

## Speech

Platinum mine production has grown continuously since the Second World War. Back then, one of the principal 'new' uses of platinum was in the petroleum industry. During the 1960s demand for platinum in jewellery experienced a spectacular rise in Japan. In the mid-seventies, with its new regulations on air quality, the United States led the era of the autocatalyst. Many of us prospered by developing this new use for platinum. More recently Platinum jewellery, specifically in China, again provided good growth as platinum succeeded in penetrating this new market. Without collaboration across the PGM industry, and focussed through the PGI, I don't think we'd still be mining platinum today.

But if we think about it, it was not just a case of us adapting to whatever new source of demand has appeared. Together we had to battle through economic downturns; collaborate with each other and become more agile. Accelerating the adoption of new technologies requires flexibility in many ways, but particularly how we interface with our customers.

We have some of the most capable leaders in any industry, with a strong tradition of collaboration. But is this enough as we look to face, and prosper from challenges of the future?

I believe we need to build on that tradition of collaboration and extend it beyond our traditional relationships and partners.

That's not to dismiss what we have for example our collaboration with Johnson Matthey over many years has created a world leading supplier of fuel cell components among many other new technologies.

For many years the prospect of fuel cell and specifically fuel cell vehicles has seemed like an elusive goal ...., just over the horizon. But as you have seen with the Hyundai vehicle outside they are very real. And it's thanks to many of you who have invested an enormous amount of your resources to get fuel cell technology to the present state of market readiness.

But now is the time for us – all of us -- to ensure they take their place in the vehicle fleet of the future.

The automotive Powertrain will electrify, and this change will be enabled by fuel cell or battery technology. Fuel cells are our new jewellery; we must accelerate the adoption of this technology and enable the auto industry to satisfy the needs and exceed the expectations of their customers.

How we most effectively enable this is an enormous opportunity for all of us and we need to work together in non-traditional ways to ensure we are successful and grow.

Other industries collaborate very effectively. Take BP as an example here in the UK. Around 10 years ago they entered into a collaboration with Marks and Spencer's. An oil company collaborating with a high street retailer far from

conventional. However, there are now 200 BP M&S simply Food sites, these outlets have sales 50% higher than in other stores. BP report a significant increase in customers visiting their sites specifically for their food offer, and the collaboration with BP allows them to charge a premium for their fuel.

If we don't collaborate with others both within our industry, and in others, there is a risk that our market will be displaced. In mining terms we talk about '100 year mines'. But if fuel cells are not adopted, we may have no Auto market for PGM's by 2050. The responsibility to prevent that possibility falls to us.

Within Europe, estimates show that an auto industry dominated by batteries reduces platinum demand to only 2.5m ounces in 2050. Conversely, there is a huge opportunity. If fuel cell cars dominate the electric vehicle segment in Europe, Platinum demand is estimated to be 6.6m ounces in 2050.

This is our next big market shift, Petroleum; auto catalysis; Jewellery; investment, and now fuel cells but only if we all act together NOW.

How are we changing to meet this shift and ensure we grow and prosper together?

As a leader it's sometimes hard to prioritise. Clearly my biggest priority is safety. But a very close second is future proofing. We have all seen the top company lists today

versus 20 years ago, where people like Kodak didn't meet the change ahead of technology.

Technology moves fast. 10 years ago I thought a tablet was something I took when I was ill.....Can you imagine what you will be doing in ten years' time?

I don't want Anglo American Platinum, or any of our partners or customers to be a Kodak. The next big shift for PGM's is fuel cells, I'm confident of that. We are taking part, collaborating with the likes of Johnson Matthey; Alteryx; Hydrogenius and Ballard to name a few.

But to really accelerate adoption of fuel cell technology, we need something way beyond an Anglo American Platinum shift, beyond a mining shift, beyond a PGM shift. We need to collaborate more across our industry but also with other industries - whether its BP or Shell in Oil and Gas, Car companies such as Toyota and Hyundai, retailers and governments. We need to collaborate to drive this industry *transforming technology*.

My offer to you is one I've already made. I want to Collaborate to help you grow in the area of Fuel Cells..... while continuing to work together on all other aspects of developing our businesses together.

As I've said, we at Anglo American Platinum are taking some great steps in this area towards Long Lasting partnerships. These are good steps, but it's not enough.

There is now an 'infrastructure war' and this is where we need to collaborate to win the war.

Hyundai aims to produce 1,000 examples of the ix35 Fuel Cell in Europe by the end of 2015. The UK is moving, Hyundai expect there will many as 65 Hydrogen points by 2015, and forecast that there will be 300 stations by 2025 and 1,150 by 2030. Here in the UK Hyundai expect there will be 10,000 fuel cell vehicles by 2020, a figure which will grow dramatically over the next decade, resulting in more than 1.6 million such vehicles in the UK by 2030. 2030 is a critical year; according to Element Energy fuel cell vehicles will be at least cost-competitive with alternate vehicles. The refueling network will be past its break-even point. And by 2050 fuel cell vehicles will be on course to take as much as 50 per cent of the new car market but only if the infrastructure is there.

At Anglo American Platinum, we call our approach to innovation 'FutureSmart' 'and it is our response to the industry's global drive for a more sustainable approach to mining, in addition to meeting new consumer trends such as fuel cells. It will accelerate our ability to use innovation and technology to address our critical challenges and find safer, more efficient, environmentally friendly and sustainable ways to unlock mineral value; but no company can keep pace with today's advances on its own. As part of FutureSmart we're bringing in people with different skills sets and fresh perspectives from other industries.

My offer to you is not to do it alone, we want to work with you to continue to being a responsive and reliable partner,

but we also want to collaborate to help you grow by creating long and lasting partnerships that allow you to remain in control of your business and participate in the transformation of the industry. If, like us, you are looking for a competitive edge, an active partner, one who you can work with to prosper from new technologies and markets then let's get started. How? Well let's first hear what Ben Madden, our guest speaker, from Element Energy has to say a little later and then we can revisit that question later. But for now, please enjoy your lunch.