

**ANGLO PLATINUM**

**WORKING WITH HOST COMMUNITIES**

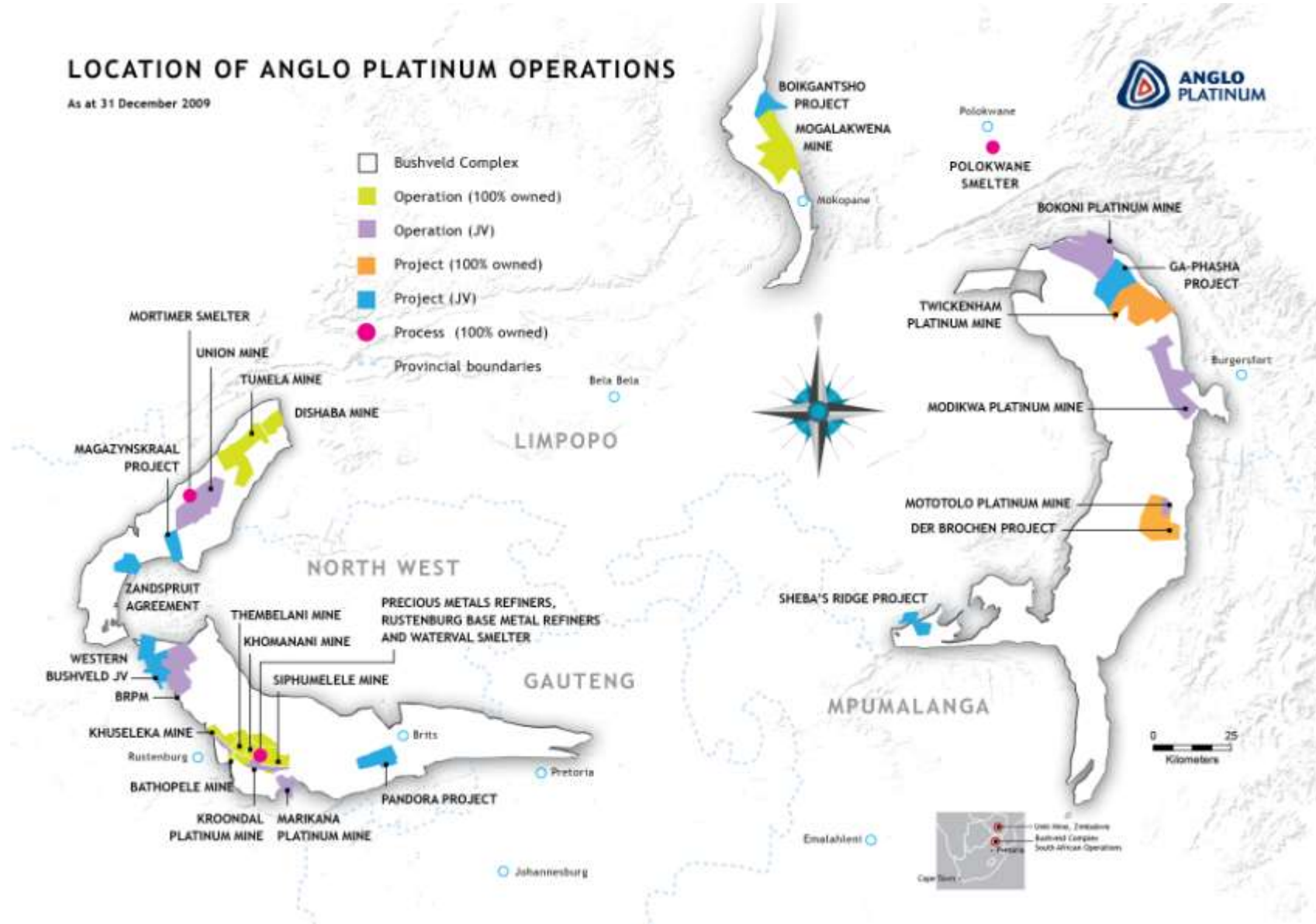
**AN OVERVIEW**

- Mining legislation in South Africa – summary overview
- Anglo Platinum’s operations and an overview of our host communities
- What our policies and business principles say about community development
- Some of our achievements from 2009
- Working with partners – Magobading community example

- Mining governed by the Mineral and Petroleum Resources Development Act
- All mineral rights are now held by the State
- Mining companies granted a “mining right” by the State if conditions are met
- Conditions include approved mining, environmental & social & labour plans
- In many cases the surface rights to the land are held in Trust on behalf of communities either by the State or traditional authority – **not the mine**
- Anglo Platinum has many land owners and communities within & adjacent to its mining rights areas

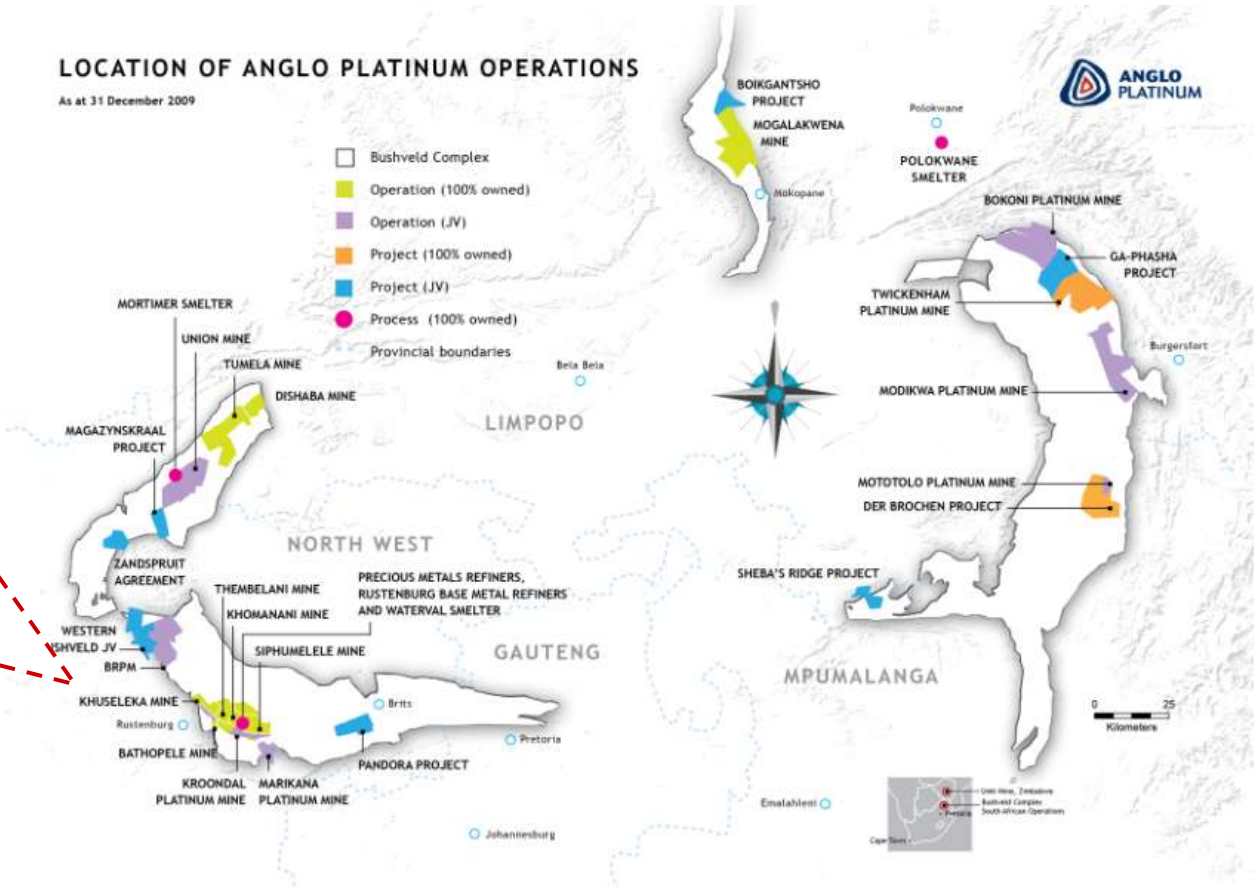
## LOCATION OF ANGLO PLATINUM OPERATIONS

As at 31 December 2009



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**Provinces:** North West,  
(Limpopo)

**District Municipalities:**  
Bojanala, Waterberg

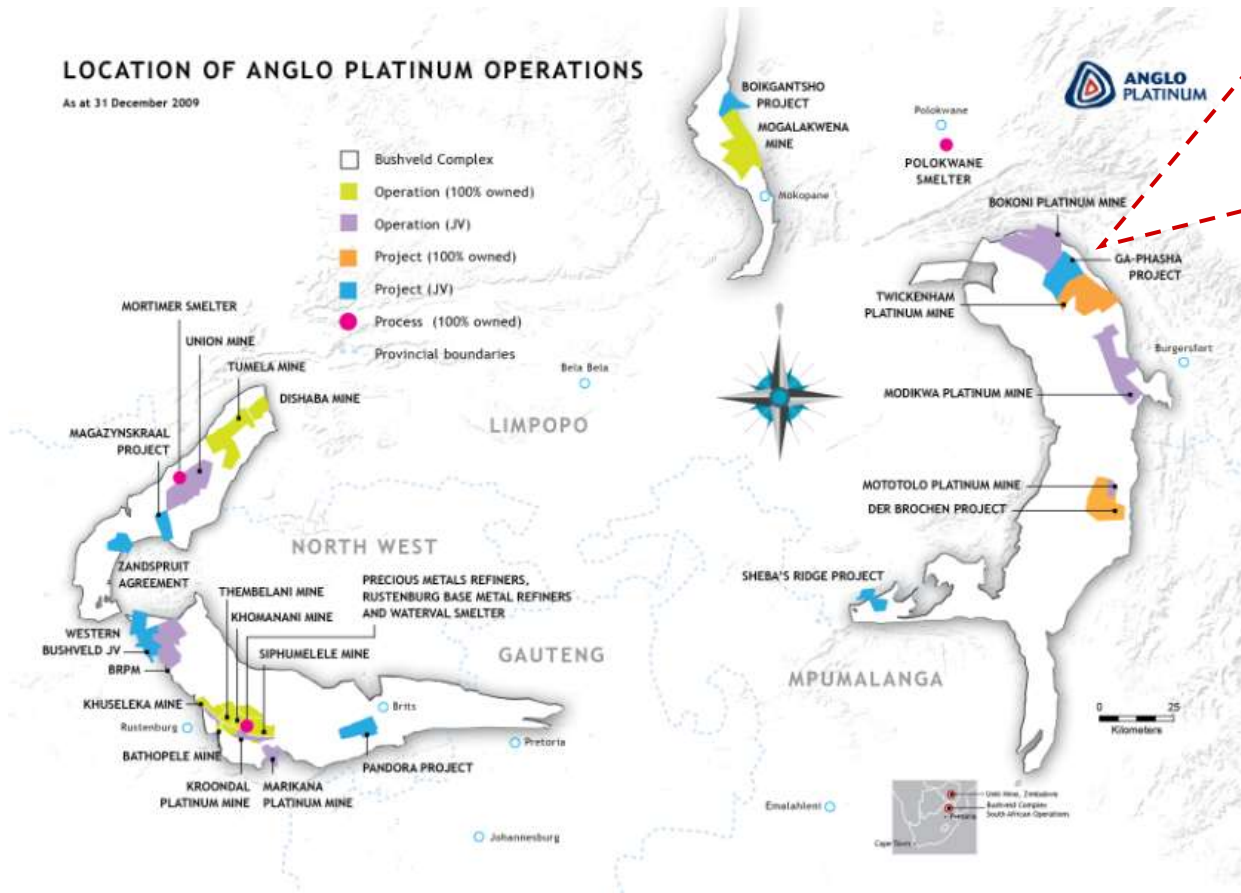
**Local Municipalities:** Moses  
Kotane, Rustenburg, Thabazimbi

Community population  
within 50km of the mines: ~1M

Interested Communities\*: **214**  
Affected Communities\*\*: **34**

## LOCATION OF ANGLO PLATINUM OPERATIONS

As at 31 December 2009



**Province:** Limpopo

**District Municipalities:** Greater Sekhukhune, Waterberg

**Local Municipalities:** Greater Tubatse, Lepele-Nkumpi, Makhuduthamaga, Mogalakwena, Polokwane, Aganang

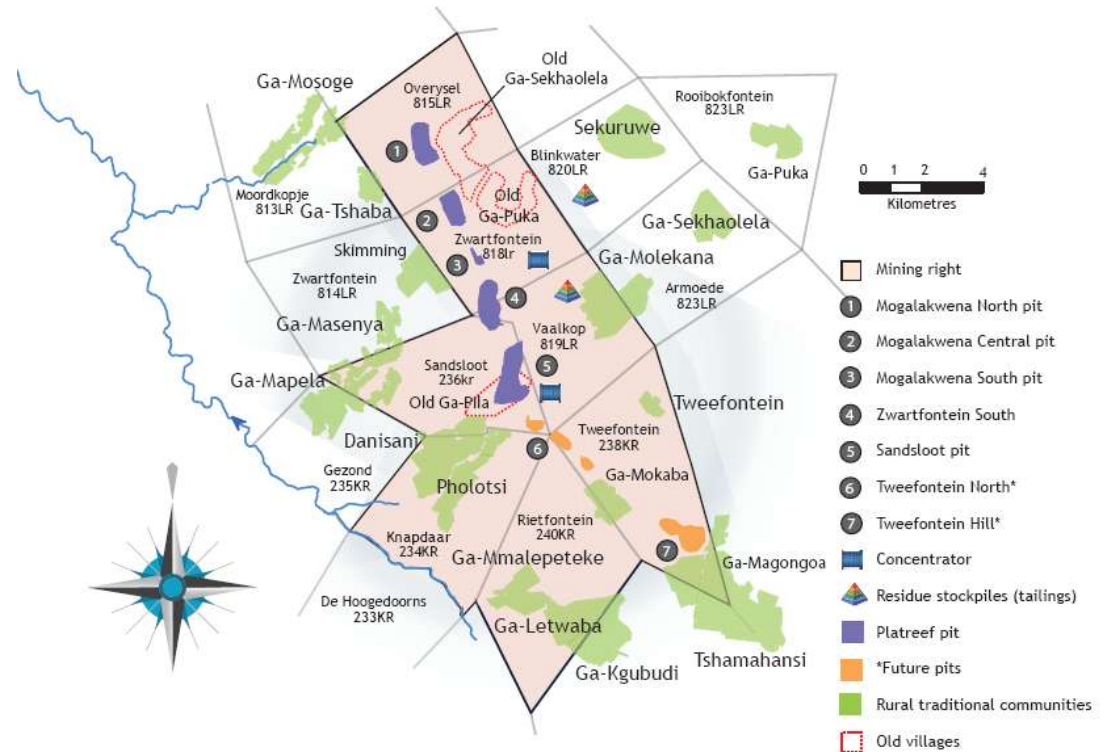
Community population within 50km of the mines: ~4million

Interested Communities\*: **1,084**  
 Affected Communities\*\*: **131**

## Rustenburg



## Mogalakwena



- We aim to create and maintain strong and respectful relationships with the communities of which we are a part
- We will seek regular engagement about issues that may affect them
- We aim to contribute to the creation of more prosperous, empowered and adaptable communities
- We will regularly assess our operations' impact upon local social and economic development and report upon it
- We will provide local mechanisms for the consideration and resolution of complaints and grievances in a fair, timely and accessible manner



When considering the development of a project, we will proceed on the basis of a full assessment of potential impacts and through free, prior and informed consultation. These may lead us to conclude that we should not develop a project even if it is legally permitted and potentially profitable. We seek to contribute to the economic and social wellbeing of communities, including through enterprise development, local procurement and providing opportunities for people from disadvantaged backgrounds.

#### Indigenous Peoples

We recognise the strong cultural and spiritual affinity felt by indigenous peoples for land and the natural environment and the sensitivities created by many indigenous groups' negative experience of mining. We, therefore, commit to handling our relations with indigenous communities in a spirit of respect and dialogue and to facilitating their participation in the opportunities created by mining.

#### Resettlement

Where it becomes necessary to consider community resettlement we will act in accordance with international best practice. We will proceed on the basis of: seeking to avoid resettlement; freely-conducted negotiation; continuing consultation with credible community representatives;

fair compensation; provision for resolving grievances; a presumption of collective resettlement; and, as a minimum, restitution of livelihoods.

#### Conflict

We recognise that our activities may affect the dynamics and power structures of communities. We are committed to understanding and minimising our potential to trigger conflict in local communities, and to working with others to manage the indirect impacts of our activities.

#### Human Rights

We believe we have the right and the responsibility to make our positions known to governments on any matters which affect our employees, shareholders or the communities associated with our operations. We subscribe to the Voluntary Principles on Security and Human Rights.

We support the principles set out in the Universal Declaration of Human Rights. Whilst the primary responsibility for the protection of human rights lies with governments we recognise the responsibility of business to respect human rights. Where it is within our power to do so, we will seek to promote the observance of human rights in the countries where we work.

**We respect human dignity and the rights of individuals and of the communities associated with our operations**

**We recognise the responsibility of business to respect human rights**

- R 245 million spent on community development (US\$33 million)
- 8% of pre-tax profit
- Breakdown is as follows

	SED programmes		
	2009	2008	2007
Health	6.7	6.0	6.6
Education and youth projects	18.4	34.7	17.1
Environment	0.04		
General community development (including infrastructural projects)	105	69.4	53.8
Arts, culture and heritage	—	40.7	0.5
Housing	—		
Other	100.1		
Chairman's Fund contribution	15	25.0	48.0
<b>Total</b>	<b>245.2</b>	<b>175.8</b>	<b>126.0</b>

## RUSTENBURG MINES GIVE BACK

Just under **R40 million** was spent around the Rustenburg mines on CED projects in **2009**

### HEALTH

Supporting the Lifeline mobile clinic to provide healthcare services to people living in the informal settlements around the mine in Rustenburg.

Supporting Vision for the Nation to provide home-based care to community members. Funding is used to pay caregivers, take patients to clinics, and to provide immune-boosters and food parcels to those infected with HIV.

### POVERTY ALLEVIATION & CAPACITY BUILDING

Skills training for **500 community members** commenced in June 2009 as part of the Bokamoso programme.

Planning for the **Paardekraal Piggery Cooperative** where land has been secured and infrastructure will be built in 2010. Individual community members that currently run their own small piggeries will have access to the cooperative and will be linked to the Piggery Association of South Africa.

Establishing of a **glass bead and craft manufacturing venture** for unemployed women in Boterekong which will be set up in 2010.

### EDUCATION

Providing **19 ECD centres** with educational toys and outdoor playing equipment.

Supporting the Inkong Special School with equipment and therapists.

Assisting educators and learners at **16 primary schools** with lesson plans, work schedules and assessment classes.

Providing **maths and science** Saturday and holiday school programmes for 145 grade 10-12 learners from the area.

Funding a **one-year programme** for **10 learners** from our host communities to improve their grade 12 results in maths, science and technology so that they can access Anglo Platinum bursaries and tertiary institutions.

### INFRASTRUCTURE

Commencing with infrastructure provision for the **Seraleng housing project** including an access road.

Designing and planning the **Paardekraal Community Centre**.

Beginning construction on the **Tlhalane West Primary School**, a **new 26 classroom** double story school.

Renovating **Tsirologang Primary School** in Boitekong including the restoration of **36 classrooms** and the administrative building as well as repairs to the electricity network.

Renovating **Motladi Kgoadigoadi Primary School** including general restoration, building of a computer laboratory, and the provision of two additional computers for the school administration. The school has also been adopted under the Anglo Platinum Learner Development Programme.

Building **Lefaragathe Primary School sports courts**.

Upgrading the laboratory facilities at the **Zinniville Secondary School** to promote the science and technology fields.

## MOGALAKWENA MINE GIVES BACK

More than **R19 million** was spent on CED projects around Mogalakwena Mine in **2009**

### INFRASTRUCTURE

Constructing **5 community health clinics** near Mogalakwena Mine and handing them over to the Limpopo government. These clinics serve over 9,000 people per month as follows: Sekgakapeng 2,400; Mosesejane 2,500; Valkop 800; Bokwalakwala 2,500; Steekwater 1,100

An additional **2 clinics**, Ga-Madiba and Ga-Mabueta, have recently been completed and equipped

Constructing classes, accommodation and kitchen facilities at the Centre of Hope for Disabled Children and providing equipment for the centre

ANGLO PLATINUM  
HELPED BUILD  
THIS CLINIC

### EDUCATION

Providing **3 ECD** centres in the Mokoapani area with water and sanitation, and **83 centres** educational toys, outdoor playing equipment and first aid kits

Supporting **2 special needs schools**, the Centre of Hope and the Thobela School

Assisting educators and learners at **21 primary schools** with lesson plans, work schedules and assessment classes

Providing **maths and science Saturday** and holiday school programmes for **135 top performers** from the area

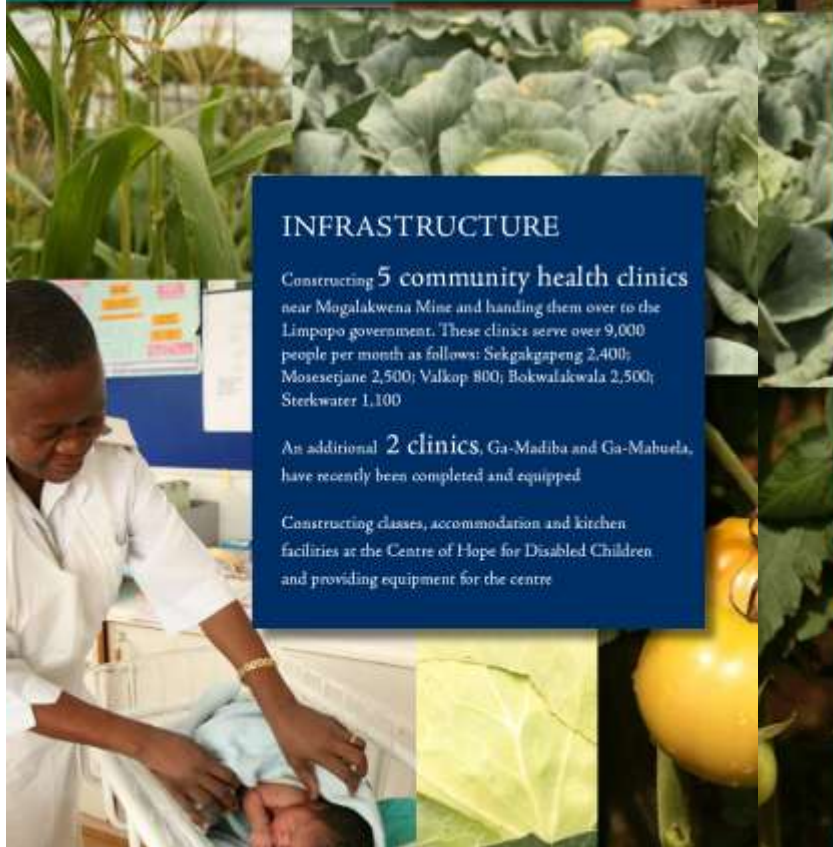
Funding a **one-year programme** for 9 learners from the Mogalakwena area to improve their grade 12 results in maths, science and technology

### POVERTY ALLEVIATION & CAPACITY BUILDING

Supporting the Grootfontein community farm project which produces and sells vegetables

Constructing the Mablased Bakery

Supporting 1,369 people in the Bokamoso **Skills Development** project aimed at improving their ability to compete for job and business opportunities

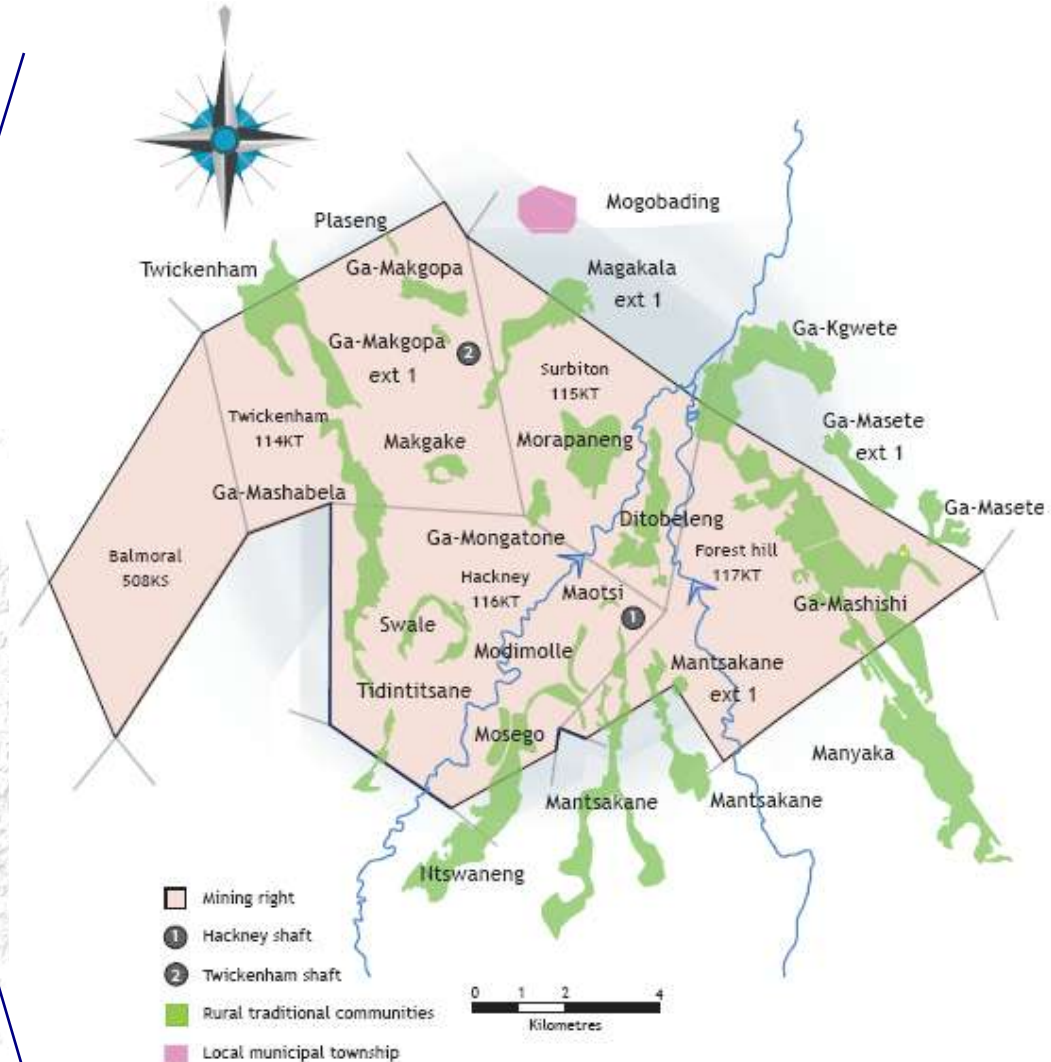
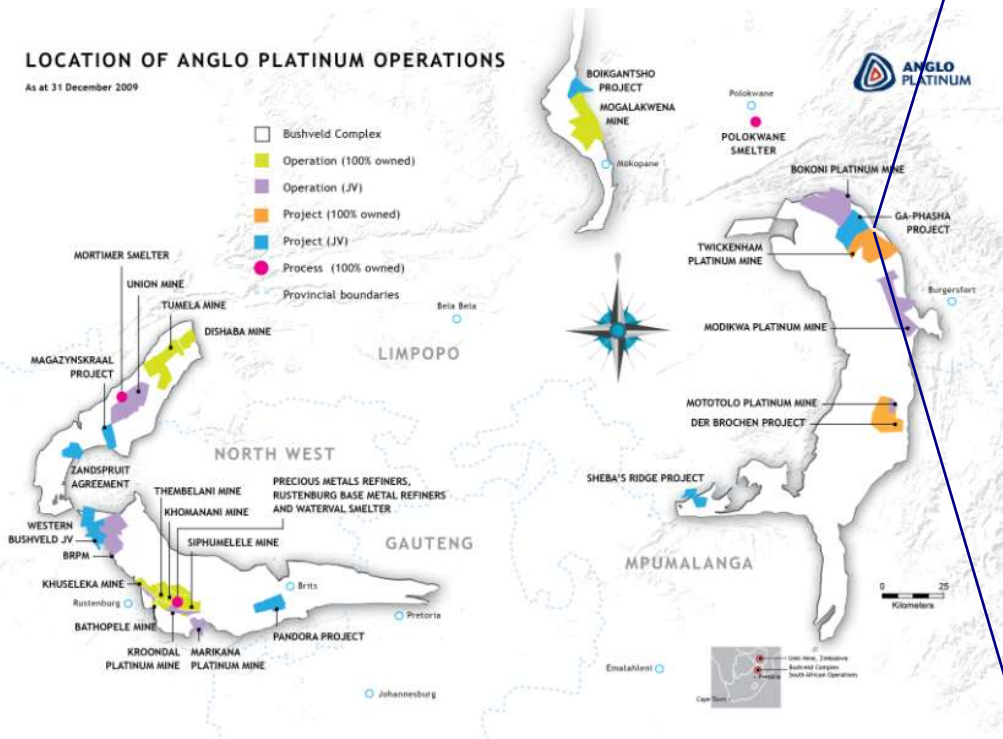


- Apartheid legacy issues – general lack of infrastructure and educational development in areas surrounding our operations
- Disputes amongst traditional leadership
- High community expectations about benefits
- General levels of poverty
- Complex land rights issues
- Local government's capacity to deliver
- Mining does have an impact

- Bench Marks Foundation released 2 reports about the PGM industry's CSR performance – called the policy gaps
- Anglo Platinum engaged with Bench Marks following the release of these reports
- Anglo Platinum & Bench Marks are exploring ways of benefiting from each others expertise – without compromising Bench Marks independence
- Magobading township (Near Twickenham mine)

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- Anglo Platinum resettled the Magobading community to make way for mining following extensive consultation and agreements being reached in 2004
- New modern housing and infrastructure was provided
- Residents took ownership of their own homes along with the responsibility for maintenance
- Poor workmanship on 14 of the houses
- In some instances termites have now got into the ceilings causing damage
- Anglo Platinum is commencing with a project to give residents skills to maintain and repair their own houses



Before



Aerial view of Magobading



After



Termites in rafters

- Bench Marks conducted their own research in the area and had a number of findings
- One of the findings were that community members were disgruntled with a lack of house maintenance
- Anglo Platinum will fund a project to give the community skills to maintain and repair houses
- Bench Marks will “monitor” the consultation process followed between Anglo Platinum and the community and will independently assess the effectiveness of the project
- An MOU to this effect is being drafted between the parties

# QUESTIONS