

Contractual arrangements for Cynthia Carroll

The appointment of Cynthia Carroll as an Executive Director of Anglo American will take effect in mid January 2007 and she will become Chief Executive on 1 March 2007.

Salary

Basic salary of £900,000 per annum

Discretionary performance related bonus

Maximum of 150% of base salary per annum, half deferred into forfeitable bonus shares to be held for three years. Match of up to 75% of bonus shares subject to meeting EPS growth targets over three years

Long term incentive plan (Performance share plan)

A maximum annual award of 175% of base salary per annum. The plan is subject 50% to a TSR metric and 50% to a ROCE metric over a three year vesting period, with no re-testing.

Benefits

Normal executive director benefits including defined contribution pension, car allowance, medical and life insurance.

Notice Period and mitigation

An initial notice period of 24 months, reducing to 12 months after the initial 12 month period. The contract includes a duty of mitigation on any termination payment.

Buy out arrangements

Anglo American will compensate Cynthia Carroll for incentives forfeited at Alcan. This will be paid in a combination of an initial cash payment and forfeitable share awards, realisable over three years.

Executive shareholding target

A shareholding in Anglo American to the value of two times base salary within five years of appointment.