

Thank you, Dorian.

I know you will have read the report and made note of the many improvements we have made on the social front. Today I want to update you on our progress as we continue to integrate social performance considerations into our overall business framework. Sustainable, employed, enterprising, healthy communities are not an add-on in our business – they are a pre-requisite.

The Anglo American Social Way establishes a mandatory set of group wide social management system standards. It was launched in 2009 and I mentioned it last year. Every operation is assessed against these standards and, as Cynthia said, 2010 saw marked improvement in performance against 2009 – not least in the numbers actually exceeding the core requirements.

In 2010, we focused on monitoring and evaluation of performance - with a new, comprehensive set of Social Investment output KPI's that was piloted and reported on for the first time. We have trained over 150 operators in the new system, representing all our businesses.

We believe that this professional realisation of the social function is key to success: we are now able to track the numbers of individual beneficiaries of our projects, the numbers of houses built, businesses supported and jobs created. In short: proper metrics.

And we offer skills-training and education on social management all the way through the organisation. Our unique Advanced Social Management Programme, which we offer to senior managers and our NGO partners, and run in conjunction with Queensland and Cambridge Universities, is now in its 3rd successful year. This programme equips managers from across all our BUs and functions with the skills to understand and manage social and community issues more effectively.

This integration into the business applies equally to projects: last year the Anglo American Group Projects function sought our participation in the Anglo American Project Way. This conducts multi-disciplinary reviews of each new mine project, at the Concept, pre-Feasibility and Feasibility stages. The 24 standards and requirements of the Social Way have now been fully integrated in to that process. Functional experts work with the project teams at these three key early stages, to ascertain whether the teams are compliant with technical, financial, environmental and social requirements, before they may proceed to the next stage. The inclusion of our social standards in this process last year is already delivering a better understanding of community concerns and expectations at an early stage of the project, and a more thorough preparation for permitting.

We are also working with the Business Development and Divestment teams more closely – with social issues integrated into the due-diligence processes.

We understand that social issues have a fundamental impact on our reputation and our bottom line and that we need a professionalized social function, like any other. Do we have a CSR department? No: we believe true CSR is about integration – treating sustainability issues with the same rigour and professionalism and we treat technical issues.

Another innovation is around local procurement, which Cynthia referred to. It has long been the view of Anglo American that enterprise development is one of the most powerful ways of eliminating poverty and creating lasting benefits for communities. Our hugely successful flagship Zimele Enterprise Development Programme has already created over 15,000 jobs in South Africa and is committed to creating and sustaining 15,000 further jobs by 2015. We support more than 7,000 small and medium sized business and entrepreneurs through our Emerge programme in Chile.

During 2010 we launched our first global local procurement policy. Each one of our operations has to set local procurement targets; assessing its own needs, building capacity to meet them. Platinum has initiated new payment terms that accommodate small and medium sized enterprises; Thermal Coal has ring-fenced certain categories of goods to come from local suppliers. Kumba Iron Ore has partnered with local businesses close to their mines and helped develop local engineering services, training artisans to fix the large buckets and bowls from trucks. We have recently signed a MoU with the DBSA to enhance the capacity of our host municipalities – the very officials and local government officers who will help facilitate the growth of local businesses.

I recently visited Amapa, one of our remotest operations, deep in the Amazon, where training in agricultural methods, in vegetable growing and irrigation, in fish-farming, bee-keeping, baking and sewing, is leading to the creation of small enterprises, not just supplying our camp there with fruit and vegetables and towels, but local restaurants and the markets, too. One of the individuals we met said “I went to sleep as a farmer and woke up an entrepreneur”.

Moving on to Human Rights, Anglo American has long been a strong advocate for business respecting human rights...

We are a strong supporter of the Universal Declaration on Human Rights and the human rights principle of the ICMM, and are active participants in the Voluntary Principles on Security and Human Rights. We wholeheartedly endorse the human rights principles of the United Nations Global Compact. Human rights due diligence is included in the new project reviews, M&A activity and in our SEAT (Socio-Economic Assessment Toolbox); with SEAT studies being undertaken every 3 years at existing operations.

Our Good Citizenship Business Principles also set out Anglo American’s support for the International Labour Organisation core conventions on labour rights, which cover

discrimination, child and forced labour and freedom of association. During 2010, 1,267 Anglo American security staff received human rights training and all staff are trained in our new business integrity policy and business principles during their induction.

We were also pleased to be recognised by the Institute of Human Rights and Business as one of the first multinational companies to be implementing a complaints mechanism that meets the recommendations of Professor John Ruggie, the UN Secretary General's Special Representative on Business and Human Rights.

This Group-wide, standardised complaints and grievance procedure was introduced in 2010 and is now mandatory at all operations and capital projects. It operates via a web-based system and is designed to ensure openness, accountability and respectfulness in our handling of stakeholder complaints. The standardisation of the process not only assists operations to address complaints quickly and professionally, it also helps to identify trends and promotes the sharing of experiences between sites.

In addition, all stakeholders are also entitled to make use of Anglo American's 'SpeakUp' website, an independently managed whistle blowing facility that fields complaints relating to breaches of our business principles.

And finally, in February this year, we signed an innovative MoU with the NGO International Alert, who will work with us to support the development and implementation of conflict-sensitive business practice across our operations.

I look forward to seeing you again next year and reporting good progress on all these areas.