

PRESENTATION TO SOCIALLY RESPONSIBLE INVESTMENT ANALYSTS

5 JULY 2012



Real Mining. Real People. Real Difference.

AGENDA

- Safety briefing
- Chairman's welcome
- 2011 performance
- Q&A

WELCOME

SIR JOHN PARKER, CHAIRMAN

OVERVIEW OF PERFORMANCE

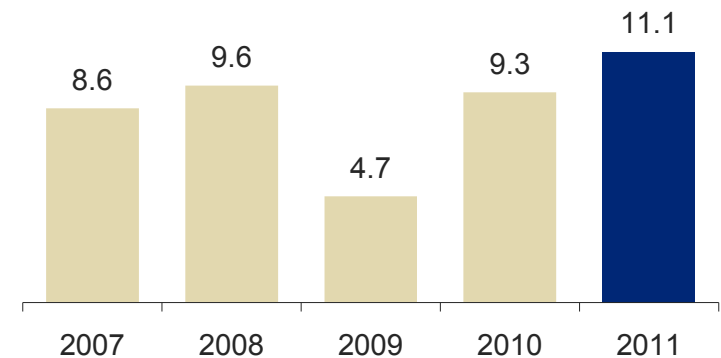
CYNTHIA CARROLL, CHIEF EXECUTIVE

2011 RESULTS HIGHLIGHTS

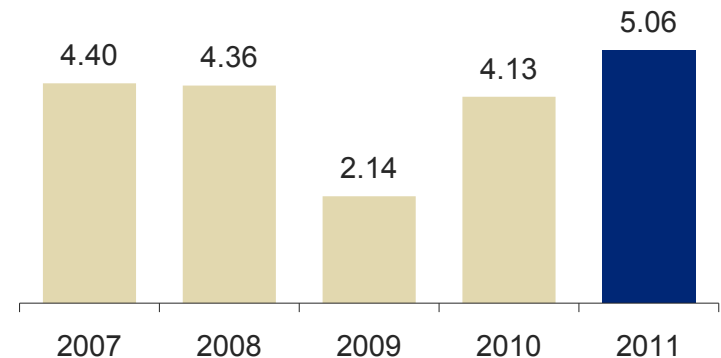
A consistent strategy and simplified organisation delivering value

- Record operating profit of \$11.1bn, underlying earnings \$6.1bn and underlying EPS \$5.06
- Final dividend of \$0.46 per share, up 15%
- Asset optimisation and supply chain delivered value in excess of targets
- Successful project execution – 3 major projects commissioned on or ahead of schedule
- Maintaining momentum into next phase of growth with six growth projects approved
- Industry leading exploration discoveries replenishing our Tier 1 resource base
- Establishing our commercial operating model

Operating profit¹ (\$bn)

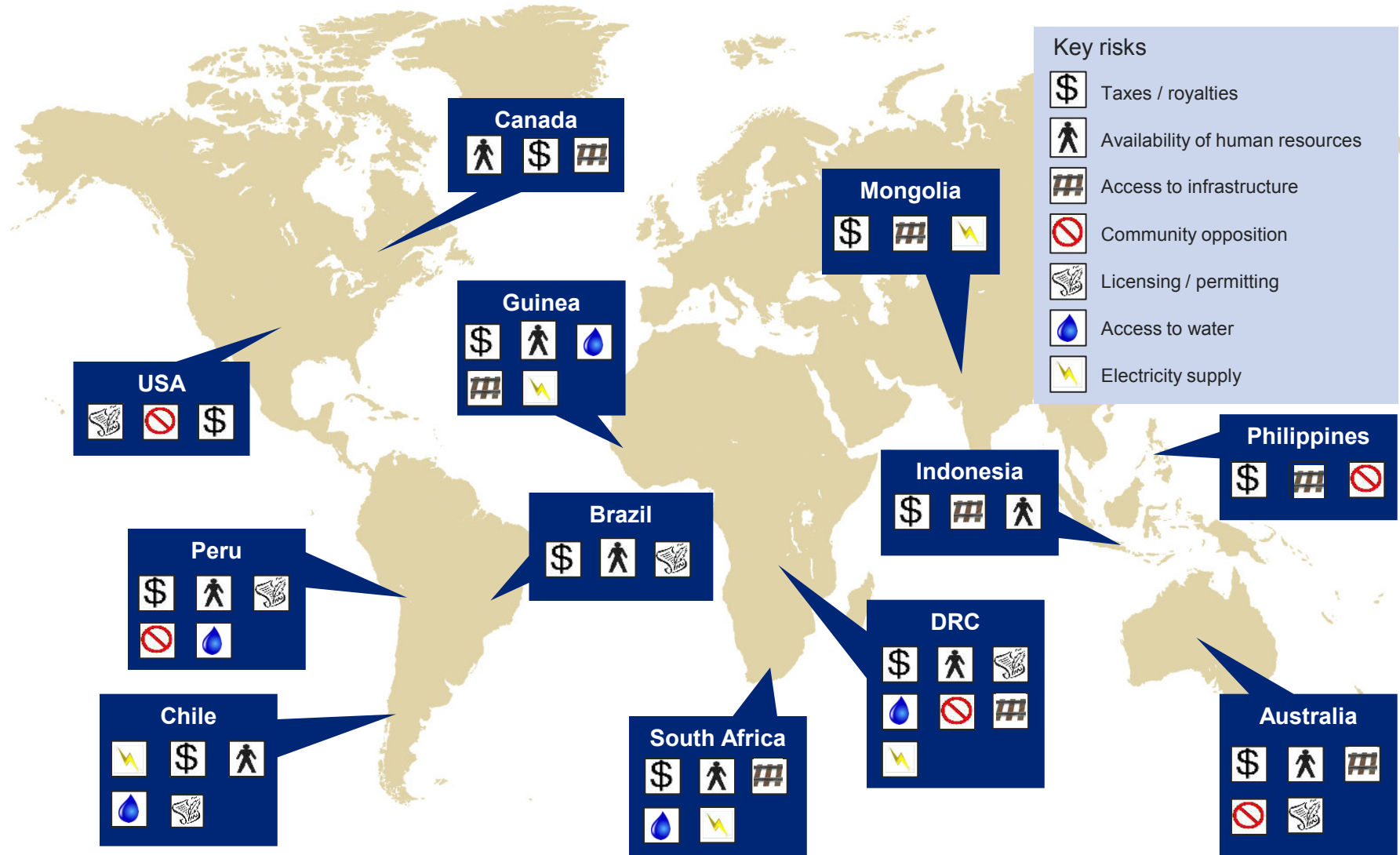


Underlying EPS (\$)



¹ Excludes operations which are no longer part of the Group, including Zinc operations, AngloGold Ashanti, Mondi, Scaw International, Highveld, Tongaat Hulett/Hulamin, Namakwa Sands and certain Tarmac international businesses

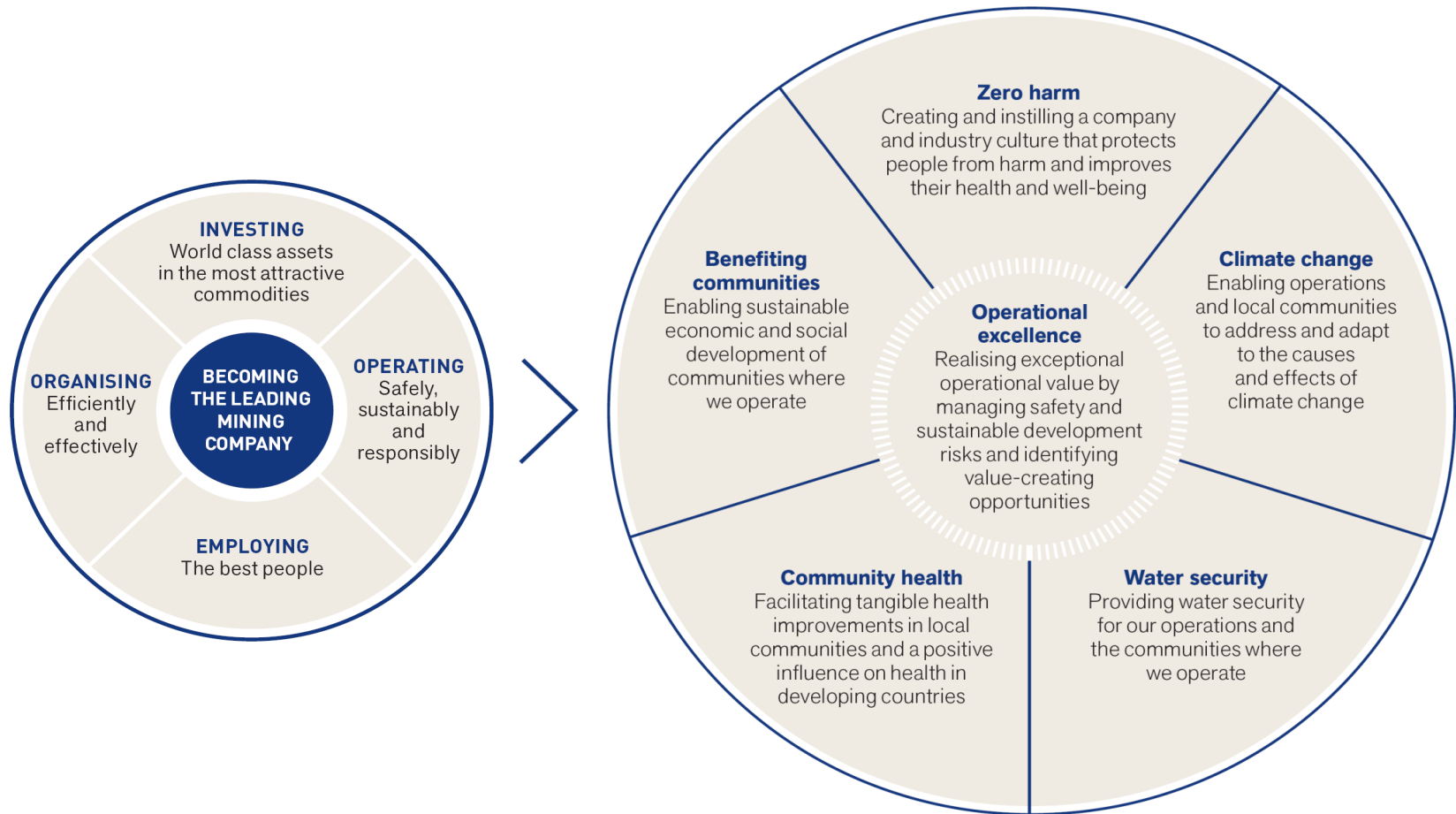
A CHALLENGING AND EVOLVING SUPPLY LANDSCAPE



Source: Company Reports; Newsmedia

STRATEGY

Sustainable and responsible mining is at the heart of our strategy



SAFETY

Zero harm is our number one priority

- Group Safety Leadership Summits in April 2011 and 2012
 - Focus on leadership and accountability
- Tragically, the number of people who lost their lives at our operations increased from 15 to 17, with 12 from Platinum
- With the exception of Platinum, our overall safety performance improved
- Over 90% of our operations are fatality-free, almost half are LTI-free:
 - Kolomela mine and project had worked a total of 22 million hours LTI and fatality-free for 2011
 - Barro Alto commissioned with no fatalities and 3 million LTI-free hours during 2011
 - Copper's Mantoverde mine, Nickel's Barro Alto and Codemin Thermal Coal's Zibulo colliery were all LTI-free during 2011
- Group-wide strategic safety review completed in 2011:
 - 42 site assessments
 - Opportunities identified in leadership, accountability, competency and standards.
- Strengthened incident investigation
- Introduction of new Group Technical Standard for Integrated Risk Management

**Recognised with Visible Management Commitment Award
at the DuPont Safety Awards for the Tripartite Health and Safety
Initiative in South Africa**



HEALTH

Zero harm to health during working life and in retirement

- Workplace health hazards, mainly dust and noise:
 - Working with our suppliers to minimize health hazards from equipment
 - Group-wide dust and noise communication and engagement programme
- Burden of disease in developing countries:
 - Recognised leader in workplace HIV/AIDS and TB programmes
 - Over 90% of employees voluntarily check their HIV status each year. 110,000 employees and contractors tested in 2011
 - Over 5,000 employees receiving HIV treatment, another 3,000 employees participating in HIV wellness programmes
 - Our TB incidence in South Africa is well below the industry average and is reducing
 - Treatment costs are just 5% of the cost of AIDS if HIV infection is unmanaged
 - Partnership with GAVI and the Global Fund
- Community health:
 - Strengthening health systems in underserved rural areas in partnership with government

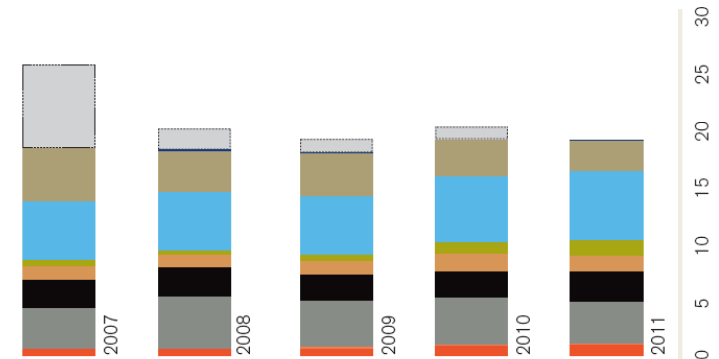
Improving access to quality healthcare and building partnerships are at the heart of our approach to health



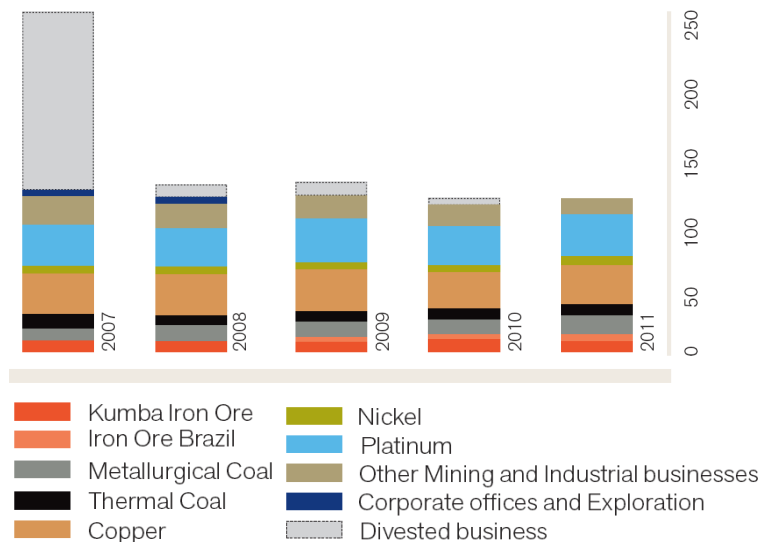
A focus on operational excellence, technology and partnership

- Climate change:
 - 23% of energy now from renewable sources
 - ECO2MAN tool used to set new targets and create marginal abatement cost curves for every site
 - Carbon neutral mine study with University of Queensland
 - Engaged South African government on carbon tax, preparing for carbon pricing to start in Australia
- Water:
 - Almost 70% of our total operational water requirements were met by recycling/re-using water
 - 80% of operations and projects are in water stressed basins
 - WETT tool used to set targets for water use at every site
 - Water neutral mine study with University of Queensland
 - Increasing focus on becoming a net contributor to fresh water supply: eMalahleni, Limpopo, Mantoverde, CapCoal. In South Africa, over 2 million residents are benefiting from Anglo American sponsored schemes
- From biodiversity to ecosystem services:
 - 15,000 ha of disturbed land rehabilitated across the Group
 - Integrating biodiversity and ecosystem services into our operational and project risk assessments
- Beyond the mine:
 - Working to develop community-level projects that increase energy and water efficiency in host communities
 - Launch of Zimele Green Fund

Carbon emissions (million tonnes)



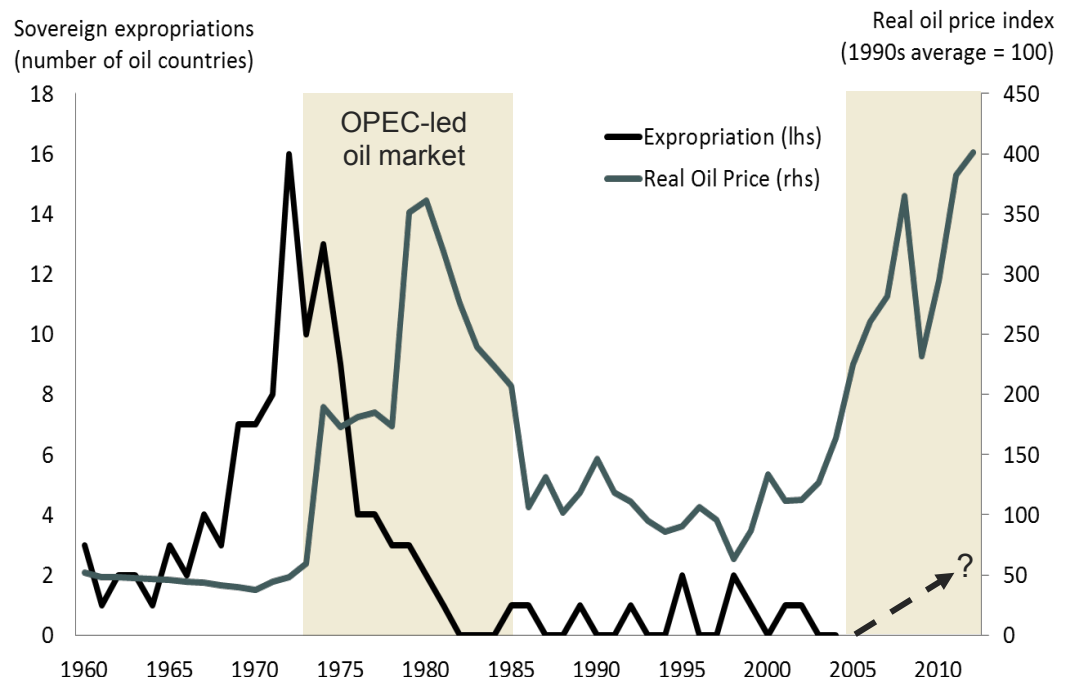
Water use (million m³)



RESOURCE NATIONALISM

Mining experience will remain different to oil and gas, but requires careful management

- Ongoing pressure from governments to see greater developmental benefits from mining
- Anglo American is supportive of this desire, and believe it can best be achieved through partnerships between mining companies and host governments
- There has been a growing discussion of whether nationalisation could occur in the mining sector as it has in oil and gas
- Price rises in oil followed nationalisation, as state ownership of highly concentrated reserves enabled concerted OPEC action to raise prices:
 - In 1960 85 percent of oil reserves were controlled by private companies, and two thirds were in OPEC countries
 - By 1980 two third of reserves were in state hands, and two thirds were still in OPEC nations
 - Most mining commodities do not experience such concentrations of reserves
- Research suggests that upfront capex is a smaller share of total project costs in mining
- Easier for governments to secure extra benefit through taxes, free carry, local content and indigenisation policies
- National responses are highly context-specific, and excellence in government relations and community development have become critical



GOVERNMENT RELATIONS

Increasing expectations beyond business-as-usual contributions

- Relationships with governments have become more important as resource nationalism and community activism around mining have grown
- Enhanced capability at both BU and Corporate level
- Positioning as a constructive partner, whilst always protecting our rights and shareholder value
- Critical to understand national and local public policy objectives, and to see how mining can contribute to fulfilling these:
 - Major focus of host governments is on socio-economic development (jobs, growth, taxes)
 - Home countries particularly concerned about corruption, human rights, revenue transparency
 - Anglo American seeks to play a constructive role in policy debates to ensure policy objectives are sound and met effectively and efficiently
- New country entry requires thorough understanding of local socio-political conditions:
 - Dedicated country access team formed
 - Supported by government relations specialists for each region (Africa, Americas, Asia-Pacific and Europe)

Government relations planning



- All significant countries must produce annual plans
- Follow standard process
- Training in government relations provided to all BU leadership teams and relevant corporate functions
- Process covers home and host countries as well as multilateral agencies

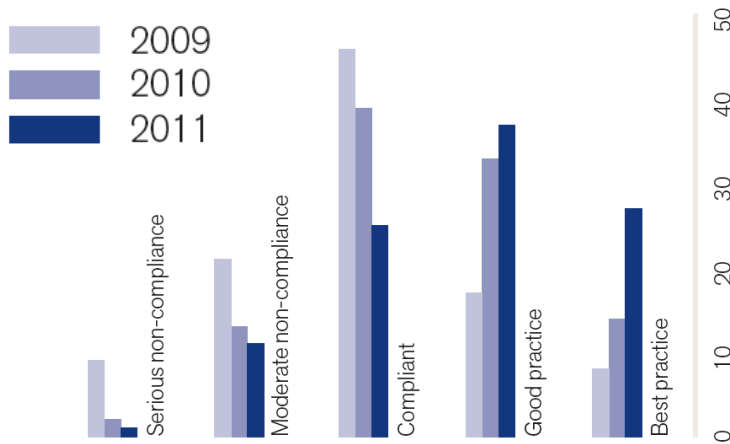
South African nationalisation debate

- Strong stance on the damage that would be done to South Africa
- Contributed evidence to ANC review team
- Helped the government map out possible roles for state mining company
- Active in debates with government about how to revive mining sector

SOCIAL PERFORMANCE

Increasing expectations beyond business-as-usual contributions

Social way compliance improves



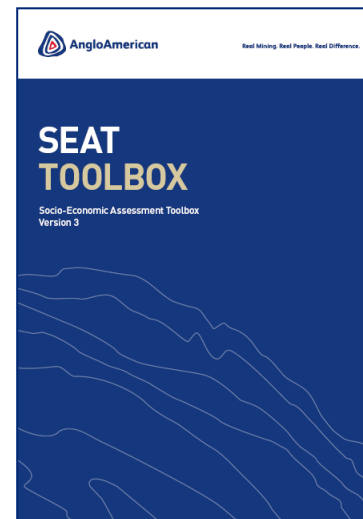
Community development peer reviews

- 8 reviews to be completed by end-2012
- Focus is on local procurement, enterprise development, local workforce development and social investment
- Peer review process brings in Group and external expertise on community development
- Objectives are to:
 - Improve practice at reviewed sites
 - Build internal expertise and capacity
 - Spread best practice across Anglo American

Quellaveco dialogue table

- Established in context of growing conflict around mining projects in Peru
- Backed by regional and national governments
- Focus areas: environmental impact and community development
- Although it has taken time, most concerns have been addressed to the satisfaction of the majority
- Now negotiating social contribution

SEAT 3 finalised and made freely available



- SEAT v3 reflects developments in business and human rights, and focuses on core business role in development
- Inputs from Partner NGOs CARE, FFI and International Alert
- Freely available on website

HUMAN RESOURCES

Addressing the skills challenge to support our current operations and growth plans

Workforce planning and labour relations

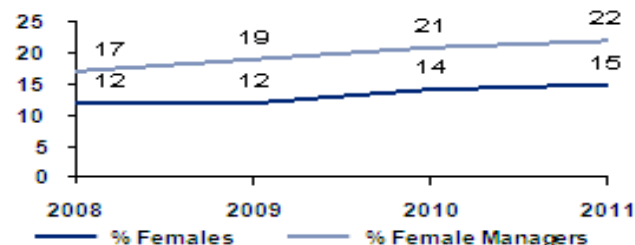
- Continued pressure in certain skill areas from within our sector and from related sectors in key markets
- Significant work undertaken to improve our ability to identify current and future skills requirements and to proactively source the skills needed to respond to our anticipated growth
- Sound labour relations continue to be a key area of focus as evidenced in the relatively low number of industrial disputes
- Voluntary turnover has further reduced, from 5.3% in 2010 to 3% in 2011

Talent management and employee development

- Further embedded our global capability framework (The People Development Way)
- Our investment in employee and community training and development during 2011:
 - \$79.2m (2.2% of total employee costs) in direct training costs;
 - 3,122 bursars, graduates and other trainees;
 - Portable skills training to 3,712 people
 - Enrollment of 1,693 people in ABET training in South Africa

Transformation and diversity

- Gender diversity has continued to improve from 2010 to 2011, with women in the workforce increasing from 14% to 15% and women in management increasing from 21% to 22%
- Further progress has been made on transformation in South Africa, with the number of managers from HDSA communities exceeding the original Mining Charter target of 40%



Reward and performance management

- We have continued the roll-out of the performance management standard and system, placing strong emphasis on aligning individual objectives with the company's strategy and plans
- We continue to benchmark our remuneration schemes against our peers and have comprehensive performance-based reward systems in place

BUILDING CONFIDENCE IN OUR INDUSTRY

Investing in telling our story, and building confidence across stakeholder groups

- Global advertising campaign:
 - Aims to tell positive stories through the voices of our employees
 - Launched in all Anglo American operating geographies, customised to in-country strategic objectives
 - Now in third year, positions Anglo American as an employer and partner of choice
 - Articulates the business case for responsible mining
 - Only miner in South Africa advertising on television
- Enhanced level of transparency and engagement by participating in social media, including Facebook and Twitter
- Developing better metrics on the things that matter to stakeholders:
 - Community development and economic impact, safety, environment
- Participating in debates around sustainability and mining:
 - ICMM, WEF, EITI, Voluntary Principles, Rio +20, and at the national level
- Building customer and consumer confidence:
 - Only diversified miner in the Initiative for Responsible Mining Assurance process
 - Growing customer interest
 - We want to demonstrate that we operate to high standards, and we want to demonstrate that there are business benefits in doing so



FROM MINER TO MINERALOGIST,
GEOLOGIST TO ENVIRONMENTALIST,
EVERYONE AT ANGLO AMERICAN
HAS THE SAME UNITY OF PURPOSE.

AS OUR FOUNDER SIR ERNEST
OPPENHEIMER SAID, OUR PURPOSE
IS TO "CREATE VALUE FOR OUR
SHAREHOLDERS, BUT TO DO SO IN
SUCH A WAY AS TO CREATE A REAL
AND LASTING CONTRIBUTION TO
THE COMMUNITIES IN WHICH
WE OPERATE".

IT'S A WAY OF DOING BUSINESS
THAT UNITES THE COMPANY TO
THIS DAY.

WHY? BECAUSE WE ARE A MINING
COMPANY BROUGHT UP PROPERLY.

FIND OUT MORE, AT
GETTHEFULLSTORY.COM

FÁBIO LUCAS
Codemin, Brazil

**MINING OUR WAY:
SHARE VALUE
FROM
SHARED VALUES**

 **AngloAmerican**

Real Mining. Real People. Real Difference.

TAKING THE LEAD IN RESPONSIBLE MINING

Extensive external recognition for our safety, health, environment and community programmes

Anglo American is the only mining company to have achieved platinum status in the UK's leading benchmark of responsible business – Business in the Community's Corporate Responsibility Index

Tripartite Health and Safety Initiative in South Africa received Visible Management Commitment Award at DuPont Safety Awards

44% reduction in lost-time injury frequency rate since 2007

Isibonelo received South African national safety awards in 2011

Project Alchemy - giving local communities equity ownership in Platinum

SEAT Toolbox won the 2012 International Association for Impact Assessment's "Corporate Initiative" Award



2011 Sustainable Development Report Ranked as Best by Radley Yeldar

47,000 jobs created and supported through enterprise development

Anglo American Occupation Hygiene specialists won three of seven national awards in South Africa in June 2012

Kumba – industry leading broad based employee share scheme

Highly Commended in BITC's UK Responsible Business of the Year award, 2012

Q&A