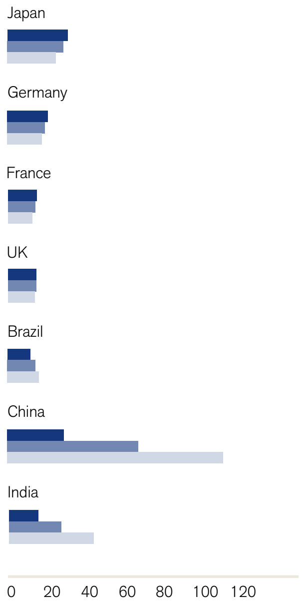
AN UNDERSTANDING OF THE TIMES IN WHICH WE LIVE

Real GDP relative to US

at purchasing power parity, as percentage of US

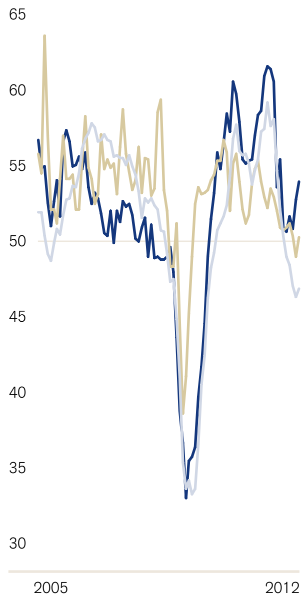


2000
2010
2020

Source: IMF and Oxford Economics

Manufacturing activity purchasing managers' index

50 = no change



China
US
Euro area

Source: ISM, NBS and Markit

THE ECONOMY

FALTERING ECONOMIC RECOVERY

Early in 2011, the world economy appeared to be growing robustly. Most regions were enjoying robust economic growth after the dislocation of the global financial crisis and a severe recession. The large emerging economies – notably China, India and Brazil – were leading the upswing, but there were also more encouraging trends in the major advanced economies. During the year, all of the world's major economies faltered, contributing to a marked global slowdown. There were three reasons.

First, there were some significant 'shocks' during the year. Political uncertainty in North Africa and the Middle East pushed up oil prices, which depressed activity in the major oil-importing countries. Additionally, Japan's earthquake/tsunami and consequent nuclear power emergency led to a severe fall in domestic production and severely disrupted global supply chains, notably in the auto industry. The recovery has been slow.

Second, policy settings in the emerging economies became much more restrictive in the first half of 2011, contributing to the slowdown in the second half. In particular, central banks tightened monetary policy aggressively as they sought to restrain inflationary pressure. The Brazilian central bank was particularly aggressive and its monetary tightening led to a pronounced economic slowdown in 2011. The Reserve Bank of India (RBI) and the People's Bank of China (PBOC) also tightened policy appreciably, with the macro-economic effects becoming clearer during 2011.

Third, Europe's financial crisis intensified during 2011. Critically, the crisis spread from small peripheral economies to larger economies at the core of the euro zone. During the year, financial markets began to question the government solvency of Spain and Italy. Additionally, investors became much more nervous about the implications of strained government finances on the European banking system. In spite of a series of policy initiatives, markets remained sceptical that policymakers would resolve the crisis. Increasing market volatility and rising risk premiums contributed to a European economic slowdown.

THE MACRO-ECONOMIC OUTLOOK

By the end of 2011, most of the world's leading economies had reported a material weakening. China, India and Brazil reported slower GDP growth rates and falling inflation. This opened up the scope for looser policy. Brazil and China have already moved to loosen policy settings and this should help to cushion their economies in 2012. Lower inflation should enable the RBI to loosen monetary policy, which should also support India's economy. In 2012, real GDP growth should be lower than in 2011, but the major emerging economies should avoid a sharp downturn.

In the longer term, we expect further significant growth in the main emerging economies as they 'catch up' with the advanced economies.

Surprisingly, the US economy strengthened late in 2011 as the effects of higher oil prices and the disruption from Japan's natural disaster began to fade. While there are still some concerns around the economy's underlying growth rate, further policy stimulus should support a continuing recovery in 2012.

Europe remains the principal source of concern. There are growing worries that the crisis has now become so complex there is no practicable solution. It is possible this could lead to a further intensification of the crisis in 2012 and a deep recession. More likely, policymakers seem to have done enough to contain the crisis. Governments have emphasised their commitment to stabilising the euro and the European Central Bank (ECB) has become more involved in providing liquidity. This should be enough to remove the extreme downside risks to the economy and the financial system.

In the longer term, we expect further significant growth in the main emerging economies as they 'catch up' with the advanced economies. With real GDP per capita still well below levels in the US, there is considerable scope for the convergence of living standards through technology transfer and productivity gains. Over the next decade, this should mean all of the major emerging economies grow rapidly.

COMMODITY MARKETS

DEVELOPMENTS DURING 2011

An attractive pricing environment prevailed for much of the year, underpinned by strong supply and demand fundamentals. In 2011, average prices for Anglo American's main commodities were on average 5% to 39% higher than in 2010.

A YEAR OF TWO HALVES

Commodity prices were particularly strong during the first half of 2011, despite disrupted trade flows caused by the Japanese earthquake/tsunami and the uncertainty created over the European sovereign debt crises.

Pricing in the first half was well supported by China's demand growth, which remained resilient notwithstanding a general tightening of monetary policy to control inflation. Together with steepening cost curves and widespread supply disruptions, this provided a level of support for pricing, with new record levels set in metallurgical coal, copper and iron ore.

An attractive pricing environment prevailed for much of the year, underpinned by strong supply and demand fundamentals.

Measures to tighten monetary policy and control inflation in emerging economies such as China and India started to have the intended effect and the rate of growth decelerated in the second half of the year. In addition, a lack of coordinated policy response to tackle the European sovereign debt crises impacted investor sentiment and credit availability. As industrial activities slowed and commodities consumers destocked across the inventory chain, demand for commodities was negatively impacted. On the other hand, supply continued to recover from various disruptions earlier in the year. As a result, individual commodity prices responded, trending lower towards the end of the year.

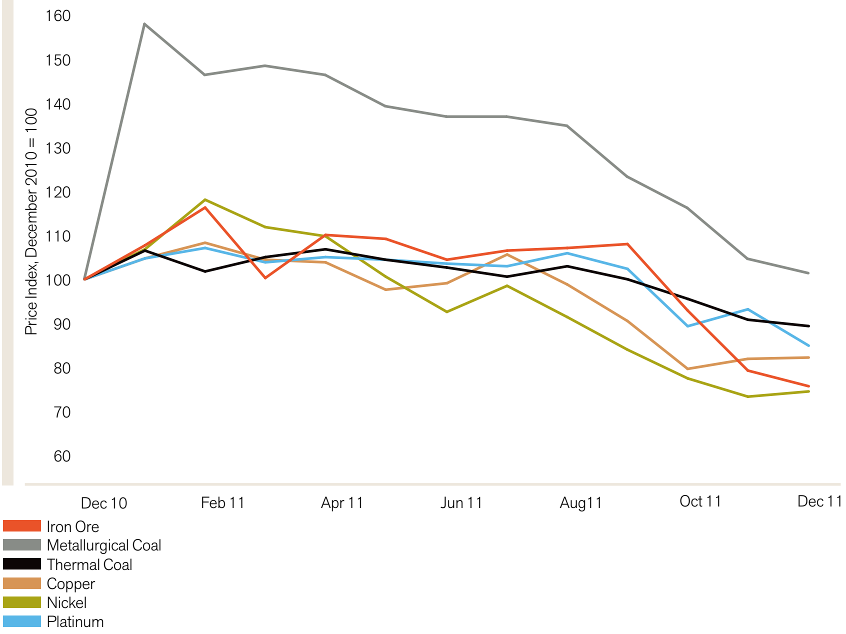
The main outperformer among the commodities produced by Anglo American was coking coal, particularly in the first half of the year, as producers continued to recover from the flooding and industrial disruptions in Queensland. While prices for coking coal declined in the second half of the year, at the end of 2011 they were broadly in line with the prices achieved in December 2010.

Thermal coal also demonstrated relatively resilient pricing, drifting by only 4% in the second half of the year. All other commodities produced by Anglo American fell by 13% to 23% in the second half of the year.

The December 2011 average price of copper, coking coal, thermal coal and iron ore all remained well above analyst consensus forecasts of long term 'through the cycle' prices, with only nickel and PGM prices at or below long term outlooks.

While analysts adjusted their near term price forecasts as 2011 progressed, their long term price expectations have been increasing, in particular for thermal coal, copper, steel and iron ore. One of the driving forces behind the upgrades to long term prices has been the recognition of the challenges in delivering new supply and an anticipated increase in the capital and operating costs.

Indexed 2011 commodity prices



Source: Anglo American Commodity Research

A UNIQUE AND DIVERSE PORTFOLIO

MATURING EMERGING MARKETS

LONGER TERM TRENDS IN COMMODITY DEMAND

Although the short term macro-economic outlook appears uncertain, the medium to long term prospect for global commodity demand remains robust as China continues to urbanise and industrialise. China is an important market for most of the commodities produced by Anglo American. Nevertheless, as China shifts from an investment intensive to consumption driven economy, the growth rate in demand for steel materials is expected to moderate to a more sustainable level.

This shift, however, is expected to drive a stronger demand growth rate for commodities such as diamonds and PGMs. These products have completed less than half of their build-up to expected long term demand per capita in China, implying that significant growth potential exists.

Both commodities are experiencing similar growth patterns in intensity of use, which reflect comparable rates of growth in intensity of use per gross domestic product (GDP) in rapidly industrialising countries such as China. Typically, intensity of use reaches a peak quite quickly, to be followed by a declining growth rate – though overall consumption continues to rise.

While Chinese intensity of use per GDP for commodities such as copper and steel may have peaked in recent years, we expect sustained growth for PGMs and, particularly, diamonds.

Of course, China is not the last country expected to experience this cycle of commodity demand; India and other rapidly growing emerging economies such as Indonesia, the Philippines and Turkey are expected to be significant consumers of commodities. Just as China filled in the gap left by slowing demand growth in the developed world, these countries will generate increasing rates of commodity demand growth as they progress economically.

SUPPLY CONSTRAINTS AND INCREASED CAPITAL INTENSITY

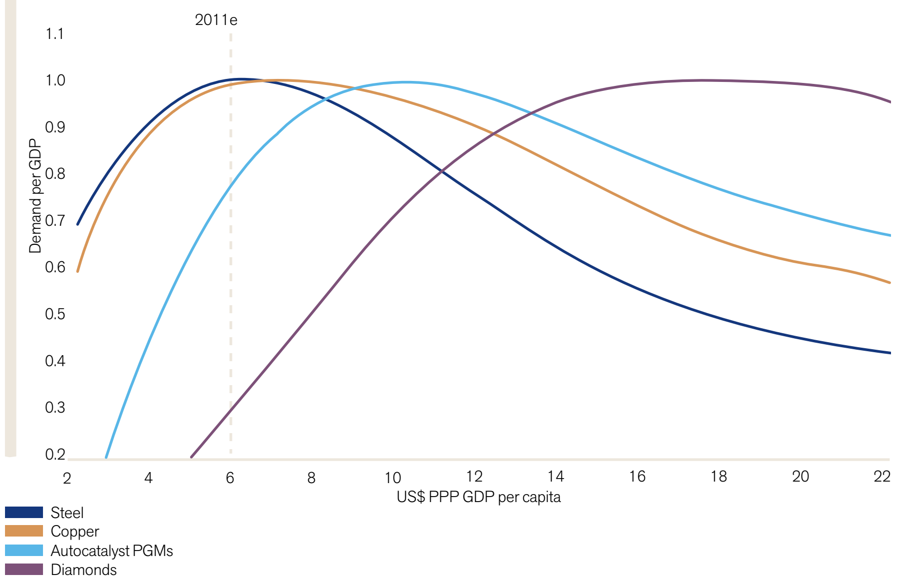
While demand is clearly one key driver of prices, supply side factors also play a crucial role in commodity price performance. Mine-specific costs, both capital and operating, have been rising markedly since around 2004 and are expected to continue to provide upward pressure on prices across the mining industry over the medium term.

Commodities such as diamonds and PGMs have completed less than half of their build-up to expected long term demand per capita in China, implying that significant growth potential exists.

For example, the availability of more readily mined copper deposits has declined over the last decade, while falling average grades, increasing infrastructure requirements, growing technical complexity and more frequent use of underground mining have resulted in cost escalation significantly above general inflation. Such structural challenges have been exacerbated by industrial action, shortages of equipment and skilled labour, higher mining taxes and royalties, a weaker US dollar and increasingly onerous environmental and social legislation.

This is not a commodity-specific phenomenon; similar cost inflation is being experienced across the mining industry and, as a result, both capital and operating cost escalation have had an impact on the rate of introduction of new capacity across most commodities.

Indexed intensity of use – China



Source: Anglo American Commodity Research

OUR STRATEGY IN ACTION

OUR AMBITION, STRATEGY AND UNIQUE PORTFOLIO

Anglo American aims to be the leading global mining company – the investment, the partner and the employer of choice – through the operational excellence of world class assets in the most attractive commodities, and a resolute commitment to the highest standards of safe and sustainable mining. We believe attractive commodities to be those that generate superior returns through the economic cycle, based on favourable supply-demand fundamentals. We consider world class assets to be those that are low cost, large, long life and with clear expansion potential.

Anglo American's current portfolio is uniquely diversified, with material exposure to metallurgical coal and iron ore, which both benefit from continued industrialisation in emerging economies, while also having exposure to later cycle businesses through platinum and ultimately, diamonds.

In order to achieve this, we own, operate and grow, through discovery and acquisition, mining assets in those commodities and businesses that we believe deliver the best returns through the economic cycle and over the long term. We aim to focus on businesses in which we have advantaged positions, i.e. large scale assets with long lives, low cost profiles and with clear expansion potential.

Anglo American has a unique and diversified portfolio. Its mix spans:

- Bulk commodities – iron ore, metallurgical coal, thermal coal and manganese ore.

These materials are typically used in investment and infrastructure development in earlier stages of economic development.

- Base metals – copper, nickel and niobium.

These commodities are typically used more during the 'consumptive' stages of economic growth, which correlate to the middle stages of economic development.

- Precious metals and minerals – platinum and diamonds, in both of which we are a global leader.

These businesses are typically later cycle, with peak demand coming from richer, more developed areas.

Anglo American's current portfolio is uniquely diversified, with material exposure to metallurgical coal and iron ore, which both benefit from continued industrialisation in emerging economies, while also having exposure to later cycle businesses through platinum and ultimately, diamonds, as GDP per capita increases.

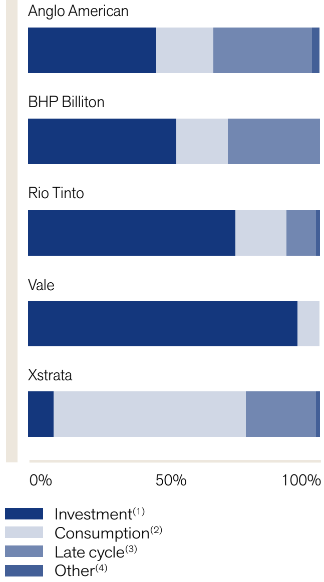
CASH FLOW ALLOCATION

In a long cycle industry such as mining, the inevitable investment decisions, capital allocation and balance sheet management require sound judgement to build a sustainable and value creating company.

The Board of Anglo American has a balanced and disciplined approach to capital management, focusing on:

- Delivering value accretive growth through our attractive projects pipeline and opportunistic M&A to supplement the pipeline.
- A clear dividend policy, providing a base dividend that will be maintained or increased through the cycle.
- Maintaining a robust balance sheet through the cycle.
- Returning surplus cash to shareholders.

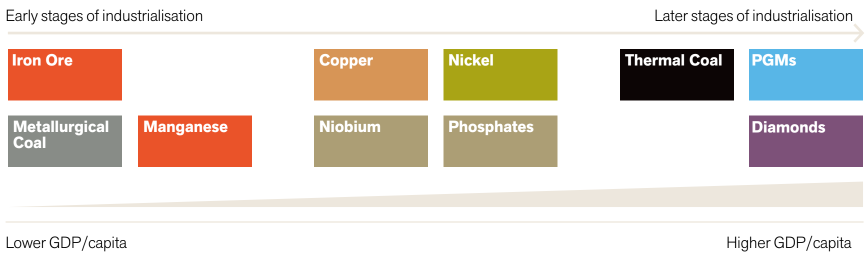
2011 portfolio composition of major diversified mining companies[5]



Source: Company information

[1] Includes iron ore, metallurgical coal, manganese
[2] Includes aluminium, copper, nickel, zinc.
[3] Includes thermal coal, petroleum, platinum, diamonds.
[4] Includes Other Mining & Industrial (Anglo American), Other (Rio Tinto), Other (Xstrata).
[5] Based on 2011 EBITDA contribution (2010 operating profit in the case of Vale). Anglo American is based on pro-forma full consolidation of De Beers' 2011 EBITDA.

Anglo American's unique and diversified portfolio has material exposure to early-, mid- and late- stages of industrialisation



A STRATEGY THAT DELIVERS PERFORMANCE

01

02

> **"Our four strategic elements drive Anglo American towards our aim of being the leading global mining company – the investment, the partner and the employer of choice – through the operational excellence of world class assets in the most attractive commodities and a resolute commitment to the highest standards of safe and sustainable mining."**
>
> **Cynthia Carroll** Chief Executive

01 At the Sakatti exploration site in northern Finland, geophysicist Circé Malo-Lalande (left) discusses data obtained from our Ground Electromagnetic Superconducting Quantum Interference Device (EMSQUID) with Anglo American chief executive Cynthia Carroll.

02 Barro Alto: Safety technician Rodrigo Jordani Braga at the plant's viewing point.

03 Metallurgical Coal's head of operations Dieter Haage (right) and Joy Mining site manager Manie Swanepoel at Moranbah North's longwall.

04 Fishermen working in Corral de los Chanchos Bay, off the town of Chañaral in Chile, where our new desalination plant, which will serve the Mantoverde copper mine, will secure a sustainable water supply, while protecting the ocean environment.

05 Apprentices gain experience carrying out essential maintenance in Metallurgical Coal's Dawson mine workshops in Queensland, Australia. Before starting the job, a comprehensive risk management assessment is undertaken, which incorporates extensive safety measures, including isolation and lock-out procedures.

INVESTING – IN WORLD CLASS ASSETS IN THE MOST ATTRACTIVE COMMODITIES

We own, operate and grow world class mining assets in those commodities that we believe deliver the best returns through the economic cycle and over the long term.

We aim to focus on those commodities in which we have advantaged positions and on large scale assets with long lives, low cost profiles and with clear expansion potential, that is: copper, diamonds, iron ore, metallurgical coal, nickel, platinum and thermal coal.

HIGHLIGHTS OF THE YEAR

- We successfully delivered three of our four strategic mining growth projects on or ahead of schedule during the year: the Barro Alto nickel operation in Brazil, the Los Bronces copper expansion in Chile and the Kolomela iron ore mine in South Africa.
- We also made good progress during the year at the Minas-Rio iron ore project in Brazil, the fourth of our strategic growth projects. We are continuing to manage a number of challenges in a high inflationary Brazilian mining environment. To mitigate these challenges, we are implementing various measures including acceleration activities within the previously announced 15% capital expenditure increase, to target first ore on ship in the second half of 2013.
- In December 2011, we announced the approval of the Grosvenor metallurgical coal project in the Bowen Basin of Queensland, Australia. This greenfield project is expected to produce 5 Mtpa of metallurgical coal from its underground longwall operation over a projected life of 26 years with capital expenditure forecast at $1.7 billion.
- Beyond our organic growth programme, we took the unique opportunity in November to acquire the Oppenheimer family's shareholding in De Beers, taking our interest in the world's leading diamond company to up to 85%.

For more information **turn to page 16**

"The technology we have developed this year has been vital in the delivery of our strategic growth projects. This has been a very exciting year for Anglo American."

Brian Beamish Group Director of Mining and Technology

For more information on technology and innovation, visit **www.angloamerican.com**

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ORGANISING – EFFICIENTLY AND EFFECTIVELY

In two vital areas of our business – asset optimisation (AO) and procurement – we have beaten our own expectations. The initial aim of capturing $1 billion of value for each initiative originally covered the entire Group. By the 2011 year end, however, we had exceeded our targets in respect of both AO and procurement, each of which has delivered benefits of more than $1 billion from core businesses alone over the past three years.

HIGHLIGHTS OF THE YEAR

- $2.2 billion of sustainable AO benefits delivered from our businesses.
- The operation review (OR) process, initiated in 2010, got under way at various sites at all the business units; the ORs are a collaborative effort, creating teams that are able to identify value improvement opportunities and leverage our global best practice across the Group's complete mining value chain.
- AO knowledge and principles are being embedded within the business through a comprehensive change management programme.
- $1.3 billion in procurement benefits were delivered by our businesses.
- A new corporate centre-led supply chain organisation model enabled more effective management of purchased materials and services; it is already operating in the top quartile of its peer group.
- Around three-quarters of Anglo American's total procurement spend of more than $13 billion a year is in developing countries.

For more information **turn to page 20**

OPERATING – SAFELY, SUSTAINABLY AND RESPONSIBLY

Operating safely, sustainably and responsibly is embedded in everything we do. The safety of our people is our key core value and we are relentless in striving to achieve our goal of zero harm.

We are committed to environmental stewardship and minimising the environmental impact of our operations.

We aim to make a sustainable and positive difference to community development and act with integrity to build respectful relationships with the societies in which we work.

HIGHLIGHTS OF THE YEAR

- In November 2011, Platinum announced details of Project Alchemy – a R3.5 billion ($430 million) community economic empowerment transaction that will provide equity ownership to certain host communities around four operations that have not previously benefited from Platinum's extensive broad based black economic empowerment transactions, as well as key labour sending areas. The mine host communities that are set to benefit are those around Twickenham, Mogalakwena, Amandelbult and Rustenburg. Platinum has been involved in the upliftment of its mine host communities for a number of years and this transaction will help to develop self-sustaining communities that are not solely dependent on mining.
- The Barro Alto operation, consisting of the mine and the newly constructed nickel processing plant, has an exemplary safety record and was recently recognised as the safest mine in Brazil. The mine has operated for almost seven years – 2,509 days – without a single lost time injury. The project was completed with a benchmark LTIFR of 0.04.

For more information **turn to page 24**

EMPLOYING – THE BEST PEOPLE

Our people are as vital to our success as our mining assets.

We are committed to our people, who determine how effectively we operate and build our reputation with our investors, partners and fellow employees every day, and whom we require to uphold our values.

Ultimately, it is our people who will realise our ambition and deliver our strategy to be the leading global mining company.

HIGHLIGHTS OF THE YEAR

- At the end of December 2011, 51% of Anglo American employees at management level in South Africa were 'historically disadvantaged South Africans'. We believe we are now well placed to achieve the enhanced targets for 2014 set out in South Africa's revised Mining Charter.
- During 2011, we invested $79 million (2.2% of total employee costs) in direct training activities, and supported over 3,000 bursars, apprentices, graduates and other trainees.
- We are now in a position where more than 90% of employees in southern Africa check their HIV status every year. Regular HIV counselling and testing (HCT) ensures that we achieve early diagnosis of HIV infection and timely access to care.

For more information **turn to page 32**

DETERMINATION TO LEAD BY EXAMPLE

Cynthia Carroll

RECORD OPERATING PROFIT
(2010: $9.8 bn)

$11.1bn

For more information
turn to page 42

HIGH VALUE METALLURGICAL COAL FROM OUR NEWLY APPROVED GROSVENOR PROJECT

5Mtpa

For more information
turn to page 63

IMPRESSIVE FINANCIAL AND OPERATIONAL PERFORMANCE

Anglo American delivered an impressive financial and operational performance in 2011, as we continued to capture the benefits of operational improvements and disciplined cost management to capitalise on the attractive commodity demand and pricing environment that prevailed for much of the year. We reported a record operating profit of $11.1 billion, a 14% increase, EBITDA of $13.3 billion, while underlying earnings increased by 23% to $6.1 billion, also a record.

THREE MAJOR NEW MINING OPERATIONS DELIVERED

Our successful delivery of three major mining projects on or ahead of schedule during the year is a great achievement, and will contribute significant new volumes of iron ore, copper and nickel as the new operations continue to ramp up during 2012.

Our decision to sustain capital investment in the development of these and other growth projects through the cycle, with highly competitive operating costs and capital intensity ratios, sets us apart as a near term volume growth leader.

The first shipment of lump iron ore from the 9 Mtpa Kolomela mine in South Africa in December 2011, five months ahead of schedule, was an important step towards our goal of increasing production to 70 million tonnes from our South African iron ore assets this decade. In copper, the expansion at Los Bronces in Chile, completed in October 2011, will more than double the mine's production of 221,000 tpa, on average, over the first three years of full production, with reserves and resources that support a mine life of over 30 years. And in Brazil, we delivered first production at our new Barro Alto nickel operation in March 2011. Barro Alto will average 41,000 tpa of nickel over its first five years of full production and increase Anglo American's nickel volumes by 180%.

TWO FURTHER NEW MINES ON TRACK

We also made good progress during the year at the Minas-Rio iron ore project in Brazil, the fourth of our strategic growth projects. We are continuing to manage a number of challenges in a high inflationary Brazilian mining environment. To mitigate

these challenges, we are implementing various measures including acceleration activities within the previously announced 15% capital expenditure increase, to target first ore on ship in the second half of 2013.

We are maintaining momentum into our next phase of growth, with the Board approval of six growth projects across six commodities, including our 5 Mtpa Grosvenor metallurgical coal project in Australia. We expect to approve further new projects during 2012, including the Quellaveco copper project in Peru.

BUILDING THE NEXT PHASE OF GROWTH

Looking further out, we are focused on prioritising the most attractive of our $84 billion pipeline of unapproved projects towards development and we continue to replenish and increase our world class resource base through numerous exploration successes. Our discovery of copper, nickel and platinum group elements at Sakatti in northern Finland is a great example of Anglo American's deep-rooted greenfield exploration expertise delivering value as well as the use of our innovative drilling technology to reduce our environmental impact as we work towards defining the resource.

SEIZING OPPORTUNITIES TO DELIVER FURTHER VALUE

Beyond our organic growth programme, we continue to deliver shareholder value commercially. We took the unique opportunity in November to finalise the

01 Pump station under construction at the Minas-Rio iron ore project in Brazil.

02 Anglo American has participated in a series of community engagement workshops with the people living close to the site of the Quellaveco copper project in Peru.

03 The Cut-8 extension will transform Jwaneng into a 'superpit', and extend the life of this pre-eminent diamond mine until at least 2025.

04 Stephanie Klatt, senior project geologist, checking core samples at the Sakatti drill site in northern Finland.

> **"Our discovery of copper, nickel and platinum group elements at Sakatti in northern Finland is a great example of Anglo American's deep rooted greenfield exploration expertise."**
>
> **Cynthia Carroll** Chief Executive

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agreement to acquire the Oppenheimer family's shareholding in De Beers, taking Anglo American's interest in the world's leading diamond company to up to 85%. We will continue to pursue growth where we see the most compelling, long term opportunities and to deliver value from our high quality asset base.

Our sale of a non-controlling interest in our Anglo American Sur assets to Mitsubishi for $5.4 billion, valuing those assets at $22 billion, is a demonstration of that commitment and of the quality our assets.

Our Platinum business today is a far cry from what it was a few years ago in terms of production, productivity and safety. We have seen substantial improvement in operating performance and the returns are in line with the industry. However, these returns have declined in recent years and are not acceptable to us for the medium and longer term. The platinum industry faces significant challenges, from cost inflation and safety issues to ongoing concerns over European demand. As a result, we are embarking on a review to assess the optimal configuration of our Platinum portfolio with a focus on improving performance. We will do this with the single purpose in mind of maximising shareholder value and returns through the cycle.

SAFETY

Safety remains my absolute priority and I have not wavered on this commitment since my appointment as chief executive five years ago. I am deeply saddened that in 2011, 17 employees died while working for Anglo American. We have a long way to go to achieve our objective of zero harm, despite marked improvements in our safety record since 2007, with a significant reduction in the number of our people who have lost their lives at work and lost time injury rates. While we continue to see many examples of safety excellence across Anglo American, we are committed to reviewing, refocusing and reprioritising our safety related programmes to address ongoing challenges.

TAKING THE LEAD IN SUSTAINABLE MINING

Managing the social, economic and environmental impacts of our operations is essential to our success. Our approach to sustainability is a key differentiator for Anglo American, is fundamental to the way we do business and is embedded in everything we do.

Together with safety, our primary sustainability challenges are around climate change, and securing access to water and energy. During 2011, we implemented new technical standards and management tools – the Water Efficiency Target Tool and our energy and carbon management programme, ECO_2MAN – to help operations understand their water and energy requirements, and identify and implement savings projects.

We have continued our support for community health systems during 2011, particularly in emerging economies, at a local and global level. In June 2011, we pledged $3 million over three years to the UK Government-led matching initiative for the Global Alliance for Vaccines and Immunisations, a public/private partnership that is increasing access to immunisation in the world's poorest countries.

In January 2012, I joined other world business leaders to launch the Business Leadership Council for a Generation Born HIV Free, a private sector-led initiative that aims to end the transmission of HIV from mothers to children by the end of 2015.

STRONG OUTLOOK FOR OUR COMMODITIES

Despite short term uncertainty persisting in the global economy, particularly in Europe, the outlook for Anglo American's diversified mix of commodities remains strong. We expect sustained growth in the emerging economies, notably in China and India, which will underpin robust demand for commodities, supplemented by early recovery signs in the US. Continuing industrialisation and urbanisation cycles and the considerable scope for the convergence of living standards, combined with long term supply constraints, present an attractive proposition across our unique portfolio of early, mid- and late development cycle commodities.

Cynthia Carroll
Chief Executive

MEASUREMENT AND TARGETS

Strategic elements	KPI targets	
INVESTING In world class assets in the most attractive commodities Turn to page 16	**Total shareholder return (TSR)** Share price growth plus dividends reinvested over the performance period. A performance period of three years is used and TSR is calculated annually **Return on capital employed (ROCE)** Total operating profit before impairments for the year divided by the average total capital less other investments and adjusted for impairments	**Capital projects and investment** Optimise the pipeline of projects and ensure that new capital is only committed to projects that deliver the best value to the Group on a risk adjusted net present value basis **Underlying earnings per share** Underlying earnings are net profit attributable to equity shareholders, before special items and remeasurements
ORGANISING Efficiently and effectively Turn to page 20	**Asset optimisation (AO)** Sustainable operating profit benefit from optimised performance of the asset base of the core businesses	**Supply chain** Operating profit and capital spend benefits to the Group resulting from centralised procurement from core businesses
OPERATING Safely, sustainably and responsibly Turn to page 24	**Work related fatal injury frequency rate (FIFR)** FIFR is calculated as the number of fatal injuries to employees or contractors per 200,000 hours worked **Lost time injury frequency rate (LTIFR)** The number of lost time injuries (LTIs) per 200,000 hours worked. An LTI is an occupational injury which renders the person unable to perform his/her regular duties for one full shift or more the day after the injury was incurred, whether a scheduled workday or not **Energy consumption** Measured in gigajoules (GJ) **Greenhouse gas (GHG) emissions** Measured in tonnes of CO_2 equivalent emissions	**Total water use** Total water use includes only water used for primary activities, measured in million m^3 **Corporate social investment** Social investment as defined by the London Benchmarking Group includes donations, gifts in kind and staff time for administering community programmes and volunteering in company time and is shown as a percentage of profit before tax **Enterprise development** Number of companies supported and number of jobs sustained by companies supported by Anglo American enterprise development initiatives
EMPLOYING The best people Turn to page 32	**Voluntary labour turnover** Number of permanent employee resignations as a percentage of total permanent employees **Gender diversity** Percentage of women, and female managers employed by the Group	**HIV counselling and testing (HCT)** Percentage of employees in southern Africa undertaking voluntary annual HIV tests with compulsory counselling and support

Results and targets

Return on capital employed (ROCE)

2011 **26.5**%

2010 **24.8**%

Underlying earnings per share

2011 $**5.06**

2010 $**4.13**

Capital projects and investment

For a summary of the Group's capital projects and investments
turn to pages 18 to 19

Total shareholder return (TSR)

Please refer to the Remuneration report
turn to pages 104 to 115

Asset optimisation (AO)

Target: $1 billion by 2011[(1)]

2011 $**1,978**m

2010 $**1,548**m

Supply chain

Target: $1 billion by 2011[(2)]

2011 $**1,185**m

2010 $**713**m

Work related fatal injury frequency rate (FIFR)

Target: Zero fatal incidents

2011 **17** fatalities, 0.009 FIFR

2010 **15** fatalities[(3)], 0.008 FIFR

Energy consumption

2011 **102.9** million GJ total energy used

2010 **100.9** million GJ total energy used

Corporate social investment

2011 $**122**m, 1.3% of profit before tax

2010 $**111**m, 1.3% of profit before tax

Lost time injury frequency rate (LTIFR)

Target: Zero incidents – the ultimate goal of zero harm remains

2011 **0.64**

2010 **0.64**[(4)]

GHG emissions

2011 **18.8** Mt CO_2 equivalent

2010 **20.0** Mt CO_2 equivalent

Total water use

Target: Under revision

2011 **115.3** Mm^3

2010 **114.5** Mm^3

Enterprise development

Target: Businesses supported: 3,500
Jobs sustained: 18,000

2011
38,681 businesses supported
47,070 jobs sustained

2010
9,392 businesses supported
17,200 jobs sustained

Voluntary labour turnover

2011 **3.0**%

2010 **5.3**%

HIV counselling and testing (HCT)

Target: Over 90% of employees in high disease burden countries

2011 **92**%

2010 **94**%

Gender diversity

2011
15% females
22% female managers

2010
14% females
21% female managers

(1) $1 billion of sustainable operating profit benefit from core businesses, excluding Other Mining and Industrial, by the end of 2011.
(2) $1 billion of operating profit and capital spend benefits from core businesses, excluding Other Mining and Industrial, by the end of 2011.
(3) During 2010, we reported 14 fatal incidents. A further incident, which was still under investigation at the time of going to print, has since been recorded, bringing the total figure to 15.
(4) In 2010, we reported an LTIFR of 0.57. This figure has been revised to retrospectively accommodate aligned reporting from Metallurgical Coal.