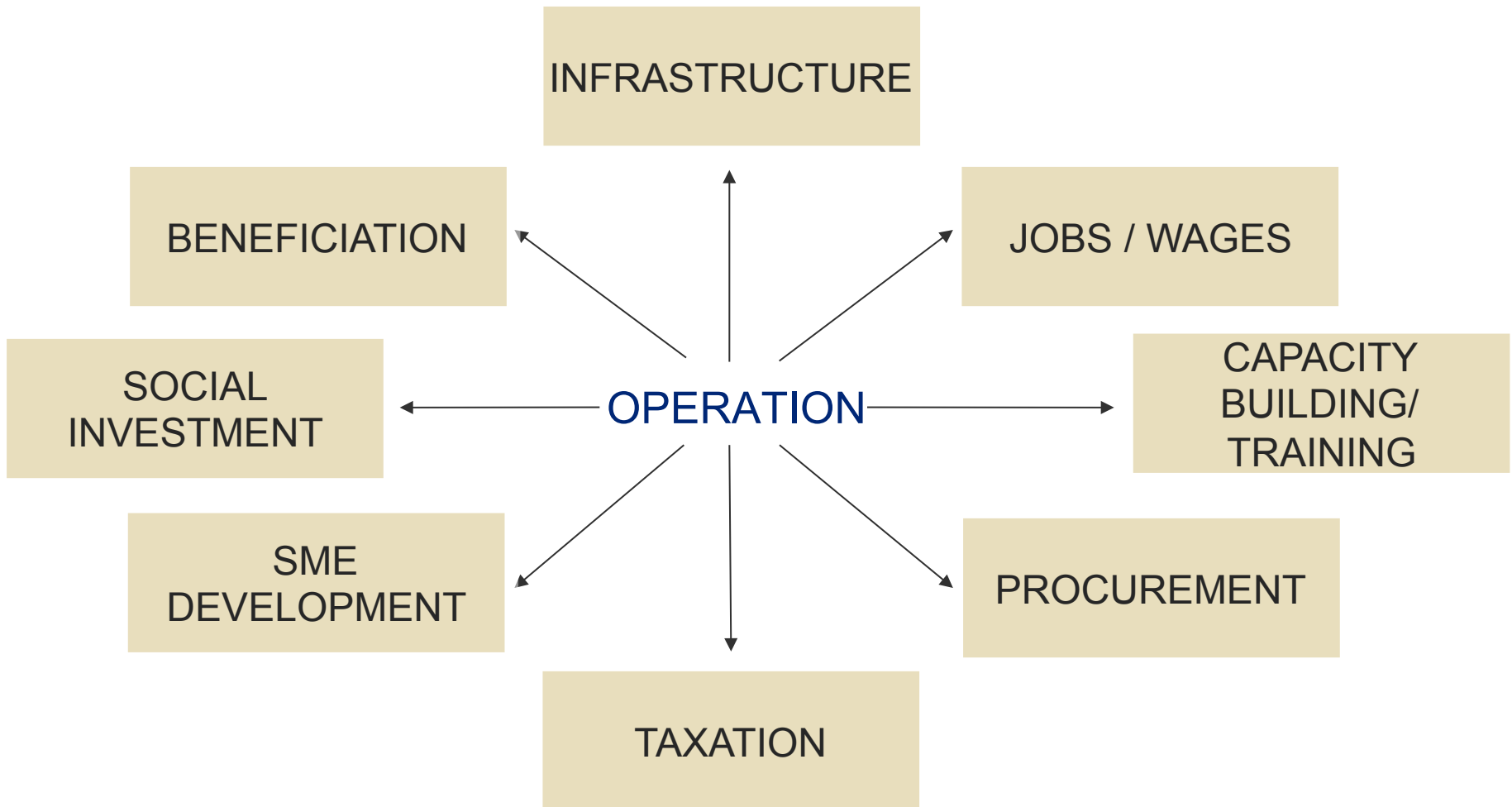


ANGLO AMERICAN'S APPROACH TO SOCIO-ECONOMIC DEVELOPMENT

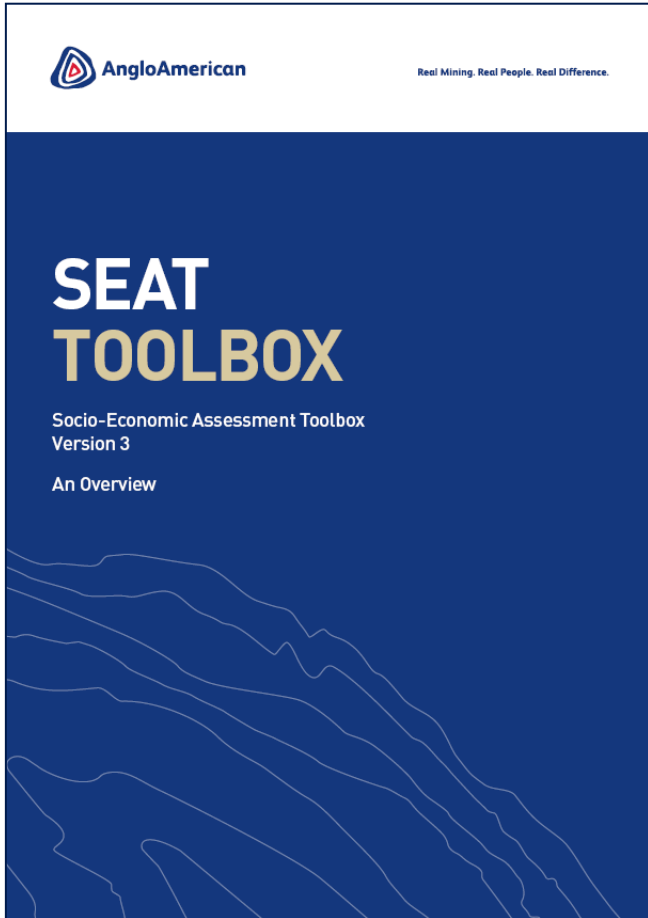
22th of October 2014



WHAT ROUTES ARE THERE FOR DELIVERING DEVELOPMENTAL BENEFITS FROM MINING?



HOW WE IDENTIFY PRIORITIES FOR SOCIO-ECONOMIC DEVELOPMENT INITIATIVES AT THE LOCAL LEVEL

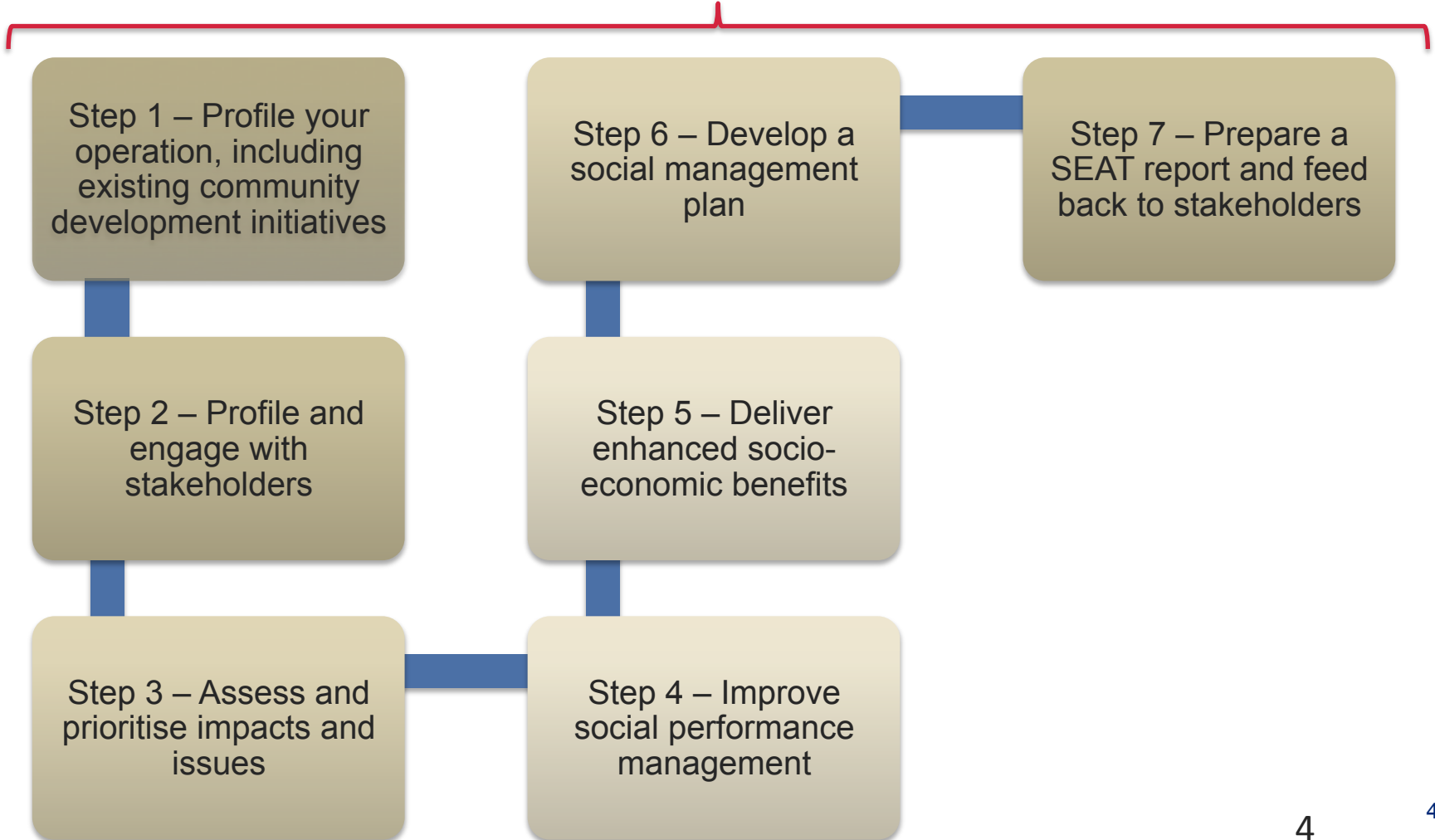


- A socio-economic impact and management planning process
- Existing Anglo American operations go through the process every three years
- The foundation for social issues management at our mines
- A collection of resources for community professionals and other colleagues to use at any time, including in exploration, development and closure
- *Ultimately...* designed to help secure our social licence to operate at new and existing operations, and secure competitive advantage

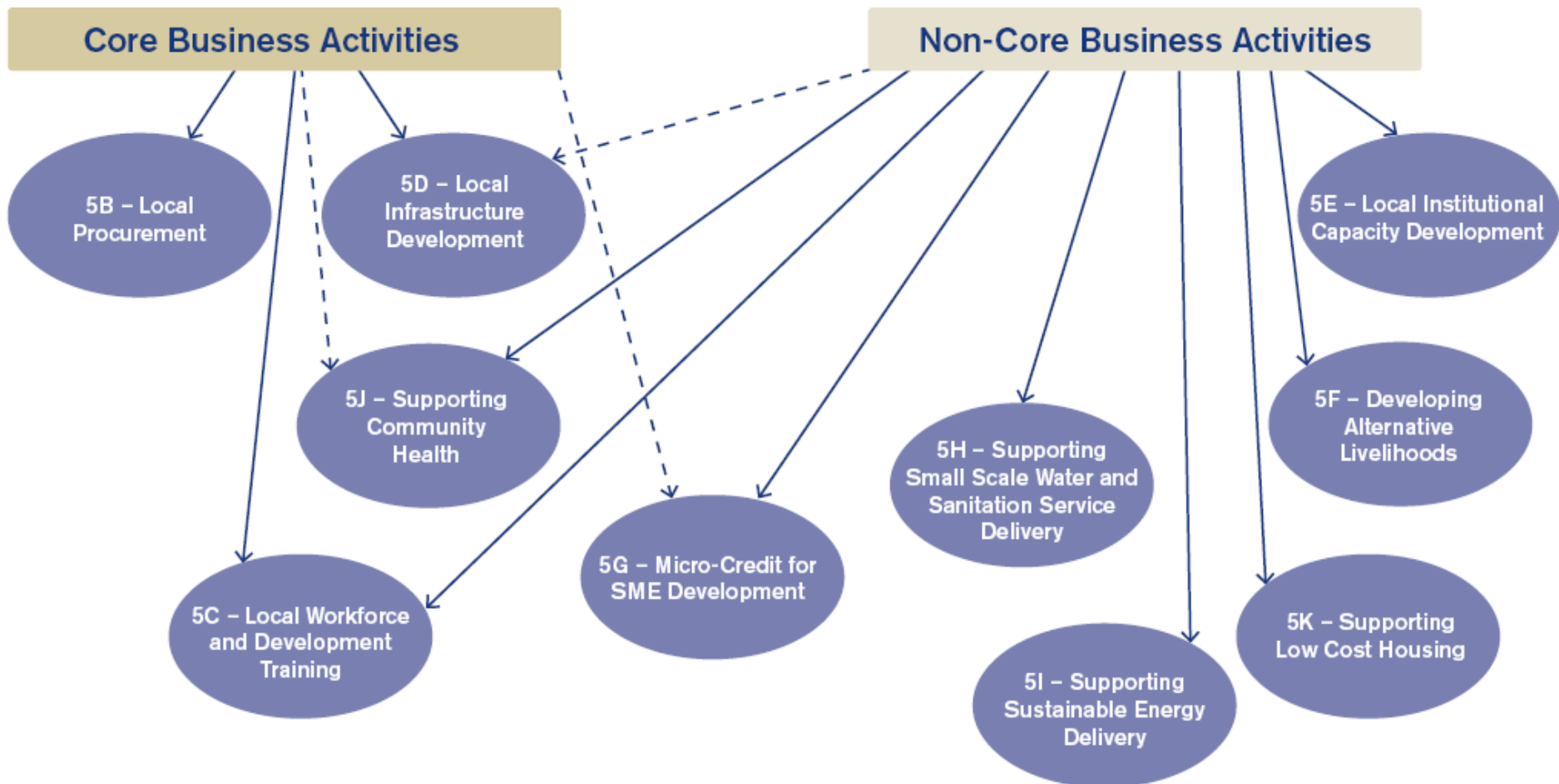
Publicly available in English, French, Portuguese and Spanish at www.angloamerican.com/seat

SEAT: STRUCTURE

Engagement throughout



SEAT: STEP 5 COMMUNITY DEVELOPMENT TOOLS



SOCIO-ECONOMIC DEVELOPMENT: LEVERAGING OUR CORE BUSINESS FOR MORE EFFECTIVE AND EFFICIENT IMPACT

A focus on leveraging our core business limits CSI cost...

Economic value distribution*

	\$ million	%
Suppliers	16,137	52
Employees	5,078	19
Reinvested in the Group ¹	3,547	12
Company taxes	3,232	10
Dividends	2,237	7
Providers of capital ²	720	2
Total	30,951	

¹ Capex

² Interest

Local Procurement

Local Training and Recruitment

Sharing Skills / Employee Volunteering

Governmental Capacity Development

Enterprise Development

Synergies from Mine Infrastructure

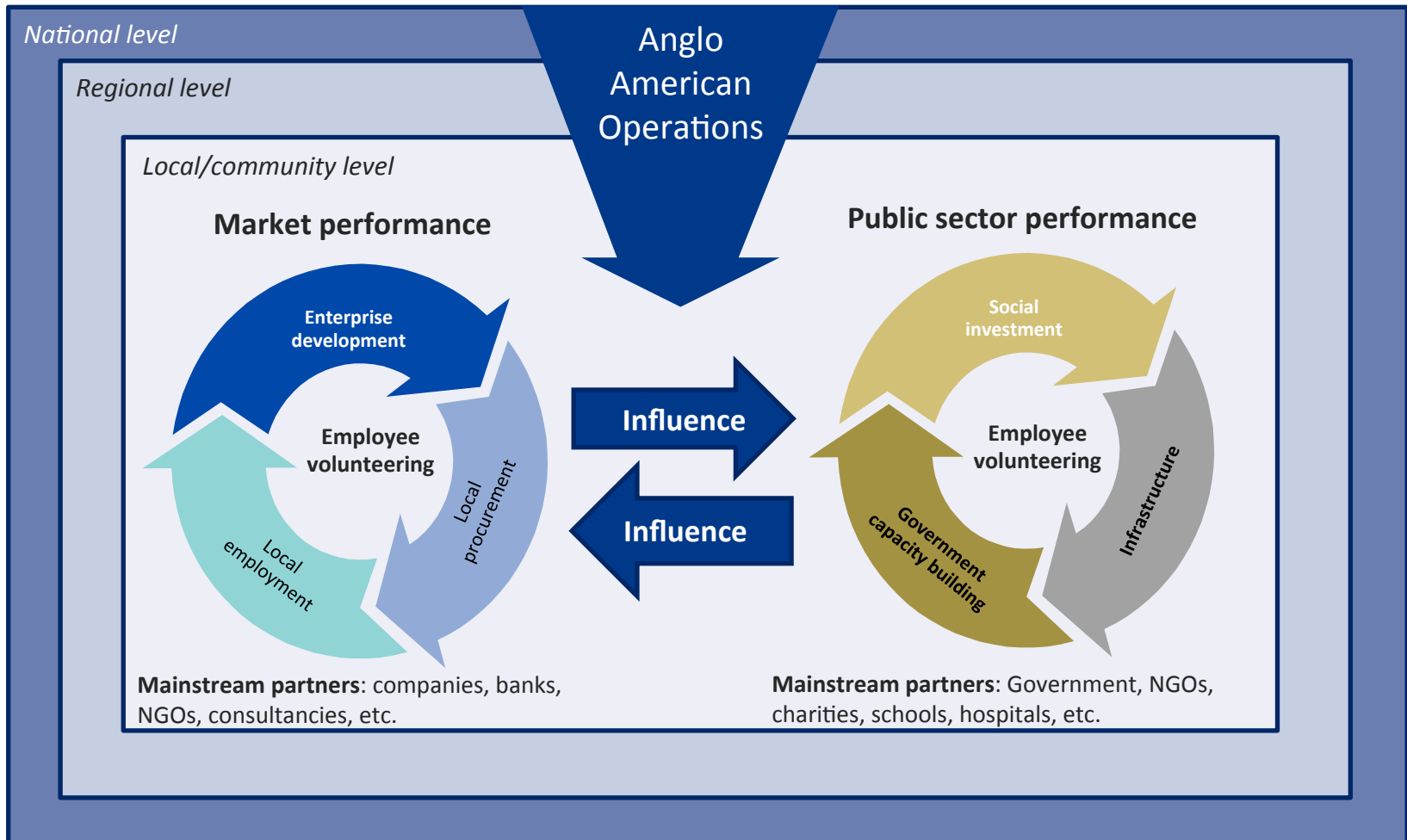
Social Investment

- Leveraging our \$16.1 billion supply chain (over 100 x CSI budget)
- Ensuring that host communities have the best possible chance of securing the increasingly skilled jobs on our operations
- The skills of our employees, from artisans through to professionals, can help host countries and communities to address key challenges
- Focusing in particular on how local municipalities can use tax revenues to provide effective public services
- Offering equity and loans on a commercial basis to support local entrepreneurs, both within and outside our supply chain
- Design projects so that mine infrastructure (water, power, health etc) can be shared use to spread costs and broaden benefits delivered
- Increasingly targeted on those actions not achievable through value chain-focused approaches

*Source: 2013 data from Sustainable Development Report

...but will lead to a more meaningful, sustainable developmental contribution.

BUILDING PLATFORMS FOR EFFECTIVE PARTNERSHIPS



BUSINESS CASE

Excellence in sustainability programmes...

Value from sustainability



Examples

✓ **Additional opportunities**

- Certification could give access to price and quantity premiums – commodities under analysis include:
 - ✓ Diamonds, platinum, coal, copper

✓ **Positioned as development partner of choice**

- Being recognised as a development partner should allow Anglo American to get preferential access to:
 - Mineral resources: governments and mining companies
 - Financial resources : large pension funds, philanthropic funds
 - Human resources: talent

✓ **Avoid surprise events**

- Stoppage costs at key operations
- Project delays costs – linked to socio-political or environmental
- Impact of environmental incidents
- Impact of safety/health incidents

✓ **Do more of this**

- Resource efficiency
- Productivity improvements

...delivers tangible benefits to shareholders

THANK YOU