4E g/tonne	**3.96**	3.93	1	4.05
Surface tonnes	4E g/tonne	**2.31**	2.14	8	2.48
Merensky Underground tonnes	4E g/tonne	**8.06**	5.24	54	5.06
UG2 Underground tonnes	4E g/tonne	**4.19**	4.32	(3)	4.39
Total mined production (M&C)					
PGMs	000 ounces	**217.8**	421.7	(48)	893.3
Platinum	000 ounces	**110.9**	215.1	(48)	453.6
Palladium	000 ounces	**50.8**	98.6	(48)	208.9
Rhodium	000 ounces	**19.7**	37.8	(48)	81.2
Iridium	000 ounces	**7.1**	13.6	(48)	29.2
Ruthenium	000 ounces	**28.2**	54.4	(48)	115.7
Gold	000 ounces	**1.2**	2.2	(46)	4.8
Nickel	tonnes	**301**	602	(50)	1,227
Copper	tonnes	**131**	258	(49)	515
Chrome (100%)	tonnes	**260,923**	424,150	(38)	908,670
Total PGM ounces refined		**171.8**	382.6	(55)	886.8
Platinum	000 ounces	**79.1**	196.0	(60)	461.2
Palladium	000 ounces	**45.1**	96.9	(53)	211.8
Other PGMs+Gold	000 ounces	**47.6**	89.7	(47)	213.8
Total PGM ounces sold – excluding trading		**229.2**	376.4	(39)	866.4
Platinum	000 ounces	**88.0**	194.4	(55)	457.9
Palladium	000 ounces	**52.7**	101.8	(48)	215.3
Other PGMs+Gold	000 ounces	**88.5**	80.2	10	193.2
Employees and efficiencies					
Own employees	average	**13,928**	14,196	(2)	14,232
Contractor employees	average	**1,492**	1,420	5	1,431
PGM ounces produced per employee	per annum	**28.2**	54.0	(48)	57.0

		Six months ended			Year ended
		30 June 2020	30 June 2019	% change	31 December 2019
Financials – excluding trading					
Rand basket price per PGM oz sold	R/PGM oz	**34,565**	18,303	89	20,110
Dollar basket price per PGM oz sold	$/PGM oz	**2,103**	1,283	64	1,387
Rand basket price per Pt oz sold	R/Pt oz	**89,998**	35,450	154	38,052
Dollar basket price per Pt oz sold	$/Pt oz	**5,476**	2,485	120	2,624
Net sales revenue	R million	**7,923**	6,890	15	17,424
from platinum	R million	**1,246**	2,307	(46)	5,729
from palladium	R million	**1,887**	2,031	(7)	4,776
from rhodium	R million	**3,737**	1,458	156	4,358
from other PGMs and gold	R million	**601**	373	61	912
from base and other metals	R million	**9**	120	(93)	283
from chrome	R million	**443**	601	(26)	1,366
Total operating costs	R million	**(5,642)**	(5,105)	11	(12,293)
EBITDA	R million	**2,281**	1,785	28	5,132
EBITDA margin	%	**29**	26	3	30
EBIT	R million	**1,941**	1,413	37	4,311
ROCE	%	**56**	33	24	49
Attributable economic free cash flow	R million	**1,575**	504	212	3,278
Attributable net cash flow	R million	**1,448**	339	328	2,602
Costs and unit costs					
Cash operating costs	R million	**4,593**	5,253	(13)	10,810
Cash on-mine cost per tonne milled	R/tonne	**2,376**	1,369	74	1,455
Cash operating cost per PGM oz produced	R/PGM oz	**20,626**	12,247	68	12,654
Cash operating cost per PGM oz produced	$/PGM oz	**1,238**	862	43	873
Stay-in business capital	R million	**203**	274	(26)	680
All-in sustaining costs net of metal revenue credits other than Pt	$ million	**(49)**	131	(137)	179
All-in sustaining costs per platinum ounce sold	$/Pt oz	**(176)**	672	(126)	390
Reconciling items for AISC and free cash flow					
Allocated marketing and market development costs	$/Pt oz sold	**55**	22	144	23

GROUP PERFORMANCE DATA CONTINUED

for the six months ended 30 June 2020

MOTOTOLO PLATINUM MINE

(100% owned)

		Six months ended			Year ended
		30 June 2020	30 June 2019	% change	31 December 2019
Production					
Total development	km	**0.5**	0.7	(27)	1.8
Immediately available ore reserves	months	**30.0**	26.7	12	26.1
Square metres	000 m²	**118**	139	(15)	310
Tonnes milled	000 tonnes	**782**	1,045	(25)	2,320
Built-up head grade	4E g/tonne	**3.23**	3.19	1	3.23
Total mined production (M&C)					
PGMs	000 ounces	**81.5**	107.3	(24)	242.3
Platinum	000 ounces	**37.7**	49.8	(24)	112.0
Palladium	000 ounces	**23.0**	30.3	(24)	68.7
Rhodium	000 ounces	**6.5**	8.6	(25)	19.4
Iridium	000 ounces	**2.5**	3.3	(23)	7.5
Ruthenium	000 ounces	**11.2**	14.5	(23)	32.8
Gold	000 ounces	**0.6**	0.8	(24)	1.9
Nickel	tonnes	**141**	195	(28)	449
Copper	tonnes	**59**	77	(23)	180
Total PGM ounces refined		**55.0**	106.2	(48)	244.6
Platinum	000 ounces	**22.0**	50.0	(56)	115.9
Palladium	000 ounces	**16.7**	33.1	(50)	71.2
Other PGMs+Gold	000 ounces	**16.3**	23.1	(29)	57.5
Total PGM ounces sold – excluding trading		**68.6**	108.2	(37)	242.0
Platinum	000 ounces	**23.8**	50.3	(53)	115.5
Palladium	000 ounces	**18.9**	35.5	(47)	72.9
Other PGMs+Gold	000 ounces	**25.8**	22.4	15	53.6
Employees and efficiencies					
Own employees	average	**1,500**	1,482	1	1,476
Contractor employees	average	**568**	463	23	621
PGM ounces produced per employee	per annum	**78.9**	110.3	(28)	115.5

		Six months ended			Year ended
		30 June 2020	30 June 2019	% change	31 December 2019
Financials – excluding trading					
Rand basket price per PGM oz sold	R/PGM oz	**31,703**	16,907	88	18,621
Dollar basket price per PGM oz sold	$/PGM oz	**1,929**	1,185	63	1,284
Rand basket price per Pt oz sold	R/Pt oz	**91,145**	36,403	150	39,023
Dollar basket price per Pt oz sold	$/Pt oz	**5,545**	2,552	117	2,691
Net sales revenue	R million	**2,173**	1,830	19	4,506
from platinum	R million	**337**	597	(43)	1,444
from palladium	R million	**679**	706	(4)	1,613
from rhodium	R million	**959**	374	156	1,078
from other PGMs and gold	R million	**188**	109	72	267
from base and other metals	R million	**10**	44	(76)	104
Total operating costs	R million	**(1,350)**	(1,108)	22	(2,549)
EBITDA	R million	**823**	722	14	1,956
EBITDA margin	%	**38**	40	(2)	43
EBIT	R million	**672**	516	30	1,572
ROCE	%	**44**	40	4	54
Attributable economic free cash flow	R million	**483**	443	9	1,358
Attributable net cash flow	R million	**435**	443	(2)	1,321
Costs and unit costs					
Cash operating costs	R million	**1,043**	1,127	(8)	2,361
Cash on-mine cost per tonne milled	R/tonne	**1,163**	940	24	879
Cash operating cost per PGM oz produced	R/PGM oz	**12,786**	10,511	22	9,747
Cash operating cost per PGM oz produced	$/PGM oz	**767**	740	4	672
Stay-in-business capital	R million	**199**	155	29	474
All-in sustaining costs net of metal revenue credits other than Pt	$ million	**(18)**	12	(247)	8
All-in sustaining costs per platinum ounce sold	$/Pt oz	**(320)**	237	(235)	73
Reconciling items for AISC and free cash flow					
Allocated marketing and market development costs	$/Pt oz sold	**56**	23	138	23

GROUP PERFORMANCE DATA CONTINUED

for the six months ended 30 June 2020

UNKI PLATINUM MINE (ZIMBABWE)

(100% owned)

		Six months ended			Year ended
		30 June 2020	30 June 2019	% change	31 December 2019
Production					
Total development	km	**1.2**	1.0	19	1.9
Immediately available ore reserves	months	**97.3**	230.2	(58)	230.1
Square metres	000 m²	**163**	155	5	323
Tonnes milled	000 tonnes	**894**	992	(10)	2,092
Built-up head grade	4E g/tonne	**3.51**	3.47	1	3.45
Total mined production (M&C)					
PGMs	000 ounces	**80.3**	95.8	(16)	201.6
Platinum	000 ounces	**35.7**	42.4	(16)	89.4
Palladium	000 ounces	**31.7**	37.9	(16)	79.2
Rhodium	000 ounces	**3.6**	4.3	(18)	9.0
Iridium	000 ounces	**1.5**	1.8	(14)	3.8
Ruthenium	000 ounces	**3.4**	4.1	(16)	8.8
Gold	000 ounces	**4.4**	5.3	(16)	11.4
Nickel	tonnes	**1,055**	1,330	(21)	2,777
Copper	tonnes	**914**	1,110	(18)	2,317
Total PGM ounces refined		**49.8**	91.4	(45)	206.0
Platinum	000 ounces	**18.4**	39.9	(54)	92.0
Palladium	000 ounces	**20.1**	38.0	(47)	81.3
Other PGMs+Gold	000 ounces	**11.3**	13.5	(16)	32.7
Total PGM ounces sold – excluding trading		**56.9**	92.1	(38)	204.7
Platinum	000 ounces	**20.0**	39.7	(50)	91.6
Palladium	000 ounces	**22.5**	39.9	(44)	82.7
Other PGMs+Gold	000 ounces	**14.3**	12.5	15	30.4
Employees and efficiencies					
Own employees	average	**1,133**	1,113	2	1,120
PGM ounces produced per employee	per annum	**113.5**	172.2	(34)	180.1

		Six months ended			Year ended
		30 June 2020	30 June 2019	% change	31 December 2019
Financials – excluding trading					
Rand basket price per PGM oz sold	R/PGM oz	**34,766**	19,646	77	21,511
Dollar basket price per PGM oz sold	$/PGM oz	**2,115**	1,377	54	1,483
Rand basket price per Pt oz sold	R/Pt oz	**98,813**	45,646	116	48,083
Dollar basket price per Pt oz sold	$/Pt oz	**6,012**	3,200	88	3,316
Net sales revenue	R million	**1,977**	1,810	9	4,403
from platinum	R million	**283**	471	(40)	1,145
from palladium	R million	**807**	796	1	1,830
from rhodium	R million	**511**	169	202	502
from other PGMs and gold	R million	**203**	123	65	330
from base and other metals	R million	**173**	251	(31)	596
Total operating costs	R million	**(1,415)**	(1,322)	7	(2,882)
EBITDA	R million	**562**	488	15	1,520
EBITDA margin	%	**28**	27	2	35
EBIT	R million	**300**	285	6	1,076
ROCE	%	**14**	12	1	24
Attributable economic free cash flow	R million	**129**	229	(45)	1,064
Attributable net cash flow	R million	**97**	210	(55)	1,011
Costs and unit costs					
Cash operating costs	R million	**1,107**	1,086	2	2,364
Cash on-mine cost per tonne milled	R/tonne	**995**	872	14	893
Cash operating cost per PGM oz produced	R/PGM oz	**13,782**	11,327	22	11,721
Cash operating cost per PGM oz produced	$/PGM oz	**827**	798	4	808
Stay-in-business capital	R million	**54**	103	(48)	313
All-in sustaining costs net of metal revenue credits other than Pt	$ million	**1**	18	(93)	8
All-in sustaining costs per platinum ounce sold	$/Pt oz	**525**	456	19	88
Reconciling items for AISC and free cash flow					
Allocated marketing and market development costs	$/Pt oz sold	**60**	29	105	28

GROUP PERFORMANCE DATA CONTINUED

for the six months ended 30 June 2020

MODIKWA PLATINUM MINE

(50:50 joint venture with ARM Mining Consortium Limited)
(All statistics represent attributable contribution for mined production i.e. excluding POC)

		Six months ended			Year ended
		30 June 2020	30 June 2019	% change	31 December 2019
Production					
Total development	km	**2.4**	2.6	(7)	5.9
Immediately available ore reserves	months	**19.6**	13.4	47	13.5
Square metres	000 m²	**56**	77	(27)	174
Tonnes milled	000 tonnes	**380**	526	(28)	1,118
Built-up head grade	4E g/tonne	**4.11**	4.02	2	4.04
Total mined production (M&C)					
PGMs	000 ounces	**51.8**	67.6	(23)	145.5
Platinum	000 ounces	**20.3**	26.9	(25)	57.1
Palladium	000 ounces	**19.6**	25.2	(22)	54.5
Rhodium	000 ounces	**4.1**	5.4	(23)	11.6
Iridium	000 ounces	**1.4**	1.8	(23)	4.0
Ruthenium	000 ounces	**5.9**	7.7	(24)	16.9
Gold	000 ounces	**0.5**	0.7	(25)	1.4
Nickel	tonnes	**98**	120	(18)	272
Copper	tonnes	**61**	74	(18)	168
Total PGM ounces refined		**35.0**	68.5	(49)	151.9
Platinum	000 ounces	**11.5**	27.2	(58)	61.3
Palladium	000 ounces	**13.6**	27.9	(51)	58.6
Other PGMs+Gold	000 ounces	**9.9**	13.3	(26)	32.0
Total PGM ounces sold – excluding trading		**41.8**	70.8	(41)	152.9
Platinum	000 ounces	**12.4**	27.4	(55)	61.4
Palladium	000 ounces	**15.1**	30.0	(49)	60.3
Other PGMs+Gold	000 ounces	**14.3**	13.4	6	31.2
Employees and efficiencies					
Own employees	average	**2,018**	2,046	(1)	2,054
Contractor employees	average	**309**	193	60	187
PGM ounces produced per employee	per annum	**44.5**	60.4	(26)	65.0

		Six months ended			Year ended
		30 June 2020	30 June 2019	% change	31 December 2019
Financials – excluding trading					
Rand basket price per PGM oz sold	R/PGM oz	**33,534**	17,722	89	19,545
Dollar basket price per PGM oz sold	$/PGM oz	**2,040**	1,242	64	1,348
Rand basket price per Pt oz sold	R/Pt oz	**113,150**	45,755	147	48,646
Dollar basket price per Pt oz sold	$/Pt oz	**6,884**	3,208	115	3,355
Net sales revenue	R million	**1,402**	1,255	12	2,988
from platinum	R million	**175**	326	(46)	767
from palladium	R million	**543**	597	(9)	1,330
from rhodium	R million	**576**	239	141	670
from other PGMs and gold	R million	**102**	65	59	155
from base and other metals	R million	**5**	28	(81)	66
Total operating costs	R million	**(708)**	(852)	(17)	(1,908)
EBITDA	R million	**695**	403	72	1,080
EBITDA margin	%	**50**	32	17	36
EBIT	R million	**606**	320	89	907
ROCE	%	**85**	40	45	61
Attributable economic free cash flow	R million	**429**	321	33	869
Attributable net cash flow	R million	**414**	309	34	832
Costs and unit costs					
Cash operating costs	R million	**793**	817	(3)	1,781
Cash on-mine cost per tonne milled	R/tonne	**1,904**	1,409	35	1,457
Cash operating cost per PGM oz produced	R/PGM oz	**15,309**	12,085	27	12,239
Cash operating cost per PGM oz produced	$/PGM oz	**919**	851	8	844
Stay-in-business capital	R million	**43**	47	(8)	175
All-in sustaining costs net of metal revenue credits other than Pt	$ million	**(21)**	1	(1,960)	(5)
All-in sustaining costs per platinum ounce sold	$/Pt oz	**(1,179)**	39	(3,098)	(89)
Reconciling items for AISC and free cash flow					
Allocated marketing and market development costs	$/Pt oz sold	**69**	29	135	29

GROUP PERFORMANCE DATA CONTINUED

for the six months ended 30 June 2020

KROONDAL PLATINUM MINE

(50:50 pooling and sharing agreement with Sibanye – Stillwater)
(All statistics represent attributable contribution for mined production i.e. excluding POC)

		Six months ended			Year ended
		30 June 2020	30 June 2019	% change	31 December 2019
Production					
Total development	km	**1.8**	2.9	(39)	6.1
Square metres	000 m²	**147**	241	(39)	496
Tonnes milled	000 tonnes	**811**	1,267	(36)	2,636
Built-up head grade	4E g/tonne	**3.66**	3.59	2	3.60
Total mined production (M&C)					
PGMs	000 ounces	**101.6**	151.7	(33)	313.5
Platinum	000 ounces	**47.7**	72.2	(34)	148.6
Palladium	000 ounces	**25.4**	38.4	(34)	80.0
Rhodium	000 ounces	**8.8**	13.6	(35)	28.1
Iridium	000 ounces	**4.6**	5.0	(8)	10.4
Ruthenium	000 ounces	**14.5**	21.9	(34)	45.1
Gold	000 ounces	**0.6**	0.6	0	1.3
Nickel	tonnes	**113**	132	(15)	278
Copper	tonnes	**53**	61	(13)	126
Total PGM ounces refined		**63.9**	142.7	(55)	319.5
Platinum	000 ounces	**26.1**	68.8	(62)	156.5
Palladium	000 ounces	**17.4**	39.5	(56)	83.8
Other PGMs+Gold	000 ounces	**20.4**	34.4	(40)	79.2
Total PGM ounces sold – excluding trading		**82.0**	141.2	(42)	315.0
Platinum	000 ounces	**28.7**	68.5	(58)	156.1
Palladium	000 ounces	**20.1**	41.6	(52)	85.6
Other PGMs+Gold	000 ounces	**33.2**	31.1	7	73.3
Employees and efficiencies					
Own employees	average	**2,703**	2,760	(2)	2,745
Contractor employees	average	**1,082**	1,107	(2)	1,097
PGM ounces produced per employee	per annum	**53.7**	78.5	(32)	81.6

		Six months ended			Year ended
		30 June 2020	30 June 2019	% change	31 December 2019
Financials – excluding trading					
Rand basket price per PGM oz sold	R/PGM oz	**36,077**	16,771	115	18,486
Dollar basket price per PGM oz sold	$/PGM oz	**2,195**	1,176	87	1,275
Rand basket price per Pt oz sold	R/Pt oz	**102,878**	34,573	198	37,319
Dollar basket price per Pt oz sold	$/Pt oz	**6,259**	2,424	158	2,573
Net sales revenue	R million	**2,957**	2,368	25	5,824
from platinum	R million	**454**	813	(44)	1,950
from palladium	R million	**830**	831	(0)	1,893
from rhodium	R million	**1,429**	548	161	1,568
from other PGMs and gold	R million	**245**	146	69	342
from base and other metals	R million	**(2)**	30	(105)	71
Total operating costs	R million	**(1,486)**	(1,401)	6	(3,325)
EBITDA	R million	**1,471**	967	52	2,499
EBITDA margin	%	**50**	41	9	43
EBIT	R million	**1,330**	825	61	2,210
ROCE	%	**198**	108	90	151
Attributable economic free cash flow	R million	**1,211**	690	75	2,174
Attributable net cash flow	R million	**1,210**	690	75	2,173
Costs and unit costs					
Cash operating costs	R million	**1,283**	1,394	(8)	3,029
Cash on-mine cost per tonne milled	R/tonne	**1,472**	1,016	45	1,065
Cash operating cost per PGM oz produced	R/PGM oz	**13,731**	9,187	49	9,663
Cash operating cost per PGM oz produced	$/PGM oz	**824**	647	27	666
Stay-in-business capital	R million	**80**	96	(17)	239
All-in sustaining costs net of metal revenue credits other than Pt	$ million	**(56)**	10	(656)	(12)
All-in sustaining costs per platinum ounce sold	$/Pt oz	**(1,643)**	147	(1,219)	(77)
Reconciling items for AISC and free cash flow					
Allocated marketing and market development costs	$/Pt oz sold	**63**	22	182	22

GROUP PERFORMANCE DATA CONTINUED

for the six months ended 30 June 2020

ANALYSIS OF GROUP CAPITAL EXPENDITURE

R millions	Six months ended 30 June 2020			Six months ended 30 June 2019			Year ended 31 December 2019		
	Stay-in-business	Projects	Total	Stay-in-business	Projects	Total	Stay-in-business	Projects	Total
Operations									
Mogalakwena Mine	**1,878**	**110**	**1,988**	1,677	19	1,696	3,515	180	3,695
Amandebult Mine	**158**	**132**	**290**	173	193	366	387	785	1,172
Mototolo Mine	**180**	**47**	**227**	124	—	124	394	39	433
Unki Mine	**31**	**23**	**54**	71	7	78	230	28	258
Modikwa Mine	**34**	**52**	**86**	33	23	56	144	71	215
Kroondal Mine	**70**	**—**	**70**	78	—	78	199	—	199
Mining and retreatment	**2,351**	**364**	**2,715**	2,156	242	2,398	4,869	1,103	5,972
Polokwane Smelter	**185**	**—**	**185**	407	—	407	834	9	843
Waterval Smelter	**110**	**—**	**110**	154	—	154	314	10	324
Acid Converting Plant (ACP)	**92**	**1**	**93**	25	—	25	89	11	100
Mortimer Smelter	**11**	**1**	**12**	11	—	11	41	6	47
Unki Smelter	**—**	**1**	**1**	—	11	11	4	16	20
Rustenburg Base Metals Refiners	**64**	**80**	**144**	97	—	97	240	93	333
Precious Metals Refiners	**21**	**—**	**21**	37	—	37	79	—	79
Total smelting and refining	**483**	**83**	**566**	731	11	742	1,601	145	1,746
Other	**(32)**	**(1)**	**(33)**	61	—	61	349	18	367
Total capital expenditure	**2,802**	**446**	**3,248**	2,948	253	3,201	6,819	1,266	8,085
Capitalised interest	**—**	**—**	**89**	—	—	139	—	—	216
Total capitalised costs	**2,802**	**446**	**3,337**	2,948	253	3,340	6,819	1,266	8,301

Stay-in-business capital for Mogalakwena includes R1.4 billion for waste stripping for the six months to June 2020 (R1.1 billion for the six months to June 2019 and R2.1 billion for the year ended 31 December 2019).

2020 INTERIM RESULTS PRESENTATION

for the six months ended 30 June 2020

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

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2020 INTERIM RESULTS AGENDA

Supporting stakeholders	Natascha Viljoen
Operational performance	Natascha Viljoen
Financials	Craig Miller
PGM market review	Natascha Viljoen
Positioning the business for the future	Natascha Viljoen
Outlook and guidance	Natascha Viljoen

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RESILIENT BUSINESS DESPITE HEADWINDS

Safety performance

Fatalities

zero

at managed operations

Health and well-being

Protecting livelihoods

R1.2bn

in unproductive labour costs to support employees

Community support - Covid-19

Investment in communities

R55m

Robust PGM fundamentals

USD basket price up

56%

rand basket price up 80% per PGM ounce sold

Strong balance sheet

Net cash position

R11.3bn

after paying R11.1 billion in dividends

Industry leading returns

H1 2020 dividend

R2.8bn

R10.23 per share

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PLATINUM

SUPPORTING STAKEHOLDERS

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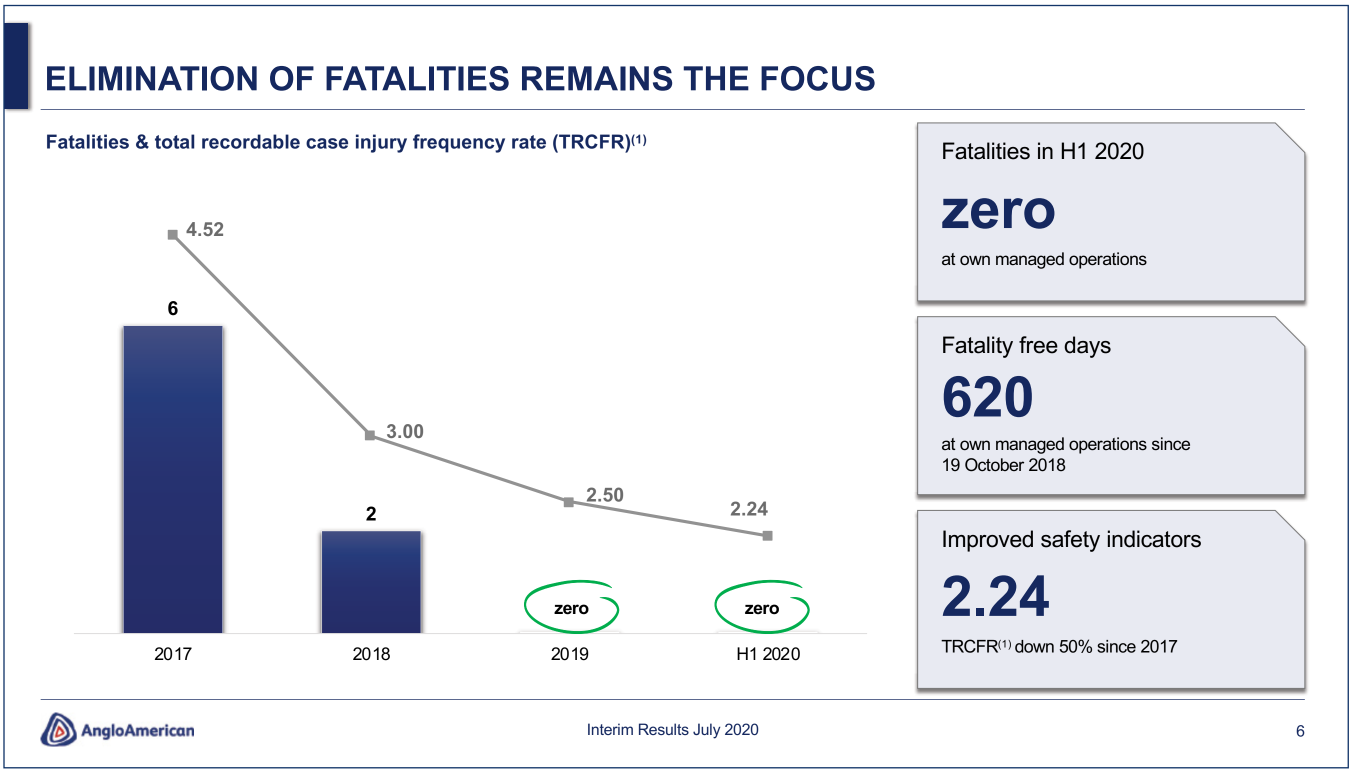
ELIMINATION OF FATALITIES REMAINS THE FOCUS
Fatalities & total recordable case injury frequency rate (TRCFR)(1)
4.52
6
3.00
2
2.50
2.24
zero
zero
2017
2018
2019
H1 2020
Fatalities in H1 2020
zero
at own managed operations
Fatality free days
620
at own managed operations since 19 October 2018
Improved safety indicators
2.24
TRCFR(1) down 50% since 2017
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DEVELOPING OUR COVID-19 RESPONSE
WeCare
Protecting our wellbeing during Covid-19
SUPPORT WHERE IT IS NEEDED MOST
Prevent
Respond
Recover
Operating protocols
Physical & mental health
Employee and community support
Workforce & community testing
Safe and healthy operations
Education, healthcare and livelihoods
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SUPPORTING COMMUNITIES THROUGH COVID-19
24,000
food parcels delivered
100,000
face masks donated
77
clinics supported
53,000
provided access to water
4.6m
reach – through education awareness campaigns
Commitment to reshaping relationships with communities
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PLATINUM

OPERATIONAL PERFORMANCE

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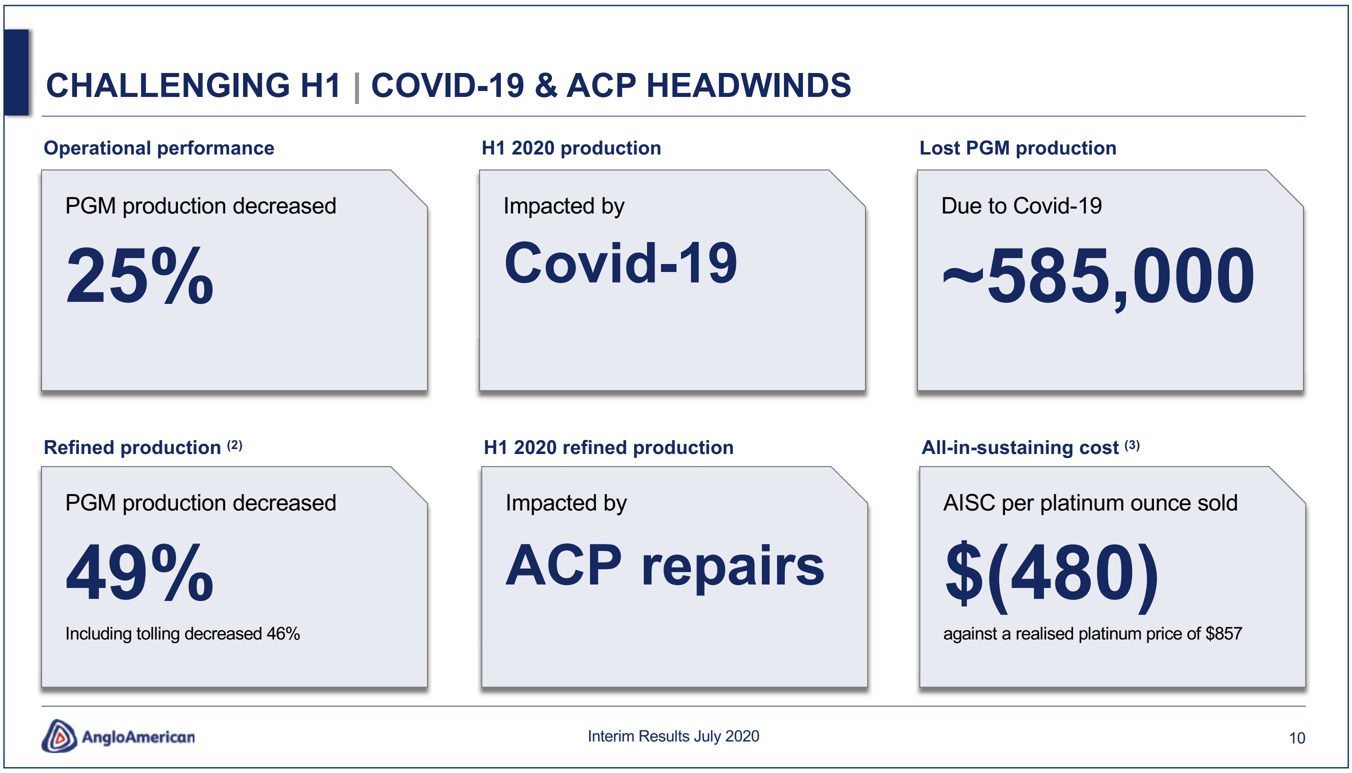
CHALLENGING H1 | COVID-19 & ACP HEADWINDS
Operational performance
PGM production decreased
25%
H1 2020 production
Impacted by
Covid-19
Lost PGM production
Due to Covid-19
~585,000
Refined production (2)
PGM production decreased
49%
Including tolling decreased 46%
H1 2020 refined production
Impacted by
ACP repairs
All-in-sustaining cost (3)
AISC per platinum ounce sold
$(480)
against a realised platinum price of $857
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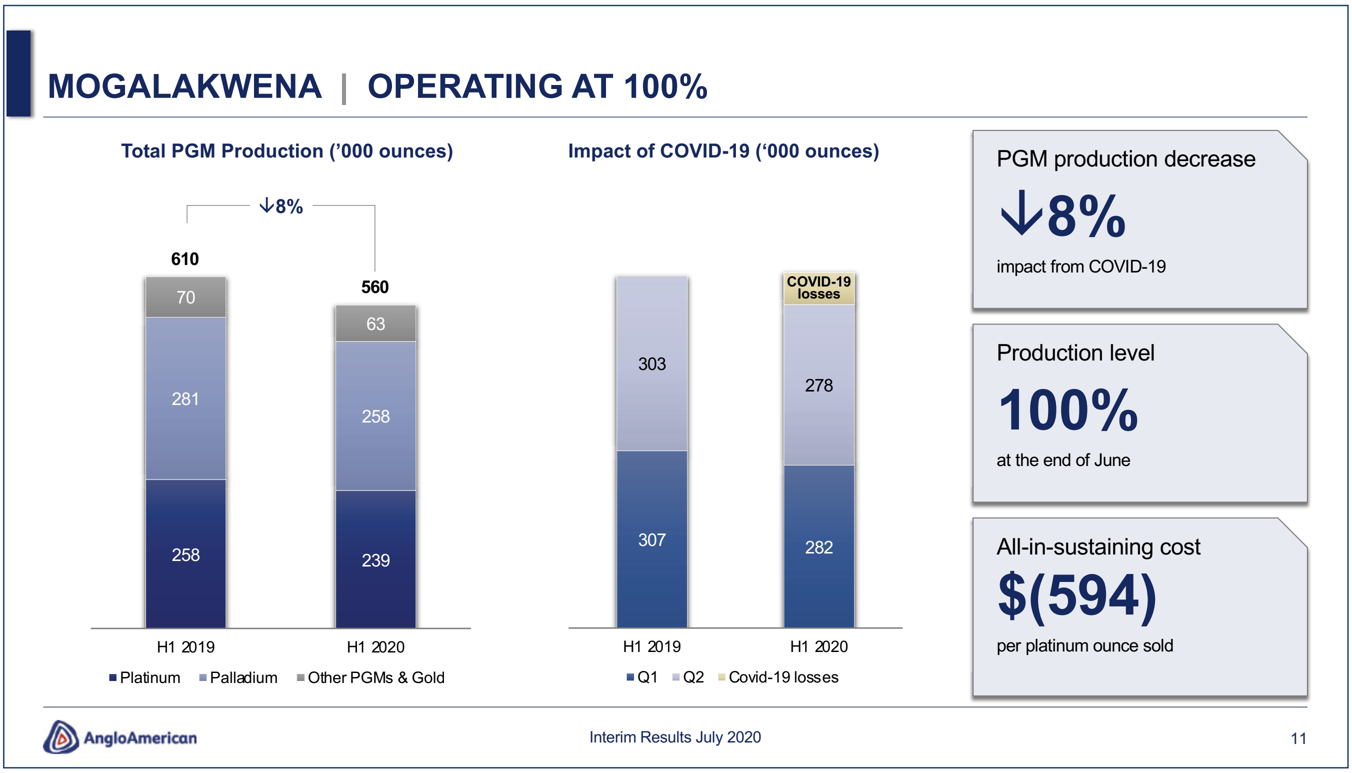
MOGALAKWENA | OPERATING AT 100%
Total PGM Production ('000 ounces)
↓8%
610
560
70
281
258
63
258
239
H1 2019
H1 2020
Platinum
Palladium
Other PGMs & Gold
Impact of COVID-19 ('000 ounces)
COVID-19 losses
303
307
278
282
H1 2019
H1 2020
Q1
Q2
Covid-19 losses
PGM production decrease
↓8%
impact from COVID-19
Production level
100%
at the end of June
All-in-sustaining cost
$(594)
per platinum ounce sold
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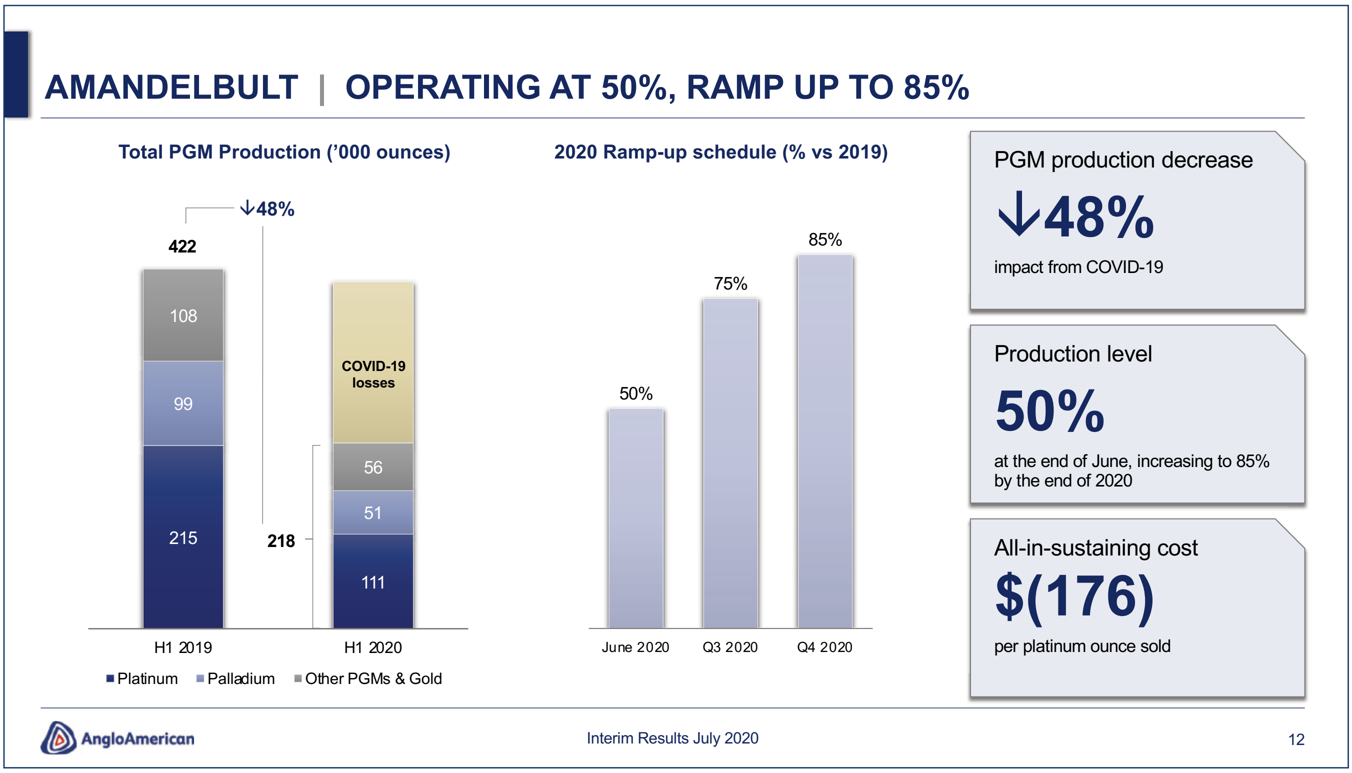
AMANDELBULT | OPERATING AT 50%, RAMP UP TO 85%
Total PGM Production ('000 ounces)
↓48%
422
108
99
215
218
COVID-19 losses
56
51
111
H1 2019
H1 2020
Platinum
Palladium
Other PGMs & Gold
2020 Ramp-up schedule (% vs 2019)
50%
75%
85%
June 2020
Q3 2020
Q4 2020
PGM production decrease
↓48%
impact from COVID-19
Production level
50%
at the end of June, increasing to 85% by the end of 2020
All-in-sustaining cost
$(176)
per platinum ounce sold
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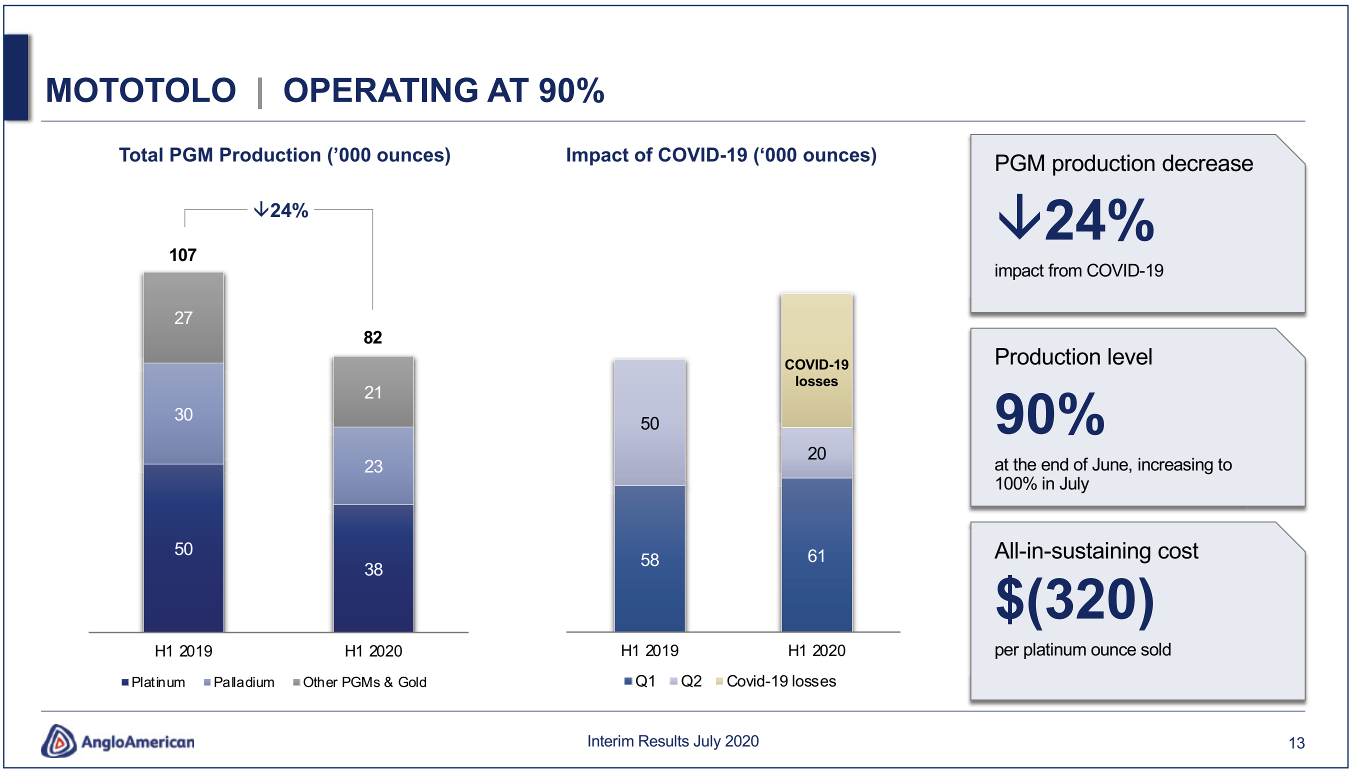
MOTOTOLO | OPERATING AT 90%
Total PGM Production ('000 ounces)
↓24%
107
82
27
30
50
21
23
38
H1 2019
H1 2020
Platinum
Palladium
Other PGMs & Gold
Impact of COVID-19 ('000 ounces)
50
58
COVID-19 losses
20
61
H1 2019
H1 2020
Q1
Q2
Covid-19 losses
PGM production decrease
↓24%
impact from COVID-19
Production level
90%
at the end of June, increasing to 100% in July
All-in-sustaining cost
$(320)
per platinum ounce sold
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Interim Results July 2020
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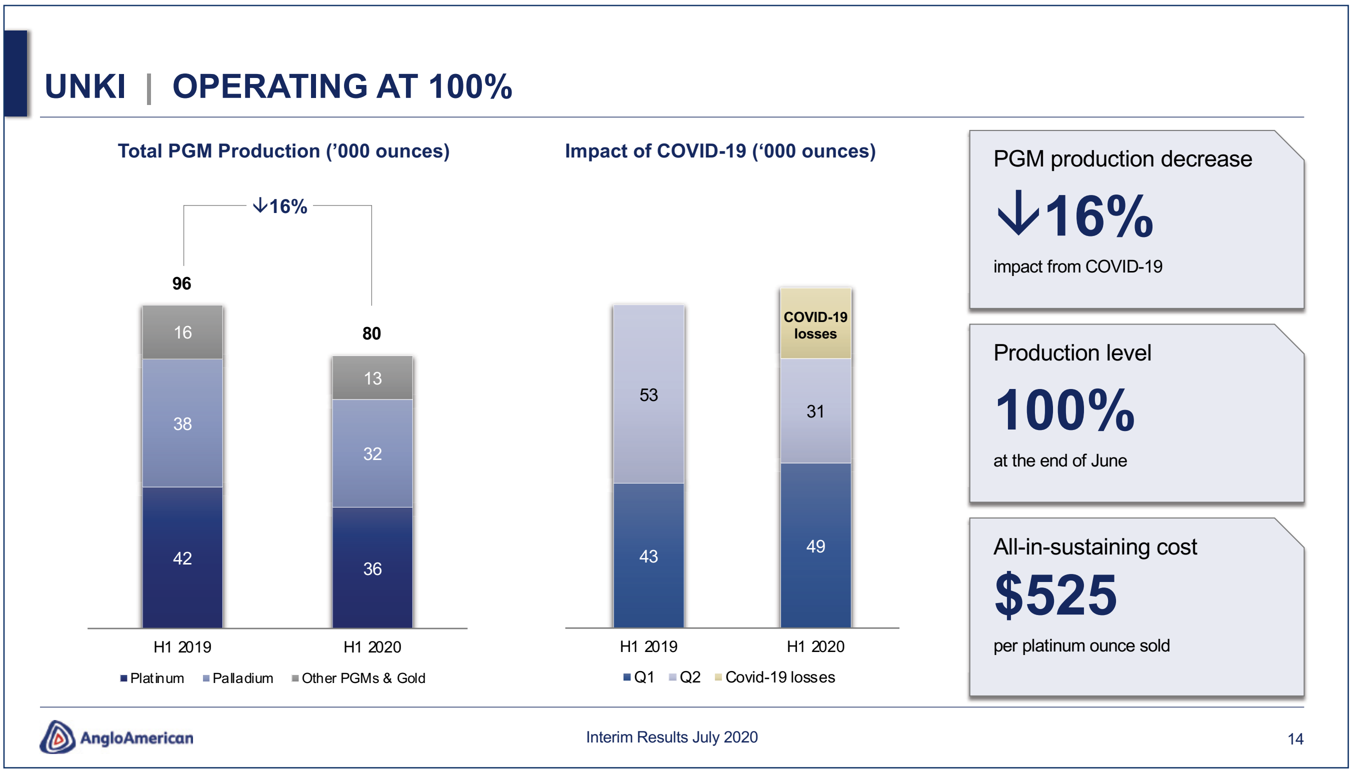
UNKI | OPERATING AT 100%
Total PGM Production ('000 ounces)
↓16%
96
16
38
42
80
13
32
36
H1 2019
H1 2020
Platinum
Palladium
Other PGMs & Gold
Impact of COVID-19 ('000 ounces)
53
43
COVID-19 losses
31
49
H1 2019
H1 2020
Q1
Q2
Covid-19 losses
PGM production decrease
↓16%
impact from COVID-19
Production level
100%
at the end of June
All-in-sustaining cost
$525
per platinum ounce sold
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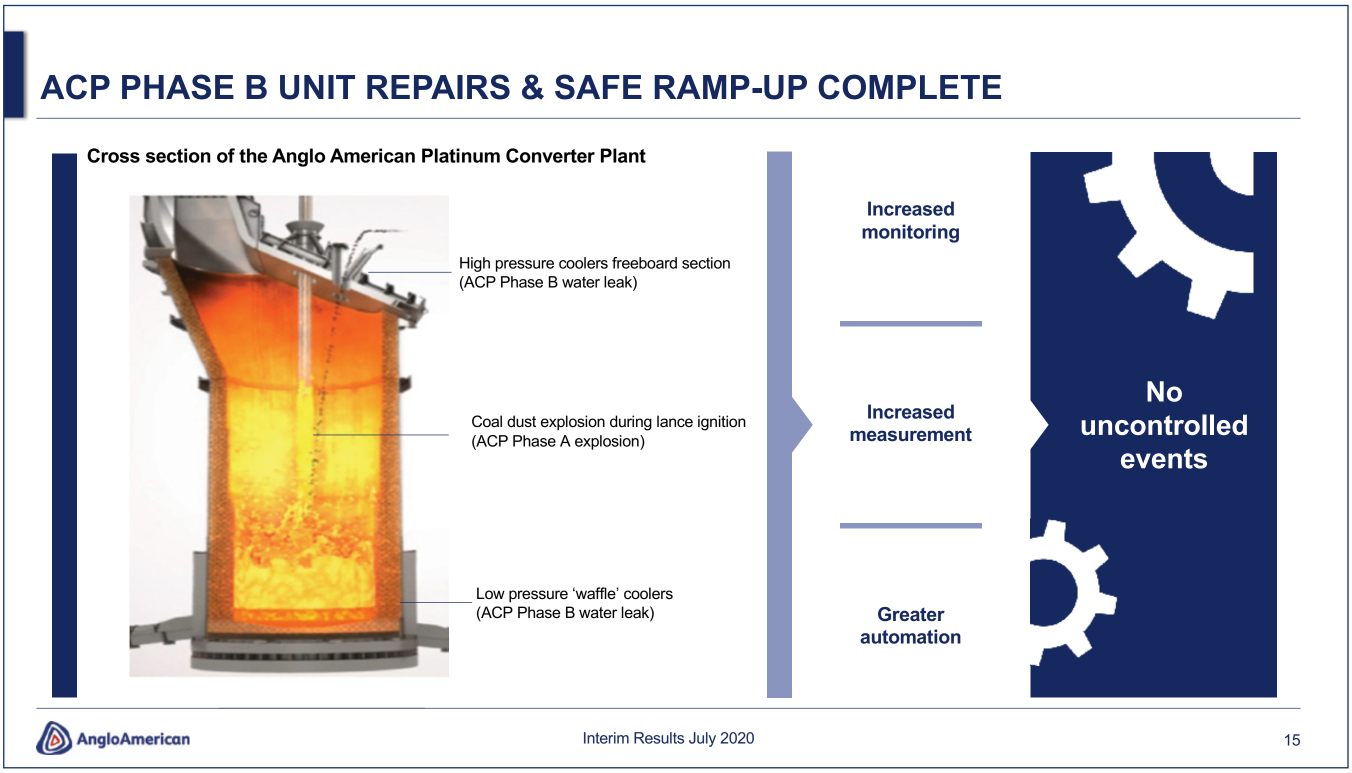
ACP PHASE B UNIT REPAIRS & SAFE RAMP-UP COMPLETE
Cross section of the Anglo American Platinum Converter Plant
High pressure coolers freeboard section (ACP Phase B water leak)
Coal dust explosion during lance ignition (ACP Phase A explosion)
Low pressure 'waffle' coolers (ACP Phase B water leak)
Increased monitoring
Increased measurement
Greater automation
No uncontrolled events
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Interim Results July 2020
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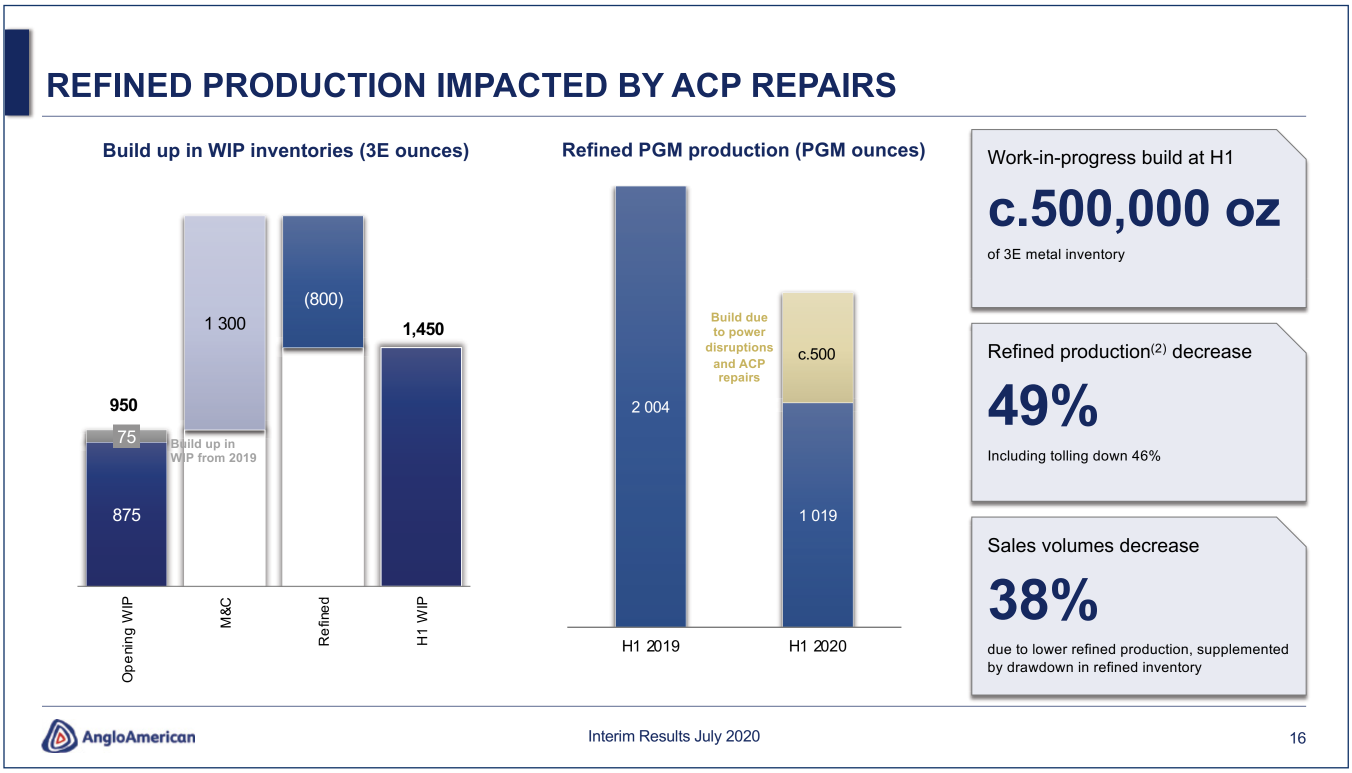
REFINED PRODUCTION IMPACTED BY ACP REPAIRS
Build up in WIP inventories (3E ounces)
950
75
875
Build up in WIP from 2019
1 300
(800)
1,450
Opening WIP
M&C
Refined
H1 WIP
Refined PGM production (PGM ounces)
2 004
Build due to power disruptions and ACP repairs
c.500
1 019
H1 2019
H1 2020
Work-in-progress build at H1
c.500,000 oz
of 3E metal inventory
Refined production(2) decrease
49%
Including tolling down 46%
Sales volumes decrease
38%
due to lower refined production, supplemented by drawdown in refined inventory
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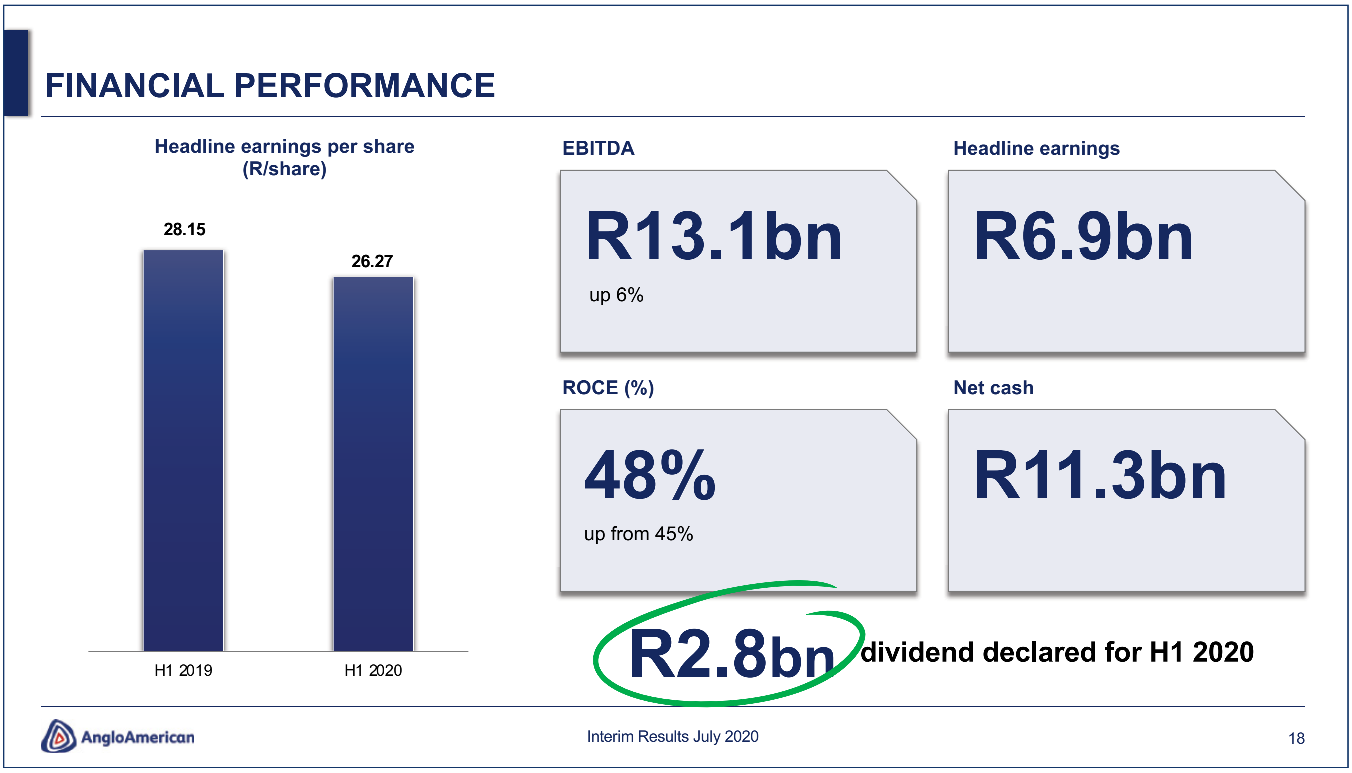
PLATINUM

FINANCIALS


FINANCIAL PERFORMANCE
Headline earnings per share (R/share)
28.15
26.27
H1 2019
H1 2020
EBITDA
R13.1bn
up 6%
Headline earnings
R6.9bn
ROCE (%)
48%
up from 45%
Net cash
R11.3bn
R2.8bn dividend declared for H1 2020
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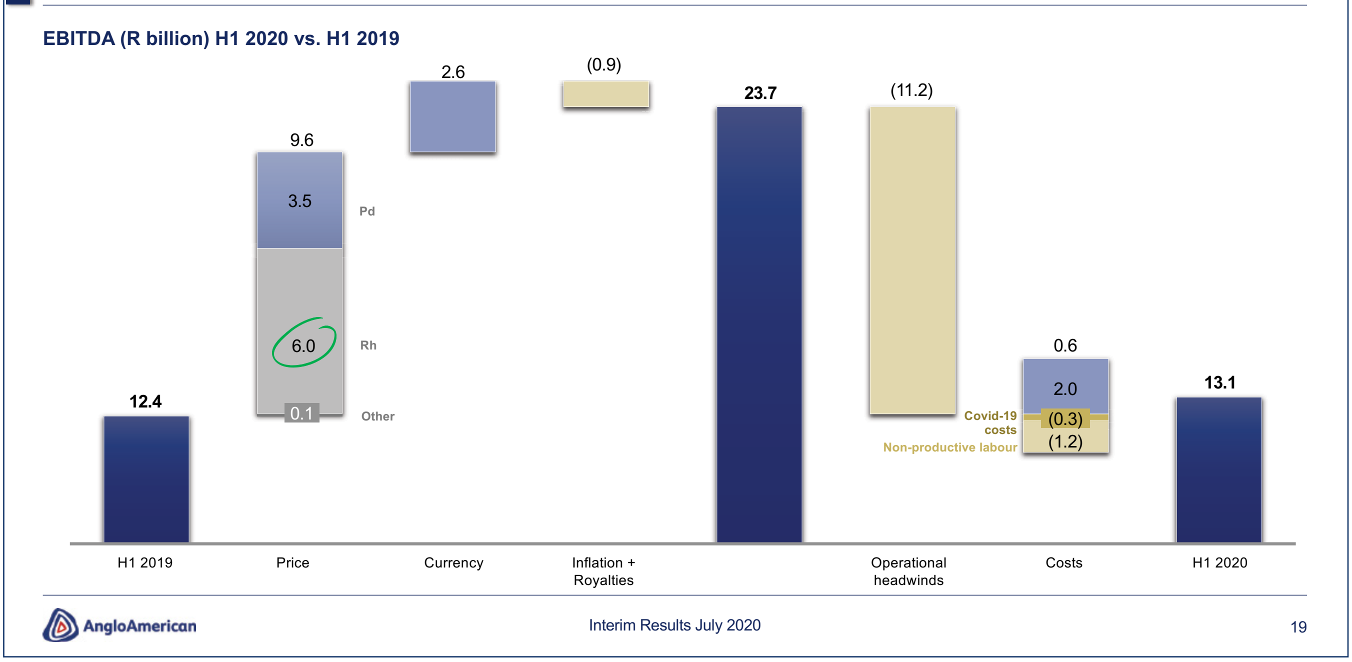
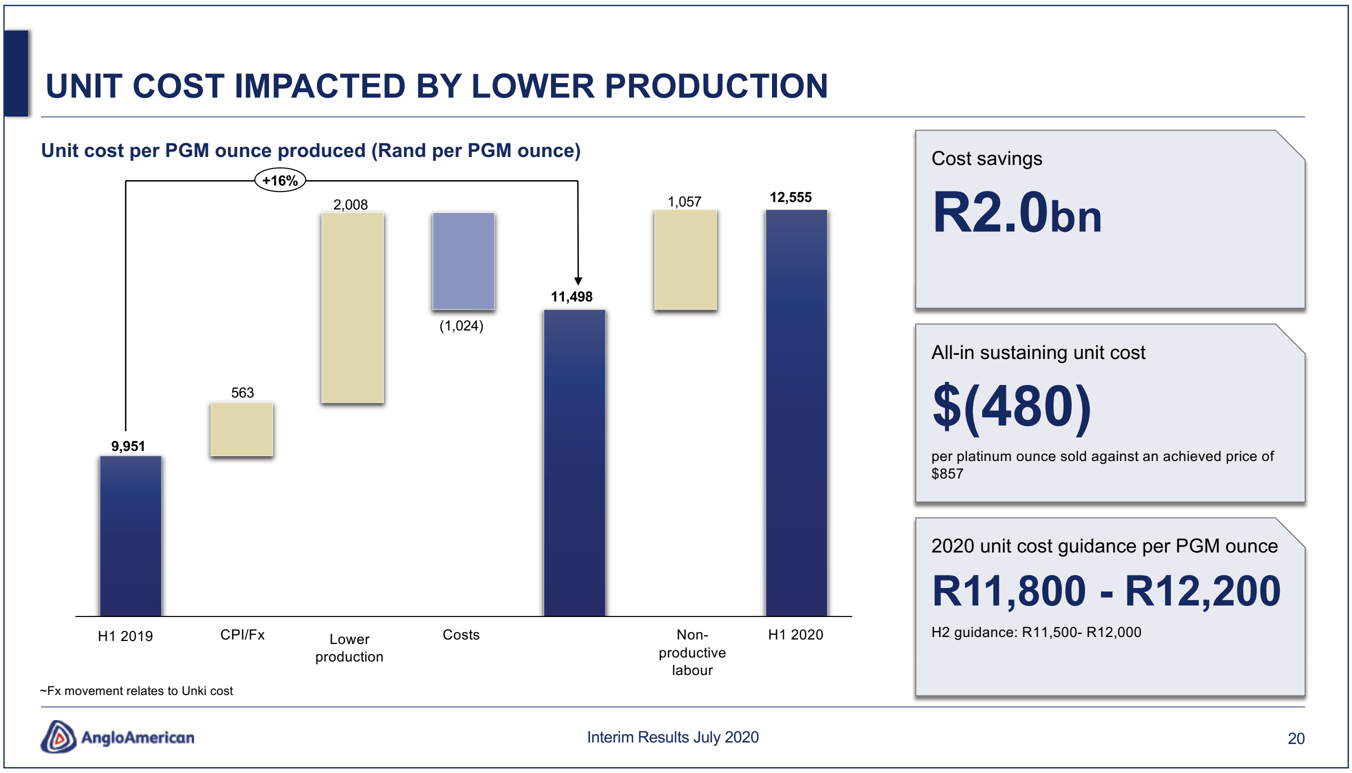
EBITDA IMPACTED BY OPERATIONAL HEADWINDS




UNIT COST IMPACTED BY LOWER PRODUCTION
Unit cost per PGM ounce produced (Rand per PGM ounce)
+16%
9,951
563
2,008
(1,024)
11,498
1,057
12,555
H1 2019
CPI/Fx
Lower production
Costs
Non-productive labour
H1 2020
~Fx movement relates to Unki cost
Cost savings
R2.0bn
All-in sustaining unit cost
$(480)
per platinum ounce sold against an achieved price of $857
2020 unit cost guidance per PGM ounce
R11,800 - R12,200
H2 guidance: R11,500- R12,000
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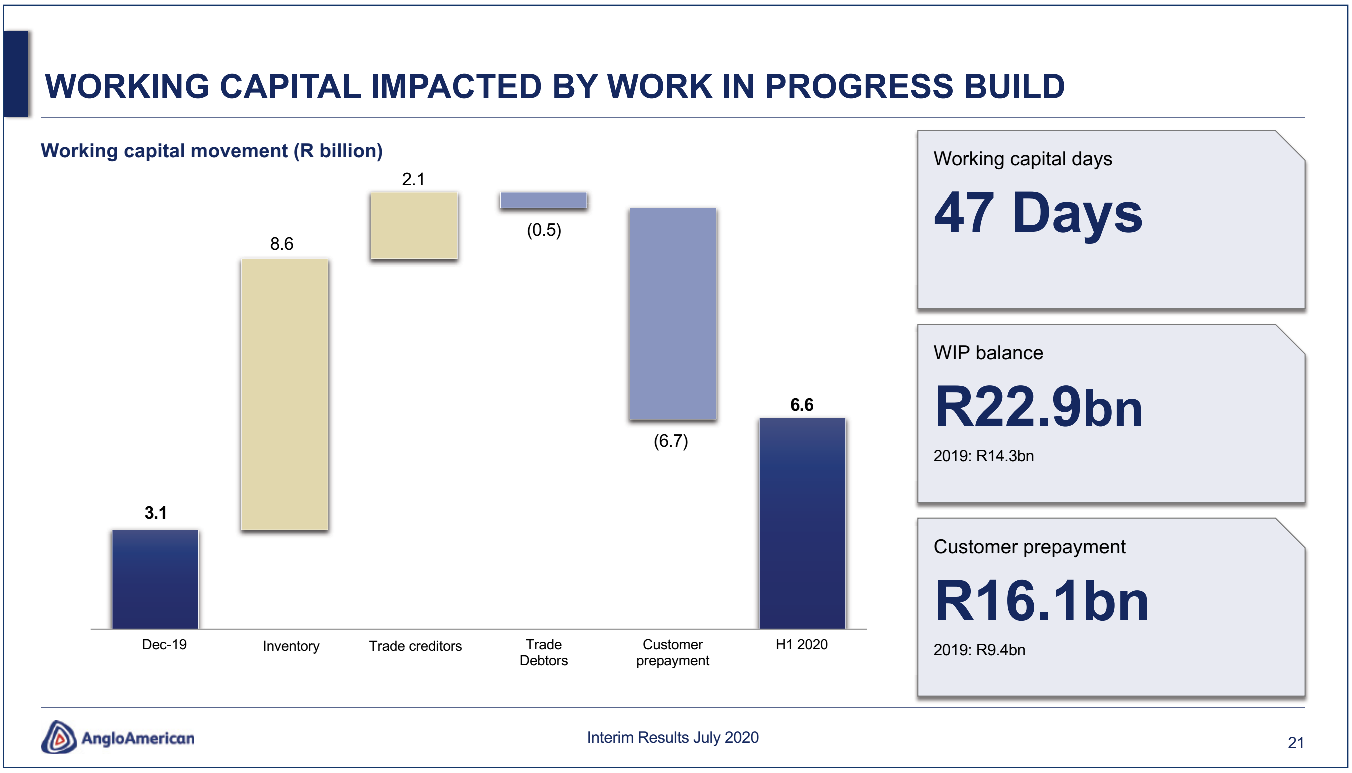
WORKING CAPITAL IMPACTED BY WORK IN PROGRESS BUILD
Working capital movement (R billion)
3.1
8.6
2.1
(0.5)
(6.7)
6.6
Dec-19
Inventory
Trade creditors
Trade Debtors
Customer prepayment
H1 2020
Working capital days
47 Days
WIP balance
R22.9bn
2019: R14.3bn
Customer prepayment
R16.1bn
2019: R9.4bn
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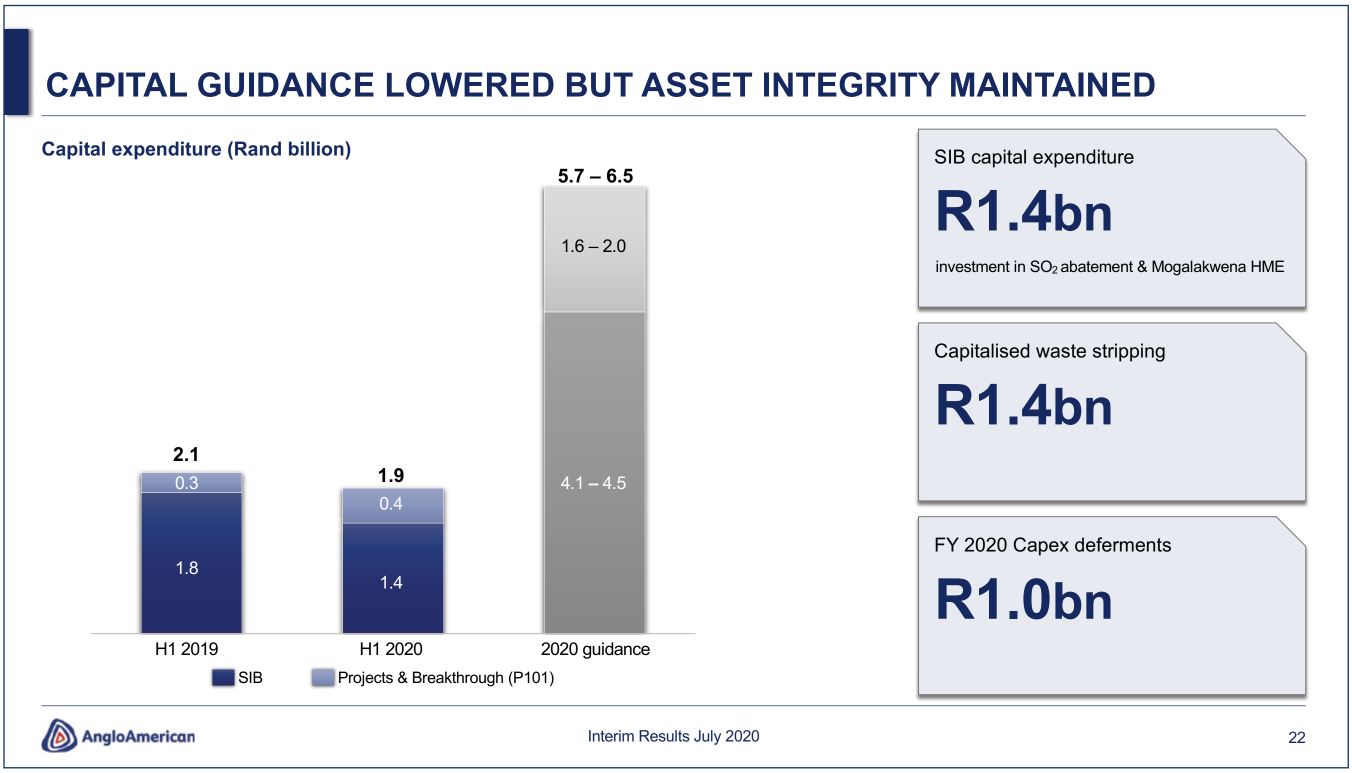
CAPITAL GUIDANCE LOWERED BUT ASSET INTEGRITY MAINTAINED
Capital expenditure (Rand billion)
5.7 – 6.5
1.6 – 2.0
4.1 – 4.5
2.1
0.3
1.8
1.9
0.4
1.4
H1 2019
H1 2020
2020 guidance
SIB
Projects & Breakthrough (P101)
SIB capital expenditure
R1.4bn
investment in SO_2 abatement & Mogalakwena HME
Capitalised waste stripping
R1.4bn
FY 2020 Capex deferments
R1.0bn
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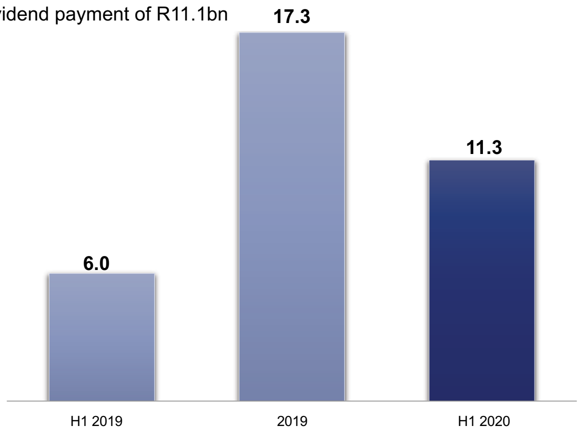
CASH FLOW IMPACTED BY WORKING CAPITAL BUILD

Net cash (Rand billion)

R11.3bn

after a dividend payment of R11.1bn



Cash utilised

R3.5bn

Liquidity headroom

R16.6bn

excluding customer prepayment

H1 2020 dividend declared

R2.8bn

R10.23 /share

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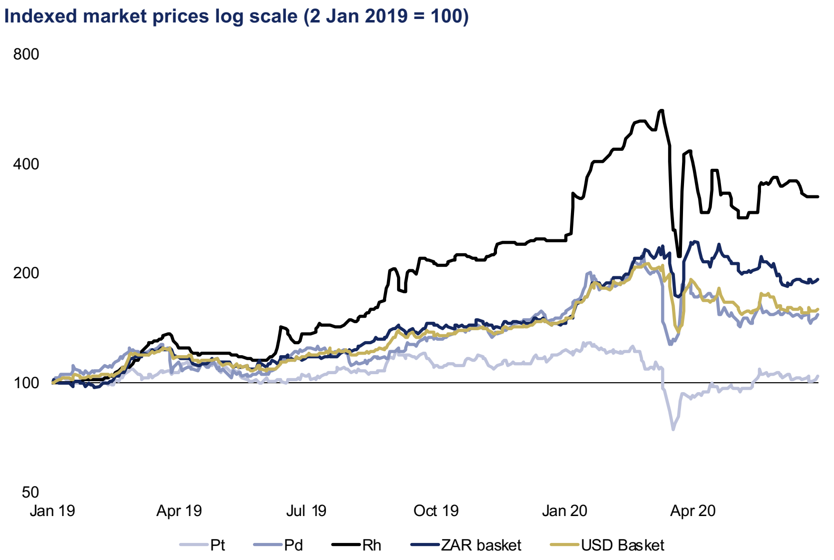
PALLADIUM & RHODIUM PROPEL BASKET PRICE HIGHER



USD basket price increase

56%

realised prices H1 2020 average year-on-year

Rand weakened against USD

13%

Rand basket price increase

80%

realised prices H1 2020 average year-on-year

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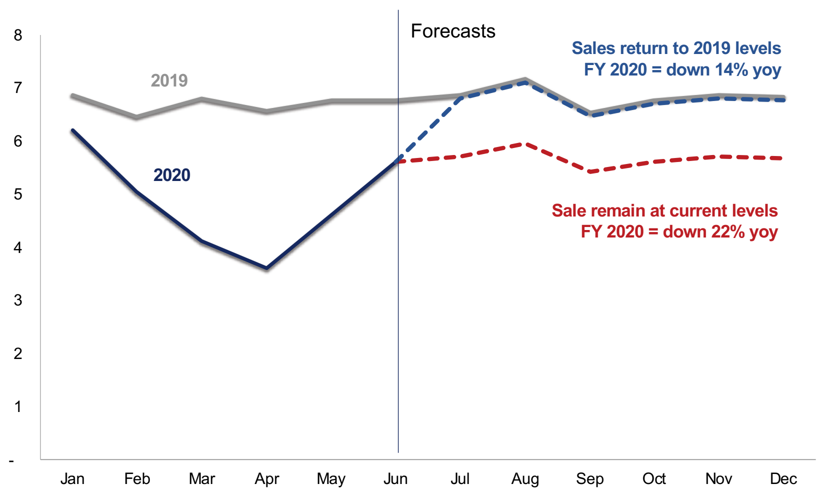
COVID IMPACTED AUTO SALES | BUT NOW RECOVERING

Global light duty automotive sales (million vehicles per month)[5]



Automotive demand

65%

of gross 3E PGM demand

Global LDV[4] sales down in H1

28%

H1 2019 year on year

2020 forecast LDV[4] sales decline

~14 – 22%

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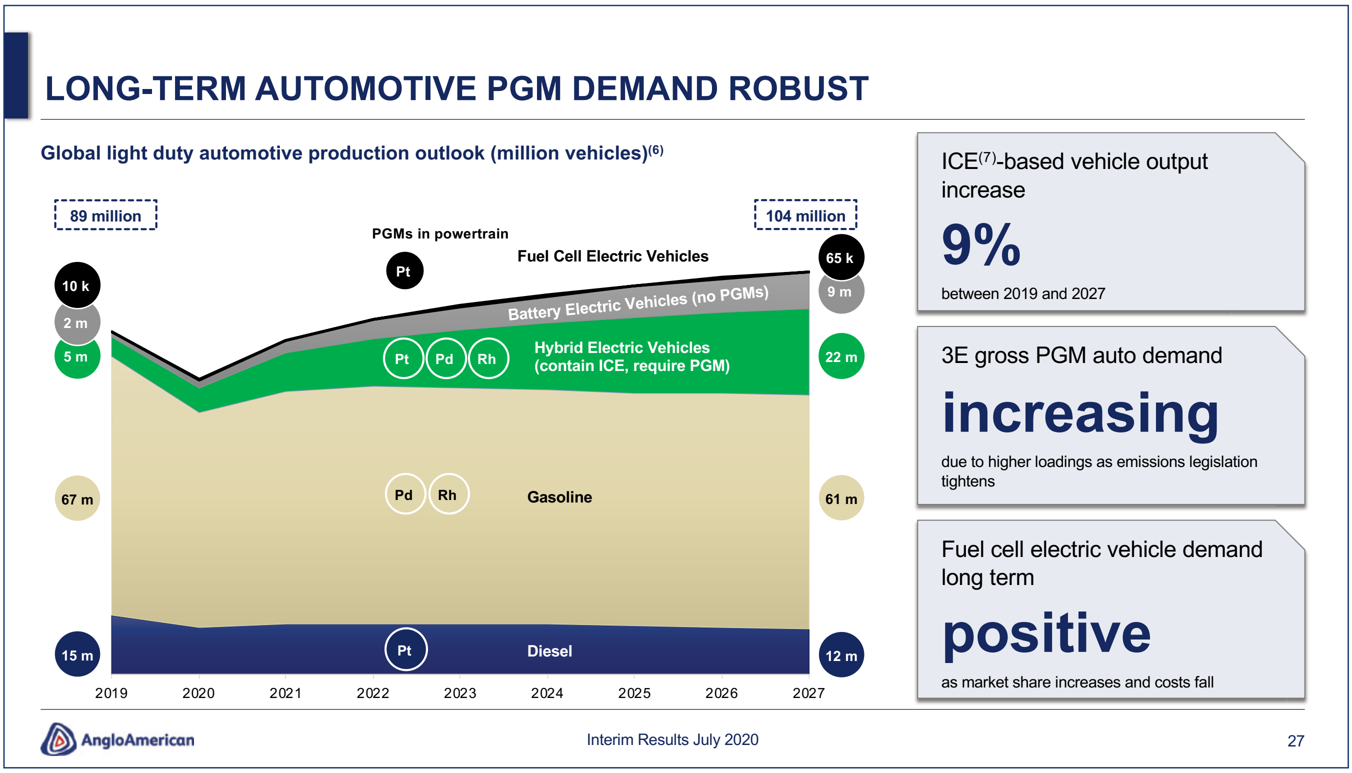
LONG-TERM AUTOMOTIVE PGM DEMAND ROBUST
Global light duty automotive production outlook (million vehicles)(6)
89 million
104 million
PGMs in powertrain
Fuel Cell Electric Vehicles
Battery Electric Vehicles (no PGMs)
Hybrid Electric Vehicles (contain ICE, require PGM)
Gasoline
Diesel
Pt
Pt Pd Rh
Pd Rh
Pt
10 k
2 m
5 m
67 m
15 m
65 k
9 m
22 m
61 m
12 m
2019 2020 2021 2022 2023 2024 2025 2026 2027
ICE(7)-based vehicle output increase
9%
between 2019 and 2027
3E gross PGM auto demand
increasing
due to higher loadings as emissions legislation tightens
Fuel cell electric vehicle demand long term
positive
as market share increases and costs fall
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OTHER DEMAND | POSITIVE STORY POST-COVID

Industrial demand

22% of gross 3E PGM demand

2020 3E demand outlook
resilient

Medium-term 3E demand outlook
positive

- Many diversified and expanding end-uses
- Quickening momentum behind "hydrogen economy"

Jewellery demand

13% of gross 3E PGM demand

2020 3E demand outlook
weak

Medium-term 3E demand outlook
steady

- Lower global income after Covid
- Changing consumer preferences
- Growing middle class

Investment demand

6% of gross platinum demand

2020 demand 3E outlook
mixed

Medium-term 3E demand outlook
positive

- Product innovation and investor education
- Palladium ETF outflows slowing

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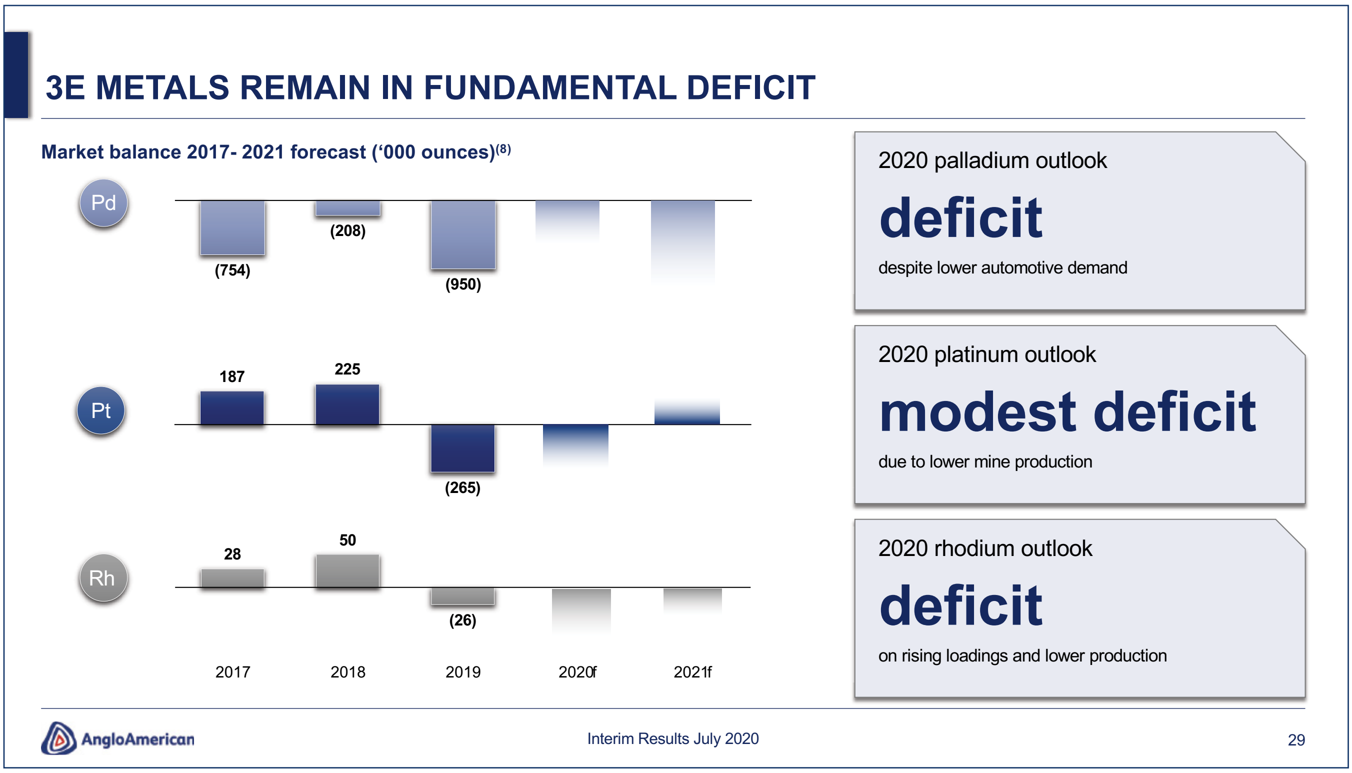
3E METALS REMAIN IN FUNDAMENTAL DEFICIT
Market balance 2017- 2021 forecast ('000 ounces)(8)
Pd
(754)
(208)
(950)
Pt
187
225
(265)
Rh
28
50
(26)
2017
2018
2019
2020f
2021f
2020 palladium outlook
deficit
despite lower automotive demand
2020 platinum outlook
modest deficit
due to lower mine production
2020 rhodium outlook
deficit
on rising loadings and lower production
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PLATINUM

POSITIONING THE BUSINESS FOR THE FUTURE

BUILDING BLOCKS IN PLACE

Operational efficiency

- Achieve and beat world best practice - P101
- Deployment of FutureSmart™ technology & innovation
- Digitalisation
- Modernisation and mechanisation of Amandelbult

Breakthrough technology

- Development of FutureSmart™ technology innovation
- Bulk-ore sorting
- Coarse particle rejection
- Dry-stacking

Projects & growth options

- Fast payback projects
- Mogalakwena expansion options
- Mototolo / Der Brochen life extension or expansion

Market development

- Developing new applications for PGMs
- Growing demand – jewellery & investment
- Supporting development of hydrogen economy

Delivering industry-leading returns for shareholders and a sustainable future for all stakeholders

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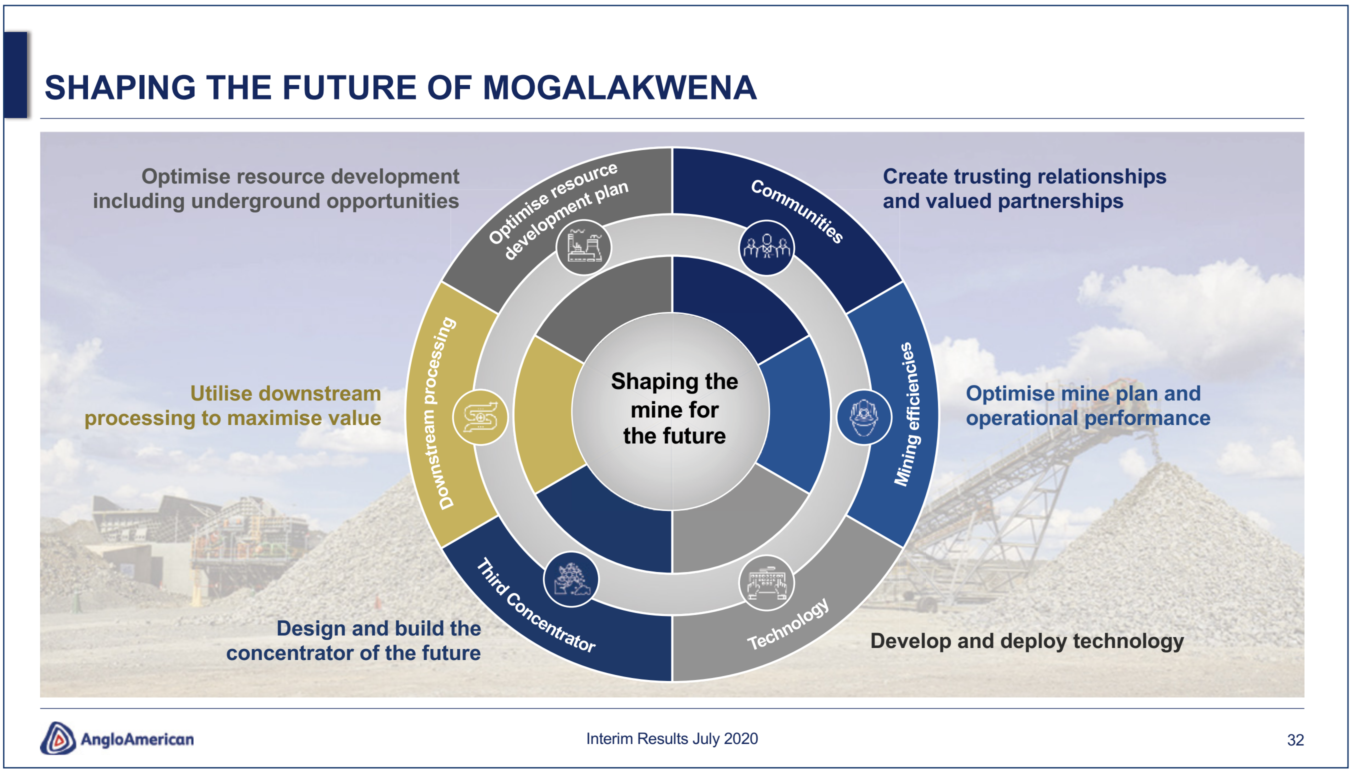
SHAPING THE FUTURE OF MOGALAKWENA
Optimise resource development including underground opportunities
Create trusting relationships and valued partnerships
Utilise downstream processing to maximise value
Optimise mine plan and operational performance
Design and build the concentrator of the future
Develop and deploy technology
Optimise resource development plan
Communities
Downstream processing
Mining efficiencies
Third Concentrator
Technology
Shaping the mine for the future
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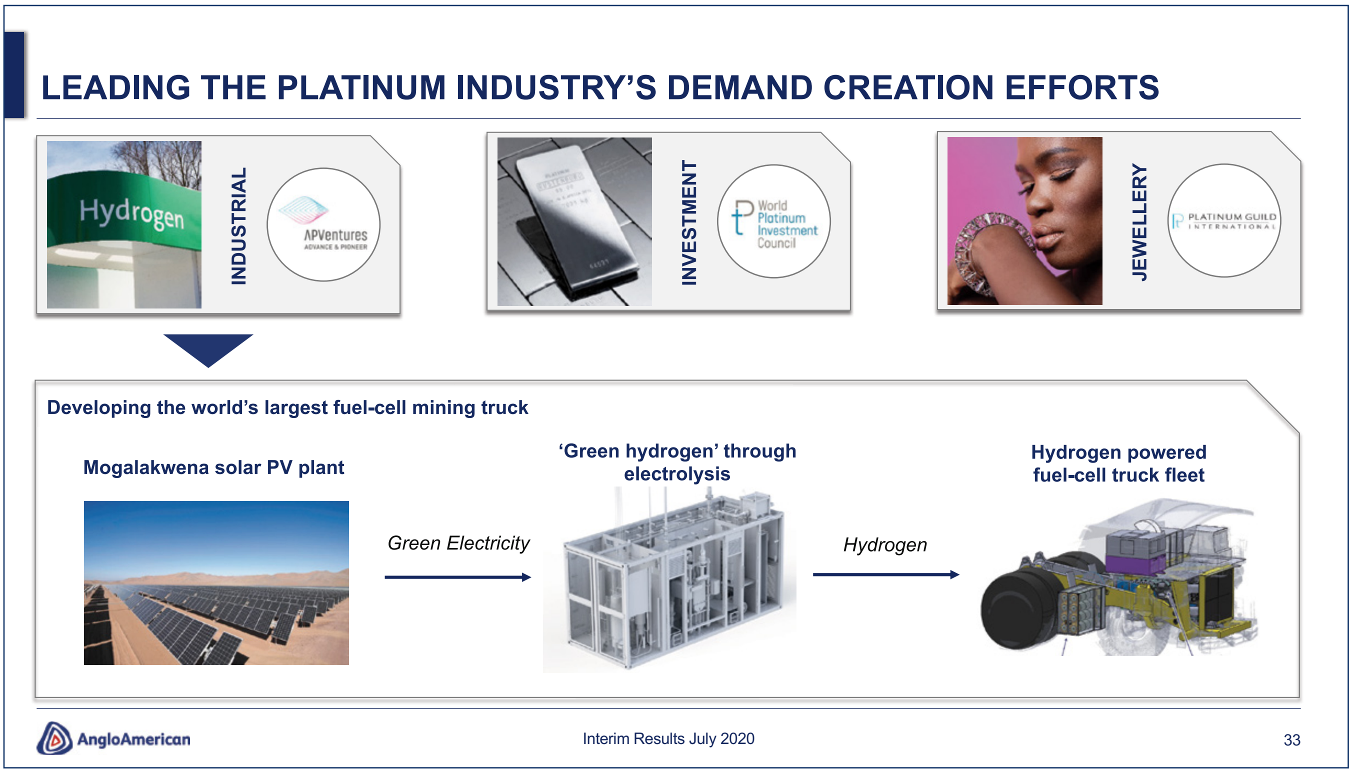
LEADING THE PLATINUM INDUSTRY'S DEMAND CREATION EFFORTS
Hydrogen
INDUSTRIAL
APVentures
ADVANCE & PIONEER
INVESTMENT
World Platinum Investment Council
JEWELLERY
PLATINUM GUILD INTERNATIONAL
Developing the world's largest fuel-cell mining truck
Mogalakwena solar PV plant
Green Electricity
'Green hydrogen' through electrolysis
Hydrogen
Hydrogen powered fuel-cell truck fleet
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PLATINUM

GUIDANCE & CONCLUSION

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2020 GUIDANCE | COVID-19 HEADWINDS REMAIN

Production M&C (million ounces)

PGMs 3.1 – 3.6

Pt:	1.45 – 1.65
Pd:	1.00 – 1.15
Other:	0.65 – 0.90

Excluding toll production

Refined production (million ounces)

PGMs 3.1 – 3.6

Pt:	1.45 – 1.65
Pd:	1.00 – 1.15
Other:	0.65 – 0.90

Excluding toll production

Sales volumes (million ounces)

PGMs 3.1 – 3.6

Pt:	1.45 – 1.65
Pd:	1.00 – 1.15
Other:	0.65 – 0.90

Excluding toll production

Capital expenditure

R5.7– 6.5bn

Capitalised waste stripping

R2.4 – 2.6bn

Unit cost per PGM ounce

R11,800 - R12,200

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TO CONCLUDE…

- Resilient business through significant headwinds
- Zero fatalities and best ever safety performance
- ESG strategy supporting stakeholders during COVID-19 pandemic
- Clean air movement underpins robust fundamentals for PGMs
- Strong balance sheet – c.45% release of WIP in H2 2020
- Interim dividend declared – base dividend of 40% pay-out ratio
- Continuing to position the business for the future

…Stronger H2 expected but significant headwinds still exist

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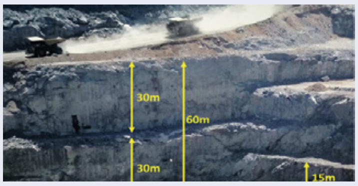
PLATINUM

APPENDIX

OPERATIONAL EFFICIENCY | BENCHMARK & BEYOND (P101)

Double benching at Mogalakwena

- From 2020 - pit slope design based on double benching
- Moving from 30m to 60m stack height
- Digitalisation enhances slope stability control
- Significant reduction in incremental strip ratio
- Reduces waste tonnes mined



Rope shovel efficiency improvement

- Digitalisation improves control systems
- Improve drill accuracy and blasting fragmentation
- Improved truck utilisation through double side loading
- Better truck positioning reduces shovel hang time
- Rope shovel bucket fill-factor increased

Modernisation at Amandelbult

- Tumela 15E mechanisation – narrow reef technology
- Dishaba ramp-up
- Modernisation and digitalisation
- Cycle mining
- PGM recovery improvements
- Asset reliability and maintenance enhancements

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BREAKTHROUGH | FUTURESMART MINING[TM] TECHNOLOGY

Bulk-ore sorter – trial underway

- Sensors determine ore content prior to processing allowing waste material to be removed

Benefits

- Immediate grade testing
- Unlocks production capacity by rejecting waste early
- Allows for lower cut off grades
- Reduces mining cost & complexity

Coarse particle rejection – Q1 2021

- Trial plant to be built at Mogalakwena North Concentrator
- Rejection of coarse gangue ahead of the primary flotation section

Benefits

- Unlocks downstream capacity for increased throughput
- Reduced energy consumption
- Reduced water consumption
- Reduced operating cost

Hydraulic Dry Stacking – H2 2021

- New approach to eliminate wet tailings storage
- Leverage CPR sands to accelerate dewatering at tailings facility

Benefits

- Safety – desaturated tailings inherently safe
- Water recycling expected to exceed 85%
- Fast closure facilitating land re-purposing

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FAST PAYBACK PROJECTS - HIGH RETURN, HIGH MARGIN

Base Metal Refinery - copper debottlenecking

Copper plates at the Rustenburg Base Metal Refinery (RBMR)

Amandelbult modernisation

Winder upgrades increase hoisting capacity from 160ktpm to 230ktpm

Disciplined capital allocation framework drives project selection

Projects :				*Commission:*		
Modikwa chrome recovery plant	Approved	R0.2bn	+288ktpa	H1 2021	~2 year payback	>50%IRR
RBMR copper debottlenecking	Approved	R0.7bn	--	H2 2021	~2 year payback	>35%IRR
Unki debottlenecking	Approved	R0.7bn	+31ktpm	H2 2021	~3 year payback	>35%IRR
Amandelbult modernisation	Approved	R1.3bn	--	H1 2022	~3 year payback	>60%IRR
Tumela 15E	Approved	R1.1bn	+70ktpm	H2 2022	~5 year payback	>20%IRR

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PROJECT STUDIES ON VALUE ACCRETIVE GROWTH OPTIONS

Mogalakwena expansion

- Feasibility project study on track to complete in 2021, assessing:
  - Construction of third concentrator with breakthrough technology
  - Upgrading and debottlenecking existing concentrators
  - Concurrently studying underground mining options
- Ramp up to fill third concentrator – 18 to 24 months
- Full production expected in 2024
- Estimated ounces ~500,000 PGMs

Der Brochen / Mototolo replacement and growth

- Replacement of Mototolo in feasibility - maintain current production
- Requires establishment of Der Brochen South Shaft to replace Lebowa shaft
- Shaft infrastructure designed such to allow future expansion
- Expansion of Der Brochen / Mototolo project in pre-feasibility B
  - Breakthrough technology to increase throughput and improve grade into the concentrator
  - Potential to increase production by c.33%

Project studies for value-accretive growth underway

Project studies:		*Status*
Der Brochen / Mototolo - replacement	Feasibility	Replacement of Mototolo
Mogalakwena expansion	Feasibility	Significant expansion potential - studies under way
Der Brochen / Mototolo – replacement & expansion	Pre-feasibility B	Expansion potential - studies under way

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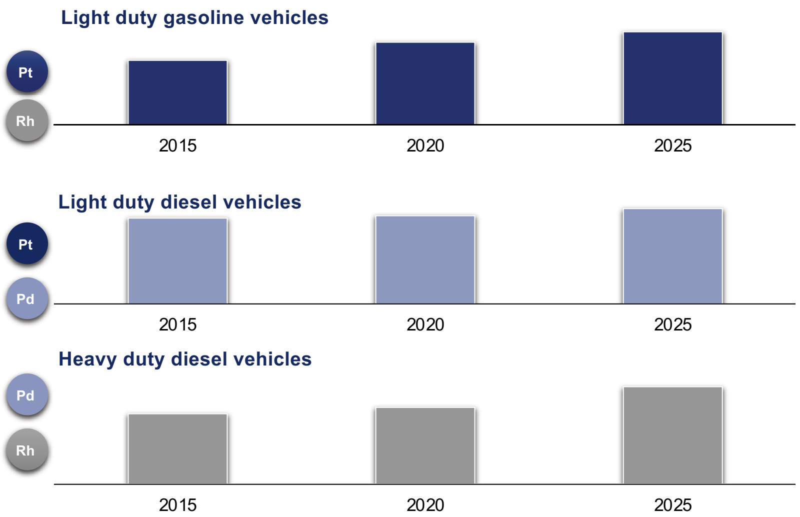
AUTOMOTIVE PGM DEMAND SUPPORTED BY HIGHER LOADINGS PER VEHICLE

Historic and forecast 3E light duty PGM loadings[9]



LDV gasoline loadings increase by

40%

between 2015 and 2025 due to tighter emissions legislation in China and Europe

LDV diesel loadings increase by

10%

between 2015 and 2025 from already high levels

Heavy duty diesel loadings increase by

40%

Between 2015 and 2025

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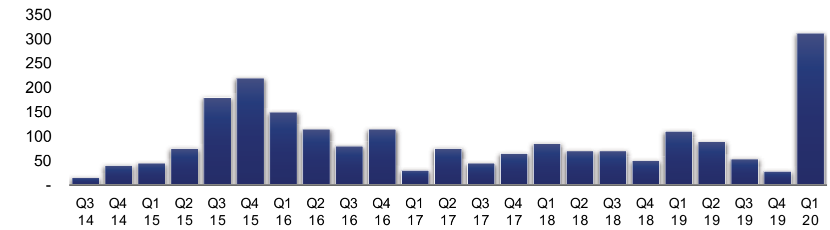
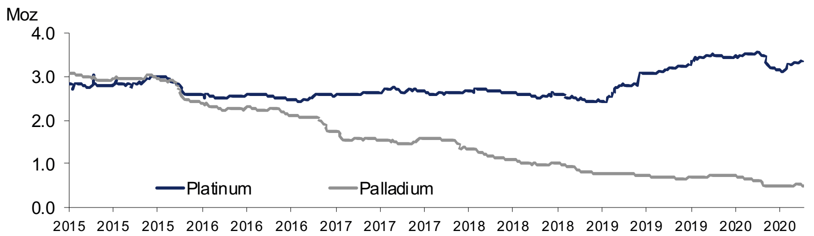
PLATINUM PHYSICAL INVESTMENT FIRM

Platinum bar and coin gross demand ('000 ounces per quarter)[10]



ETF holdings (million ounces)[11]



Platinum bar/coin demand

+300 koz

in Q1

Total Platinum ETF liquidation

100 koz

withdrawn in H1 2020

Palladium ETF holding reduced to

510 koz

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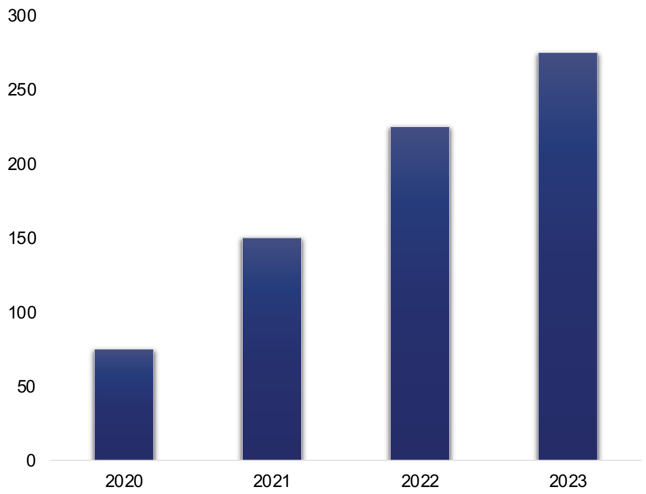
CHINESE TRUCK DEMAND A PLATINUM GROWTH AREA

Forecast platinum demand in Chinese heavy-duty trucks ('000 ounces)[12]



All Chinese heavy-duty trucks sold by

2023

Will need platinum-based catalysts, with many manufacturers already implementing standard

Platinum loadings per vehicle

~3x higher

by 2022 than 2019

Demand supported by tighter

emissions legislation

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OVERALL OUTLOOK FOR 3E PGM DEMAND FIRM
Short to medium term…
…longer term
Platinum
Substitution into gasoline autocatalysts
Commercial vehicle demand grows
Hydrogen economy
Electrification through fuel cell vehicles
Jewellery demand recovers
Stricter emissions legislation
Industrial applications growing
Global 'middle class' increasing
Palladium & Rhodium
Decarbonisation through hybrid vehicles
Stricter emissions legislation
New applications
Chemical demand growing
Other PGMs
Clean chemistry
Electronic demand increases
Hydrogen generation
Higher technology future
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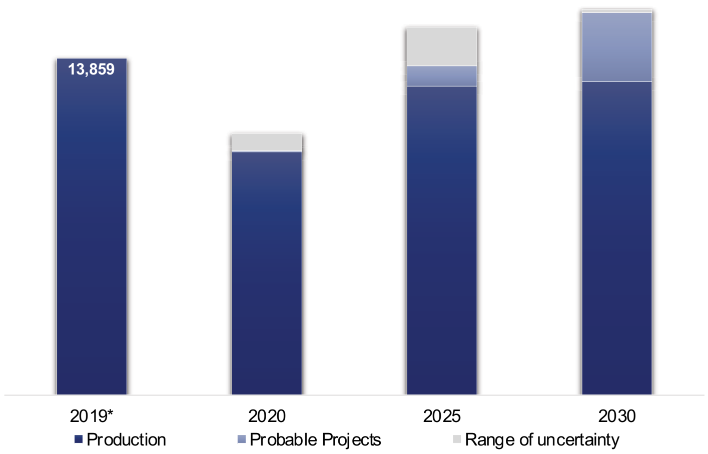
3E PRIMARY SUPPLY DOWN c.21% IN 2020

3E Primary supply ('000 ounces)(13)



Current production outlook

expected recovery

between 2020 to 2030

Impact of Covid-19

increased uncertainty

Probable projects

replaces depleting supply

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EARNINGS SENSITIVITIES

Sensitivity analysis - 2020			Impact of 10% change in price/FX
Commodity / Currency	**30 June spot**	**Average realized**	**EBITDA (Rm)**
Platinum ($/oz)	815	857	504
Palladium ($/oz)	1 900	2 141	1 960
Rhodium ($/oz)	8 000	8 985	1 010
Gold ($/oz)	1 773	1 631	113
Nickel ($/ton)	12 642	13 145	93
Copper ($/ton)	5 953	5 573	38
Chrome ($/ton)	165	109	44
South African Rand	**17.31**	**16.44**	**4 054**

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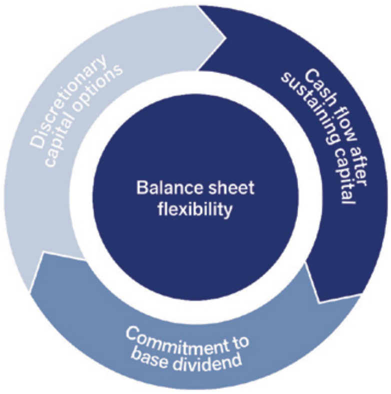
DISCIPLINED AND VALUE FOCUSSED CAPITAL ALLOCATION

Capital allocation framework



Discretionary capital options

Portfolio upgrade	Future project options	Additional shareholder returns

H1 2020 (Rbn)

5.5	• Free cash flow utilised of R3.5bn • Customer prepayment increase of R6.7bn • Other: R2.3bn

11.1	• Paid dividend of R11.1bn
	  • Base dividend R4.5bn
	  • Special dividend R6.6bn
	• *H1 dividend of R2.8bn declared*

0.4	• Low capex, fast payback projects • Funding growth/expansion studies

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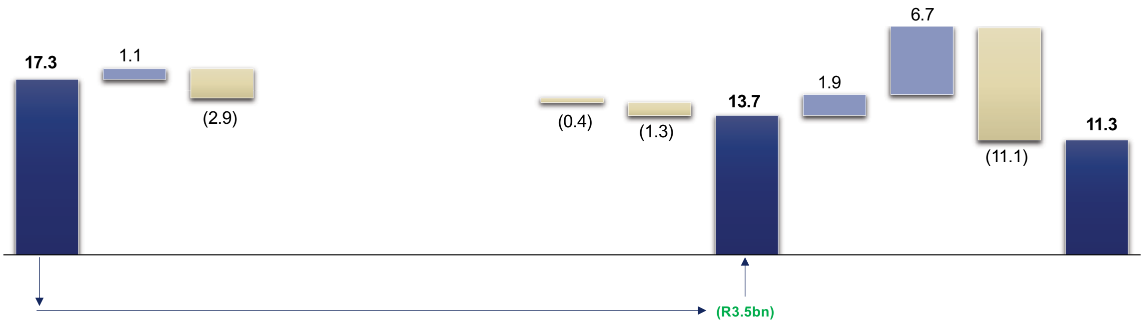
NET CASH FLOW BY MINE



Operation	Net cash December 2019	Cash from operations	SIB and waste capital	100% Operating free cashflow	Economic interest adjustment(14)	Economic free cashflow(15)	Project capital	Cash tax and net interest paid	Free cash flow	Investment in associates, funding & other(16)	Customer prepayment	Dividend	Net cash June 2020
Mogalakwena		5 137	(2 114)	3 022	-	3 022	(159)		2 863				
Amandelbult		1 811	(203)	1 608	(33)	1 575	(135)		1 474				
Unki		183	(54)	129	-	129	(32)		97				
Mototolo		682	(199)	483	-	483	(48)		435	(522)			
Joint Ventures		910	(142)	768	-	768	(55)		713				
3rd Parties		(3 068)	(85)	(3 153)	-	(3 153)	(17)		(3 170)				
Other(17)		(4 603)	(79)	(4 683)	(37)	(4 720)	(0)	(1 286)	(5 969)	2 443	6 716	(11 059)	-
	17 278	1 052	(2 877)	(1 825)	**(71)**	(1 896)	(446)	(1 286)	(3 557)	1 920	6 716	(11 059)	11 298

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COST BREAKDOWN

Costs reflective of AAP Own mined and Joint Venture share of production and costs at operations. Excludes all purchase of concentrate costs and volume, overhead and marketing expenses.

H1 2020	COST BASE (RBN)	VOLUME %	PGMS (KOZ)	LABOUR	CONTRACTORS	MATERIALS	UTILITIES	SUNDRIES
Opencast Mining	2.7	45%	560	18%	4%	44%	2%	32%
Conventional Mining	4.7	23%	290	61%	6%	14%	7%	12%
Merchandised Mining	4.4	32%	396	41%	7%	30%	6%	15%
Concentrating	2.9			18%	0%	35%	21%	26%
Processing	3.6			27%	2%	22%	24%	24%
Total	**18.2**	**100%**	**1 246**	**34%**	**5%**	**30%**	**12%**	**20%**

H1 2019	COST BASE (RBN)	VOLUME %	PGMS (KOZ)	LABOUR	CONTRACTORS	MATERIALS	UTILITIES	SUNDRIES
Opencast Mining	2.4	36%	610	17%	5%	44%	2%	32%
Conventional Mining	5.1	31%	516	52%	7%	20%	6%	15%
Merchandised Mining	4.5	33%	547	43%	7%	33%	6%	15%
Concentrating	3.0			15%	0%	39%	20%	27%
Processing	3.7			25%	1%	24%	27%	22%
Total	**18.8**	**100%**	**1 673**	**34%**	**5%**	**30%**	**12%**	**20%**

Non ZAR – 10% of total costs
- 100% at Unki
- C. 25% at Mogalakwena
- Diesel 3% of total mined cash operating costs
- Diesel 12% of Mogalakwena cash operating cost

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ALL-IN SUSTAINING COST (AISC)

		Mogalakwena	Amandebult	Unki	Mototolo	JV mined	AAP Total mined
	Costs (US$million)						
	Cash operating costs	289	288	75	71	127	850
	Other costs and marketing	57	55	26	12	16	170
	Capitalised waste costs	85	-	-	-	-	85
	Sustaining capital	44	12	3	12	7	79
a	**Total Cost**	**474**	**356**	**104**	**94**	**150**	**1 184**
	Total revenue excluding platinum						
	PGMs excluding platinum	530	379	93	111	227	1 339
	Base metals, chrome and other	16	(8)	1	(9)	(15)	(14)
b	**Total revenue ex. Platinum**	**547**	**371**	**94**	**102**	**212**	**1 325**
c = a – b	All-in sustaining costs	(72)	(16)	11	(8)	(62)	(141)
d	Platinum ounces sold (000)	122	88	20	24	41	295
e = c ÷ d x 1,000	US$ AISC per platinum ounce sold	(594)	(176)	525	(320)	(1 503)	(480)
	Average Pt price achieved ($)	**857**	**857**	**857**	**857**	**857**	**857**
	Marketing adjustment	**(57)**	**(55)**	**(60)**	**(56)**	**(65)**	**(57)**
	Realised $ cash margin/Pt ounce sold	**1 508**	**1 089**	**392**	**1 233**	**2 425**	**1 394**

~ Not consolidated in economic free cash flow

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RAND BASKET PRICE

		Mogalakwena	Amandebult	Unki	Mototolo	JV mined	POC/Other	Company (ex-trading) (18)
	Net sales revenue (US$million)							
	from platinum	105	76	17	21	38	121	378
	from palladium	358	115	49	41	84	196	843
	from rhodium	121	227	31	58	122	286	845
	base metals & other	109	64	23	12	21	133	362
a	**Total Revenue**	**693**	**482**	**120**	**132**	**265**	**735**	**2 428**
	Sales volume (000 ounces)							
b	Platinum ounces sold	122	88	20	24	41	141	436
	Other PGMs sold	221	141	37	45	83	267	794
c	**Total PGMs sold**	**343**	**229**	**57**	**69**	**124**	**408**	**1 229**
d = a ÷ b x 1,000	US$ basket per platinum ounce	5 681	5 476	6 012	5 545	6 448	5 228	5 573
e = a ÷ c x 1,000	US$ basket per PGM ounce	2 018	2 103	2 115	1 929	2 143	1 804	1 975
f	**US Dollar/ZAR exchange rate**	**16.44**	**16.44**	**16.44**	**16.44**	**16.44**	**16.44**	**16.44**
g = d x f	Rand basket per platinum ounce	93 370	89 998	98 813	91 145	105 973	85 934	90 776
h = e x f	Rand basket per PGM ounce	33 164	34 565	34 766	31 703	35 218	29 653	32 460

~ Not consolidated in economic free cash flow

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SIMPLIFIED EBITDA PER PGM OUNCE

		Mogalakwena	Amandebult	Unki	Mototolo	JV mined	Mining	POC	Toll	Trading	Company
c = a x b	**Net revenue**	**11 385**	**7 923**	**1 977**	**2 173**	**4 359**	**27 817**	**12 088**	**392**	**14 866**	**54 770**
a	Rand basket per PGM ounce	33 164	34 565	34 766	31 703	35 218	33 853	29 653			32 437
b	PGM ounces sold (000 ounces)	343	229	57	69	124	822	408		459	1 689
f = d x e	**Cash operating costs**	**5 106**	**4 492**	**1 107**	**1 043**	**2 075**	**13 722**	**15 036**			**28 859**
d	Cash operating cost/PGM oz (M&C)	9 120	20 626	13 782	14 294	12 555					
d	Purchase of concentrate/PGM oz (M&C)							27 798			
e	PGM oz produced (M&C) (000 ounces)	560	218	80	82	145	1 093	541			1 634
g	**Other costs**	**(164)**	**1 150**	**308**	**307**	**118**	**1 911**	**(5 070)**	**349**	**14 380**	**12 849**
	Other cost	(468)	887	193	236	(13)	1 855	(5 070)	349	14 380	11 556
	Royalties	304	262	112	71	131	892				892
	Marketing & Development										400
h = f + g	**Total cost**	**4 942**	**5 642**	**1 415**	**1 350**	**2 194**	**15 632**	**9 967**	**349**	**14 380**	**41 707**
i = c – h	EBITDA	6 443	2 281	532	823	2 165	12 185	2 121	44	486	13 063
j = i/c x 100	EBITDA margin	57%	29%	28%	38%	50%	44%	18%	31%	3%	24%

~ Unit cost excludes once off costs

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SIMPLIFIED EBITDA PER PLATINUM OUNCE

		Mogalakwena	Amandebult	Unki	Mototolo	JV mined	Mining	POC	Toll	Trading	Company
c = a x b	**Net revenue**	**11 385**	**7 923**	**1 977**	**2 173**	**4 359**	**27 817**	**12 088**	**392**	**14 866**	**54 770**
a	Rand basket per platinum ounce	93 370	89 998	98 813	91 145	105 973	94 311	85 934			94 130
b	Rand basket ounces sold (000 ounces)	122	88	20	24	41	295	141		146	582
f = d x e	**Cash operating costs**	**5 106**	**4 492**	**1 107**	**1 043**	**2 075**	**13 722**	**15 036**			**28 859**
d	Cash operating cost/Pt oz (M&C)	21 347	40 515	31 017	27 624	32 094					
d	Purchase of concentrate/Pt oz (M&C)							57 158			
e	Pt oz produced (M&C) (000 ounces)	239	111	36	38	65	491	263			755
g	**Other costs**	**(164)**	**1 150**	**308**	**307**	**118**	**1 911**	**(5 070)**	**349**	**14 380**	**12 849**
	Other cost	(468)	887	193	236	(13)	1 855	(5 070)	349	14 380	11 556
	Royalties	304	262	112	71	131	892				892
	Marketing & Development										400
h = f + g	**Total cost**	**4 942**	**5 642**	**1 415**	**1 350**	**2 194**	**15 632**	**9 967**	**349**	**14 380**	**41 707**
i = c – h	EBITDA	6 443	2 281	532	823	2 165	12 185	2 121	44	486	13 063
j = i/c x 100	EBITDA margin	57%	29%	28%	38%	50%	44%	18%	31%	3%	24%

~ Unit cost excludes once off costs

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FOOT NOTES

(1) Total recordable case injury frequency rate (TRCFR) is a measure of the rate of all injuries requiring treatment above first aid per 1,000,000 hours worked
(2) Refined production excluding tolling and 4E purchase of concentrate that is now tolled
(3) AISC stands for all-in sustaining costs: defined as cash operating costs, overhead costs, other income and expenses, all sustaining capital expenditure, capitalised waste stripping and allocated marketing and market development costs net of revenue from all metals other than platinum
(4) LDV stands for light-duty vehicles
(5) Source: Company analysis
(6) Source: LMC Automotive
(7) ICE stands for internal combustion engine
(8) Source: Johnson Matthey, Company analysis
(9) Source: Johnson Matthey, Company analysis
(10) Source: World Platinum Investment Council
(11) Source: Company analysis
(12) Source: Company analysis
(13) Source: 2019 per Johnson Matthey view (May 2020) , Company analysis
(14) Economic interest adjustment is an adjustment to exclude minority share of operating free cash flow for subsidiaries / joint operations and include associate's share of profit or loss
(15) Economic free cash flow represents AAP's economic share of operating cash flow after adjusting for minority interests for subsidiaries / joint operations and includes associate's share or profit and loss
(16) Investment in associates, funding and other: includes Mototolo deferred consideration, Sibanye deferred consideration, Proceeds from BRPM and Bokoni funding
(17) Other: includes market and market development costs, restructuring, working capital movements not allocated to each individual asset
(18) Company excluding trading – does not include traded ounces

Images

- **Front cover picture:** Mareesburg Tailings Dam
- **Supporting stakeholders divider:** AAP collaborating with Gift of the Givers on providing food parcels
- **Operational performance divider**: Unki laser device used underground for precision mark-up of centre lines and panel marking
- **Financials divider:** PlatAfrica jewellery submission
- **PGM Market divider**: Hyundai Nexo fuel-cell vehicle
- **Positioning the business for the future divider:** View from the top of Amandelbult
- **Guidance and conclusion divider:** Employee demonstrating wearing protective mask
- **Appendix divider:** Autonomous drilling at Mogalakwena

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DIRECTORS

Executive directors
N Viljoen (Chief executive officer)
CW Miller (Finance director)

Independent non-executive directors
NP Mageza (Lead independent director)
NT Moholi
D Naidoo
JM Vice

Non-executive directors
N Mbazima (Non-executive chairman)
M Cutifani (Australian)
ST Pearce (Australian)
AM O'Neill (British)

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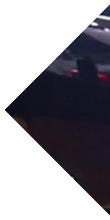

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JSE code: AMS – ISIN: ZAE000013181

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