

SOUTH AFRICA

OVERVIEW

With our roots firmly in South Africa since 1917, Anglo American has a proud history and remains committed to the country and its continued development. South Africa remains one of the major regions for the Anglo American Group and is considered integral to our progress. We continue to focus on delivering operational excellence in a safe and responsible manner and to add value for our shareholders, employees, governments, communities, customers and suppliers.

Our aim is to be the leading global mining company, by becoming the investment, the partner and the employer of choice. We strive to achieve this by continuing to develop our portfolio of world-class mining assets, to operate an efficient, streamlined business model, to embed sustainability and safety in everything we do, and to attract and retain the best people.

South Africa is home to a number of assets which are strategic to the Group:

PLATINUM – 79,9% OWNED

KUMBA IRON ORE – 69,7% OWNED

THERMAL COAL – 100% OWNED

SAMANCOR MANGANESE – 40% OWNED

DE BEERS – 85% OWNED

More than

97,000

employees



More than

25,000

employees and their families
receive housing support



Miners referring to the pre-use checklist of the Fletcher Roofbolter at Thermal Coal's Goedehoop Colliery.

3

Commodity business
units managed from
South Africa

7

90% 

of our employees
have participated
in HIV testing

R1,4bn

housing expenditure in 2012



24%

of women are in
management



MAJOR CONTRIBUTOR TO SOUTH AFRICA'S ECONOMY

More than

R14bn



contribution to the national fiscus through direct and indirect **taxes paid in 2012**



MOU with Eskom has been in place since 2007 to help address the nation's energy challenges.

Eskom remains a key customer and supplier

R15bn

Invested in **capex** in South Africa in 2012



4 EXECUTIVE COMMITTEE MEMBERS are based in **South Africa**

R94,2bn



Export revenues generated by Anglo American in 2012

R664,6bn

combined market **capitalisation**



REPRESENTING

8%

of the value of the **JSE Top 100** as of 31 December 2012



An employee at Kumba Iron Ore's port operations in Saldanha Bay.

ZIMELE – COMMITTED TO ENTERPRISE DEVELOPMENT

24 YEARS



of **successful enterprise development** expertise in South Africa

1,393 FUNDED BUSINESSES EMPLOYING 25,364 PEOPLE

as Anglo American, we surpassed our **goal of creating and sustaining 25,000 jobs** in the small and medium enterprise market **by 2015**

400 DELEGATES



learnt first-hand how to **implement tried and tested enterprise development best practices** at an enterprise development conference hosted by Anglo American and the Department of Trade and Industry in November 2012

Zimele Hub



OVER 30 SMALL BUSINESS HUBS

provide a strategic blend of **financial support and incubator-style mentorship** to enable businesses in which we invest to **stand on their own feet** and to grow

Overall, **beneficiaries** comprise of **49% WOMEN**

35% YOUTH

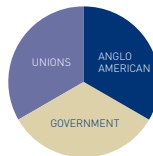


Kudekwalapha Mining Corporation is a company based at the Amandelbult concentrator. The company is owned and managed by Patrick Matiwane.

A RIGOROUS SAFETY MINDSET

THE TRIPARTITE SAFETY AND HEALTH INITIATIVE

A partnership between government, trade unions and Anglo American to **share best practice and raise safety standards** was established in June 2008



KOLOMELA MINE ACHIEVED 29 MILLION

lost time injury and fatality free hours in Oct 2012

FATALITIES REDUCED

2007 2011 2012

40

17

13



Employees and contractors adhere to stringent safety measures at Kumba Iron Ore's Sishen Mine.



The Group's lost-time injury frequency rate was **0,60** in 2012, a 6% improvement on 2011

SAFETY INITIATIVES

Our suppliers have an important role to play in helping us **improve our safety performance**. In 2012, 29 safety initiatives with suppliers were shared across supply chains.

PROMOTING BROAD-BASED EMPOWERMENT AND TRANSFORMATION

AROUND R67 BILLION

worth of **BEE transactions** concluded since 1994 across all business units

R28 BILLION

Total **BEE procurement spend** with HDSA businesses (including De Beers).

MOST OF OUR BUSINESS UNITS HAVE ALREADY ACHIEVED THE SOUTH AFRICAN MINING CHARTER'S

2014 minimum target of **26% BEE ownership** to enable meaningful economic participation of HDSAs in the mining industry



Tebogo Motthamme, a metallurgist working at Kumba Iron Ore's Sishen Mine, takes samples of iron ore for testing.



5600 WOMEN

IN CORE MINING JOBS, IN 2012

REPRESENTING ALMOST

14%

OF THE TOTAL
MINING WORKFORCE

As with all our transformation initiatives, achieving – and substantially improving – our employment equity target is not a numbers game.


It is about creating meaningful and sustainable opportunities for our workforce.



Doreen Botha Leepo preparing drill holes prior to blasting at Kumba Iron Ore's Sishen Mine.

A RESPONSIBLE CORPORATE CITIZEN

R777 MILLION TOTAL CSI SPEND IN SOUTH AFRICA IN 2012

70% 

of all HIV-positive employees at our Southern African operations participate in **HIV disease management programmes**

1200



employees, contractors and community members are currently enrolled in **Adult Basic Education and Training (ABET)** programmes



OVER R804 MILLION

INVESTED IN 2012, IN DIRECT TRAINING ACTIVITIES AND SUPPORTED NEARLY **2,845 BURSARS, APPRENTICES, GRADUATES AND OTHER TRAINEES**

A further 2,638 employees were provided with transferable skills training. This involves **developing employees' non-mining skills** so that they are employable outside of the industry after mine closure



Dr Lorna Maphuthuma with Rose Kgoete (Zimele Hub manager). Lorna is a medical practitioner who runs a large practice in Burgersfort. The business was provided with seed capital from Zimele's Community Fund.

OPERATING WITH THE FUTURE IN MIND

IN 2012, 52% OF OUR OPERATIONAL WATER REQUIREMENTS WERE MET BY RECYCLED WATER



WAPs 

[Water Action Plans] implemented across the Group, aim to assist our operations to implement **integrated water management programmes**

WETT 

[Water Efficiency Target Tool] set **quantitative water saving targets** for each managed operation within the Group

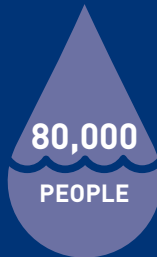
A WORLD-CLASS PLANT WHICH RECLAIMS WATER FROM 4 MINES

Reclaims



of water per day

Which can provide **water to up to**



Daphne Kolotse picking tomatoes at the Groenfontein Farm Project near Mogalakwena mine.