PROSPECTUS

US$1,000,000,000

Anglo American Capital plc
US$500,000,000 Senior Floating Rate Notes due 2016
US$500,000,000 4.125% Senior Notes due 2021
Guaranteed by Anglo American plc

This prospectus is being published by Anglo American Capital plc (the "Issuer") in connection with Admission (as defined below) of its US$500 million Senior Floating Rate Notes due 2016 (the "Floating Rate Notes") and US$500 million 4.125% Senior Notes due 2021 (the "Fixed Rate Notes" and, together with the Floating Rate Notes, the "Notes") with such Notes to be guaranteed (the "Guarantees") by Anglo American plc (the "Company", "Guarantor" or "Anglo American" and, together with the Company's subsidiaries, joint ventures and associates, "Anglo American Group", the "Group", "we", "us" or "our"). Interest will be paid on the Floating Rate Notes quarterly and in arrears on January 15, April 15, July 15 and October 15 of each year, commencing on July 15, 2014. The Floating Rate Notes will mature on April 15, 2016. Interest will be paid on the Fixed Rate Notes semi-annually and in arrears on April 15 and October 15 of each year, commencing on October 15, 2014. The Fixed Rate Notes will mature on April 15, 2021.

We have the option to redeem all or a portion of the Notes at any time at the redemption prices set forth in this document.

The Notes will be unsecured senior obligations of the Issuer and will rank equally with all of its other existing and future unsubordinated indebtedness.

The Notes will be issued in fully registered form and only in denominations of US$200,000 and integral multiples of US$1,000 in excess thereof.

For a more detailed description of the Notes, see "Description of the Notes and the Guarantees" beginning on page 130.

An investment in the Notes involves risks. See "Risk Factors" beginning on page 13.

Offering Price for the Floating Rate Notes: 100.000% plus accrued interest, if any, from April 15, 2014

Offering Price for the Fixed Rate Notes: 99.621% plus accrued interest, if any, from April 15, 2014

Application has been made to the Financial Conduct Authority in its capacity as competent authority pursuant to Part VI of the Financial Services and Markets Act 2000 (the "UK Listing Authority") for each series of the Notes to be admitted to the official list of the UK Listing Authority (the "Official List") and to the London Stock Exchange plc (the "London Stock Exchange") for each series of the Notes to be admitted to trading on the London Stock Exchange's Regulated Market ("Admission"). References in this document to the Notes being listed (and all related references) shall mean that the Notes have been admitted to trading on the London Stock Exchange's Regulated Market and have been admitted to the Official List. The London Stock Exchange's Regulated Market is a regulated market for purposes of Directive 2004/39/EC (the "Directive on Markets in Financial Instruments"). **The securities to which this document relates have not been recommended by the United States Securities and Exchange Commission (the "SEC") or any other US federal or state securities commission or regulatory authority nor have such authorities confirmed the accuracy or adequacy of this document. Any representation to the contrary is a criminal offense in the United States.**

The Notes and the Guarantees have not been registered, and we do not intend to register the Notes or the Guarantees, under the US Securities Act of 1933, as amended (the “Securities Act”), or any securities laws of any other jurisdiction. Accordingly, the Notes are being offered and sold in the United States only to qualified institutional buyers in accordance with Rule 144A under the Securities Act (“Rule 144A”) and outside the United States to certain non-US persons in accordance with Regulation S under the Securities Act (“Regulation S”). **Prospective purchasers that are qualified institutional buyers are hereby notified that the seller of the Notes and the related Guarantees may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.** For further details about eligible offerees and transfer restrictions, see “Plan of Distribution” and “Transfer Restrictions”.

The Company’s credit ratings have been issued by Moody’s Investors Service Ltd. (“Moody’s”) and Standard & Poor’s Credit Market Services Europe Limited (“S&P”) and are Baa2 (negative outlook) and BBB (negative outlook), respectively. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under Regulation (EC) No. 1060/2009 (the “CRA Regulation”), unless the rating is provided by a credit rating agency operating in the European Union before June 7, 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration is not refused. S&P and Moody’s have each been registered under the CRA Regulation by the European Securities and Markets Authority as of October 31, 2011.

BNP Paribas Securities Corp., Credit Suisse Securities (USA) LLC, Morgan Stanley & Co. LLC, Mitsubishi UFJ Securities (USA), Inc., Mizuho Securities USA Inc., SMBC Nikko Capital Markets Limited and Standard Chartered Bank (collectively, the “Joint Bookrunners” or the “Initial Purchasers”) expect to deliver the Notes to purchasers on or about April 15, 2014 through the facilities of The Depository Trust Company including its participants Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme*.

Joint Bookrunners

BNP PARIBAS **Credit Suisse** **Morgan Stanley**

Mitsubishi UFJ Securities **Mizuho Securities** **SMBC Nikko** **Standard Chartered Bank**

Prospectus dated April 9, 2014

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OVERVIEW

This overview highlights certain information contained in this document. This overview does not contain all the information you should consider before purchasing the Notes. You should read this entire document carefully, including the sections entitled "Miscellaneous Information — Forward-Looking Statements", "Risk Factors", "Business Description", and "Operating and Financial Review" included elsewhere in this document and the financial information and the notes thereto incorporated by reference as outlined in the section entitled "Incorporation of Certain Information by Reference." Other than under "Description of the Notes and the Guarantees" or where the context indicates otherwise, references herein to "us", "we", "our" and similar terms are to the Group.

THE ANGLO AMERICAN GROUP

Anglo American plc is the holding company of the Group, a global leader in mining, whether measured by market capitalization, revenue or net income. The Group has a range of high quality, core mining businesses with balanced participation across precious, base and bulk commodities. The Group is geographically diverse, with operations across the world. Anglo American is a public limited company incorporated under the laws of England and Wales under the name "Anglo American plc" and is registered in England and Wales.

Our businesses' contribution to operating profit (including associates and joint ventures) before special items and remeasurements in 2011, 2012 and 2013 is summarized in the table below:

	Year ended December 31,		
	2011[(1)]	2012[(1)]	2013
		(US$m)	
Iron Ore and Manganese	4,520	3,011	3,119
Metallurgical Coal	1,189	405	46
Thermal Coal	1,230	793	541
Copper	2,461	1,736	1,739
Nickel	57	26	(44)
Niobium and Phosphates	188	169	150
Platinum	890	(120)	464
Diamonds	659	474	1,003
Other Mining and Industrial ("OMI")	7	168	(13)
Exploration	(121)	(206)	(207)
Corporate Activities and Unallocated Costs	15	(203)	(178)
	11,095	6,253	6,620

(1) Changes in accounting policy relating to International Accounting Standard 19 (revised) *Employee Benefits* ("IAS 19R"), IFRS Interpretations Committee Interpretation 20 *Stripping Costs in the Production Phase of a Surface Mine* ("IFRIC 20") and International Financial Reporting Standard 11 *Joint Arrangements* ("IFRS 11"), resulted in the restatement of financial results for the year ended December 31, 2012. See "Presentation of Financial Information" for more detail. The financial results for the year ended December 31, 2011 included in this document have not been restated. The impact of the restatements on the financial results for the year ended December 31, 2012 is shown in note 41 of the Group 2013 Consolidated Financial Statements, which are incorporated by reference into this document.

Business Overview

The Anglo American business segments are:

- ***Iron Ore and Manganese.*** This business segment's iron ore operations are represented in South Africa by a controlling interest of 69.7% in Kumba, a company listed on the Johannesburg Stock Exchange, and in Brazil by a 100% interest in Anglo American Minério de Ferro Brasil SA ("Minas-Rio") and a holding in LLX Minas-Rio Logística Comercial Exportadora SA ("LLX Minas-Rio"), together with Minas-Rio, the "Minas-Rio Project") which on January 8, 2014 was increased to a 50% interest pursuant to certain contractual provisions related to the partner's change of control, which owns the iron ore facility at the port of Açu. The business segment's manganese operations (manganese ore mining and alloy production) are represented in South Africa and Australia by a 40% interest in Samancor Holdings, Groote Eylandt Mining Company ("GEMCO") and Tasmanian Electro Metallurgical Company ("TEMCO", together with Samancor Holdings and GEMCO, "Samancor"), respectively.
- ***Metallurgical Coal.*** This business segment is Australia's second largest metallurgical coal producer and the third largest global exporter of metallurgical coal, according to Wood Mackenzie. It operates seven mines, two wholly owned and five in which it has a majority interest. Six of the mines are located towards the east coast of Australia; five are in Queensland's Bowen Basin, and one in the Hunter Valley in New

South Wales. The segment's other operating mine is located in the Peace River region in northeast British Columbia, Canada. In addition, the segment includes the Grosvenor project, which is wholly-owned.

- ***Thermal Coal.*** This business segment has operations in South Africa and Colombia. In South Africa, Thermal Coal owns and operates seven mines and has a 50% interest in the Mafube colliery, a 50% interest in the Phola washing plant and a 73% interest in Anglo American Inyosi Coal, which operates the Kriel Colliery, Zibulo and various other projects. This business segment also has a 24.2% interest in the Richards Bay Coal Terminal through which South African export thermal coal is routed. Its Colombian operations are represented by a 33.3% interest in Carbones del Cerrejón Limited, Cerrejón Zona Norte S.A. and CMC - Coal Marketing Company Limited (collectively known as "Cerrejón").
- ***Copper.*** We have interests in six copper operations in Chile. The Mantos Blancos and Mantoverde mines are wholly owned, and we hold a 50.1% interest in Anglo American Sur ("AA Sur"), which includes the Los Bronces and El Soldado mines and the Chagres smelter. We also hold a 44% interest in the Collahuasi mine. In Peru, we have an 81.9% interest in the Quellaveco project and we wholly own the Michiquillay project.
- ***Nickel.*** This business segment comprises two ferronickel operations, Barro Alto and Codemin in Brazil. The business segment has two notable but unapproved projects in Brazil: Jacaré and Morro Sem Boné.
- ***Niobium and Phosphates.*** Our wholly owned Niobium business, located in Brazil's Goiás state, accounts for between 8-9% of global production of the metal. The Boa Vista mine produces and exports approximately 4,500 tonnes of niobium per year. Our wholly owned Phosphates business is the second largest phosphate fertilizer producer in Brazil. Its operations are vertically integrated, from the mining of ore to processing into final product.
- ***Platinum.*** Our subsidiary, Anglo American Platinum Limited (previously Anglo Platinum Limited) ("Anglo American Platinum"), a company listed on the Johannesburg Stock Exchange and located in South Africa, is the world's largest primary producer of platinum by production volume, and accounted for approximately 40% of the world's newly mined production in 2013 according to management estimates. The Group holds a 78.0% interest in Anglo American Platinum.
- ***Diamonds.*** This business segment has mining operations in Botswana, South Africa, Namibia and Canada through its 85% interest in De Beers. In 2013, De Beers, with its joint venture partners, was responsible for approximately one-third of global rough diamond supply by value.
- ***Other Mining and Industrial.*** This business segment includes the non-core businesses comprising the quarry materials and building products companies operating under the Tarmac brand ("Tarmac") (including Tarmac Middle East and a 50% interest in Lafarge Tarmac Holdings Limited ("Lafarge Tarmac") joint venture) and, until November 2013, Anglo Ferrous Amapá Mineração Limitada ("Amapá").

Strategy

Anglo American aims to become the investment of choice, the partner of choice and the employer of choice through the operational excellence of world class assets in the most attractive commodities, and through a resolute commitment to the highest standards of safe and sustainable mining.

Our leading exploration teams strive to find the resources we will mine in the future and we engage with a broad range of stakeholders, from governments to local communities and NGOs, to secure our right to mine those resources. Many of the commodities we mine are processed and refined before we seek to apply our market knowledge to deliver a quality product our customers value.

Our immediate strategy is focused on our Driving Value program, to achieve at least an attributable 15% Return on Capital Employed ("ROCE") by 2016, and set the business up for long-term success and sustainable returns through the mining cycle. An extensive review of our asset portfolio was initiated and completed in 2013, and the Group is now focused on four strategic priority areas to help deliver this target:

Capital allocation - We have set ourselves a realistic financial target of delivering at least a 15% attributable ROCE by 2016. Achieving this target will require a renewed focus on capital discipline, our capital deployment to be directed towards high value, low risk projects, and ensuring we manage the balance between growth and shareholder returns.

Business execution - We have a high quality asset base with the potential to deliver better margins and returns. The asset review process has identified operational improvement opportunities and we are working towards executing our plans while remaining committed to the highest standards of safe and sustainable mining.

***Stakeholder engagement* -** We understand that we must work together with our stakeholders to partner with them to reach their potential. Our ability to build effective and mutually beneficial partnerships with host communities and governments is of particular importance to us and is a prerequisite for investment.

***Organization structure* -** We believe that having the right people, in the right roles, doing the right work is critical to achieving our ambition, and so, we are redesigning our organization to enable our people and our business to be successful.

The Group will also seek to create value through commercial initiatives. These include strategies to realize higher prices by changing our product mix to respond to market developments and customer needs, as well as improving returns by diversifying our customer base, establishing more direct customer relationships, and eliminating discounts or fees previously given to fabricators and other intermediaries.

Despite the economic downturn in 2008 and 2009, we decided to continue the development of four key near term strategic growth projects — the Minas-Rio and Kolomela iron ore projects in Brazil and South Africa, respectively, the Barro Alto nickel project in Brazil and the Los Bronces copper expansion project in Chile. The Barro Alto project, with a competitive position in the lower half of the industry cost curve, commenced production in the first half of 2011 and produced 25,100 tonnes in 2013. Both the Los Bronces copper expansion project and the Kolomela project commenced production in the second half of 2011. The Los Bronces copper expansion reached full design capacity in the second half of 2012 and Kolomela reached full design capacity in 2013. In 2012 at Minas-Rio, we completed a detailed cost and schedule review of the project in light of the then development progress and disruptive challenges faced by the project, and increased the project's capital expenditure estimates to US$8.8 billion with the first iron ore shipment currently expected by the end of 2014. Minas-Rio has a published resource base of 5.32 billion tonnes, a more than fourfold increase since acquisition. The Grosvenor metallurgical coal project in the Bowen Basin of Queensland, Australia, was approved in December 2011 and is in development with first production expected in 2014 with full production in 2016. See "Business Description—Major Growth and Replacement Projects".

As part of the restructuring announced in October 2009, we identified certain of our businesses for divestment and began separately reporting those in the OMI business segment. That divestment program is now complete and generated cumulative proceeds of US$4 billion on a debt and cash free basis as announced, which excludes US$7.4 billion cash generated from the sale of 49.9% of Anglo American Sur ("AA Sur"). The divestment program included the sales of our zinc portfolio, the Scaw Metals business, several of Tarmac's European and other businesses, five undeveloped coal assets in Australia, and the formation of the Lafarge Tarmac joint venture.

The formation of the Lafarge Tarmac joint venture was completed in January 2013, creating a leading UK construction materials company.

In December 2012, Anglo American agreed to sell its 70% interest in Amapá to Zamin Ferrous Ltd ("Zamin"). On March 28, 2013, a major geological event occurred at the Santana port of Amapá. In light of these circumstances, Anglo American entered into further discussions with its partner Cliffs Natural Resources, Inc. ("Cliffs") and Zamin. Anglo American subsequently entered into an agreement with Cliffs to acquire its 30% interest in Amapá and agreed to the sale to Zamin of a 100% interest in Amapá. These transactions completed on November 1, 2013. For further information see "Business Description—Significant Transactions and Restructuring".

In January 2013, Platinum had announced its proposals to reduce costs and reconfigure marginal operations following an extensive review of its business which commenced in February 2012. On August 16, 2013, Platinum concluded consultations with key stakeholders and unions on the plans to restructure its business. The review is aimed at restoring Platinum's profitability to ensure its long-term sustainability and increase its competitiveness in the global platinum mining industry. For further discussion of major divestment transactions see "Business Description—Platinum".

Significant Transactions and Restructuring

We have recently undertaken significant transactions including:

AA Sur: In November 2011, the Group announced the sale to Mitsubishi Corporation ("Mitsubishi") of a 24.5% interest in AA Sur for cash consideration of US$5.39 billion. In August 2012, the Group announced the sale of a further 25.4% of AA Sur, in addition to certain undeveloped mining tenements to the east of Codelco's Andina mine, to a Codelco/Mitsui & Co., Ltd. ("Mitsui") joint venture company for a cash consideration of US$1.9 billion. See "Business Description—Copper—Disposal of Interests in AA Sur and Settlement with Codelco".

De Beers: On August 16, 2012, the Group completed the acquisition of an additional 40% interest in De Beers from CHL Holdings Limited ("CHL") and Centhold International Limited ("CIL", together with CHL, the "CHL Group"), for a total cash consideration of US$5.2 billion (following adjustment under the relevant agreement). The purchase price was funded from cash on hand. See "Business Description—Diamonds—Acquisition of Shareholding".

Kumba Iron Ore: On July 20, 2012, the Group increased its shareholding in Kumba Iron Ore Limited ("Kumba") by 4.5%, from 65.2% to 69.7%, through the exercise of options acquired in 2011 and 2012, at a total cost of US$948 million.

We have undertaken several other significant transactions since the beginning of 2011, including a number entered into for the purpose of actively restructuring the Group in order to focus on our core businesses. These transactions included:

Atlatsa Resources Corporation (formerly Anooraq Resources Corporation): In 2009, Platinum sold a 51% interest in Bokoni Platinum Mines Proprietary Limited ("Bokoni") and a 1% interest in certain undeveloped projects to Atlatsa Resources Corporation ("Atlatsa") in a BEE transaction. Platinum retained 49% of Bokoni, and in addition acquired an effective 27% interest in Atlatsa as part of the sale consideration. Both Atlatsa and Bokoni are associates of the Group.

Between 2009 and December 2013, Platinum provided Atlatsa and its subsidiaries, including Bokoni, with additional debt and equity funding, and, in 2012, Platinum and Atlatsa agreed to restructure, recapitalize and refinance both Atlatsa and Bokoni. The first phase of the refinancing transaction completed in December 2013, whereby Platinum acquired certain properties from Bokoni and in return the level of debt outstanding from Atlatsa was reduced. A charge of US$37 million was recorded in 2013 within non-operating special items relating to this transaction.

On January 31, 2014, the Group completed the second and final phase of the Atlatsa refinancing plan where, through a series of transactions, the Group converted its unlisted preference share instruments held in a special purpose vehicle for 115.8 million common shares in Atlatsa. These shares were then sold to Pelawan Trust on loan account for ZAR463.2 million. The Group then subscribed for 125 million new Atlatsa common shares for an aggregate subscription price of ZAR750 million. These proceeds were utilized by Atlatsa to reduce the senior loan provided by Rustenburg Platinum Mines Limited.

Pebble project: On September 16, 2013, we announced our withdrawal from the Pebble copper project in Alaska and concluded our exit on December 13, 2013. The Group's 50% interest in the project was written-off in full, resulting in a charge of US$311 million, including exit costs.

Tarmac's European and other businesses: In 2011, we completed the sale of our Chinese, Turkish and Romanian aggregates businesses for a total net cash inflow of US$8 million.

Zinc business: In February 2011, we disposed of our Lisheen mine (comprising mining and milling operations) and our 74% interest in Black Mountain Mining (Proprietary) Limited ("Black Mountain") (which holds 100% of the Black Mountain mine and Gamsberg project) for a total net cash inflow of US$499 million.

Scaw Metals: In November 2012, we completed the final stage of the Scaw Metals divestment with the sale of Scaw SA, for a total consideration of US$440 million on a debt- and cash-free basis as announced.

Project Alchemy: During 2011, Anglo American Platinum announced a US$430 million community empowerment transaction aimed at providing equity ownership to mine host communities that had not previously benefited from other broad-based BEE transactions. See "Business Description— Platinum".

Peace River Coal: In August and September 2011, we acquired the remaining 25.2% minority interest in Peace River Coal for total consideration of US$166 million.

Amapá: On January 4, 2013, Anglo American announced that it had reached an agreement to sell its 70% interest in Amapá to Zamin. On March 28, 2013 a major geological event occurred at the Santana port of Amapá, which resulted in the loss of five lives, with a further one person still missing, as well as the loss of the port operation. In light of these circumstances, Anglo American entered into further discussions with its partner Cliffs and Zamin. Anglo American subsequently entered into an agreement with Cliffs to acquire its 30% interest in Amapá and entered into an amended sale agreement with Zamin, to reflect Anglo American's disposal of a 100% interest in Amapá to Zamin.

On November 1, 2013, Anglo American completed the acquisition from Cliffs and simultaneously completed the sale of the 100% interest in Amapá to Zamin for a total initial consideration of approximately

US$134 million, net of certain completion adjustments. In addition, Zamin will pay Anglo American conditional deferred consideration of up to a maximum of US$130 million in total, payable over a five year period and calculated on the basis of the market price for iron ore.

As part of the transaction, Anglo American has assumed responsibility for, and the risks and rewards of certain insurance claims including those relating to the Santana port incident, through the purchase of the claims from Amapá at the full claim value.

See “Business Description— Other Mining and Industrial”.

Tarmac Quarry Materials’ UK businesses: On January 7, 2013, Anglo American and Lafarge announced the completion of their 50:50 incorporated joint venture which will combine their cement, aggregates, ready-mix concrete, asphalt and asphalt surfacing, maintenance services, and waste services businesses in the UK (excluding Tarmac Building Products). The joint venture company is known as Lafarge Tarmac. Completion of the Lafarge Tarmac joint venture followed final clearance from the UK Competition Commission (“CC”), predicated on the completed sale of a portfolio of Tarmac Quarry Materials and Lafarge UK construction materials operations in the UK, which also occurred on January 7, 2013. On November 14, 2013 Anglo American announced that it had reached an agreement to sell Tarmac Building Products Limited to Lafarge Tarmac.

Palabora Mining Company Limited (“Palabora”): On July 31, 2013, we completed the sale of our 16.8% interest in Palabora in South Africa for ZAR938 million (approximately US$95 million).

Sishen Mine: Significant progress has been made in the progression of the Sishen Western Expansion Project (“SWEP”). Project development remains within budget, and construction activities have been completed. A major milestone in the development of the project was the relocation of the Transnet SOC Ltd’s (“Transnet”) railway line from its previous position to the west of the current Sishen pit, to the far western extent of Kumba’s Sishen Iron Ore Company (Proprietary) Limited (“SIOC”) property. The relocation of the railway line was completed in May 2013.

As a consequence of Transnet having previously held the surface rights over the SWEP rail properties, the rail properties were excluded from the Sishen mining right area. SIOC applied to the South African Department of Mineral Reserves (“DMR”) to obtain the necessary rights in relation to the rail properties, which were granted by the DMR on February 11, 2014. The granting of the mining right gives SIOC access to the approximately 33% of the Sishen reserve included in the SIOC’s Life of Mine plan. This portion of the reserve, which had been classified as probable, can now be reclassified as proven. SIOC will accordingly proceed with the implementation of its mining plan and will start waste stripping in the affected area from the second half of 2014.

SIOC Iron Ore Supply Agreement: On November 5, 2013, Kumba announced an agreement (the “Iron Ore Supply Agreement”) regulating the sale and purchase of iron ore between ArcelorMittal South Africa Limited (“ArcelorMittal S.A.”) and SIOC, effective January 1, 2014. The Iron Ore Supply Agreement settles various disputes between the Parties. For further discussion about the Iron Ore Supply Agreement, see “Business Description – Iron Ore and Manganese – SIOC Iron Ore Supply Agreement”.

Mining Right Dispute: On March 28, 2013 the Supreme Court of Appeal (“SCA”) dismissed the appeals of the DMR and Imperial Crown Trading 289 (Proprietary) Ltd (“ICT”) against the decision of the North Gauteng High Court, which, *inter alia*, confirmed that SIOC became the exclusive holder of the mining rights at the Sishen mine in 2008 when the DMR converted SIOC’s old order rights, and further set aside the grant of a prospecting right to ICT by the DMR. The SCA held that as a matter of law and as at midnight on April 30, 2009, SIOC became the sole holder of the mining right to iron ore in respect of the Sishen mine, after ArcelorMittal S.A. failed to convert its undivided share of the old order mining right.

Both ICT and the DMR lodged applications for leave to appeal against the SCA ruling to the Constitutional Court. The Constitutional Court hearing was held on September 3, 2013.

On December 12, 2013 the Constitutional Court granted the DMR’s appeal in part against the SCA judgment. In a detailed judgment, the Constitutional Court clarified that SIOC, when it lodged its application for conversion of its old order right, converted only the right it held at that time (being a 78.6% undivided share in the Sishen mining right). The Constitutional Court further held that ArcelorMittal S.A. retained the right to lodge its old order right (21.4% undivided share) for conversion before midnight on April 30, 2009, but failed to do so. As a consequence of such failure by ArcelorMittal S.A., the 21.4% undivided right remained available for allocation by the DMR.

The Constitutional Court ruled further that, based on the provisions of the Mineral and Petroleum Resources Development Act ("MPRDA"), only SIOC can apply for, and be granted, the residual 21.4% undivided share of the Sishen mining right. The grant of the mining right may be made subject to such conditions considered by the Minister to be appropriate, provided that the proposed conditions are permissible under the MPRDA. SIOC had previously applied for this 21.4%, and continues to account for 100% of what is mined from the reserves at Sishen mine. SIOC has however, in compliance with the Constitutional Court order, submitted a further application to be granted this right.

As a further consequence of this finding, the High Court's ruling setting aside the prospecting right granted by the DMR to ICT also stands.

The findings made by the Constitutional Court are favorable to both SIOC and the DMR. SIOC's position as the only competent applicant for the residual right protects SIOC's interests. The DMR's position as custodian of the mineral resources on behalf of the nation, and the authority of the DMR to allocate rights, has also been ratified by the Court.

Certain of our restructuring transactions in South Africa have been structured with reference to the objectives set forth in the Broad Based Black Economic Empowerment Act 2003 (the "BBBEE Act") and the ownership element component of the Codes of Good Practice that are issued from time to time by the South African Minister of Trade and Industry pursuant to the BBBEE Act. Others have been structured in accordance with the empowerment requirements applicable to entities in the mining sector, as contained in the South African Mineral and Petroleum Resources Development Act 2002 ("MPRDA"), the Broad Based Socio Economic Empowerment Charter for the South African Mining industry (the "Charter") and the regulations published under the MPRDA. For a discussion of the BBBEE Act, the MPRDA and the Charter, see "Regulation—South Africa".

Developments and Outlook

According to the International Monetary Fund ("IMF"), global GDP growth was 3% in 2013, unchanged from 2012. Activity was particularly weak in the first half of the year, especially in Europe and in China and other major emerging economies. But there were more encouraging signs of stabilization in the second half of the year. The IMF estimates that real GDP growth in the advanced economies declined to 1¼% in 2013 from 1½% in 2012. In emerging market and developing economies, real GDP growth dropped in 2013 to 4¾% from 5% in 2012, its slowest rate since the global recession in 2008–09. The growth in world trade was unchanged at 2¾% in 2013.

After robust growth of close to 3% in 2012, the US economy slowed significantly in 2013, with GDP growth of 2%, principally reflecting the negative effects of fiscal tightening in the second half of 2013. With the US presidential administration and Congress unable to agree on a program to reduce the federal budget deficit, temporary tax cuts expired in January 2013 and automatic spending cuts (commonly referred to as "sequestration") took effect in March 2013. This impacted GDP by approximately 2%, offsetting the economic growth bolstered by the steady improvement in private demand during the year. The Federal Reserve's announcements in the second half of 2013 relating to the tapering of the quantitative easing program triggered a sharp rise in interest rates and increased volatility of stock markets. Markets stabilized in late 2013 with the first quantitative easing reduction in December 2013.

After the turmoil of the European sovereign debt crisis in 2011–12, the European economy began to stabilize in 2013. The European Central Bank's commitment to back stop government bond markets calmed fears of a possible fragmentation of the euro. In addition, the European Commission and the German government adopted a more pragmatic approach to fiscal consolidation in the troubled economies. After falling back into recession in late 2012 and early 2013, the euro zone has begun to recover in recent quarters.

China's economy, an important source of demand for commodities, slowed abruptly in the first half of 2013, causing some concern that growth might fall below the government's 7½% objective. Apparent disagreement among Chinese policymakers added to the uncertainty.

There was considerable turbulence in other major emerging economies in 2013. Following the US Federal Reserve's hint about scaling back its asset buying program, US interest rates and the US dollar spiked higher in the summer. This triggered a significant reversal of capital flows to emerging economies and their currencies fell sharply against the US dollar. Brazil, India, Indonesia and South Africa experienced intense financial volatility given their perceived macro-economic vulnerability, including slow growth, stubborn inflation, and persistent budget and trade deficits. The turbulence eased in the autumn though some uncertainty remained in financial markets.

Commodity Markets

From a commodity price perspective, 2013 was characterized by its lack of homogeneity, with our core commodities showing varied price trends in line with the structural fundamentals of each market. Iron ore and palladium prices, for example, were high in the context of supportive market conditions, while annual average prices for thermal coal, hard coking coal, nickel and platinum weakened materially. Although there were steep declines in the prices of a number of commodities in the year, the global economic situation, and hence the prospects for commodities demand, appeared to stabilize and even showed some improvement during the final months of the year.

The monthly average copper price declined by 9% over the year. After falling through the first half of the year, driven by concerns over the global macro-economic outlook, prices then stabilized for most of the rest of the year, underpinned by falling inventories on the three principal metal exchanges. However, against a backdrop of reasonable global demand growth, mine output increased at its fastest rate for nine years, pushing the underlying metal market into modest surplus, with inventories being built up either off-exchange, downstream or in Chinese bonded warehouses.

The monthly average nickel price fell by 20% over the year. After a marked decline during the first half, driven by a growing market surplus and more general economic uncertainty, prices then stabilized at a depressed level. There was an increase in finished nickel production and, particularly, in the output of nickel pig iron in China. Growth in global demand was insufficient to prevent London Metal Exchange ("LME") inventories climbing to record highs. Prices during the second half were at a level at which, according to some estimates, around one-third of the global nickel industry had negative operating cash flows.

Platinum group metals experienced contrasting fortunes during 2013, with the monthly average platinum price weakening by 14%, while the monthly average palladium price rose by 4%. For platinum, this price fall came despite market tightness, as supply was broadly flat. Gross demand, however, grew by around 6%, with significant incremental demand generated by the launch of a South African ETF. Macro-economic developments, and in particular the weakening of the South African rand, combined with the calming of tension among platinum producers, government and unions, reduced the support for dollar-denominated prices. In contrast, the palladium price was robust during 2013, as continuing market tightness was driven by strong demand, especially from the Chinese autocatalyst sector, and a marginal decrease in primary supply.

Steel production growth in China supported growth in global demand for steelmaking raw materials in 2013, but despite similar growth drivers, price trends differed. For iron ore, low cost seaborne supply has expanded, though not sufficiently to entirely displace the need for high cost supply from China's mines. Iron ore prices averaged 4% higher during the year with a notably stronger performance during the second half than many analysts expected. Manganese ore prices were also higher (10% on an average annual basis), as relatively strong growth in seaborne supply was offset by a restocking cycle in China. In contrast, HCC benchmark prices for metallurgical coal fell by 24% over 2013. Supply side dynamics played a critical role, with a focus on productivity leading to lower costs and increased production from key Australian suppliers, while US miners also maintained exports close to historical highs despite the lower price environment, as a result of the very high fixed-cost structures in the industry.

Thermal coal prices also softened owing to excessive supply, despite opportunistic Chinese buying. Supply growth outstripped demand growth as a result of producers hoping to spread fixed costs over greater volumes. This resulted in prices appearing to find a floor well below some producers' cash cost levels at US$77/t in the third quarter, though prices subsequently improved during the final three months of the year.

In early 2013, phosphates prices were under pressure from weak US demand, while more recently, a reduction in input costs (ammonia and sulphur) has made lower price levels more sustainable. Combined, this has deepened the recent drop in prices relative to the usual end of year seasonal lull. Niobium prices also declined slightly over the year, following the steel market. Recent improvements in the ferrovanadium market are expected to filter through to ferro-niobium.

Outlook

According to the IMF the world economy will strengthen in 2014 and 2015, with real GDP growth forecasted to increase to around 3½-4%, close to its pre-crisis historical average. In the US and Europe, the diminishing effects of fiscal tightening are forecast to support economic recovery. In Japan, the new government's fiscal/economic policies are forecast to contribute to stronger growth. After the sharp slowdown in late 2012 and 2013, the major emerging economies are forecast to grow in line with their underlying or "potential" growth rates.

In China in the summer of 2013, the Chinese authorities signaled their determination to support economic growth. The subsequent "mini-stimulus" brought forward some infrastructure projects and pushed economic growth

above 7½% for the year. In November 2013, the Third Plenum of the Chinese Communist Party's 18th Central Committee laid out a comprehensive program of reform to encourage rebalancing and restructuring in the economy.

Beyond the short term cyclical rebound, there is some uncertainty around medium term trends in economic growth. Most economists believe the US economy will grow, though there are concerns that sluggish investment might depress productivity growth for some time. In Europe and Japan, there are still significant concerns around the overhang of government debt and the fragility of the banking system.

The recent turbulences in emerging economies have led to a more cautious assessment of their medium term growth prospects. With a less favorable external environment and increasing domestic challenges, the IMF recently revised down its forecasts for growth in emerging economies. However, incremental convergence in living standards suggests there is considerable growth potential, but, in order to realize this potential, domestic policymakers must implement the necessary reforms.

Over the next few years, we believe that a more stable global economy will provide a solid foundation for demand across Anglo American's suite of commodities. On the supply side, the prices of some commodities are likely to be affected by the delivery of large projects in the short to medium term.

OVERVIEW OF THE NOTES

Certain of the terms and conditions described below are subject to important limitations and exceptions. The "Description of the Notes and the Guarantees" section of this document contains a more detailed description of the terms *and conditions of the Notes and the Guarantees. Capitalized terms used but not defined in this section have the meanings set forth in "Description of the Notes and the Guarantees".*

The Issuer	Anglo American Capital plc, a public limited company organized under the laws of England and Wales. The Issuer is a wholly owned subsidiary of Anglo American plc that serves as a financing vehicle through which the Anglo American Group raises funds to support its operations.
The Guarantor of the Notes	Anglo American plc, a public limited company organized under the laws of England and Wales. The Company is the ultimate holding company for the Anglo American Group.
The Notes	US$500 million aggregate principal amount of Senior Floating Rate Notes due April 15, 2016 (the "Floating Rate Notes"); and US$500 million aggregate principal amount of 4.125% Senior Notes due April 15, 2021 (the "Fixed Rate Notes" and, together with the Floating Rate Notes, the "Notes"). Each series of the Notes will be issued under the Indenture among the Issuer, the Company and the Trustee. The Fixed Rate Notes and the Floating Rate Notes will each be treated as a separate class of securities under the Indenture.
The Guarantees	The obligations of the Issuer under the Notes will be unconditionally and irrevocably guaranteed on a senior and unsecured basis by the Company (the "Guarantees") pursuant to the Indenture.
The Offering	The Notes are being offered in the United States to qualified institutional buyers in reliance on Rule 144A under the Securities Act and outside the United States to persons other than US persons in reliance upon Regulation S under the Securities Act.
Issue Price	100.000% for the Floating Rate Notes; and 99.621% for the Fixed Rate Notes.
Issue Date	April 15, 2014.
Maturity Date	April 15, 2016 for the Floating Rate Notes; and April 15, 2021 for the Fixed Rate Notes.
Interest	The Floating Rate Notes will bear interest from the Issue Date at a rate per year, reset quarterly, equal to the 3-month U.S. dollar London Interbank Offered Rate ("LIBOR") plus 0.95%, payable quarterly in arrears. The Fixed Rate Notes will bear interest from the Issue Date at the rate of 4.125% per annum, payable semi-annually in arrears.
Interest Payment Dates	Interest on the Floating Rate Notes will be payable on January 15, April 15, July 15 and October 15 of each year, commencing July 15, 2014, until the applicable Maturity Date. Interest on the Fixed Rate Notes will be payable on April 15 and October 15 of each year, commencing October 15, 2014, until the applicable Maturity Date.
Regular Record Dates	For the Floating Rate Notes, January 1, April 1, July 1 and October 1 of each year (whether or not a business day) immediately preceding each interest payment date. For the Fixed Rate Notes, April 1 and October 1 of each year (whether or not a business day) immediately preceding each interest payment date.
Status of the Notes and the Guarantees	The Notes and the Guarantees will be direct, unsecured and unsubordinated obligations of each of the Issuer and the Company, respectively, ranking *pari passu* among themselves and with all other direct, unsecured and unsubordinated obligations (except those obligations preferred by statute or operation of law) of the Issuer and the Company, respectively. The Notes and the Guarantees will be effectively subordinated to any debt or other obligations of any other subsidiary of the Company with respect to the earnings and assets of that subsidiary.
Use of Proceeds	The net proceeds of the offering will be used for our general corporate purposes.

Covenants	The Issuer and the Company have agreed to certain covenants with respect to the Notes and the Guarantees, including limitations on: • liens; • sale and leaseback transactions; and • mergers and consolidations.
Events of Default	The occurrence or existence of certain conditions or events, including the acceleration of certain other indebtedness of the Issuer or the Company, may accelerate the Issuer and the Company's obligations under the Notes.
Optional Redemption	The Issuer may redeem the Fixed Rate Notes, in whole or in part, at its option, at any time and from time to time at a redemption price equal to the greater of (i) 100% of the principal amount of the Notes to be redeemed and (ii) the sum of the present values of the applicable Remaining Scheduled Payments discounted to the date of redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus basis points, together with accrued interest on the principal amount of the Notes to be redeemed to the date of redemption.
Optional Tax Redemption	The Notes are subject to redemption prior to maturity, at the option of the Issuer, in whole but not in part, at their principal amount, plus accrued interest to the date of redemption and any Additional Amounts, in the event of certain changes in tax laws.
Additional Amounts	Subject to certain exceptions and limitations provided for in the Indenture, the Issuer and the Company will pay such Additional Amounts on the Notes (or under the Guarantees in respect thereof) as may be necessary to ensure that the net amounts received by each holder of a Note after all withholding or deductions shall equal the amount of principal and interest which such holder would have received in respect of such Note (or payments under the Guarantees in respect thereof) in the absence of such withholding or deduction.
Change of Control	If a Change of Control Repurchase Event occurs (as defined under "Description of the Notes and the Guarantees"), the Issuer or the Company may be required to repurchase the Notes at a purchase price equal to 101% of their principal amount, plus any accrued and unpaid interest. See "Description of the Notes and the Guarantees — Change of Control Repurchase Event".
Denomination, Form and Registration of Notes	The Notes will be issued in fully registered form and only in denominations of US$200,000 and integral multiples of US$1,000 in excess thereof. The Notes will be issued initially as Global Notes. The Depository Trust Company ("DTC") will act as depositary for the Notes. Except in limited circumstances, Global Notes will not be exchangeable for certificated notes.
Further Issues	The Issuer may from time to time without the consent of the holders of the Notes issue as many distinct series of debt securities under the Indenture as it wishes. Subject to certain conditions, it may also from time to time without the consent of the holders of the Notes issue additional Notes having the same terms and conditions as the Notes issued hereunder. The period of resale restrictions applicable to any Notes previously offered and sold in reliance on Rule 144A under the Securities Act shall automatically be extended to the last day of the period of any resale restrictions imposed on any such additional Notes.
Trustee, Paying Agent, Registrar and Transfer Agent	Citibank, N.A., whose address is Citigroup Centre, Canada Square, Canary Wharf, London, E14 5LB, United Kingdom.
Calculation Agent	Citibank, N.A., London Branch, Citigroup Centre, Canada Square, Canary Wharf, London, E14 5LB, United Kingdom.
Settlement	The Issuer expects to deliver the Notes on or about April 15, 2014 (the "Settlement Date").

Delayed Settlement Cycle	The Initial Purchasers expect that delivery of the Notes will be made against payment therefor on the Settlement Date, which will be the fifth business day following the pricing date of the offering (this settlement cycle being referred to as "T+5"). Under Rule 15c6-1 under the Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Notes on the pricing date or the immediately following business day will be required, by virtue of the fact that the Notes initially will settle on a delayed basis, to agree to a delayed settlement cycle at the time of any such trade to prevent a failed settlement and should consult their own advisors.
Transfer Restrictions	Neither the Notes nor the Guarantees have been or will be registered under the Securities Act and each is subject to certain restrictions on resale and transfer.
Governing Law	The Indenture, the Notes and the Guarantees will be governed by and construed in accordance with the laws of the State of New York.
Ratings	It is expected that the Notes will be rated Baa2 (negative outlook) by Moody's Investor Services Ltd and BBB (negative outlook) by Standard & Poor's Credit Market Services Europe Limited, subject to confirmation on the Settlement Date. A credit rating is not a recommendation to buy or hold securities and may be subject to revisions, suspension or withdrawal at any time by the assigning rating agency.
Listing	The Company expects to make an application for the admission of the Notes to listing on the Official List of the UK Listing Authority and to trading on the London Stock Exchange's Regulated Market, a regulated market for purposes of the Directive on Markets in Financial Instruments.
Risk Factors	We urge you to consider carefully the risks described in "Risk Factors" beginning on page 13 of this document before making an investment decision.

SELECTED FINANCIAL INFORMATION

The selected financial information of the Group set forth below for the years ended December 31, 2011, 2012 and 2013 has been extracted from, and should be read in conjunction with, the consolidated financial statements and notes thereto prepared in accordance with EU IFRS and incorporated by reference in this document. See "Presentation of Financial Information".

You should regard the financial data below only as an introduction and should base your investment decision on a review of this entire document and the information incorporated by reference herein.

	Year ended December 31,		
	2011(1)	**2012**(1)	**2013**
	(US$m unless otherwise stated)		
Group revenue	30,580	28,680	29,342
Group revenue (including associates and joint ventures)(2)	36,548	32,785	33,063
Underlying operating profit(2)	11,095	6,253	6,620
Operating profit/(loss) from subsidiaries and joint operations	9,439	(1,600)	2,407
Profit/(loss) for the financial period attributable to equity shareholders of the Company	6,169	(1,470)	(961)
Underlying earnings(2)	6,120	2,860	2,673
Earnings/(loss) per share (US$)			
Basic	5.10	(1.17)	(0.75)
Basic — Underlying(2)	5.06	2.28	2.09
Dividends per share (US cents)(3)			
Ordinary	74.0	85.0	85.0
Net assets	43,189	43,738	37,364
Net debt(2)	(1,374)	(8,510)	(10,652)
Net cash inflows from operating activities	9,362	5,919	6,792

(1) Changes in accounting policy relating to IAS 19R, IFRIC 20 and IFRS 11, resulted in the restatement of financial results for the year ended December 31, 2012 see "Presentation of Financial Information" for more detail. The financial results for the year ended December 31, 2011 included in this document have not been restated. The impact of the restatements on the financial results for the year ended December 31, 2012 is shown in note 41 of the Group 2013 Consolidated Financial Statements, which are incorporated by reference into this document.

(2) Definitions are set out in the "Non-IFRS financial measures" section.

(3) Interim and year end dividends proposed in respect of the applicable year ended December 31.

THE COMPANY

Anglo American plc is a public limited company organized under the laws of England and Wales. The principal offices of Anglo American plc are located at 20 Carlton House Terrace, London, SW1Y 5AN, England.

THE ISSUER

Anglo American Capital plc is a public limited company organized under the laws of England and Wales. It was formed for the purpose of securing and providing financing for the Anglo American Group. The principal offices of Anglo American Capital plc are located at 20 Carlton House Terrace, London, SW1Y 5AN, England.

RISK FACTORS

Prospective investors should read and carefully consider the following risk factors and other information in this document before deciding to purchase the Notes. We believe that the risk factors identified below represent the principal risks inherent in purchasing the Notes, but they are not the only risk factors we face. Additional risk factors not presently known to us or that we currently believe to be immaterial also may adversely affect our business, financial condition and results of operations. Should any known or unknown risk factors develop into actual events, these developments could have material adverse effects on our business, financial condition and results of operations.

Unless otherwise specified by reference to Anglo American or Anglo American Capital, the risks apply in the context of the Group and are also applicable to each of Anglo American plc and Anglo American Capital plc.

In this context, the following specific risks have been identified:

RISKS RELATED TO OUR BUSINESS

Our business, results of operations, cash flows and financial condition may be adversely affected by commodity price fluctuations and the continuation of poor economic conditions.

Commodity prices are determined principally by international markets and global supply and demand. Fluctuations in commodity prices give rise to commodity price risk across the Group. Historically, such prices have been subject to substantial variation. See “Overview—The Anglo American Group—Developments and Outlook”.

Falling commodity prices may have an adverse effect on our operating results, cash flows and financial condition and could prevent us from completing certain transactions that are important to our business.

Adverse and volatile economic conditions can also limit our visibility in terms of anticipated revenues and costs, and can affect our ability to implement planned projects. In addition, rating agencies and industry analysts are likely to take such conditions into account when assessing our business and creditworthiness, and any adverse determinations, including ratings downgrades, may make it more difficult or expensive for us to raise capital in the future.

If the global economic environment remains weak for the medium to long term, our ability to grow or maintain revenues in future years may be adversely affected, we may not be able to compete for new, complex projects that require significant capital investment and at certain long-term price levels for a given commodity, certain of our extractive operations with respect to that commodity may not be economic. Such developments could have a materially adverse effect on our business, operating results, cash flows and financial condition.

Reduction in Chinese demand for our products may negatively impact our results.

The Chinese market is a strong driver of global demand and pricing for commodities and we are heavily reliant on Chinese demand for our products. Sales into China accounted for US$6,469 million or 19.6% of our revenue for the year ended December 31, 2013.

Any number of factors could have a negative impact on our sales into the Chinese market, and in turn, a negative impact on our business and revenues. These include slower or flattened economic growth, unsuccessful economic reforms, reduced urbanization or industrialization, a slowing expansion of the middle class, or reduction in demand for any one or more of our products. Any of the foregoing developments could have a material adverse effect on our business, operational results, cash flows and financial condition.

Our business may be adversely affected by liquidity and counterparty risk.

We are exposed to liquidity risk arising from the need to finance our ongoing operations and growth, and to refinance our indebtedness. Global credit markets have been severely constrained in the past, and our ability to obtain funding has been and may again be significantly reduced should such conditions re-occur. Furthermore, the cost of obtaining funding can increase significantly. A downgrade and lowering of our credit rating may have a negative impact on our ability to obtain funding and may increase the cost of financing.

If we are unable to obtain sufficient credit, either due to banking and capital market conditions generally, or due to factors specific to our business, we may not have sufficient cash to develop new projects, complete the construction of existing or new projects, compete for new complex projects requiring significant capital expenditure, fund acquisitions or meet ongoing financing needs, which in turn could materially and adversely affect our revenues, operating results, cash flows and financial condition.

In order to meet our debt service obligations, including payments of interest and principal on the Notes, we will need to use proceeds from operating cash flows or disposals of assets, or use alternative funding sources such as our revolving credit bank facility. There can be no assurance, however, that such proceeds will be sufficient or that any refinancing or additional financing we might need would be available on commercially viable terms. Any failure to meet our debt service obligations, or to acquire refinancing or additional financing on commercially viable terms, would have a material adverse effect on our financial condition and could result in a loss of all or part of your investment in the Notes.

In addition, we are exposed to counterparty risk from customers or holders of cash that could result in financial losses should those counterparties become unable to meet their obligations to us. Furthermore, the treasury operations of our joint ventures and associates are independently managed and may expose us to liquidity, counterparty and other financial risks. Should our counterparties be unable to meet their obligations to us, or should the treasury operations of our joint ventures or associates incur losses, our operating results, cash flows and financial condition could be materially and adversely affected.

We may be adversely affected by currency exchange rate fluctuations.

Because of the global nature of our business, we are exposed to currency risk principally where transactions are not conducted in US dollars or where assets and liabilities are not US dollar-denominated. The majority of our sales revenue is denominated in US dollars, while the majority of our operating costs are influenced by the currencies of the countries where our operations are located and by the currencies in which the costs of imported equipment and services are denominated. The South African rand, Chilean peso, Brazilian real, Australian dollar, British pound and US dollar are the most important currencies influencing our operating costs and asset valuations. For historical information regarding the exchange rate of each of these non-US dollar currencies for US dollars, see “Exchange Rate Data”. Fluctuations in the exchange rates of these currencies may adversely and materially affect our operating results, cash flows or financial condition.

Inflation may have an adverse effect on our results of operations and cash flows.

Because we cannot control the market price at which commodities we produce are sold, we are generally unable to pass through increased costs of production to our customers. As a result, it is possible that significantly higher future inflation in the countries in which we operate may increase future operational costs without a corresponding increase in the US dollar price of the commodities we produce, or a concurrent depreciation of the local currency against the US dollar.

Cost inflation in the mining sector is more apparent during periods of high commodity prices because demand for mining-related products and services can tend to exceed supply during such periods. However, such inflation can occur at any point in the commodity cycle, and in the past we have also experienced cost inflation during periods of decreasing commodity prices. A lag in the reduction of input costs relative to declining commodity prices will have a similar negative effect on our results of operations. Any such increased costs or delays in cost reductions may adversely affect our operating results, cash flows and financial condition, and such effects could be material.

We are subject to risks associated with litigation.

As with most large corporations, we are involved from time to time as a party to various lawsuits, arbitrations, regulatory proceedings or other disputes. Litigation, arbitration and other such legal proceedings involve inherent uncertainties and, as a result, we face risks associated with adverse judgments or outcomes in these matters. Even in cases where we may ultimately prevail on the merits of any dispute, we may face significant costs defending our rights, lose certain rights or benefits during the pendency of any proceeding or suffer reputational damage as a result of our involvement. We are currently engaged in a number of legal proceedings in various jurisdictions, including as described under “Business Description — Iron Ore and Manganese — Sishen Supply Agreement Arbitration” and “General Information — Litigation”.

There can be no assurance as to the outcome of any litigation, arbitration or other legal proceeding, and the adverse determination of material litigation could have a materially adverse effect on our business, operational results, cash flows and financial condition.

Safety, health and environmental exposures and related regulations may expose us to increased litigation, compliance costs, interruptions to operations, unforeseen environmental remediation expenses and loss of reputation.

Mining is a hazardous industry and is highly regulated by safety, health and environmental laws. Working conditions including weather, altitude and temperature can add to the inherent dangers of mining, whether underground or in open pit mines. Failure to provide a safe and healthy working environment or to comply with

environmental laws and regulations may result in government authorities forcing closure of mines on a temporary or permanent basis or refusing mining right applications. A failure to achieve the required high levels of safety, health and environmental management can result in harm to our employees, the communities near our operations, and damage to the environment. As a consequence, we could face civil or criminal fines and penalties, liability to employees and third parties for injury illness or death, statutory liability for environmental remediation, and other financial consequences, which may be significant. We are currently subject to ongoing litigation relating to some of these areas of risk, and may face additional litigation in the future.

The mining process, including blasting and processing ore bodies, can generate environmental impacts including dust and noise and may require the storage of waste materials (including in liquid form). Dust, noise or leakage of polluting substances from site operations or uncontrolled breaches of mine residue facilities have the potential to generate harm to our employees and the communities near our operations. Potential impacts include civil or criminal fines and penalties, statutory liability for environmental remediation and other financial consequences that may be significant. Governments may force closure of mines on a temporary or permanent basis or refuse future mining right applications.

We could also suffer impairment of our reputation, industrial action or difficulty in recruiting and retaining skilled employees. Any future changes in laws, regulations or community expectations governing our operations could result in increased compliance and remediation costs.

Any of the foregoing developments could have a materially adverse effect on our results of operations, cash flows or financial condition.

Climate change as well as existing and proposed legislation and regulation affecting greenhouse gas emissions may adversely affect certain of our operations.

Anglo American is a large user of energy and is also a major coal producer and exporter. Our operations are therefore exposed to changes in climate and the need to comply with changes in the regulatory environment aimed at reducing the effect of climate change. Various regulatory measures aimed at reducing greenhouse gas emissions and improving energy efficiency may affect our operations and customer demand for our products over time. Policy developments at an international, regional, national and sub-national level and emissions trading systems, such as the United Nations Kyoto Protocol and the Emissions Trading System of the European Union, have implications on the profitability of our greenhouse gas-intensive and energy-intensive assets. See “Sustainable Development (Including Safety, Health, Environment and Social)”.

Potential impacts from climate change depend on the circumstances at individual sites but could include increased rainfall, flooding, water shortages and higher average temperatures. These may increase costs, reduce production levels or otherwise impact the results of operations.

Actions by governments or political instability in the countries in which we operate could adversely affect our business.

Our businesses may be affected by political, regulatory or legal developments in any of the countries and jurisdictions in which we operate. These may include changes to fiscal regimes or other regulatory regimes that may result in restrictions on the export of currency, expropriation of assets, imposition of royalties or new taxes and requirements for local ownership or beneficiation. There is an increasing trend of governments seeking to increase revenues through higher mining taxes and royalties. Political instability can also result in civil unrest or nullification of existing agreements, mining permits, or leases. Any of these risks may materially and adversely affect our results of operations, cash flows and financial condition or deprive us of the economic benefits of ownership of our assets.

Tax laws and regulations in some of the countries in which we operate may be subject to change, varying or adverse interpretation or inconsistent enforcement.

Government fiscal pressures may increase the likelihood of adverse or aggressive interpretations of tax laws or regulations or the imposition of arbitrary or onerous taxes, interest charges and penalties. We could also be exposed to significant fines and penalties and to enforcement measures, including, but not limited to tax assessments, despite our best efforts at compliance. In response to tax assessments or similar tax deficiency notices in particular jurisdictions, we may be required to pay the full amount of the tax assessed (including stated penalties and interest charges) or post security for such amounts notwithstanding that we may contest the assessment and related amounts. Any of these risks may materially and adversely affect our results of operations, cash flows and financial condition or deprive us of the economic benefits of ownership of our assets.

Our operations and development projects could be adversely affected by shortages of, as well as lead times to deliver, certain key inputs.

The inability to obtain, in a timely manner, strategic consumables, raw materials, mining and processing equipment could have an adverse impact on our results of operations, development projects and financial condition. The strong commodity cycle witnessed in recent years increased demand for such supplies, resulting in periods when supplies were not always available to meet demand when required or causing costs to increase above normal inflation rates. Any interruption to our supplies or increase in our costs would adversely affect our operating results and cash flows, and such effects could be material.

We may be unable to obtain, renew, amend or extend required licenses, permits and other authorizations and/or such licenses, permits and other authorizations may be suspended, terminated or revoked prior to their expiration.

We currently conduct, and will in the future be required to conduct, our operations (including prospecting and exploration activities) pursuant to licenses, permits and other authorizations. Any delay and/or refusal by relevant government authorities in the obtaining or renewing of a license, permit or other authorization may require a delay in our investment or development of a resource and may have a material adverse effect on our results of operations, cash flows and financial condition. In addition, our existing licenses, permits and other authorizations may be suspended, terminated or revoked if we fail to comply with the relevant requirements. If we fail to fulfill the specific terms of any of our licenses, permits and other authorizations or if we operate our business in a manner that violates applicable law, government regulators may impose fines or suspend or terminate the license, permit or other authorization, any of which could have a material adverse effect on our results of operations, cash flows and financial condition.

The use of mining contractors at certain of our operations may expose those operations to delays or suspensions in mining activities.

Mining contractors are used at a number of our operations to perform various operational tasks, including carrying out mining activities and delivering ore to processing plants. In periods of high commodity prices, demand for contractors may exceed supply resulting in increased costs or lack of availability of key contractors. Disruptions of operations or increased costs also can occur as a result of disputes with contractors or a shortage of contractors with particular capabilities. Additionally, because we do not have the same control over contractors as we do over employees, there is a risk that contractors will not operate in accordance with our safety standards or other policies. To the extent that any of the foregoing risks materialize, our operating results and cash flows could be adversely affected, perhaps materially.

We may have fewer reserves than our estimates indicate.

Our Mineral Resources and Ore Reserves estimates are stated as of December 31, 2013 and are subject to a number of assumptions, including the price of commodities, production costs and recovery rates. Fluctuations in the variables underlying our estimates may result in material changes to our reserve estimates in the future, and such changes may have a materially adverse impact on our financial condition and prospects.

Failure to discover new reserves, enhance existing reserves or adequately develop new projects could adversely affect our business.

Exploration and development are costly activities, with no guarantee of success, but are necessary for our future growth. Failure to discover new reserves, to maintain our existing mineral rights, to enhance existing reserves or to extract resources from such reserves in sufficient amounts and in a timely manner could materially and adversely affect our results of operations, cash flows, financial condition and prospects. In addition, we may not be able to recover the funds we spend identifying new mining opportunities through our exploration program.

Increasingly stringent requirements relating to regulatory, environmental and social approvals can result in significant delays in construction of our facilities and may adversely affect the economics of new mining projects, the expansion of existing operations and, consequently, our results of operations, cash flows and financial condition, and such effects could be material.

Damage to or breakdown of a physical asset, including due to fire, explosion or natural catastrophe may adversely affect our operating results and result in loss of revenue, loss of cash flow or other losses.

Damage to or breakdown of a physical asset, including as a result of fire, explosion or natural catastrophe, can result in a loss of assets and subsequent financial losses. Our operations and development projects are exposed to natural risks such as earthquakes, extreme weather conditions, failure of mining pit slopes and tailing dam walls, and other natural phenomena. Our insurance with respect to catastrophic event risk may not be sufficient to cover our

financial loss flowing from an event, and insurance is not available or is unavailable on economically viable terms for many risks we may face. The occurrence of events for which we are not insured, or for which our insurance is insufficient, may materially and adversely affect our revenues, operating results, cash flows and financial condition.

Our operations and development projects could be adversely affected by shortages of appropriately skilled employees, for whom we compete with mining and other companies to recruit, develop and retain.

Our ability to recruit, develop and retain personnel with appropriate skills is affected by global competition for skilled employees, particularly in periods of high commodity prices when demand for such personnel typically increases. Any failure to retain skilled employees or to recruit new staff may lead to increased costs, interruptions to existing operations and delay of new projects.

Labor disruptions could have an adverse effect on our results of operations, cash flows and financial condition.

There is a risk that strikes or other types of conflict with unions or employees may occur at any one of our operations, development projects or suppliers of critical goods and services, or in any of the geographic regions in which we operate. In key countries where we operate, especially in South Africa and South American, the majority of employees are members of trade unions. Labor disruptions may occur not only for reasons related to our business, but also to advocate labor, political or social goals. Recently, there have been incidents of significant labor unrest at mining companies in South Africa. These developments have disrupted mining operations in South Africa, including our own operations, and could spread to affect labor relations in the mining industry in South Africa generally. See "Business Description—Platinum". Any disruptions could further increase operational costs and decrease revenues, and if such disruptions are material, they could adversely affect, possibly materially, our results of operations, cash flows and financial condition.

Failure to prevent acts of fraud, bribery, corruption or anti-competitive behavior could adversely affect our business.

The potential impacts of violations of laws governing fraud, bribery, corruption, sanctions or anti-competitive behavior include prosecution, fines, disgorgement of profits, penalties and reputational damage. We may suffer financial loss if we are the victim of a fraudulent act. We have developed training, compliance and audit programs to address the risks of contravening laws on bribery, corruption, sanctions, anti-competitive behavior and other matters of legal compliance; however, as indicated by indices prepared by independent non-governmental organizations, we operate in certain countries where the risk of corruption is high, and certain industries in which we operate have in the past faced prosecution for anti-competitive behavior.

Adverse market conditions could affect our ability to carry out certain transactions that are important to our business.

Beyond the direct impact on our business, falling commodity prices and the lack of available credit markets could prevent us from carrying out certain transactions that are important to our business. We may also be unable to find suitable joint venture partners or to find buyers for businesses or assets we may wish to sell. Our inability to carry out important transactions may have an adverse effect on our business and financial condition, for example relating to our inability to sell assets at values or within the timelines expected, complete planned acquisitions or create joint ventures.

Failure to meet production, construction, delivery and cost targets can adversely affect both operational performance and our ability to implement projects in a timely and efficient manner, resulting in increased costs.

Failure to meet production targets can result in increased unit costs, and such increases may be especially pronounced at operations with higher levels of fixed costs. Unit costs may exceed forecasts, adversely affecting performance and results of operations. Results of operations can be affected by a range of technical and engineering factors. In addition, failure to meet project delivery times and cost targets could have a negative effect on operational performance and lead to increased costs or reductions in revenue and profitability. Such increases could materially and adversely affect the economics of a project, and consequently our results of operations, cash flows and financial condition.

We may not achieve projected benefits of acquisitions or divestments.

We have undertaken a number of acquisitions in the recent past, including the completion of the acquisition of the Oppenheimer family's shareholding in De Beers in August 2012. See "Business Description". With any such transaction there is the risk that any benefits or synergies identified at the time of acquisition may not be achieved as a result of changing or incorrect assumptions or materially different market conditions, or other factors. Furthermore, we could be found liable for past acts or omissions of the acquired business without any adequate right of redress.

In addition, delays in the sale of assets or reductions in value realizable may arise due to changing market conditions. Failure to achieve expected values from the sale of assets or delays in expected receipt or delivery of funds may result in higher debt levels, underperformance of those businesses and possible loss of key personnel.

Restrictions on our ability to access necessary infrastructure services, including utilities and transportation, may adversely affect our operations.

Inadequate supply of the critical infrastructure elements for mining activity could result in reduced production or sales volumes or impact our development projects, which could have an adverse effect on our financial performance. Disruptions in the supply of essential utility services, such as water and electricity, could halt our production for the duration of the disruption and, when unexpected, could cause loss of life or damage to our mining equipment or facilities, which may in turn affect our ability to recommence operations on a timely basis. Adequate provision of transportation services, in particular rail services and timely port access, are critical to getting our products to market and disruptions to such services may affect our operations. We are largely dependent on third party providers of utility and transportation services including rail, port and shipping services, and their provision of services, maintenance of networks and expansion and contingency plans are outside our control.

In certain instances, our growth plans are reliant on third party rail providers expanding their carrying capacity. Failure by these third party rail providers to expand their carrying capacity could prevent us from getting our products to market and could adversely affect our operations.

Any disruption or inadequacy of infrastructure would be likely to adversely affect our production volumes and may increase our costs, which would in turn adversely affect the Group's results of operations and cash flows, and such effects could be material.

Failure to manage relationships with local communities, governments and non-governmental organizations could adversely affect our future growth potential.

As a consequence of public concern about the perceived ill effects of economic globalization, businesses generally and in particular large multinational corporations such as Anglo American face increasing public scrutiny of their activities. In addition, we operate in several countries where ownership of rights in respect of land and resources is uncertain and where disputes in relation to ownership or other community matters may arise. These disputes are not always predictable and may cause disruption to projects or operations. Our operations can also have an impact on local communities, including the need, from time to time, to relocate communities or infrastructure networks such as railways and utility services. See "Sustainable Development (Including Safety, Health, Environment and Social)". Failure to manage relationships with local communities, governments and non-governmental organizations may harm our reputation, as well as our ability to bring projects into production, which could in turn adversely affect our revenues, results of operations and cash flows, potentially in a material manner.

In addition, the costs and management time required to comply with these standards of social responsibility and sustainability are expected to increase over time.

We face certain risks from the high infection rates of HIV/AIDS that may adversely affect our business and the communities in which we operate.

We recognize that the HIV/AIDS epidemic in sub-Saharan Africa is a significant threat to economic growth and development in that region and affects our business. In addition to the costs associated with the provision of anti-retroviral therapy to employees and occupational health services (both of which will increase if the incidence of HIV/AIDS spreads), there is a risk that the recruitment and retention of the skilled personnel needed to maintain and grow our business in southern Africa (and other regions where HIV/AIDS is a major social issue), will not be possible. If this occurs, our business would be adversely affected.

Our non-controlled assets may not comply with our standards.

Some of our operations are controlled and managed by joint venture partners, associates or by other companies. Management of non-controlled assets may not comply with our standards, for example, on safety, health and environmental matters or on financial or other controls and procedures. This may lead to higher costs and lower production and adversely affect our results of operations, cash flows, financial condition or reputation.

Our business may be adversely affected by attacks by third parties on our information systems

Attacks on our information systems could arise from criminal activity aimed at causing disruption or attempts by third parties to access sensitive information. The pace of technological development is challenging and requires the Company to protect its systems to prevent increasingly sophisticated methods of attacking information technology systems. Any compromise of our data security or our inability to use or access these information systems

at critical points in time could unfavorably impact the timely and efficient operation of our business and subject us to additional costs and liabilities, which could adversely affect our results of operations.

Attacks on our information systems may result in the loss of sensitive or proprietary information and fraud which could cause reputational damage. Damage may also be caused to equipment that is critical to mining or processing of ore, resulting in interruption to production and possible financial loss.

Certain factors may affect our ability to support the carrying value of our property, plants and equipment, acquired properties, investments and goodwill on our balance sheet.

We review and test the carrying value of our assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. If there are indications that impairment may have occurred, we prepare estimates of expected future cash flows for each group of assets. Expected future cash flows are inherently uncertain, and could materially change over time. They are significantly affected by reserve and production estimates, together with economic factors such as spot and forward commodity prices, discount rates, currency exchange rates, estimates of costs to produce reserves and future capital expenditure.

If any of these uncertainties occur, either alone or in combination, it could require management to recognize an impairment, which could materially and adversely affect our results of operations or financial condition.

RISKS RELATING TO THE NOTES

There is no established trading market for the Notes and one may not develop.

Each series of Notes will be new securities for which there currently is no established trading market. The Notes have not been and will not be registered under the Securities Act and will be subject to significant restrictions on resale. See "Transfer Restrictions". There can be no assurance regarding the future development of a market for either series of the Notes or the ability of holders of the Notes to sell their Notes or the price at which such holders may be able to sell their Notes. If such a market were to develop, the Notes could trade at prices that may be lower than the initial offering prices depending on many factors, including prevailing interest rates, our operating results and the market for similar securities. Therefore, there can be no assurance as to the liquidity of any trading market for either series of the Notes or that active markets for the Notes will develop. We have made an application for listing the Notes on the Official List of the UK Listing Authority and for admission to trading on the London Stock Exchange's Regulated Market. However, our listing and admission may not be approved or, if approved, may not be maintained.

Changes in our credit ratings could adversely affect the value of the Notes.

Any of the rating agencies that rate the debt of the Company has the ability to lower the ratings currently assigned to that debt as a result of its views about the Group's current or future business, financial condition, results of operations or other matters. Any ratings decline could adversely affect the value of the Notes. In addition, the credit ratings ascribed to the Group and the Notes are intended to reflect our ability to meet our repayment obligations in respect of the Notes and the Guarantees, and may not reflect the potential impact of all risks related to the structure, the market, the Group and other factors on the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the assigning rating organization. Each rating should be evaluated independently of any other rating.

Proposed Financial Transactions Tax ("FTT")

On February 14, 2013, the European Commission published a proposal for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "participating Member States").

The proposed FTT has very broad scope and could, if introduced in its current form, apply to certain transactions relating to the Notes (including secondary market transactions) in certain circumstances.

Under current proposals the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain transactions relating to the Notes where at least one party is a financial institution (as defined in the FTT), and at least one party is established in a participating Member State. A party may be deemed to be "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is the subject of the transaction is issued in a participating Member State.

The FTT proposal remains subject to negotiation between the participating Member States and is the subject of legal challenge. It may therefore be altered prior to any implementation, the timing of which remains unclear.

Additional EU Member States may decide to participate. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

Our holding company structure means that the claims of creditors of subsidiaries of the Company will generally have priority over claims on the guarantee obligations.

Anglo American plc is a holding company and derives the majority of its operating income and cash flow from its subsidiaries. It must rely upon distributions from its subsidiaries to generate funds necessary to meet its obligations, including any payments under the Guarantees. The obligations of the Issuer under the Notes are unsecured and rank equally in right of payment with all unsecured, unsubordinated obligations of the Issuer. The obligations of Anglo American under the Guarantees are unsecured and rank equally with all unsecured, unsubordinated obligations of Anglo American. These obligations will also be structurally subordinated to the holders of secured and unsecured debt and other creditors of subsidiaries of Anglo American. The Indenture does not place any limitation on the amount of unsecured debt that may be incurred by us or any of our subsidiaries (including the Issuer). As of December 31, 2013, a small proportion of our debt was outstanding at our subsidiaries and joint ventures (on a proportional basis), to which the notes would be structurally subordinated.

The Issuer is a finance vehicle, with no independent business operations.

Anglo American Capital plc is a finance vehicle, the primary business of which is the raising of money for the purpose of on-lending to other members of the Group. Accordingly, substantially all of the assets of the Issuer are loans and advances made to other members of the Group. The ability of the Issuer to satisfy its obligations in respect of the Notes depends upon payments being made to it by other members of the Group in respect of loans and advances made by the Issuer.

Investors in the Notes may have limited recourse against the independent auditors.

See "Independent Auditors" for a description of the independent auditors' reports, including language limiting the auditors' scope of duty in relation to such reports and the various financial statements to which they relate. In particular, the February 13, 2014 report of Deloitte, with respect to the Group 2013 Financial Statements, in accordance with guidance issued by The Institute of Chartered Accountants in England and Wales, provides as follows: "This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed".

The SEC would not permit such limiting language to be included in a registration statement or a prospectus used in connection with an offering of securities registered under the Securities Act or in a report filed under the Exchange Act. If a US court (or any other court) were to give effect to the language quoted above, the recourse that investors in the Notes may have against the independent accountants based on their reports or the consolidated financial statements to which they relate could be limited.

Enforcement of US judgments may be difficult.

The Issuer and the Company are companies organized under the laws of England and Wales, and substantially all their respective assets are, or may be, located in jurisdictions outside the US. Accordingly, it could be difficult for holders of Notes to recover against the Issuer and the Company on judgments of US courts predicated upon civil liabilities under the US federal securities laws. See "Service of Process and Enforcement of Civil Liabilities".

The amount of interest payable on the Floating Rate Notes is set only once per interest period based on the LIBOR rate on the applicable interest determination date.

Historically, the level of the LIBOR rate has experienced significant changes usually reflecting changes in the overall interest rate environment. However, historical levels, fluctuations and trends of the LIBOR rate are not necessarily indicative of future levels. Any historical upward or downward trend in the LIBOR rate is not an indication that the LIBOR rate is more or less likely to increase or decrease at any time during an interest period, and the historical levels of the LIBOR rate may not be an indication of its future movements. Although the actual LIBOR rate on an interest payment date or at other times during an interest period may be higher than the LIBOR rate on the applicable interest determination date, holders of the Floating Rate Notes will not benefit from the LIBOR rate at any time other than on the interest determination date for such interest period. As a result, changes in the LIBOR rate may not result in a comparable change in the market value of the Floating Rate Notes.

Uncertainty relating to the LIBOR calculation process may adversely affect the value of the Floating Rate Notes.

Regulators and law enforcement agencies in the United Kingdom and elsewhere are conducting civil and criminal investigations into whether the banks that contribute to the British Bankers' Association (the "BBA") in connection with the calculation of daily LIBOR may have been under-reporting or otherwise manipulating or attempting to manipulate LIBOR.

Actions by the BBA, regulators or law enforcement agencies may result in changes to the manner in which LIBOR is determined. At this time, it is not possible to predict the effect of any such changes and any other reforms to LIBOR that may be enacted in the United Kingdom or elsewhere. Uncertainty as to the nature of such potential changes may adversely affect the trading market for LIBOR-based securities, including the Floating Rate Notes.

IMPORTANT INFORMATION

STABILIZATION

In connection with the issue of the Notes, any one of BNP Paribas Securities Corp., Credit Suisse Securities (USA) LLC and Morgan Stanley & Co. LLC (the "Stabilizing Managers") or any person acting on behalf of a Stabilizing Manager may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilizing Managers (or persons acting on their behalf) will undertake any stabilization action. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the date on which the Issuer received the proceeds of the offering, or no later than 60 days after the date of the allotment of the Notes. Any such stabilization or over-allotment must be conducted by the Stabilizing Managers (or persons acting on behalf of any Stabilizing Manager) in accordance with all applicable laws, regulations and rules.

NOTICE TO INVESTORS

The Issuer and the Company accept responsibility for the information contained in this document. To the best of the knowledge of the Issuer and the Company (each having taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and contains no omission likely to affect its import. Where the information in this document has been sourced from a third party, such information has been accurately reproduced and so far as the Issuer and the Company are aware and are able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

You should rely only on the information contained in and incorporated by reference into this document. We have not authorized anyone to provide you with information, whether orally or in writing, either different from that contained in this document or not set forth in this document, and if you believe that there is any other information upon which you wish to rely that is either different from or not set forth in this document you should not rely on it at all. We are offering to sell the Notes only where offers and sales are permitted. The information contained in this document is accurate only as of the date of this document, regardless of the time of delivery of this document or any resale of the Notes and, except as required by the Financial Conduct Authority or applicable law and regulation, will not be updated.

By purchasing any Notes, you will be deemed to have acknowledged that (1) you have reviewed this document; (2) you have had an opportunity to review all information considered by you to be necessary to make your investment decision and to verify the accuracy of, or to supplement, the information contained in this document; (3) you have not relied on the Initial Purchasers or any person affiliated with the Initial Purchasers in connection with your investigation of the accuracy of such information or your investment decision; (4) the Initial Purchasers are not responsible for, and are not making any representation to you concerning, our future performance or the accuracy or completeness of this document; and (5) no person has been authorized to give any information or to make any representation concerning us or the Notes, other than as contained in this document. If given or made, any such other information or representation should not be relied upon as having been authorized by us or the Initial Purchasers.

You should read this document before making a decision whether to purchase any Notes. In making any investment decision, you must rely on your own examination of the Issuer and the Company and the terms of this offering, including the merits and risks involved. You should consult with your own advisors as needed to assist you in making your investment decision and to advise you whether you are legally permitted to purchase the Notes.

You must comply with all applicable laws and regulations in force in any jurisdiction in connection with the possession or distribution of this document and the purchase, offer or sale of the Notes, and you must obtain any required consent, approval or permission for the purchase, offer or sale by you of the Notes under the laws and regulations applicable to you in force in any jurisdiction to which you are subject or in which you make such purchases, offers or sales. Neither we nor the Initial Purchasers are responsible for your compliance with these legal requirements.

We are offering the Notes and the Guarantees in reliance on exemptions from the registration requirements of the Securities Act. These exemptions apply to offers and sales of securities that do not involve a public offering.

The Notes are subject to restrictions on resale and transfer as described under "Transfer Restrictions". By purchasing any Notes, you will be deemed to have made certain acknowledgments, representations and agreements

as described in that section of this document. You may be required to bear the financial risks of investing in the Notes for an indefinite period of time.

The Initial Purchasers make no representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this document. Nothing contained in this document is, or should be relied upon as, a promise or representation by the Initial Purchasers as to the past or future. The Initial Purchasers have not independently verified any of the information contained herein (financial, legal or otherwise) and assume no responsibility for the accuracy or completeness of any such information.

NOTICE TO INVESTORS IN THE EUROPEAN ECONOMIC AREA

This document constitutes a prospectus that has been prepared solely for use in connection with Admission of the Notes, and it has been approved by the Financial Conduct Authority for such purpose. Purchasers of Notes are notified that this document does not constitute an offer for sale of the Notes and has not been approved by the Financial Conduct Authority in connection with any such offer.

MISCELLANEOUS INFORMATION

This document comprises a prospectus for the purposes of Art. 5.4 of the Prospectus Directive (2003/71/EC) and has been filed with, and approved by, the Financial Conduct Authority and has been made available to the public in accordance with requirements of the Prospectus Directive as implemented in the UK.

The distribution of this document and the offering and sale of the Notes in certain jurisdictions may be restricted by law. The Issuer, the Company and the Initial Purchasers require persons in possession of this document to inform themselves about and to observe any such restrictions. This document does not constitute an offer of, or an invitation to purchase, any of the Notes in any jurisdiction in which such offer or invitation would be unlawful.

Notwithstanding anything herein to the contrary, investors may disclose to any and all persons, without limitation of any kind, the US federal, state or local income tax treatment and tax structure of the offering and all materials of any kind that are provided to the investors relating to such tax treatment and tax structure. However, any information relating to the US federal, state or local income tax treatment or tax structure shall remain confidential (and the foregoing sentence shall not apply) to the extent reasonably necessary to enable any person to comply with applicable securities laws. For this purpose, "tax structure" means any facts relevant to the US federal, state or local income tax treatment of the offering but does not include information relating to the identity of the issuer of the securities, the issuer of any assets underlying the securities, or any of their respective affiliates that are offering the securities.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES ANNOTATED, 1955, AS AMENDED ("RSA 421-B"), WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY, OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

MARKET AND INDUSTRY DATA

Where cited in this document, market data and industry data and forecasts were obtained and reproduced from reports prepared by Wood Mackenzie, Johnson Matthey and the IMF. Industry surveys, publications, consultant surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. We have not independently verified any of the data from third party sources, nor have we ascertained the underlying economic assumptions relied upon therein. Similarly, industry forecasts and market research, which we believe to be reliable based upon the Group's management's knowledge of the industry, have not been independently verified. Forecasts

are particularly likely to be inaccurate, especially over long periods of time. In addition, we do not necessarily know what assumptions regarding general economic growth were used in preparing the forecasts we cite. We do not make any representation as to the accuracy of data from third party sources, industry forecasts and market research. Statements as to the Group's market position are based on the most currently available data. While we are not aware of any misstatements regarding the Group's industry data presented herein, our estimates involve risks and uncertainties and are subject to change based on various factors, including those discussed under the heading "Risk Factors" in this document. Neither we nor the Initial Purchasers can guarantee the accuracy or completeness of any such industry data contained in this document. Where the information in this document has been sourced from a third party, such information has been accurately reproduced and so far as the Issuer and Company are aware and are able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Further, where the information in this document has been sourced from a third party, reference is made to the third party source where such information appears in the document.

FORWARD-LOOKING STATEMENTS

This document includes "forward-looking information" within the meaning of Section 27A of the Securities Act and Section 21E of the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder (the "Exchange Act"). All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements, including without limitation those concerning the economic outlook for the mining industry; expectations regarding commodity prices, exchange rates, production, cash costs and other operating results; growth prospects and outlook of our operations, individually or in the aggregate, including without limitation the completion and commencement of commercial operations at our exploration and production projects, the amount of projected capital expenditure for such projects and the likelihood of retaining, renewing or obtaining licenses, permits, mining leases and other approvals or concluding joint ventures or other agreements; the extensive, complex and evolving regulatory framework to which we are subject and the risk of unfavorable changes to, interpretations of and/or application or enforcement of the tax laws and regulations in the countries in which we operate; the completion of acquisitions and dispositions; our liquidity and capital resources and expenditure; our asset optimization program; our restructuring program; and the outcome and consequences of any pending litigation, regulatory or similar proceedings. These forward-looking statements are not based on historical facts, but rather reflect our current expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as "believe", "aim", "expect", "anticipate", "intend", "foresee", "forecast", "likely", "should", "planned", "may", "estimated", "potential", "projected", "will", "continue" or other similar words and phrases. Similarly, statements that describe our objectives, plans or goals are or may be forward-looking statements.

These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied by these forward-looking statements. Although we believe that the expectations reflected in these forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct.

The risk factors described in this document could affect our future results, causing these results to differ materially from those expressed in any forward-looking statements. These factors are not necessarily all the important factors that could cause our actual results to differ materially from those expressed in any forward-looking statements. Other unknown or unpredictable factors could also have material adverse effects on future results.

You should review carefully all information, including the financial statements and the notes to the financial statements, which are incorporated by reference into this document. The forward-looking statements included in this document are made only as of the last practicable date prior to the date hereof. Except as required by the Financial Conduct Authority or applicable law and regulation, neither we nor the Initial Purchasers undertake any obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events. All subsequent written and oral forward-looking statements attributable to us or any person acting on our behalf are qualified by the cautionary statements in this section.

Cautionary Note to US Investors Concerning Estimates of Measured, Indicated and Inferred Resources for Mining Operations

There are differences in reporting regimes for reserve estimates between Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2004 edition (the "JORC Code") and the South African Code for Reporting of Exploration Results, Mineral Resources and Mineral Reserves ("SAMREC Code") on the one

hand, each of which are used by the Group, and the United States reporting regime under the requirements as adopted by the SEC in its Industry Guide 7 — Description of Property by Issuers Engaged or to be Engaged in Significant Mining Operations ("Industry Guide 7") on the other hand. The principal difference is the absence under Industry Guide 7 of any provision for the reporting of estimates other than proved (measured) or probable (indicated) reserves, and the SEC does not permit mining companies to disclose mineral resources in SEC filings. There is, therefore, no equivalent for "resources" or "mineral resources" under the SEC's Industry Guide 7.

Additionally, under Industry Guide 7, reserves must be estimated on the basis of current economic and legal conditions, whereas the JORC Code permits the use of "realistic" assumptions, which may include forecast prices and reasonable expectations that required permits will be granted in the future and contracts will be entered into for the sale of production.

The SEC has applied the following reporting definitions to reserves under Industry Guide 7:

- A "reserve" is "that part of a mineral deposit which could be economically and legally extracted or produced at the time of the reserve determination. Reserves are customarily stated in terms of "ore" when dealing with metalliferous minerals; when other materials such as coal, oil, shale, tar, sands, limestone, etc. are involved, an appropriate term such as "recoverable coal" may be substituted."
- "Proven (measured) reserves" are "reserves for which:

  (a) quantity is computed from dimensions revealed in outcrops, trenches, workings or drill holes; grade and/or quality are computed from the results of detailed sampling; and

  (b) the sites for inspection, sampling and measurement are spaced so closely and the geologic character is so well defined that size, shape, depth and mineral content of reserves are well-established."
- "Probable (indicated) reserves" are "reserves for which quantity and grade and/or quality are computed from information similar to that used for proven (measured) reserves, but the sites for inspection, sampling, and measurement are farther apart or are otherwise less adequately spaced. The degree of assurance, although lower than that for proven (measured) reserves, is high enough to assume continuity between points of observation."

This prospectus uses the term "resources", which are comprised of "measured," "indicated" and "inferred" mineral resources. "Inferred" mineral resources have a great amount of uncertainty as to their existence and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an "inferred" mineral resource will ever be upgraded to a higher category. Under SEC rules, estimates of "inferred" mineral resources may not form the basis of feasibility or other economic studies. Investors should not assume that all or any part of "measured" or "indicated" resources will ever be converted into Ore Reserves. Investors are also cautioned not to assume that all or any part of an "inferred" mineral resource exists or is economically or legally mineable.

Accordingly, investors should be aware that if this prospectus had been prepared in accordance with Industry Guide 7, the Group's mineral resources would not be permitted to be reported and our reserves would differ from those described herein.

PRESENTATION OF FINANCIAL INFORMATION

Unless otherwise indicated, financial information in this document has been prepared on the basis of International Financial Reporting Standards as adopted for use by the European Union ("EU IFRS"). The financial information of the Company has been prepared on the basis of applicable law and EU IFRS. The financial information of the Issuer has been prepared on the basis of applicable law and Generally Accepted Accounting Principles in the United Kingdom ("UK GAAP").

The Group 2013 Consolidated Financial Statements, and the Issuer 2013 Financial Statements are incorporated by reference into this document, have been audited by Deloitte LLP ("Deloitte"), independent accountants and Registered Auditors and members of the Institute of Chartered Accountants in England and Wales, with an address at 2 New Street Square, London, EC4A 3BZ, as stated in their report appearing therein. The Group 2012 Financial Statements, Group 2011 Financial Statements, Issuer 2012 Financial Statements and Issuer 2011 Financial Statements are incorporated by reference in this document and have been audited by Deloitte, as stated in their reports also incorporated therein.

Our business unit structure focuses our portfolio around core commodities which are located in areas of key geographic focus for each commodity. These business units include:

- Kumba Iron Ore (South Africa);
- Iron Ore Brazil (Brazil);
- Metallurgical Coal (Australia);
- Thermal Coal (South Africa);
- Copper (Chile);
- Nickel (Brazil);
- Niobium and Phosphates (Brazil).
- Platinum (South Africa); and
- Diamonds (Worldwide).

Our Group results are reported on a business segment basis in accordance with EU IFRS. Business segments (excluding exploration and corporate) include:

- Iron Ore and Manganese: Comprises Kumba Iron Ore, Iron Ore Brazil and Samancor;
- Metallurgical Coal;
- Thermal Coal;
- Copper;
- Nickel;
- Niobium and Phosphates;
- Platinum;
- Diamonds; and
- Other Mining and Industrial: At December 31, 2013, this segment included the non-core business of Tarmac.

Our segment results include an allocation of corporate costs associated with activities which are performed at a corporate center but are believed to add value to business segments. The costs of such activities are allocated to such business segments. The figure presented externally as Group corporate costs includes only costs associated with parental or direct shareholder related activities.

On August 16, 2012, the Group acquired a controlling interest in De Beers (Diamonds segment). Until this date De Beers was accounted for as an associate of the Group. From August 16, 2012, De Beers ceased to be an associate and has been accounted for as a subsidiary of the Group.

Following a further strategic review during 2012, Amapá became managed as part of the Other Mining and Industrial segment, previously being reported under the Iron Ore and Manganese segment. The 2011 results of Amapá are included within the Iron Ore and Manganese segment and the 2012 and 2013 results are included within the Other Mining and Industrial segment.

Some financial and other information in this document has been rounded and, as a result, the figures shown as totals in this document may vary slightly from the exact arithmetic aggregation of the figures that precede them.

The Group 2013 Consolidated Financial Statements and the Issuer 2013 Financial Statements, incorporated by reference herein, contain an independent auditor's audit report from Deloitte that contains language limiting the scope of Deloitte's duty of care in relation to such reports and the financial statements to which they relate. The Group 2012 Financial Statements, the Group 2011 Financial Statements, the Issuer 2012 Financial Statements and the Issuer 2011 Financial Statements, each incorporated by reference herein, each contain auditor's reports from Deloitte that contain language limiting the scope of Deloitte's duty of care in relation to such reports and the financial statements to which they relate. See "Independent Auditors" for a description of the independent auditor's review report and the auditor's audit reports including language limiting Deloitte's scope of responsibility in relation to such reports and the financial statements to which each relates. If any court were to give effect to this limiting language, the recourse that investors in the Notes may have against Deloitte based on their report or the aforementioned financial statements to which they relate could be limited.

The auditors have made reports under Chapter 3 of Part 16 of the Companies Act 2006 on the statutory accounts of the Company and the Issuer for the years ended December 31, 2011, 2012 and 2013 (each incorporated by reference in this document), which were unqualified and did not contain any statement as is described in Sections 498 (2) or (3) of the Companies Act 2006. Any financial information included in this document (other than the statutory accounts incorporated by reference in this document) do not constitute the statutory accounts of the Company or the Issuer within the meaning of Section 435 (1) and (2) of the Companies Act 2006 for any period presented. Statutory accounts of the Company and the Issuer have been delivered to the Registrar of Companies in England and Wales for the year ended December 31, 2013 in accordance with, and as required by, UK law.

The financial results of the Platinum and Diamond segments, and Kumba's contribution to the Iron Ore and Manganese segment, reconcile to the financial results of Anglo American Platinum, De Beers and Kumba, respectively, when taking into account certain adjustments, principally consolidation adjustments and corporate cost allocations.

Changes in accounting standards

Changes in accounting policy relating to IAS 19R, IFRIC 20 and IFRS 11, resulted in the restatement of financial results for the year ended December 31, 2012 as published in the Group 2013 Consolidated Financial Statements. The impact of the restatements is shown in note 41 of the Group 2013 Consolidated Financial Statements. The financial results for the year ended December 31, 2011 included in this document have not been restated. Below is a summary of the key changes relating to each standard:

- IAS 19R - The principal impact for the Group arises from the requirement to replace the interest cost on the defined benefit obligation and the expected return on plan assets with a net interest cost/income based on the net defined benefit liability/asset. Net interest costs/income is calculated using the discount rate used to measure the defined benefit obligation.

  This has increased the income statement charge as the discount rate now applied to the assets is lower than the expected return on plan assets. There is no effect on total comprehensive income as the increased charge in the income statement is offset by a credit in other comprehensive income.

- IFRIC 20 – The principal changes to the Group's previous accounting policy relate to the initial recognition and subsequent remeasurements of deferred stripping assets. The initial recognition of the stripping asset is determined by reference to components of the ore body rather than by reference to the entire operation. The subsequent remeasurement of the asset is recognized as depreciation on a unit of production basis, by reference to the related component, rather than as a charge to operating costs based on the expected strip ratio.

  The adoption of IFRIC 20 has resulted in increased capitalization of waste stripping costs and a reduction in cost of sales in 2012.

- IFRS 11 – The standard removes the accounting choice between proportionate consolidation and equity method for joint arrangements that meet the definition of a joint venture under IFRS 11. Instead joint arrangements are classified based on their specific facts and circumstances as either joint ventures or joint operations. Joint ventures are accounted for using the equity method. For joint operations the Group accounts for its share of the assets and liabilities of the arrangement using proportionate consolidation. There is no impact on the net assets or underlying earnings of the Group.

NON-IFRS FINANCIAL MEASURES

The financial information within this document includes certain measures that are not measures defined by EU IFRS. These include underlying earnings, underlying operating profit, group revenue (including associates and joint ventures) and underlying operating profit (including associates and joint ventures), underlying EBITDA and net debt. These measures have been included for the reasons described below; however, these measures should not be used instead of, or considered as alternatives to, the Group's historical financial results based on EU IFRS. Further, these measures may not be comparable to similarly titled measures disclosed by other companies.

UNDERLYING EARNINGS AND UNDERLYING OPERATING PROFIT

"Underlying earnings" is defined as profit for the financial year attributable to equity shareholders of the Company before special items and remeasurements.

"Underlying operating profit" is defined as operating profit including joint ventures and associates before special items and remeasurements.

In considering the financial performance of our businesses and segments, we analyze each of our primary financial measures of operating profit from subsidiaries and joint operations, profit before tax, profit for the year attributable to equity shareholders of the Company and earnings per share into two components, comprising firstly "Before special items and remeasurements" and secondly, "After special items and remeasurements". Special items and remeasurements are excluded from the measures of business performance used by management to monitor financial performance as they are considered to distort the comparability of the Group's financial performance from year to year.

Special items and remeasurements are defined in note 6 of the Group 2013 Consolidated Financial Statements (incorporated by reference into this document) as follows:

- Special items are those items of financial performance that the Group believes should be separately disclosed on the face of the income statement to assist in the understanding of the underlying financial performance achieved by the Group. Such items are material by nature or amount to the year's results and require separate disclosure in accordance with IAS 1 *Presentation of Financial Statements* paragraph 97. Special items that relate to the operating performance of the Group are classified as operating special items and principally include impairment charges. Non-operating special items include profits and losses on disposals of investments and businesses as well as certain adjustments relating to business combinations.
- Remeasurements comprise other items which the Group believes should be reported separately to aid an understanding of the underlying financial performance of the Group. This category includes:
    - Unrealized gains and losses on "non-hedge" derivative instruments open at the year end (in respect of future transactions) and the reversal of the historical marked to market value of such instruments settled in the year. Where the underlying transaction is recorded in the income statement, the realized gains or losses are recorded in underlying earnings in the same year as the underlying transaction for which such instruments provide an economic, but not formally designated, hedge. If the underlying transaction is recorded in the balance sheet, for example, capital expenditure, the realized amount remains in remeasurements on settlement of the derivative. Such amounts are classified in the income statement as operating when the underlying exposure is in respect of the operating performance of the Group and otherwise as financing.
    - Foreign exchange impacts arising in US dollar functional currency entities where tax calculations are generated based on local currency financial information and hence deferred tax is susceptible to currency fluctuations. Such amounts are included within income tax expense.
    - The remeasurement and subsequent depreciation of a previously held equity interest as a result of a business combination.

These measures are reconciled to "Profit for the financial year attributable to equity shareholders of the Company" and "Operating profit", respectively, in notes 9 and 3 of the Group 2013 Consolidated Financial Statements, incorporated by reference into this document. "Underlying earnings" is also reconciled to "Profit for the financial year attributable to equity shareholders of the Company" in the "Operating and Financial Review — Overview".

We believe that separately presenting financial performance in two components facilitates reading and interpreting financial performance between periods, as underlying earnings and underlying operating profit measures are more comparable because they exclude the distorting effect of special items and remeasurements, and special items and remeasurements are more clearly understood if separately identified and analyzed. The presentation of these components of financial performance is additional to, and not a substitute for, the comparable profit measures presented in accordance with EU IFRS.

Management uses these adjusted profit measures as the basis for monitoring financial performance and in communicating financial performance to investors in external presentations and announcements of financial results. Internal financial reports, budgets and forecasts are also principally prepared on the basis of these adjusted profit measures. Management compensates for the limitations inherent in the use of these adjusted profit measures through the separate monitoring and disclosure of special items and remeasurements as a component of the Group's overall financial performance.

GROUP REVENUE (INCLUDING ASSOCIATES AND JOINT VENTURES)

"Group revenue (including associates and joint ventures)" is defined as Group revenue together with the Group's attributable share of revenue from our associates and joint ventures. These measures are reconciled to "Group revenue", in note 3 of the Group 2013 Consolidated Financial Statements, incorporated by reference into this document.

For the "Segment Discussion" section of the "Operating and Financial Review" section, "Revenue" and "Operating profit" are defined to include the Group's share of revenue and operating profit from associates and joint ventures and exclude special items and remeasurements, unless otherwise stated.

We believe that these measures are important to monitor, as they represent revenue and operating profit from all operations which we control, jointly control or significantly influence. As with the adjusted measures previously noted, management uses these measures in both internal analysis of results and external presentation of results to investors. The presentation of these components of financial performance is additional to, and not a substitute for, the comparable revenue and profit measures presented in accordance with EU IFRS.

UNDERLYING EBITDA

"Underlying EBITDA" as presented in our historical financial statements and this document is defined as profit for the financial year before net finance costs, income tax expense, depreciation and amortization: subsidiaries and joint operations, depreciation and amortization: associates and joint ventures, operating special items and remeasurements (including associates and joint ventures), net profit on disposals (including associates and joint ventures), associates' and joint ventures' financing special items and remeasurements, and share of associates' and joint ventures' interest, tax and non-controlling interests. "Underlying EBITDA" is reconciled to "Total profit before finance items and tax" in note 3 of the Group 2013 Consolidated Financial Statements, incorporated by reference into this document. Further, "Total profit before finance items and tax" is reconciled to "(Loss)/profit for the financial year" in the consolidated income statement on page 38 of the Group 2013 Consolidated Financial Statements, respectively, incorporated by reference into this document.

We also present a measure of "Underlying EBITDA" for each of our business segments which is defined similarly to "Underlying EBITDA" in the preceding paragraph, but which has been calculated on a segment-by-segment basis. For a reconciliation of Underlying EBITDA on a segment basis to total Underlying EBITDA on a Group basis, please refer to note 3 of the Group 2013 Consolidated Financial Statements, incorporated by reference into this document.

"Underlying EBITDA" and Underlying EBITDA on a segment basis are not measures of performance or liquidity under EU IFRS and should not be considered by investors in isolation to, or as a substitute for, a measure of profit, or as an indicator of our operating performance or cash flows from operating activities as determined in accordance with EU IFRS. We do not consider these non-IFRS financial measures to be a substitute for, or superior to, the information provided by EU IFRS financial measures. We believe these supplemental non-IFRS measures are helpful to investors and financial analysts in highlighting trends in our overall business because the items excluded in calculating these measures have little or no bearing on our day-to-day operating performance. We encourage you to evaluate these items and the limitations for purposes of analysis in excluding them. Further, Underlying EBITDA may not be comparable to similarly titled measures disclosed by other companies.

"Underlying EBITDA" was referred to as "EBITDA" in the Group 2011 Financial Statements.

NET DEBT

"Net debt" is defined as total borrowings less cash, cash equivalents and current financial asset investments (including derivatives which provide an economic hedge of debt and including the net debt of disposal groups). A reconciliation of net debt to amounts included in the balance sheet is set forth in note 11(b) and 11(c) of the Group 2013 Consolidated Financial Statements, incorporated by reference into this document. The Group uses net debt as a part of our internal debt analysis. We believe that net debt is a useful measure, as it indicates the level of borrowings after taking account of the liquid financial assets within our business and incorporating the fair value of derivative instruments which provide an economic hedge of asset and liabilities included within net debt. In addition, the net debt balance provides an indication of the net debt on which we are required to pay interest.

SERVICE OF PROCESS AND ENFORCEMENT OF CIVIL LIABILITIES

The Company and the Issuer are incorporated under the laws of England and Wales. Most of the directors and executive officers of the Company and all the directors of the Issuer live outside the United States. Most of the assets of the Company's and the Issuer's directors and executive officers and substantially all the Company's and the Issuer's assets are located outside the United States. As a result, it may be difficult for you to serve process on those persons or the Company or the Issuer in the United States or to enforce judgments obtained in US courts against them based on civil liability provisions of the securities laws of the United States.

There is doubt as to enforceability in the English courts, in original actions or in actions for enforcement of judgments of US courts, of liabilities predicated solely upon the federal securities laws of the United States. In addition, awards of punitive damages in actions brought in the United States or elsewhere may not be enforceable in the United Kingdom. The enforceability of any judgment in the United Kingdom will depend on the particular facts of the case in effect at the time.

AVAILABLE INFORMATION

For so long as the Company is neither subject to Section 13 or 15(d) of the Exchange Act, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, the Issuer and the Company, respectively, will furnish to the holder of any Notes and to each prospective purchaser designated by any such holder, upon the request of such holder or prospective purchaser, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act. Any such request may be made to us at 20 Carlton House Terrace, London, SW1Y 5AN, England. As of the date hereof, the Company is exempt from such reporting obligations under Rule 12g3-2(b) under the Exchange Act.

EXCHANGE RATE DATA

The following table shows the high, low, period-end and period-average end of day rates taken from Bloomberg composite pricing in London, expressed as the relevant currency per US dollar, for the periods presented:

	Year ended December 31, 2011	Year ended December 31, 2012	Year ended December 31, 2013	3 months ended March 31, 2014
South African rand (“ZAR”)				
High for period	8.59	8.96	10.53	11.32
Low for period	6.57	7.45	8.46	10.50
End of period	8.11	8.47	10.51	10.60
Average for period	7.26	8.21	9.65	10.86
Euro (“EUR”)				
High for period	0.77	0.83	0.78	0.74
Low for period	0.67	0.74	0.72	0.72
End of period	0.77	0.76	0.73	0.73
Average for period	0.72	0.78	0.75	0.73
Chilean peso (“CLP”)				
High for period	535	518	534	574
Low for period	456	470	467	525
End of period	520	479	526	550
Average for period	484	486	495	552
Australian dollar (“AUD”)				
High for period	1.05	1.03	1.13	1.15
Low for period	0.91	0.93	0.94	1.08
End of period	0.98	0.96	1.12	1.08
Average for period	0.97	0.97	1.03	1.12
British pound (“GBP”)				
High for period	0.65	0.65	0.67	0.61
Low for period	0.60	0.61	0.60	0.60
End of period	0.65	0.62	0.60	0.60
Average for period	0.62	0.63	0.64	0.60
Brazilian real (“BRL”)				
High for period	1.91	2.13	2.45	2.44
Low for period	1.54	1.70	1.94	2.26
End of period	1.87	2.05	2.36	2.26
Average for period	1.67	1.95	2.16	2.36
Botswana pula (“BWP”)				
High for period	7.72	8.05	8.77	9.13
Low for period	6.35	7.14	7.79	8.57
End of period	7.47	7.79	8.76	8.79
Average for period	6.82	7.61	8.39	8.91

The closing rates as at March 31, 2014, expressed as the relevant currency per US dollar, were as follows:

South African rand	10.60
Euro	0.73
Chilean peso	550
Australian dollar	1.08
British pound	0.60
Brazilian real	2.26
Botswana pula	8.79

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

We are incorporating by reference certain information into this document, which means we are disclosing important information to you by referring you to such information. The information being incorporated by reference is an important part of this document and should be reviewed before deciding whether or not to purchase the Notes described herein.

Subject to the limitations and exclusions described in the paragraphs below, the following documents, which have previously been published and have been filed with the Financial Conduct Authority, shall be incorporated by reference into this document:

(a) The auditor's report and audited consolidated annual financial statements for the financial year ended December 31, 2013 of Anglo American plc as included in the 2013 Annual Report of the Company, on pages 151 to 214 thereof;

(b) the auditor's report and audited consolidated annual financial statements for the financial year ended December 31, 2012 of Anglo American plc as included in the 2012 Annual Report of the Company, on pages 135 to 190 thereof;

(c) the auditor's report and audited consolidated annual financial statements for the financial year ended December 31, 2011 of Anglo American plc as included in the 2011 Annual Report of the Company, on pages 117 to 171 thereof;

(d) the auditor's report and audited non-consolidated annual financial statements for the year ended December 31, 2013 of Anglo American Capital plc (such information, the "Issuer 2013 Financial Statements") as included in the 2013 Report and Financial Statements of the Issuer, on pages 5 to 25 thereof; and

(e) the auditor's report and audited non-consolidated annual financial statements for the year ended December 31, 2012 of Anglo American Capital plc (such information, the "Issuer 2012 Financial Statements") as included in the 2012 Report and Financial Statements of the Issuer, on pages 4 to 24 thereof.

Except as expressly stated above, no part of the 2013 Annual Report of the Company, the 2012 Annual Report of the Company, the 2011 Annual Report of the Company, the 2013 Report and Financial Statements of the Issuer or the 2012 Report and Financial Statements of the Issuer or any other document referred to in the documents listed above is incorporated by reference herein. Non-incorporated parts or other documents referred to in the documents listed above are either not relevant for the investor or are covered elsewhere in the document.

The documents which have been incorporated by reference into this document may be accessed at http://www.angloamerican.com/specialinformation5 (the "special purpose website"). The special purpose website contains only the foregoing information and is not part of our website. The content of our website does not form any part of this document. You may also obtain copies of this information by telephoning +44 (0) 20 7968 8888.

This document will be published, in accordance with paragraph 3.2.4(4) of the UK Prospectus Rules, on the website of the London Stock Exchange, by means of an announcement through a Regulatory Information Service (which may be accessed at http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html).

CAPITALIZATION

The following table sets forth the consolidated capitalization of the Group as of December 31, 2013, on an actual basis. You should read the following table together with "Use of Proceeds", "Operating and Financial Review", "Description of the Notes and the Guarantees" and the Group 2013 Consolidated Financial Statements and the notes thereto incorporated by reference in this document:

	As of December 31, 2013
	(US$m)
Total debt[(1)(2)(3)]	17,848
Equity:	
Called-up share capital	772
Share premium account	4,358
Other reserves	(5,372)
Retained earnings and own shares held	31,913
Equity attributable to equity shareholders of the Company	31,671
Total capitalization	49,519

(1) Including short-term, medium-term and long-term borrowings.

(2) As at December 31, 2013, secured and unsecured debt totaled US$97 million and US$17,751 million, respectively. For more information regarding our secured and unsecured debt, see "Operating and Financial Review".

(3) In March 2014, the Group issued €1,500 million of Euro Medium Term Notes listed on the London Stock Exchange.

Anglo American considers participation in debt markets as part of the ongoing management of its liquidity and capital resources. From time to time the Group may issue debt to this end.

USE OF PROCEEDS

We estimate the net proceeds to us from our sale of Notes to be approximately US$994 million after deducting the underwriting discount and our estimated offering expenses. Anglo American will use the proceeds for general corporate purposes.

BUSINESS DESCRIPTION

Anglo American plc is the holding company of the Group, a global leader in mining, whether measured by market capitalization, revenue or net income. The Group has a range of high quality, core mining businesses with balanced participation across precious, base and bulk commodities. The Group is geographically diverse, with operations across the world.

Anglo American is a public limited company incorporated under the laws of England and Wales under the name "Anglo American plc" and is registered in England and Wales. Anglo American has its primary listing on the London Stock Exchange and is one of the FTSE 100 companies, which comprises the 100 largest UK listed companies by market capitalization. Anglo American plc is a publicly traded company with no single controlling shareholder. As of December 31, 2013 Anglo American's market capitalization was approximately US$30,486 million.

Anglo American was incorporated on May 14, 1998 with limited liability under the Companies Act 1985 and registered in England and Wales under the registered number 03564138. The registered office of Anglo American is 20 Carlton House Terrace, London, SW1Y 5AN, England and its telephone number is +44 (0) 20 7968 8888.

STRATEGY

Anglo American aims to become the investment of choice, the partner of choice and the employer of choice through the operational excellence of world class assets in the most attractive commodities, and through a resolute commitment to the highest standards of safe and sustainable mining.

Our leading exploration teams strive to find the resources we will mine in the future and we engage with a broad range of stakeholders, from governments to local communities and NGOs, to secure our right to mine those resources. Many of the commodities we mine are processed and refined before we seek to apply our market knowledge to deliver a quality product our customers value.

Our immediate strategy is focused on our Driving Value program, to achieve at least an attributable 15% Return on Capital Employed ("ROCE") by 2016, and set the business up for long-term success and sustainable returns through the mining cycle. Extensive reviews of our asset portfolio was initiated and completed in 2013, and the Group is now focused on four strategic priority areas to help deliver this target:

Capital allocation - We have set ourselves a realistic financial target of delivering at least a 15% attributable ROCE by 2016. Achieving this target will require a renewed focus on capital discipline, our capital deployment to be directed towards high value, low risk projects, and ensuring we manage the balance between growth and shareholder returns.

Business execution - We have a high quality asset base with the potential to deliver better margins and returns. The asset review process has identified operational improvement opportunities and we are working towards executing our plans while remaining committed to the highest standards of safe and sustainable mining.

Stakeholder engagement - We understand that we must work together with our stakeholders to partner with them to reach their potential. Our ability to build effective and mutually beneficial partnerships with host communities and governments is of particular importance to us and is a prerequisite for investment.

Organization structure - We believe that having the right people, in the right roles, doing the right work is critical to achieving our ambition, and so, we are redesigning our organization to enable our people and our business to be successful.

The Group will also create value through commercial initiatives. These include strategies to realize higher prices by changing our product mix to respond to market developments and customer needs, as well as improving returns by diversifying our customer base, establishing more direct customer relationships, and eliminating discounts or fees previously given to fabricators and other intermediaries.

Despite the economic downturn in 2008 and 2009, we decided to continue the development of four key near term strategic growth projects — the Minas-Rio and Kolomela iron ore projects in Brazil and South Africa, respectively, the Barro Alto nickel project in Brazil and the Los Bronces copper expansion project in Chile. The Barro Alto project, with a competitive position in the lower half of the industry cost curve, commenced production in the first half of 2011 and produced 25,100 tonnes in 2013. Both the Los Bronces copper expansion project and the Kolomela project commenced production in the second half of 2011. The Los Bronces copper expansion reached full design capacity in the second half of 2012 and Kolomela reached full design capacity in 2013. In 2012 at Minas-Rio, we completed a detailed cost and schedule review of the project in light of the then development progress and

disruptive challenges faced by the project, and increased the project's capital expenditure estimates to US$8.8 billion with the first iron ore shipment currently expected by the end of 2014. Minas-Rio has a published resource base of 5.32 billion tonnes, a more than fourfold increase since acquisition. In December 2011, we announced the approval of the Grosvenor metallurgical coal project in the Bowen Basin of Queensland, Australia. See "Business Description— Major Growth and Replacement Projects".

As part of the restructuring announced in October 2009, we identified certain of our businesses for divestment and began separately reporting those in the OMI business segment. That divestment program is now complete and generated cumulative proceeds of US$4 billion on a debt- and cash-free basis, as announced, which excludes US$7.4 billion cash generated from the sale of 49.9% of AA Sur. The divestment program included the sales of our zinc portfolio, the Scaw Metals business, several of Tarmac's European and other businesses, five undeveloped coal assets in Australia and the formation of Tarmac Quarry Materials' UK joint venture with Lafarge UK.

On January 7, 2013, following final clearance from the UK Competition Commission, Anglo American and Lafarge announced the completion of the transaction to create an incorporated joint venture known as Lafarge Tarmac.

In December 2012, Anglo American agreed to sell its 70% interest in Amapá to Zamin. On March 28, 2013, a major geological event occurred at the Santana port of Amapá. In light of these circumstances, Anglo American entered into further discussions with its partner Cliffs and Zamin. Anglo American subsequently entered into an agreement with Cliffs to acquire its 30% interest in Amapá and agreed to the sale to Zamin of a 100% interest in Amapá. These transactions completed on November 1, 2013. For further information see "Business Description— Significant Transactions and Restructuring".

On August 16, 2013, following extensive consultation with key stakeholders and unions, the Group announced the outcome of its review of the Anglo American Platinum business to create a sustainable, competitive and profitable platinum business for the long term benefit of all stakeholders, see "—Platinum—Strategy and business development".

For further discussion of major divestment transactions see "—Significant Transactions and Restructuring".

HISTORY

Anglo American was incorporated on May 14, 1998 and became a public listed company in May 1999 following the completion of a combination with Anglo American Corporation of South Africa Limited, a public limited company incorporated in South Africa, now known as Anglo American South Africa Limited ("AASA"), and an exchange offer for the shares of Minorco Société Anonyme ("Minorco"). AASA was founded in South Africa in 1917 to exploit gold mining opportunities in the country. In the succeeding decades, AASA became increasingly involved in a wide range of mining and other industries. AASA was involved in pioneering the development of the Zambian Copperbelt, and the successful development of the Zambian copper mines was one of our first major achievements. The successful simultaneous development in the 1950s of five gold mines in South Africa brought AASA to the forefront of the mining industry internationally.

Beginning in the mid-1960s, AASA developed a range of investments in Europe, North America, Australia and South East Asia. We entered into new markets, including the steel industry through the acquisition of Scaw Metals, the timber, pulp and paper industry with the founding of the Mondi Group ("Mondi"), and increased investment in the South African coal industry through the development of a portfolio of eight coal mines and a stake in the Richards Bay Coal Terminal.

By the 1990s, AASA had a wide range of mining, financial and industrial interests both in sub-Saharan Africa and internationally, with the latter largely held through Minorco, which was originally incorporated in the UK in 1928 as Rhodesian Anglo American Limited. The structures of AASA and Minorco had arisen as a result of South Africa's period of political and financial isolation from the international community and had proven increasingly complicated as we sought to develop a focused strategy for the Group. As a result, in 1999, the newly formed Anglo American acquired all the shares of both companies, a combination designed to create focused divisions, to achieve simplicity and transparency of structure and, in the process, to enhance shareholder value.

BUSINESS OVERVIEW

The Group is a global leader in mining, with a loss attributable to equity shareholders of the Company of US$961 million for the year ended December 31, 2013 and a loss of US$1,470 million for the year ended December 31, 2012. Through our subsidiaries, associates and joint operations, we are a global leader in the production of

platinum and diamonds and have significant interests in metallurgical and thermal coal, copper and iron ore and manganese metals.

The Anglo American business segments are:

- ***Iron Ore and Manganese.*** This business segment's iron ore operations are represented in South Africa by a controlling interest of 69.7% in Kumba, a company listed on the Johannesburg Stock Exchange, and in Brazil by a 100% interest in Minas-Rio and a holding in LLX Minas-Rio, which on January 8, 2014 was increased to a 50% interest pursuant to certain contractual provisions related to the partner's change of control which owns the iron ore facility at the port of Açu. The business segment's manganese operations (manganese ore mining and alloy production) are represented in South Africa and Australia by a 40% interest in Samancor, GEMCO and TEMCO, respectively.
- ***Metallurgical Coal.*** This business segment is Australia's second largest metallurgical coal producer and the third largest exporter of metallurgical coal, according to Wood Mackenzie. It operates seven mines, two wholly owned and five in which it has a majority interest. Six of the mines are located towards the east coast of Australia; five are in Queensland's Bowen Basin, and one in the Hunter Valley in New South Wales. The segment's other operating mine is located in the Peace River region in northeast British Columbia, Canada. In addition, the segment has a 100% interest in the Grosvenor project.
- ***Thermal Coal.*** This business segment has operations in South Africa and Colombia. In South Africa, Thermal Coal owns and operates seven mines and has a 50% interest in the Mafube colliery, a 50% interest in the Phola washing plant and a 73% interest in Anglo American Inyosi Coal, which operates the Kriel Colliery, Zibulo and various other projects. This business segment also has a 24.2% interest in the Richards Bay Coal Terminal through which South African export thermal coal is routed. Its Colombian operations are represented by a 33.3% interest in Cerrejón.
- ***Copper.*** We have interests in six copper operations in Chile. The Mantos Blancos and Mantoverde mines are wholly owned and we hold a 50.1% interest in AA Sur, which includes the Los Bronces and El Soldado mines and the Chagres smelter. We also hold a 44% interest in the Collahuasi mine. In Peru, we have an 81.9% interest in the Quellaveco project and we wholly own the Michiquillay project.
- ***Nickel.*** This business segment comprises two ferronickel operations, Barro Alto and Codemin in Brazil. The business segment has two notable but unapproved projects in Brazil: Jacaré and Morro Sem Boné.
- ***Niobium and Phosphates.*** Our wholly owned Niobium business, located in Brazil's Goiás state, accounts for between 8-9% of global production of the metal. The Boa Vista mine produces and exports approximately 4,500 tonnes of niobium per year. Our wholly owned Phosphates business is the second largest phosphate fertilizer producer in Brazil. Its operations are vertically integrated, from the mining of ore to processing into final product.
- ***Platinum.*** Our subsidiary, Anglo American Platinum, a company listed on the Johannesburg Stock Exchange and located in South Africa, is the world's largest primary producer of platinum by production volume and accounts for approximately 40% of the world's newly mined production in 2013 according to management estimates. The Group holds a 78.0% interest in Anglo American Platinum.
- ***Diamonds.*** This business segment has mining operations in Botswana, South Africa, Namibia and Canada through its 85% interest in De Beers. In 2013, De Beers, with its joint venture partners, was responsible for approximately one third of global rough diamond supply by value.
- ***Other Mining and Industrial.*** This business segment includes the non-core businesses comprising the quarry materials and building products companies operating under the Tarmac brand (including Tarmac Middle East and a 50% interest in Lafarge Tarmac joint venture) and, until November 2013, Amapá.

SIGNIFICANT TRANSACTIONS AND RESTRUCTURING

We have recently undertaken significant transactions including:

AA Sur: In November 2011, the Group announced the sale to Mitsubishi Corporation ("Mitsubishi") of a 24.5% interest in AA Sur for cash consideration of US$5.39 billion. In August 2012, the Group announced the sale of a further 25.4% of AA Sur, in addition to certain undeveloped mining tenements to the east of Codelco's Andina mine, to a Codelco/Mitsui & Co., Ltd. ("Mitsui") joint venture company for a cash consideration of US$1.9 billion. See "Business Description—Copper—Disposal of Interests in AA Sur and Settlement with Codelco".

De Beers: On August 16, 2012, the Group completed the acquisition of an additional 40% interest in De Beers from CHL Holdings Limited ("CHL") and Centhold International Limited ("CIL", together with CHL, the "CHL Group"), for a total cash consideration of US$5.2 billion (following adjustment under the relevant agreement). The purchase price was funded from cash on hand. See "Business Description—Diamonds—Acquisition of Shareholding".

Kumba Iron Ore: On July 20, 2012, the Group increased its shareholding in Kumba Iron Ore Limited ("Kumba") by 4.5%, from 65.2% to 69.7%, through the exercise of options acquired in 2011 and 2012, at a total cost of US$948 million.

We have undertaken several other significant transactions since the beginning of 2011, including a number entered into for the purpose of actively restructuring the Group in order to focus on our core businesses. These transactions included:

Atlatsa Resources Corporation (formerly Anooraq Resources Corporation): In 2009, Platinum sold a 51% interest in Bokoni Platinum Mines Proprietary Limited ("Bokoni") and a 1% interest in certain undeveloped projects to Atlatsa Resources Corporation ("Atlatsa") in a BEE transaction. Platinum retained 49% of Bokoni, and in addition acquired an effective 27% interest in Atlatsa as part of the sale consideration. Both Atlatsa and Bokoni are associates of the Group.

Between 2009 and December 2013, Platinum provided Atlatsa and its subsidiaries, including Bokoni, with additional debt and equity funding, and, in 2012, Platinum and Atlatsa agreed to restructure, recapitalize and refinance both Atlatsa and Bokoni. The first phase of the refinancing transaction completed in December 2013, whereby Platinum acquired certain properties from Bokoni and in return the level of debt outstanding from Atlatsa was reduced. A charge of US$37 million was recorded in 2013 within non-operating special items relating to this transaction.

On January 31, 2014, the Group completed the second and final phase of the Atlatsa refinancing plan where, through a series of transactions, the Group converted its unlisted preference share instruments held in a special purpose vehicle for 115.8 million common shares in Atlatsa. These shares were then sold to Pelawan Trust on loan account for ZAR463.2 million. The Group then subscribed for 125 million new Atlatsa common shares for an aggregate subscription price of ZAR750 million. These proceeds were utilized by Atlatsa to reduce the senior loan provided by Rustenburg Platinum Mines Limited.

Pebble project: On September 16, 2013, we withdrew from the Pebble copper project in Alaska. The Group's 50% interest in the project was written-off in full, resulting in a charge of US$311 million, including exit costs.

Tarmac's European and other businesses: In 2011, we completed the sale of our Chinese, Turkish and Romanian aggregates businesses for a total net cash inflow of US$8 million.

Zinc business: In February 2011, we disposed of our Lisheen mine (comprising mining and milling operations) and our 74% interest in Black Mountain Mining (Proprietary) Limited ("Black Mountain") (which holds 100% of the Black Mountain mine and Gamsberg project) for a total net cash inflow of US$499 million.

Scaw Metals: In November 2012, we completed the final stage of the Scaw Metals divestment with the sale of Scaw SA, for a total consideration of US$440 million on a debt- and cash-free basis as announced.

Project Alchemy: During 2011, Anglo American Platinum announced a US$430 million community empowerment transaction aimed at providing equity ownership to mine host communities that had not previously benefited from other broad-based BEE transactions. See "Business Description— Platinum".

Peace River Coal: In August and September 2011, we acquired the remaining 25.2% minority interest in Peace River Coal for total consideration of US$166 million.

Amapá: On January 4, 2013, Anglo American announced that it had reached an agreement to sell its 70% interest in Amapá to Zamin. On March 28, 2013 a major geological event occurred at the Santana port of Amapá, which resulted in the loss of five lives, with a further one person still missing, as well as the loss of the port operation. In light of these circumstances, Anglo American entered into further discussions with its partner Cliffs and Zamin. Anglo American subsequently entered into an agreement with Cliffs to acquire its 30% interest in Amapá and entered into an amended sale agreement with Zamin, to reflect Anglo American's disposal of a 100% interest in Amapá to Zamin.

On November 1, 2013, Anglo American completed the acquisition from Cliffs and simultaneously completed the sale of the 100% interest in Amapá to Zamin for a total initial consideration of approximately

US$134 million, net of certain completion adjustments. In addition, Zamin will pay Anglo American conditional deferred consideration of up to a maximum of US$130 million in total, payable over a five year period and calculated on the basis of the market price for iron ore.

As part of the transaction, Anglo American has assumed responsibility for, and the risks and rewards of certain insurance claims including those relating to the Santana port incident, through the purchase of the claims from Amapá at the full claim value.

See "Business Description— Other Mining and Industrial".

Tarmac Quarry Materials' UK businesses: On January 7, 2013, Anglo American and Lafarge announced the completion of their 50:50 incorporated joint venture which will combine their cement, aggregates, ready-mix concrete, asphalt and asphalt surfacing, maintenance services, and waste services businesses in the UK (excluding Tarmac Building Products). The joint venture company is known as Lafarge Tarmac. Completion of the Lafarge Tarmac joint venture followed final clearance from the UK Competition Commission ("CC"), predicated on the completed sale of a portfolio of Tarmac Quarry Materials and Lafarge UK construction materials operations in the UK, which also occurred on January 7, 2013. On November 14, 2013, Anglo American announced that it had reached an agreement to sell Tarmac Building Products Limited to Lafarge Tarmac.

Palabora Mining Company Limited ("Palabora"): On July 31, 2013, we completed the sale of our 16.8% interest in Palabora in South Africa for ZAR938 million (approximately US$95 million).

Sishen Mine: Significant progress has been made in the progression of the Sishen Western Expansion Project ("SWEP"). Project development remains within budget, and construction activities have been completed. A major milestone in the development of the project was the relocation of the Transnet SOC Ltd's ("Transnet") railway line from its previous position to the west of the current Sishen pit, to the far western extent of Kumba's Sishen Iron Ore Company (Proprietary) Limited ("SIOC") property. The relocation of the railway line was completed in May 2013.

As a consequence of Transnet having previously held the surface rights over the SWEP rail properties, the rail properties were excluded from the Sishen mining right area. SIOC applied to the South African Department of Mineral Reserves ("DMR") to obtain the necessary rights in relation to the rail properties, which were granted by the DMR on February 11, 2014. The granting of the mining right gives SIOC access to approximately 33% of the Sishen reserve included in the SIOC's Life of Mine plan. This portion of the reserve, which had been classified as probable, can now be reclassified as proven. SIOC will accordingly proceed with the implementation of its mining plan and will start waste stripping in the affected area from the second half of 2014.

SIOC Iron Ore Supply Agreement: On November 5, 2013, Kumba announced an agreement (the "Iron Ore Supply Agreement") regulating the sale and purchase of iron ore between ArcelorMittal South Africa Limited ("ArcelorMittal S.A.") and SIOC, effective January 1, 2014. The Iron Ore Supply Agreement settles various disputes between the parties. For further discussion about the Iron Ore Supply Agreement, see "Business Description – Iron Ore and Manganese – SIOC Iron Ore Supply Agreement".

Mining Right Dispute: On March 28, 2013 the Supreme Court of Appeal ("SCA") dismissed the appeals of the DMR and Imperial Crown Trading 289 (Proprietary) Ltd ("ICT") against the decision of the North Gauteng High Court, which, *inter alia*, confirmed that SIOC became the exclusive holder of the mining rights at the Sishen mine in 2008 when the DMR converted SIOC's old order rights, and further set aside the grant of a prospecting right to ICT by the DMR. The SCA held that as a matter of law and as at midnight on April 30, 2009, SIOC became the sole holder of the mining right to iron ore in respect of the Sishen mine, after ArcelorMittal S.A. failed to convert its undivided share of the old order mining right.

Both ICT and the DMR lodged applications for leave to appeal against the SCA ruling to the Constitutional Court. The Constitutional Court hearing was held on September 3, 2013.

On December 12, 2013 the Constitutional Court granted the DMR's appeal in part against the SCA judgment. In a detailed judgment, the Constitutional Court clarified that SIOC, when it lodged its application for conversion of its old order right, converted only the right it held at that time (being a 78.6% undivided share in the Sishen mining right). The Constitutional Court further held that ArcelorMittal S.A. retained the right to lodge its old order right (21.4% undivided share) for conversion before midnight on April 30, 2009, but failed to do so. As a consequence of such failure by ArcelorMittal S.A., the 21.4% undivided right remained available for allocation by the DMR.

The Constitutional Court ruled further that, based on the provisions of the South African Mineral and Petroleum Resources Development Act ("MPRDA"), only SIOC can apply for, and be granted, the residual 21.4% undivided share of the Sishen mining right. The grant of the mining right may be made subject to such conditions considered by the Minister to be appropriate, provided that the proposed conditions are permissible under the MPRDA. SIOC had previously applied for this 21.4%, and continues to account for 100% of what is mined from the reserves at Sishen mine. SIOC has however, in compliance with the Constitutional Court order, submitted a further application to be granted this right.

As a further consequence of this finding, the High Court's ruling setting aside the prospecting right granted by the DMR to ICT also stands.

The findings made by the Constitutional Court are favorable to both SIOC and the DMR. SIOC's position as the only competent applicant for the residual right protects SIOC's interests. The DMR's position as custodian of the mineral resources on behalf of the nation, and the authority of the DMR to allocate rights, has also been ratified by the Court.

Certain of our restructuring transactions in South Africa have been structured with reference to the objectives set forth in the Broad Based Black Economic Empowerment Act 2003 (the "BBBEE Act") and the ownership element component of the Codes of Good Practice that are issued from time to time by the South African Minister of Trade and Industry pursuant to the BBBEE Act. Others have been structured in accordance with the empowerment requirements applicable to entities in the mining sector, as contained in the MPRDA, the Broad Based Socio Economic Empowerment Charter for the South African Mining industry (the "Charter") and the regulations published under the MPRDA. For a discussion of the BBBEE Act, the MPRDA and the Charter, see "Regulation—South Africa".

UNDERLYING OPERATING PROFIT BY SEGMENT

The following table sets forth the Group's underlying operating profit for the periods presented on a segment basis:

	Year ended December 31, 2011[1]	%[1]	Year ended December 31, 2012[1]	%[1]	Year ended December 31, 2013	%
	(US$m unless otherwise stated)					
Subsidiaries[2]						
Iron Ore and Manganese	4,355	39.3	2,908	46.5	2,914	44.0
Metallurgical Coal	982	8.9	294	4.7	2	0.0
Thermal Coal	748	6.7	438	7.0	310	4.7
Copper	2,461	22.2	1,736	27.8	1,739	26.3
Nickel	57	0.5	26	0.4	(44)	(0.7)
Niobium and Phosphates	188	1.7	169	2.7	150	2.3
Platinum	976	8.8	(57)	(0.9)	483	7.3
Diamonds[3]	—	—	225	3.6	1,024	15.4
Other Mining and Industrial	7	0.1	163	2.6	(25)	(0.4)
Corporate Activities and unallocated Costs	15	0.1	(203)	(3.3)	(178)	(2.7)
Exploration	(121)	(1.1)	(206)	(3.3)	(207)	(3.1)
Total	9,668		5,493		6,168	
Equity accounted entities[2]						
Iron Ore and Manganese	165	1.5	103	1.6	205	3.1
Metallurgical Coal	207	1.9	111	1.8	44	0.7
Thermal Coal	482	4.4	355	5.7	231	3.4
Platinum	(86)	(0.8)	(63)	(1.0)	(19)	(0.2)
Diamonds[3]	659	5.9	249	4.0	(21)	(0.2)
Other Mining and Industrial	—	—	5	0.1	12	0.2
Total	1,427		760		452	
Total Group operations including equity accounted entities[2]	11,095	100	6,253	100	6,620	100
Subsidiaries and attributable share of equity accounted entities[2]						
Iron Ore and Manganese	4,520	40.7	3,011	48.1	3,119	47.1
Metallurgical Coal	1,189	10.8	405	6.5	46	0.7
Thermal Coal	1,230	11.1	793	12.7	541	8.2
Copper	2,461	22.2	1,736	27.8	1,739	26.3
Nickel	57	0.5	26	0.4	(44)	(0.7)
Niobium and Phosphates	188	1.7	169	2.7	150	2.3
Platinum	890	8.0	(120)	(1.9)	464	7.0
Diamonds[3]	659	5.9	474	7.6	1,003	15.2
Other Mining and Industrial	7	0.1	168	2.7	(13)	(0.2)
Corporate Activities and Unallocated Costs	15	0.1	(203)	(3.3)	(178)	(2.7)
Exploration	(121)	(1.1)	(206)	(3.3)	(207)	(3.1)
Total Group operations including equity accounted entities[2]	11,095	100	6,253	100	6,620	100

(1) Changes in accounting policy relating to IAS 19R, IFRIC 20 and IFRS 11, resulted in the restatement of financial results for the year ended December 31, 2012. See "Presentation of Financial Information" for more detail. The financial results for the year ended December 31, 2011 included in this document have not been restated. The impact of the restatements on the financial results for the year ended December 31, 2012 is shown in note 41 of the Group 2013 Consolidated Financial Statements, which are incorporated by reference into this document.

(2) In the year ended December 31, 2011, "Subsidiaries" included joint arrangements, which were all proportionately consolidated and "Equity accounted entities" included only associates. For the years ended December 31, 2012 and 2013, joint arrangements are classified as either joint operations, which remain proportionately consolidated and are included in "Subsidiaries", or joint ventures, which are equity accounted.

(3) As of completion of the acquisition of an additional 40% interest in De Beers in August 2012, De Beers became a subsidiary of the Company and is fully consolidated for financial reporting purposes. Prior to completion of this acquisition, De Beers was an associate of the Company and, as such, was accounted for in the consolidated financial statements of the Group using the equity method of accounting.

The above tables present equity accounted entities (associates and joint ventures) separately from subsidiaries.

- Associates are investments over which the Group is in a position to exercise significant influence, but not control or joint control, through participation in the financial and operating policy decisions of the investee. Typically the Group owns between 20% and 50% of the voting equity of associates. The financial results of associates are accounted for in the consolidated financial statements of the Group using the equity method of accounting.

- Under IFRS 11, a joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. This definition of a joint venture applies to the years ended December 31, 2012 and 2013 in the above tables.

The following table sets forth the Group's operating profit on a total Group basis (before special items and remeasurements) by geography, allocated by location of our operations, for the periods presented:

	Year ended December 31,					
	2011[1]	%[1]	2012[1]	%[1]	2013	%
	(US$m unless otherwise stated)					
Subsidiaries and attributable share of equity accounted entities[2]						
South Africa	6,059	54.6	3,374	53.9	4,189	63.3
Other Africa	501	4.5	437	7.0	532	8.0
South America	3,245	29.3	2,417	38.7	2,109	31.9
Australia and Asia	1,318	11.9	465	7.4	238	3.5
North America	256	2.3	(138)	(2.2)	(129)	(1.9)
Europe	(284)	(2.6)	(302)	(4.8)	(319)	(4.8)
Total	11,095	100	6,253	100	6,620	100

(1) Changes in accounting policy relating to IAS 19R, IFRIC 20 and IFRS 11, resulted in the restatement of financial results for the year ended December 31, 2012. See "Presentation of Financial Information" for more detail. The financial results for the year ended December 31, 2011 included in this document have not been restated. The impact of the restatements on the financial results for the year ended December 31, 2012 is shown in note 41 of the Group 2013 Consolidated Financial Statements, which are incorporated by reference into this document.

(2) For the years ended December 31, 2012 and 2013, associates and joint ventures were accounted for using equity method accounting. For all other periods, only associates were accounted for using the equity method.

For a description of the average market prices for certain of our key commodities, see "Operating and Financial Review — Overview — Factors Affecting Results of Operations — Commodity prices".

BUSINESS DESCRIPTION BY SEGMENT

This section provides background information, an industry overview and information related to strategy and business development for each segment.

IRON ORE AND MANGANESE

The Iron Ore and Manganese segment comprises the Kumba and Iron Ore Brazil business units, and our 40% associate interest in Samancor. The business segment is represented in South Africa by a 69.7% shareholding in Kumba and in Brazil by Iron Ore Brazil which has a 100% interest in Minas-Rio and a holding in LLX Minas-Rio, which on January 8, 2014 was increased to a 50% interest pursuant to certain contractual provisions related to the partner's change of control, which owns the iron ore facility at the port of Açu (currently under construction) from which iron ore from Minas-Rio will be exported. Its Manganese operations are represented by a 40% shareholding in Samancor.

Kumba. Kumba which is listed on the Johannesburg Stock Exchange, produces a leading quality lump ore and also produces premium fine ore, in a lump-to-fine ratio of 63:37. Kumba holds a 73.9% interest in and manages SIOC which, in turn, has three mining operations:

- Sishen mine in the Northern Cape Province, which produced 30.9 million tons (Mt) of iron ore in 2013;

- Kolomela mine, situated close to Sishen mine, which produced 10.8 Mt in 2013; and

- Thabazimbi mine in Limpopo Province, with an output of 0.6 Mt in 2013.

Export ore is transported via the Sishen/Kolomela-Saldanha iron ore export channel to the Port of Saldanha Bay. The rail and port operations are owned and operated by the South African state-owned company, Transnet Freight Rail.

Kumba is well positioned to supply the growing Asia-Pacific and European steel markets. In 2013, the company exported 89% of its total iron ore sales volumes of 43.7 Mt, with 68% of these exports destined for China and the remainder for Japan, South Korea and Europe.

Iron Ore Brazil. In Brazil, we are developing the Minas-Rio project (composed of Iron Ore Brazil's 100% share in Anglo American Minerío de Ferro Brasil S.A., and its holding in LLX Minas-Rio, which on January 8, 2014 was increased to a 50% interest pursuant to certain contractual provisions related to the partner's change of control, which owns the iron ore facility currently under construction at the port of Açu). The project is located in the states of Minas Gerais and Rio de Janeiro and will include an open pit mine and beneficiation plant in Minas Gerais, producing high grade pellet feed. The ore will be transported through a 525 kilometer slurry pipeline to the port of Açu in Rio de Janeiro state. The current mine plan is to produce 26.5 Mtpa (wet basis) of saleable product for 28 years, at an average quality of 67.5% Fe, with the potential to increase to 29.8 Mtpa following asset optimization.

Samancor. Our manganese interests consist of a 40% shareholding in Samancor Holdings, which owns Hotazel Manganese Mines and Metalloys, both in South Africa, and a 40% shareholding in each of the Australian-based operations; Groote Eylandt Mining Company ("GEMCO") and Tasmanian Electro Metallurgical Company ("TEMCO"), with BHP Billiton owning 60% and having management control. Samancor is the world's largest producer of manganese ore and is among the top global producers of manganese alloy. Its operations produce a combination of ores and alloys from sites in South Africa and Australia.

Industry Overview

Iron ore. Global demand for iron ore is linked primarily to the state of the global steel industry and, more specifically, to the steel manufacturing sector in China. The country is the largest steel producer and consumer in the world and accounts for more than two-thirds of global seaborne iron ore imports.

The global steel and iron ore markets have generally been stable in 2013. An increase in global steel production of 3% to 1,582 Mt (2012: 1,529 Mt), supported demand for iron ore. Sustained government infrastructure spend in East Asia, as well as steel mill restocking prior to the winter season, contributed to this increase. China, the largest producer of steel worldwide, increased its production by 7% in 2013 to 779 Mt (2012: 731 Mt). Growth in Japan and Korea was also above expectations, and Europe has stabilized during 2013, which supported global demand.

Seaborne iron ore supplies increased by 10% in 2013 to 1,324 Mt (2012: 1,208 Mt), as the increase from Australia more than compensated for lower supplies from India and flat exports from Brazil.

Iron ore prices in 2013 were strong and averaged 4% higher at US$135/t (Platts 62% Fe CFR China) (2012: US$130/t). Index prices reached a high of US$160/t in February 2013, but fell to a low of US$110/t in May 2013, before stabilizing at around US$135/t towards the end of the year. Kumba's pricing mechanism continued to evolve with prices in China now mostly based on index values around the discharge date. In other markets, we largely continue to use a quarterly pricing mechanism.

Global crude steel production remained flat in 2012 at 1,529 Mt (2011: 1,526 Mt). An increase in crude steel output in China of around 5% to 731 Mt (2011: 695 Mt), was offset by fairly flat crude steel output in the rest of the world. Seaborne iron ore supplies were subject to adverse weather conditions in both Brazil and Australia in the first quarter of 2012, and ongoing Indian supply disruptions following the ban on iron ore mining in Goa.

Considerable price volatility marked 2012, especially during the third quarter when prices fell by as much as 36%, as Chinese steel mills depleted stockpiles and reduced raw material inventory levels to as little as 17 days' worth of production requirements. Iron ore prices reached a high of US$151/t (62% Fe CFR China) in April 2012, but fell to a low of US$89/t in early September, before stabilizing at around US$130/t towards the end of the year. The market recovered at the end of 2012, with steel mills returning to the market, which was reflected in a marked increase in index iron ore prices. Overall, index prices averaged US$130/t (CFR 62% Fe Platts) in 2012, 23% lower than the US$169/t average achieved in 2011.

Manganese. Manganese alloy is a key input into the steelmaking process. Manganese high-grade ore is particularly valuable to alloy producers because it is proportionately more efficient than low-grade ore in the alloying process. The recovery in manganese ore prices continued into 2013. However muted demand is expected to limit the rate and extent of the recovery in the near term.

In 2012, a general over-supply in the industry as a result of a continued slowdown in steel production and high stock levels in China weighed heavily on ore and alloy prices.

In 2011, manganese prices were under considerable downward pressure, particularly in the second half of the year, as a result of over-supply in the market due to a slowdown in steel production and a build-up of port inventories in China.

Strategy and Business Development

Anglo American's strategy is to supply premium iron ore products against a background of declining quality global iron ore supplies. We have a unique iron ore resource profile, with extensive, high quality resource bases in South Africa and Brazil.

Kumba seeks to maximize total shareholder value by enhancing the value of its current operations through the optimization of its processes and business improvement programs. Kumba captures value across the value chain through its commercial and logistics strategies and by executing its growth projects efficiently, while continuing to deliver on its organizational responsibilities, capabilities and societal obligations. The company plans to grow its business organically in the short to medium term within the present logistical constraints and, in the longer term, evaluating the possibility of establishing a footprint in West and Central Africa.

We anticipate that Minas-Rio will capture a significant part of the pellet feed market, with its premium product featuring high iron content and low contaminants. By the end of 2013, the project was 84% complete and it is expected to produce 26.5 Mtpa and begin its ramp up at the end of 2014. Attributable capital expenditure for the Minas-Rio project is US$8.8 billion, with cash unit costs in a competitive position in the lower half of the global seaborne iron ore cost curve. Capital expenditure is anticipated to peak in 2014, but will decrease through to 2016.

At the Sishen, the mine pit is currently constrained, resulting in insufficient exposed ore. A production recovery plan to address the current pit constraints and a longer term operational optimization strategy are being implemented.

SIOC Iron Ore Supply Agreement

The dispute between SIOC and ArcelorMittal S.A. regarding the contract mining agreement was referred to arbitration in 2010. In December 2011 the parties agreed to delay the arbitration proceedings until the final resolution of the mining rights dispute.

Interim Pricing Agreements were implemented to December 31, 2013, pending resolution of the dispute.

In November 2013 SIOC and ArcelorMittal S.A. entered into a new Supply Agreement regulating the sale and purchase of iron ore between the parties which became effective from January 1, 2014. This agreement, subject to certain express conditions, is contemplated to endure until the end of Life of Mine for the Sishen mine.

The conclusion of this agreement settled the arbitration and the various other disputes between the companies.

Following the Constitutional Court ruling, the sale of iron ore from SIOC to ArcelorMittal S.A. will remain regulated by the recently concluded Supply Agreement.

Mining Right Dispute

On March 28, 2013, the Supreme Court of Appeal ("SCA") dismissed the appeals of the DMR and Imperial Crown Trading 289 (Proprietary) Ltd ("ICT") against the decision of the North Gauteng High Court, which, inter alia, confirmed that SIOC became the exclusive holder of the mining rights at the Sishen mine in 2008 when the DMR converted SIOC's old order rights, and further set aside the grant of a prospecting right to ICT by the DMR. The SCA held that as a matter of law and as at midnight on April 30, 2009, SIOC became the sole holder of the mining right to iron ore in respect of the Sishen mine, after ArcelorMittal S.A. failed to convert its undivided share of the old order mining right.

Both ICT and the DMR lodged applications for leave to appeal against the SCA ruling to the Constitutional Court. The Constitutional Court hearing was held on September 3, 2013.

On December 12, 2013 the Constitutional Court granted the DMR's appeal in part against the SCA judgment. In a detailed judgment, the Constitutional Court clarified that SIOC, when it lodged its application for conversion of its old order right, converted only the right it held at that time (being a 78.6% undivided share in the Sishen mining right). The Constitutional Court further held that ArcelorMittal S.A. retained the right to lodge its old order right (21.4% undivided share) for conversion before midnight on April 30, 2009, but failed to do so. As a consequence of such failure by ArcelorMittal S.A., the 21.4% undivided right remained available for allocation by the DMR.

The Constitutional Court ruled further that, based on the provisions of the MPRDA, only SIOC can apply for, and be granted, the residual 21.4% undivided share of the Sishen mining right. The grant of the mining right may be made subject to such conditions considered by the Minister to be appropriate, provided that the proposed conditions are permissible under the MPRDA. SIOC had previously applied for this 21.4%, and continues to account for 100% of what is mined from the reserves at Sishen mine. SIOC has however, in compliance with the Constitutional Court order, submitted a further application to be granted this right.

As a further consequence of this finding, the High Court's ruling setting aside the prospecting right granted by the DMR to ICT also stands.

The findings made by the Constitutional Court are favorable to both SIOC and the DMR. SIOC's position as the only competent applicant for the residual right protects SIOC's interests. The DMR's position as custodian of the mineral resources on behalf of the nation, and the authority of the DMR to allocate rights, has also been ratified by the Court.

METALLURGICAL COAL

Anglo American is Australia's second largest metallurgical coal producer and is the third largest global exporter of metallurgical coal. Metallurgical Coal's mines produce both high quality metallurgical coal used for steel production and thermal coal used for power generation and industrial applications.

Metallurgical Coal operates six mines in Australia and one mine, Peace River Coal, in British Columbia, Canada. Its coal operations in Australia are based on the east coast, from where the business serves a range of customers throughout Asia and the Indian sub-continent, Europe and South America. Our operation in Canada mainly serves customers in Europe, Japan and South America.

In Australia there is one wholly owned mine, and five in which Metallurgical Coal has a majority interest. Five of the mines are located in Queensland's Bowen Basin: Moranbah North (metallurgical coal), Capcoal (metallurgical and thermal coal), Foxleigh (metallurgical coal), Dawson (metallurgical and thermal coal) and Callide (thermal coal). Drayton mine (thermal coal) is in the Hunter Valley, New South Wales. All of the mines are in well-established locations and have direct access to rail and port facilities at Dalrymple Bay and Gladstone in Queensland and Newcastle in New South Wales.

Moranbah North (88%) is an underground longwall mining operation with a mining lease covering 100 square kilometers. Coal is mined from the Goonyella Middle Seam, approximately 200 meters below the surface. In 2013, with two planned longwall moves, the mine produced 4.9 Mt of hard coking coal.

Capcoal (70%) operates an underground and an open cut mine, with a second underground mine put into care and maintenance in July 2013. Capcoal produced 6.1 Mt of hard coking, pulverized coal injection ("PCI") and thermal coals in 2013.

Dawson (51%) is an open cut operation, which produced 4.0 Mt of coking and thermal coals in 2013.

Foxleigh (70%) is an open cut operation, with output of 2.0 Mt of high quality PCI coal in 2013.

The Callide mine (100%) primarily supplies domestic power stations in Queensland and 6.3 Mt of thermal coal in 2013.

Peace River Coal (100%) is an open cut metallurgical coal mine in British Columbia, Canada, which produced 1.7 Mt of metallurgical coal in 2013, an increase of 22% over the prior year.

Metallurgical Coal owns an effective 23% interest in the Jellinbah and Lake Vermont mines in Queensland, Australia, with combined (attributable) production of 2.5 Mt of coking, PCI and thermal coals in 2013.

Export metallurgical coal production increased by 6% to a record 18.7 Mt, while export thermal coal production increased 4% to 6.3 Mt. Production improved by 30% at the underground operations owing to a significant step-change in performance over the period from July 1, 2012 to December 31, 2013. Production at the open cut operations decreased by 5%, mainly as a result of excessive rainfall causing flooding and rail disruptions in the first quarter, and planned capacity reductions.

In 2012, export metallurgical coal production increased by 24% to 17.7 Mt, with record production in the second half, and the full year, while thermal coal production was in line with the prior year at 13.0 Mt. Production improved at both underground and open cut operations over the prior year by 29% and 22% respectively, with record run of mine production achieved at all of the export open cut operations. Increased production was driven by asset optimization programs and a reduction in rain-related stoppages, supported by rain mitigation initiatives implemented during 2011.

In 2011, Metallurgical Coal's mines produced 14.2 Mt (attributable) of metallurgical coal, all for export, and 13.4 Mt (attributable) of thermal coal, of which 46% was for export.

Industry Overview

Metallurgical coal, composed of coking coal and PCI coal, is an essential raw material in blast-furnace steel production, which represents approximately 74% of global crude steel output.

Global metallurgical coal supply amounts to approximately 1.1 billion tonnes per year. China is the biggest consumer of metallurgical coal, with total consumption of approximately 754 Mt in 2013. Owing to its large domestic metallurgical coal production, China only needs to import about 10%, or 74 Mt, of its total metallurgical coal requirement. This, however, represents a significant portion (26%) of the total global seaborne metallurgical coal market.

In 2013, the international seaborne metallurgical coal market totaled around 285 Mt, the major consuming regions being China, Japan, Europe, India, South Korea, Brazil and Taiwan. On average, Australia supplies roughly 60% of the seaborne metallurgical coal market.

Australian metallurgical coal production continued at record levels in the second half of 2013, with seaborne exports reaching an all-time high of 16.6 Mt in October 2013 (196 Mt annualized), and totaling 169.7 Mt for the year (2012: 144.5 Mt). This increased production, combined with sustained high export levels from the US and Canada, created an oversupply of seaborne metallurgical coal for the year.

Quarterly benchmark prices for seaborne metallurgical coal dropped sharply in the latter half of the year, reaching a four-year low of US$145/tonne in the third quarter. The average 2013 quarterly price fell by 24% to US$159/tonne from the 2012 average of US$210/tonne.

Metallurgical coal contracts are predominantly priced on a quarterly basis relative to the market benchmark price, with a growing proportion being priced on a monthly or index basis.

In September 2012, the Queensland State Government announced a royalty rate increase which equates to a 22% increase on the royalty rate payable per tonne of coal sold for US$200/t or more, which took effect from October 1, 2012.

Strategy and Business Development

Emerging markets, particularly in the Asia-Pacific region, are expected to remain the driving force behind metallurgical coal demand owing to their continuing need for steel for infrastructure, housing and consumer goods. Metallurgical Coal's strategy is to increase the value of the business by optimizing existing operations and investing in growth projects in the supply regions best placed to produce the high-margin export metallurgical coals sought by its customers. In order to implement this strategy:

- A structured program of business improvement has been designed to deliver industry-best operational performance over the existing asset base, targeting longwall performance at the underground operations and key equipment at the open cut mines;
- Metallurgical Coal continues to progress its attractive organic growth pipeline in Australia and Canada, which has the potential to increase hard coking coal production in line with growing market demand.

To assist in mitigating the emissions that may contribute to climate change and reduce exposure to the carbon pricing mechanism, Metallurgical Coal has expanded the German Creek Power Station by more than 12 MW per annum and, in doing so, reduced CO2e emissions by capturing methane that would otherwise be vented, and producing electricity. Metallurgical Coal has also implemented a number of business improvement projects that improve heavy mining equipment efficiency in order to reduce fuel usage.

Water management and mine rehabilitation remain important areas of environmental focus for Metallurgical Coal. Climate variability in the regions in which Metallurgical Coal operates requires water management strategies that are equally effective in periods of flood and drought. Metallurgical Coal's rehabilitation strategy requires disciplined management of disturbed land and the development of mine closure plans.

In August and September 2011, Metallurgical Coal acquired the remaining 25.2% interest in Peace River Coal for total consideration of US$166 million.

See "Operating and Financial Review" for further information.

THERMAL COAL

Our Thermal Coal business operates in South Africa and Colombia. In South Africa, Thermal Coal wholly owns and operates seven mines. It also has a 73% stake in Anglo American Inyosi Coal ("AAIC"), a broad-based black economic empowerment entity. AAIC wholly owns two mines, Kriel and Zibulo colliery, and has a 50% interest in the Phola washing plant, a joint operation with BHP Billiton. In addition, Thermal Coal has a 50% interest in the Mafube colliery, a joint operation with Exxaro.

The South African mines supply both the export and domestic markets, delivering thermal coal domestically to Eskom, the state-owned power utility and Sasol, a coal-to liquids producer. Exports are currently routed through the Richards Bay Coal Terminal ("RBCT"), in which Thermal Coal has a 24.2% shareholding, to customers throughout the Atlantic, Mediterranean and Asia-Pacific regions.

In Colombia, Anglo American, BHP Billiton and GlencoreXstrata each have a one-third shareholding in Cerrejón, the country's largest thermal coal exporter. In 2011, an expansion (P40 project) was approved to increase this capacity by 8 Mtpa to 40 Mtpa by 2015 (13.3 Mtpa attributable). Cerrejón owns and operates its own rail and deep water port facilities and sells into the export thermal and pulverized coal injection markets.

Industry Overview

Coal is the world's most abundant source of fossil fuel energy. Exceeding known reserves of oil and gas, it accounts for approximately 41% of global electricity generation. Thermal coal is a significant component of global energy consumption, accounting for an estimated 29% of primary energy demand in 2012.

The bulk of coal production is used in power generation; decisions that affect the energy mix of power generation therefore influence coal demand. These include long term industry dynamics for nuclear, gas and renewable power generation and policy decisions on climate and environmental legislation.

In 2013, export seaborne thermal coal accounted for approximately 961 Mt. In 2012, export seaborne thermal coal accounted for 12% of global coal demand, with a large proportion of production coming from four key basins: Indonesia, Australia, Colombia and South Africa. Demand for seaborne traded thermal coal has increased by 53% since 2008, and is expected to continue to grow over the long term, driven by India and China's growing reliance on imported thermal coal. The IEA World Energy Outlook 2013 forecasts coal consumption for electricity generation to grow by 1.2% per year (cumulative annual average growth rate) under its New Policies Scenario from 2011 to 2035, with growth slowing after 2020 due to the effect of environmental regulation.

In developed economies, demand is expected to steadily decline as environmental regulation hastens the retirement of older coal-fired power stations and reduces the incentive for new coal-fired capacity. The major risks to the medium term growth of export seaborne thermal coal revolve around the ability of India and China to sustain their rates of economic growth, as well as logistical constraints and cost-inflation pressures.

US thermal coal continues to be exported into the seaborne market; recent increases in US natural gas prices have resulted in an improvement in the competitiveness of coal within the US domestic market, thereby helping to reduce the supply overhang that had developed in the thermal coal market in 2012.

International seaborne demand grew by 7% in 2013, to 961 Mt. However the supply response to date has kept pace with demand. In 2013, the international thermal coal seaborne market remained in oversupply, despite supply disruptions, including due to industrial action in Colombia. This has kept prices suppressed and discouraged investment.

Thermal coal prices generally continued their declining trend over the course of 2013, although with some volatility. Delivered prices into Europe (API2) fell below US$75/tonne in June, their lowest in three years, before regaining some lost ground with a fourth quarter average price of US$84.3/tonne. The average API2 price index was US$81.5/tonne for the year. The average API4 (FOB, Richards Bay) index price also fell below US$75/tonne in June, while the average for the year fell by approximately 14% to US$80/tonne (2012: US$93/tonne).

Generally, the lower prices have forced producers to seek productivity gains and ramp up volumes in order to reduce unit costs. In conjunction with newly commissioned infrastructure projects, this has resulted in strong supply-side performance from various export countries. Depreciation of the Australian dollar and South African rand, which declined by 6% and 18% respectively against the US dollar in 2013, provided some relief for producers.

In 2013, Asia accounted for 75% of South African thermal coal shipments, 3% lower than 2012. South African thermal coal shipments out of RBCT reached a record high of 70.2 Mt, an increase of 3% over the prior year (2012: 68.3 Mt), bolstered by Transnet Freight Rail ("TFR")'s improved performance. TFR also had a record calendar year with 70.5 Mt railed to RBCT, a 3% improvement over 2012 (68.5 Mt).

Strategy and Business Development

Anglo American Thermal Coal's strategic vision is to be a safe, high margin, thermal coal producer with a global footprint that participates in the most attractive seaborne thermal coal markets, while maintaining its domestic market commitments.

Thermal coal demand is being driven by Asian economic growth and its reliance on low-cost, readily available supply. Although the export thermal coal market is currently in oversupply, it is expected to recover in the medium term as sustained lower pricing begins to erode high-cost supply and as demand recovers. In South Africa, demand for new coal supply is increasing and is expected to continue to grow in order to supply Eskom's future coal requirements for its existing and future power stations.

To maximize its asset value, Thermal Coal has implemented various business improvement initiatives based on understanding benchmark performance and aimed at driving value within its portfolio of operating mines.

The business improvement initiatives collectively form Project Khulisa, designed to grow to full potential, and to realize Thermal Coal's full production and profit potential and implement cross-mine programs to achieve these targets. Project Khulisa continued in 2013, and its targets are entrenched in Thermal Coal's business processes. Thermal Coal also realized significant value by implementing an integrated mine planning process through an Enterprise Value Optimization project, ensuring the highest possible margin is achieved given the available rail capacity, based on recent and expected TFR performance, market demand for varying coal products and price.

In South Africa, the 11 Mtpa New Largo project is in feasibility phase and engagement with Eskom to finalize the coal supply agreement continues. The project is expected to be presented for board approval once the necessary permits have been obtained and the coal supply agreement concluded. The Cerrejón expansion project (P40), to increase the port and logistics chain capacity to handle a total mine output of 40 Mtpa (an additional 8.0 Mtpa), is progressing on schedule and budget.

Feasibility studies on the New Largo project were completed in 2012. There are two stages to the project: Stage 1 comprises a 23 kilometer overland conveyor, which will run from an existing coal processing plant to Eskom's Kusile power station, transporting a secondary product as well as other third-party coal. Stage 2 entails the construction of a new opencast colliery and associated infrastructure. The New Largo Mining Right Application was granted in August 2013, Anglo American awaits execution of the mining right.

See "Operating and Financial Review" for further information.

COPPER

We have interests in six copper operations in Chile. The Mantos Blancos and Mantoverde mines are wholly owned and we hold a 50.1% interest in AA Sur, which includes the Los Bronces and El Soldado mines and the Chagres smelter. We also hold a 44% shareholding in the Collahuasi mine. The mines produce a combination of copper in concentrate and copper cathodes together with associated by-products such as molybdenum and silver. In Peru, we have an 81.9% interest in the Quellaveco project, and we wholly own the Michiquillay project. In October 2011, Codelco notified us that it intended, in January 2012, to exercise an option to acquire 49% of AA Sur, which held a 100% interest in the Los Bronces, El Soldado and Chagres operations. In November 2011, the Group completed the sale to Mitsubishi of a 24.5% interest in AA Sur for cash consideration of US$5.39 billion. In August 2012, the Group agreed to transfer a further 25.4% of AA Sur, in addition to certain undeveloped mining tenements to the east of Codelco's Andina mine, to a Codelco/Mitsui joint venture company for a cash consideration of US$1.9 billion. See "— Disposal of Interests in AA Sur and Settlement with Codelco".

Industry Overview

Copper's principal use is in the wire and cable markets because of the metal's electrical conductivity and corrosion resistance. Applications that make use of copper's electrical conductivity, such as wire (including the wiring used in buildings), cables and electrical connectors, make up approximately 60% of total global demand. The metal's corrosion-resistant properties find numerous applications in the construction industry, particularly plumbing pipe and roof sheeting, which accounts for a further 20% of demand. Copper's thermal conductivity also makes it suitable for use in heat-transfer applications such as air conditioning and refrigeration, which constitute some 10% of total demand. Other applications include structural and aesthetic uses.

Access to quality ore bodies, located in regions providing stable political, social and regulatory support for responsible and sustainable mining, is likely to continue to be the key factor distinguishing project returns and mine profitability. Such ore bodies are scarce, however, and it will be increasingly necessary for mining companies to develop assets in more challenging environments.

With no fundamental technological shifts expected in the short to medium term, forecast long term demand is likely to be underpinned by growth in copper's electrical uses, particularly wire and cable in construction, automobiles and electricity infrastructure. The key growth area will continue to be the developing world, led by China and, in the longer term, other Asian economies including India, where industrialization and urbanization on a large scale continue to propel copper demand growth. The intensity of copper consumption is still at a high level in the case of China, while in India it is on an upward trajectory. This is in contrast with the advanced economies and their much lower levels of intensity.

In spite of near term supply growth that may well be higher than that of the past six or seven years, constraints on the supply side are likely to prove a structural feature of the market. Such constraints will be driven by continuing declines in ore grades at maturing existing operations, a lack of capital investment and under-exploration in new projects, as well as political and environmental challenges in many current and prospective copper areas.

The industry is capital-intensive and is likely to become more so as high grade surface deposits are exhausted and deeper and/or lower grade deposits are developed in more challenging locations. Combined with the need to develop infrastructure in new geographies, greater economies of scale will be required if mines are to be commercially viable. Scarcity of water in some countries, such as Chile and Peru, are also likely to necessitate the construction of capital- and energy-intensive desalination plants.

During the period 2000–2012, China increased its share of first-use refined metal consumption from 12% to an estimated 41%. Demand growth there continued to increase in 2013 faster than in the rest of the world, so that China's share of refined demand is expected to reach 43%.

The copper price rose at the start of 2013 to a high of 374 c/lb, buoyed by Chinese buying ahead of the Lunar New Year and a temporary resolution to the fiscal stalemate in the United States. Underwhelming macro-economic data releases and a sharp rise in LME inventories followed, which resulted in prices retreating to 301 c/lb by the end of June. A hot summer in China, increasing financial demand and tightness in the scrap market then underpinned a modest recovery. However, strong mine supply and surging concentrate imports began to weigh on sentiment by November, with prices falling back to 314 c/lb, before ending the year at 335 c/lb. For the full year, the realized price averaged 326 c/lb, a decrease of 10% compared with 2012. This included a negative provisional price adjustment of US$92 million versus a positive adjustment of US$47 million for 2012.

Strategy and Business Development

Copper's strategy is to generate industry-leading returns by safely and sustainably creating value for all stakeholders through operational excellence, disciplined growth and an optimized portfolio. The business continues to explore for low operating cost and long life development opportunities and to evaluate the longer term project options in its portfolio, including Quellaveco and the Los Bronces District.

On August 24, 2012, Anglo American completed the disposal of 25.4% of AA Sur to a Codelco/ Mitsui joint venture company for a cash consideration of US$1.9 billion. As part of this transaction, all litigation between Anglo American and Codelco has been terminated. We remain fully committed to our major inward investment program in the Chilean business and to continuing our significant social and community investment commitments in Chile.

In December 2013, Anglo American concluded its exit from Pebble copper project in Alaska. As a result, the investment in Pebble was written off in full, resulting in a charge of US$311 million, including exit costs.

Disposal of Interests in AA Sur and Settlement with Codelco

Under an agreement inherited by Anglo American when it acquired AA Sur, Codelco, the Chilean state copper company, was granted the right, subject to certain conditions and limitations, to acquire up to a 49% interest in AA Sur. The right to exercise the option was restricted to a window that occurred once every three years in the month of January until January 2027. The previous option exercise window was in January 2009.

Further, Anglo American had a right to sell up to 100% of its interest in AA Sur to a third party at any time prior to the exercise of the option, which would correspondingly reduce any value attributed to the option during the non-exercise period.

On October 12, 2011, Codelco announced its intention to exercise its option to acquire 49% of AA Sur from the Group and the terms of various agreements with Mitsui, under which Mitsui would provide financing for the exercise of the option and would acquire half of the interest in AA Sur to be acquired by Codelco in the exercise. This announcement, and in particular the price at which Mitsui would acquire the interest in AA Sur from Codelco, highlighted the value of AA Sur and encouraged us to begin contacting third parties with an interest in acquiring a minority interest in AA Sur. As part of this process, in the second half of October 2011, Anglo American entered into discussions with Mitsubishi in respect of the sale to Mitsubishi of an interest in AA Sur, and on November 9,

2011, the Group completed the sale to Mitsubishi of a 24.5% interest in AA Sur for cash consideration of US$5.39 billion, as it was entitled to do under the option agreement. The sale reduced the Group's interest in AA Sur from 100% to 75.5%. Following the announcement of this sale, Codelco filed a constitutional action with the Court of Appeals of Santiago and obtained an injunction preventing us from selling any additional shares of AA Sur. This injunction remained in effect until Codelco withdrew the constitutional action on January 10, 2012, prior to the Court's final judgment on the merits.

On August 23, 2012, Anglo American and Codelco announced an agreement in relation to AA Sur.

Anglo American and Codelco, with assistance from their respective partners, Mitsubishi and Mitsui, and within the conciliation proceeding provided for by the 14th Civil Court of Santiago, settled their respective claims in relation to the AA Sur option agreement as a result of extensive discussion and the conclusion that all parties have acted in good faith and without wrongdoing in connection with the settled claims.

Under this agreement, Anglo American will retain control of AA Sur, reducing its 75.5% shareholding to 50.1%. A Codelco /Mitsui joint venture company controlled by Codelco ("the Codelco/Mitsui joint venture") will acquire a 29.5% interest in AA Sur through the following two transactions:

- a 24.5% shareholding in AA Sur for net cash consideration of US$1.7 billion, representing a consideration of US$1.8 billion, adjusted for dividends paid in relation to the shareholding since January 1, 2012. As part of this transaction, the shareholders in AA Sur have also agreed to effect the transfer from AA Sur to Codelco of certain undeveloped mining tenements to the east of Codelco's Andina mine which are expected to offer significant synergies and value to Codelco, while being of nominal commercial value to AA Sur; and
- a 5% shareholding in AA Sur (comprising 0.9% from Anglo American and 4.1% from Mitsubishi) for total cash consideration of US$1.1 billion. The Codelco/Mitsui joint venture's acquisition of the 4.1% shareholding occurred on September 14, 2012, after receipt of clearance by competition authorities in Brazil. Pending such clearance, Anglo American acquired from Mitsubishi a 4.1% shareholding in AA Sur for cash consideration of approximately US$890 million and, upon clearance, on-sold that 4.1% shareholding in AA Sur to the Codelco/Mitsui joint venture for cash consideration of approximately US$890 million. Following consummation of the on-sale by Anglo American of Mitsubishi's 4.1% shareholding to the Codelco/Mitsui joint venture, Anglo American holds a 50.1% shareholding in AA Sur and Mitsubishi holds a 20.4% shareholding in AA Sur. In consideration for Mitsubishi's participation in the transaction, Anglo American paid a fee of US$40 million to Mitsubishi.

The transactions were settled in cash and Anglo American intends to use the proceeds for general corporate purposes.

The shareholders in AA Sur have executed a Shareholders' Agreement, which provides a framework for the ongoing governance of AA Sur, confirms Anglo American's ability to control the company, and provides for board representation and participation in certain decisions for the Codelco/Mitsui joint venture and for Mitsubishi.

Completion of the transactions was subject to the injunction being lifted by the 14th Civil Court of Santiago. Completion of the Codelco/Mitsui joint venture's acquisition of the 24.5% and 0.9% shareholdings in AA Sur took place following the receipt of an order terminating the injunction, on August 24, 2012. Completion of the Codelco/Mitsui joint venture's acquisition of a 4.1% shareholding in AA Sur occurred on September 14, 2012, after receipt of clearance by competition authorities in Brazil.

NICKEL

Our Nickel business unit comprises two Brazilian operating assets: Barro Alto and Codemin, both ferronickel producers in the state of Goiás. Within the portfolio there are also two promising growth projects, Jacaré and Morro Sem Boné, both laterite deposits which are also located in Brazil.

In Venezuela, operations at MLdN ceased permanently in November 2012.

Industry Overview

Nickel demand is closely linked to that of the stainless steel industry, which consumes two-thirds of the metal and virtually all ferronickel production. Nickel used in the manufacture of alloy steel and other non-ferrous alloys accounts for a further 23% of output.

China is the largest stainless steel producing country, with close to 50% of world production in 2013. Nearly 80% of China's nickel requirements is produced domestically. Of this, nickel pig iron (NPI) accounted for around 69% in 2013.

Nickel can be produced from two different ore types: sulphides and laterites. This has resulted in a large number of processing technologies that have made the industry a very complex one, with high processing costs and capital intensity. Production is concentrated among the biggest five producers, which between them are responsible for almost half of global output.

The nickel industry faced a variety of challenges in 2013. Demand was negatively affected by macro-economic uncertainty, including at various points through the year, concerns surrounding the US Federal Reserve's "tapering" policies, the state of the Eurozone economy, and a slowdown in China.

Nickel producers are going through a challenging period as the price of nickel remains depressed, largely owing to increased NPI output from Chinese smelters, which has left the market in surplus in 2013. Chinese NPI production depends on high grade, low iron content ore imported from Indonesia; however owing to shifts in Indonesian government policy there is uncertainty around the sustainability of Indonesian ore supply.

Strategy and Business Development

Nickel's strategy is to concentrate on stabilizing Barro Alto's production while the nickel price is low, so as to achieve nominal capacity in time to benefit from the next cyclical price increase. Management is currently implementing strategic short term initiatives to deliver an optimized operation ahead of the furnace rebuild at Barro Alto. Delivery of efficient production is supported by asset optimization initiatives which are driving improved output and reduced costs and will extend the lives of both Barro Alto and Codemin. At full production, both operations are expected to be positioned in the first half of the industry's cash-cost curve. Our Nickel business continues to assess its portfolio of expansionary and exploration projects. In 2013, progress was made on environmental licensing for both Jacaré and Morro Sem Boné. Nickel has identified that a key driver for operational efficiency is to attract and retain a suitably qualified workforce. The business has focused on recognizing high performance through competitive remuneration and employee development programs and, during 2013, was recognized as one of Brazil's "top 35" companies to start a career with, and as one of its 150 best companies to work for.

See "Operating and Financial Review" for further information.

NIOBIUM AND PHOSPHATES

As at December 31, 2013, this business segment comprised assets that included ferro-niobium producer Niobium (formerly Catalão), Phosphates (formerly Copebrás), the second largest integrated phosphate fertilizer producer in Brazil.

Following the positive results of a drilling campaign in 2010, Anglo American decided not to proceed with the disposal of Niobium. In addition Anglo American decided in the first half of 2011 to retain our investment in the Phosphates business.

Niobium (formerly Catalão)

Anglo American Niobium business, located in the cities of Catalão and Chapadão, in Brazil's Goiás state, accounts for about 10% of the country's production (and between 8-9% of global production) of the metal. The Boa Vista mine produces and exports approximately 4,500 tonnes of niobium per year.

With the end of its weathered ore reserves approaching, Niobium is investing in the construction of a new upstream plant that will enable continuity of the Catalão site through processing the Fresh Rock ore body.

As an alloying agent, niobium brings unique properties to high strength steel alloys ("HSSA"), such as increased formability, corrosion resistance, weldability and strength under tough working environments, including extreme high or low temperatures.

Around 90% of total global niobium consumption is used as an alloying element, in the form of ferro-niobium (FeNb) in high strength steels, which are used in the manufacture of automobiles, ships and high pressure pipelines, as well as in the petroleum and construction industries.

The product is exported to major steel plants in Europe, the United States and Asia (principally China, South Korea and Japan). In spite of continuing macro-economic uncertainty in Europe and China, all contracts have been honored for the period, with additional discounted spot sales in the regions.

Phosphates (formerly Copebrás)

Anglo American Phosphates business is the second largest phosphate fertilizer producer in Brazil. Its operations are vertically integrated, covering the mining of phosphate ore, beneficiation of the ore to produce phosphorus pentoxide (P2O5) concentrate, and further processing into intermediate and final products.

Phosphates business has approximately 15% of Brazil's known phosphate mineral resources. The Chapadão mine currently produces, on average, around 5.8 Mt of ore per annum (on a dry basis). It is a prime deposit, containing some of Brazil's highest grades of phosphate ore (approximately 13% P2O5), and has a remaining mine life of 20 years at current production rates.

Phosphate ore is treated at a beneficiation facility on the same site, with approximately 1.4 Mtpa of phosphate concentrate being produced at an average grade of around 35% P2O5. Phosphates operates two chemical processing complexes: one in Catalão and the other at Cubatão in the state of São Paulo.

The company produces a wide variety of products for the Brazilian agriculture sector, including low analysis (approximately 20% P2O5 content) and high analysis (40%-55% P2O5 content) phosphate fertilizers, dicalcium phosphate (DCP) for the animal feed industry, as well as phosphoric and sulphuric acids for the food and animal feed industries

Phosphate fertilizer demand is driven by strong fundamental trends, including expanding food needs from a growing global population, changing dietary habits in major emerging economies such as China and India, and increased demand for biofuels.

Brazil, a major agricultural nation, is the fourth largest phosphate market globally and needs to import almost 50% of its required phosphate fertilizers. Anglo American's Phosphates' assets are situated in the center of Brazil's major agricultural region and thus benefit from lower inland transportation costs and import taxes compared with competitors, in addition to being well placed to respond quickly to customer requirements

Strategy and Business Development

Niobium and Phosphates' core strategy is to expand existing operations and mineral resources in both commodities through a focus on operational excellence, and the execution of selected low cost, high return projects.

At Niobium, the US$325 million investment in the Boa Vista Fresh Rock project is expected to consolidate the business as the second largest producer of niobium worldwide by increasing production so that plant capacity is fully utilized, as well as replacing existing production, allowing the company to gain an increased market share in the HSSA market. Commissioning will start during the second half of 2014.

At Phosphates, significant brownfield expansion opportunities are currently being evaluated in order to meet the expected growing demand needs of the Brazilian agricultural market, which is strategically placed to benefit from global shifts in dietary habits, and where the outlook for the production of fertilizer products is very positive.

PLATINUM

Our Platinum business, based in South Africa, is the world's leading primary producer of platinum, and accounts for approximately 40% of the world's newly mined production of the metal in 2013 according to management estimates. Platinum mines, processes and refines the entire range of platinum group metals (PGMs): platinum, palladium, rhodium, ruthenium, iridium and osmium. Base metals such as nickel, copper and cobalt sulphate are important secondary products and are significant contributors to earnings.

Platinum's operations exploit the world's richest reserve of PGMs, known as the Bushveld Complex, which contains PGM-bearing Merensky, UG2 and Platreef ores. Access to an excellent portfolio of ore reserves ensures Platinum is well placed to be the world's major platinum producer for many years to come.

Platinum wholly owns 8 mining operations currently in production, a tailings re-treatment facility (the Western Limb Tailings Retreatment plant), three smelters, a base metals refinery and a precious metals refinery. Concentrating, smelting and refining of the output are undertaken at Rustenburg Platinum Mines' ("RPM") metallurgical facilities.

On January 15, 2013, the Group announced the outcome of its review of the Anglo American Platinum business to create a sustainable, competitive and profitable platinum business for the long term benefit of all stakeholders. See "—Strategy and Business Development".

Following the implementation of the portfolio review, Platinum's 100%-owned mining operations currently consist of three mines at Rustenburg Section: Bathopele, Siphumelele and Thembelani; two mines at Amandelbult

Section: Tumela and Dishaba, Mogalakwena and Twickenham mines. Union mine is 85% held, with a BEE partner, the Bakgatla-Ba-Kgafela traditional community, holding the remainder. The Unki mine in Zimbabwe is currently wholly owned pending the implementation of the state's recently approved indigenization plan which requires foreign companies to cede a portion of the ownership of their assets to indigenous Zimbabweans. Platinum also has 50:50 joint ventures with a BEE consortium, led by African Rainbow Minerals, at Modikwa platinum mine; and with XK Platinum Partnership in respect of the Mototolo mine.

In addition, Platinum has 50:50 pooling and sharing agreements with Aquarius Platinum covering the shallow reserves of the Kroondal mine. The company owns 49% of Bokoni mine and holds, through RPM, 27% of Atlatsa Resources. Platinum is in partnership with Royal Bafokeng Resources, and has a 33% shareholding in the combined Bafokeng-Rasimone platinum mine ("BRPM") and Styldrift properties. Platinum, through RPM, also has a 12.6% shareholding in RB Plats.

At the Rustenburg mines, in 2013, production increased by 12,700 ounces or 3% against 2012, while at the Union and Amandelbult mines, production declined by 9% and 2%, respectively, primarily due to shortages of production crews and supervisors. The redeployment of labor programs following the placement of mines on care and maintenance was completed in the final quarter of the year and benefits arising from resulting productivity improvements are expected to be realized in 2014.

Production at Rustenburg, Amandelbult and Union was negatively impacted in 2012 by unprotected industrial action that spanned almost two full months, from September 18 to November 15, 2012. The net effect of the strike action was a loss of equivalent refined platinum production of 305,600 ounces, including 82,000 ounces lost during the start-up period following the strike, which had a material impact on revenue.

In 2013 underground mining performance at Platinum's own mines was principally impacted by an industrial action from September 27 to October 10, 2013 resulting in a loss of platinum production of 44,000 ounces. Platinum quickly ramped up to full production following the strike, with little further loss of production. In addition, production in 2013 was also affected by illegal industrial actions, a national bus driver strike which impacted employees' ability to commute to work and labor shortages. This was exacerbated by the lack of flexibility, in the current labor environment, to redeploy employees to operations where there are staff shortages.

In December 2013, Platinum reached a settlement with the South African Revenue Service ("SARS") in respect of certain previously unresolved historical tax matters. The total amount payable in terms of the settlement agreement is US$324 million and has been fully provided for in the financial statements of the Group as at 31 December 2013.

Since January 23, 2014, Platinum has been affected by a strike action called by the Association of Mineworkers and Construction Union ("AMCU") which is also affecting Impala Platinum Holdings Limited and Lonmin plc. The dispute between the three platinum companies and the AMCU is being conducted under the auspices of the Commission for Conciliation, Mediation and Arbitration.

Platinum producers tabled a revised offer on January 29, 2014, including wage increases between 7.5% and 9% in the first year, 7% and 8% in the second year and 7% and 7.5% in, the third year. However, to date the AMCU has continued to demand a monthly basic wage of ZAR12,500 (which would represent increases of up to 150%).

See "Risk Factors—Risks Related to Our Business—Labor disruptions could have an adverse effect on our results of operations, cash flows and financial condition".

Industry Overview

PGMs have a wide range of industrial and high technology applications. Demand for platinum is driven primarily by its use in autocatalysts to control emissions from both gasoline and diesel engine vehicles, and in jewelry. Management estimates that these uses are responsible for approximately 66% of total gross platinum consumption. PGMs, however, have a wide range of other applications, predominantly in the chemical, electronic, medical, glass and petroleum industries.

Gross demand for platinum in autocatalysis declined by 5% in 2013, owing largely to lower vehicle production in the diesel-dominant Indian and European markets. Lower sales in Europe are being somewhat offset by increased platinum loading of autocatalysts as Euro 6 emissions levels are implemented in 2013 and 2014.

The Chinese platinum jewelry market accounted for 67% of gross global jewelry demand in 2013. White platinum jewelry sales in China continued to benefit from the narrow price premium to gold, gross demand, however, decreased by 5%. The weak platinum price also reduced the volume of jewelry recycled, resulting in flat net demand. The much smaller markets of Europe, North America and India all increased in 2013, and this, combined with lower Japanese recycled volumes, saw net global platinum jewelry demand increase by 86,000 ounces, or 5%.

Platinum. Industrial applications for platinum are driven by technology and, especially in the case of autocatalysts, by legislation. The intensifying stringency of emissions legislation will contribute to PGM demand. Our Platinum business is the major funder and supporter of the Platinum Guild International ("PGI"), which plays a key role in encouraging demand for platinum and in establishing new platinum jewelry markets. Since 2000, China has been the leading platinum jewelry market.

In 2013, gross global platinum demand increased by 507,000 ounces, or 6.3%, as increases in industrial and investment demand more than offset declines from the autocatalyst and jewelry sectors. Primary platinum supply grew by 60,000 ounces, or 1%, as increased supply from South Africa and Zimbabwe exceeded declines in Russia and North America. Secondary supplies from recycled autocatalyst, jewelry and industrial scrap decreased by 29,000 ounces, or 1%, resulting in a 0.4% increase in gross global platinum supply of 31,000 ounces. The resultant platinum deficit of 856,000 ounces was satisfied by cumulative above-ground stocks at market prices during the course of the year.

Palladium. Palladium's principal application, accounting for some 72% of total palladium consumption, net of recycle supply, is in autocatalysts, particularly in gasoline vehicles. The metal is also used in electronic components, dental alloys and jewelry.

In 2013, gross global palladium demand decreased by 437,000 ounces, or 4%, as reduced demand from the jewelry, industrial and investment sectors far exceeded the increase in autocatalyst demand. Primary palladium supply reduced by 160,000 ounces, or 3%, as the reduction in supply from Russia and the rest of world more than offset the increases from South Africa, Zimbabwe and North America. Secondary supplies from recycled autocatalyst, jewelry and industrial scrap increased by 179,000 ounces, or 8%, resulting in flat gross global palladium supply. The resultant palladium deficit for the year of 621,000 ounces was satisfied by cumulative above-ground stocks at market prices during the year.

Rhodium. Rhodium is an important metal in autocatalytic activity, which accounts for approximately 80% of total gross annual demand.

In 2013, gross global rhodium demand increased by 19,000 ounces, or 2%. Although autocatalyst demand remained flat, this was more than compensated by increases in industrial and investment demand. Primary supply decreased by 3% and secondary supply increased by 9%, keeping gross supply flat and with a resultant market deficit of 9,000 ounces.

Strategy and Business Development

In reformulating its strategy, Platinum has reviewed the business across the entire value chain to address structural challenges that have eroded profitability over time with the intention of creating a safe, sustainable, competitive and profitable platinum business for the long term benefit of all its stakeholders. This will be achieved through the alignment of baseline production with long term demand expectations, focusing on a high quality portfolio of operations to produce PGMs on an economically sustainable basis.

We have developed an organizational design to ensure that the operations are supported by an appropriate level of overhead; the commercial strategy aims to ensure value and stability for Platinum and customers while promoting new PGM applications. Operationally, the business intends to increase exposure to lower risk, higher margin, less capital intensive mines, supporting a significant reduction in the cost base and a more efficient allocation of capital. Flexibility for long term growth options will nevertheless be retained, ensuring Platinum is well positioned should demand increase above expectation.

Platinum continues to take its social responsibility seriously, particularly to its employees and surrounding communities. The implementation of the strategy aims to deliver a stable, competitive and profitable business that will be best placed to sustain and create employment over the long term.

On August 16, 2013, Platinum concluded consultations with key stakeholders and unions on the plans to restructure its business. In January 2013, Platinum announced its proposals to reduce costs and reconfigure marginal operations following an extensive review of its business which commenced in February 2012. The review is aimed at restoring Platinum's profitability to ensure its long-term sustainability and increase its competitiveness in the global platinum mining industry.

Following the consultation with the Department of Mineral Resources and recognized unions in a process facilitated by the Commission for Conciliation, Mediation and Arbitration, Platinum has made significant progress in implementing the first stages of the review:

- Reduced baseline production to 2.3 - 2.4 million platinum ounces per annum in the short to medium term;

- Production at Khomanani mine, Khuseleka 2 shaft and Union North decline was suspended in August 2013, in line with the proposed restructuring plans. The resources from these mines have now been integrated into the surrounding operations. As a result of these initiatives, 250,000 ounces of annualized production have been removed; and
- On-going review of overhead costs and processes to improve efficiencies.

As a result of the consolidation of the Rustenburg operations from five mines to three, 7,450 roles were eliminated in 2013. Of that total, approximately 5,150 employees had left the organization by the end of 2013, while 2,300 employees had been redeployed to other parts of the business.

Following the substantial changes being made to the business to ensure its sustainability, a number of social mitigation plans have been implemented, including continuing to contribute to the welfare of employees affected by the restructuring. The program includes employee assistance in the form of bursaries, healthcare and retraining; support for local economic development and a number of suppliers; and investment, together with local government, in housing development in the Rustenburg region.

DIAMONDS

De Beers is the world’s leading diamond company. Together with its joint venture partners, De Beers supplies approximately one third of the world’s rough diamonds by value.

De Beers operates across all key parts of the diamond value chain, including exploration, production (land and sea), the sorting and selling of rough diamonds, the marketing of polished diamonds through its proprietary diamond brand, Forevermark, and retail sales through De Beers Diamond Jewellers (“DBDJ”), a 50:50 joint venture with LVMH Moët Hennessy Louis Vuitton SA.

De Beers’ mines are located in four countries: Botswana, Canada, Namibia and South Africa. All operations are open pit with the exception of Snap Lake, an underground mine in Canada, Namdeb Holdings’ alluvial and marine mining operations in Namibia and Kimberley Mines, which is a tailings processing facility.

In Botswana, De Beers’ mining interests are held through the Debswana Diamond Company, a 50:50 joint venture with the Government of the Republic of Botswana (“GRB”). Debswana’s operations include Jwaneng, one of the world’s richest diamond mines; Orapa, among the world’s largest open-pit diamond mines; Letlhakane; and Damtshaa.

In South Africa, De Beers has a 74% interest in De Beers Consolidated Mines (“DBCM”), with the remaining 26% held by Ponahalo Holdings, which is a black economic empowerment consortium. DBCM’s operations include Venetia, which produces about 70% of De Beers’ production from South Africa; Voorspoed, a source of large and exotic colored diamonds; and Kimberley Mines, a tailings processing facility.

In Namibia, De Beers’ interests are held through Namdeb Holdings (“Namdeb”), a 50:50 joint venture with the Government of the Republic of Namibia (“GRN”). Diamonds are mined on land by Namdeb Diamond Corporation, and at sea by Debmarine Namibia, both of which are wholly owned by Namdeb. Marine mining is performed by a fleet of five mining vessels. Related marine production and prospecting services are performed by De Beers Marine, a marine services company based in Cape Town, South Africa and wholly owned by De Beers.

In Canada, De Beers wholly owns its two mining operations: Victor, located in Northern Ontario, and Snap Lake, in the Northwest Territories. De Beers also has a 51% interest in the Gahcho Kué project near Snap Lake (with Mountain Province Diamonds Inc holding the other 49%). The project is at an advanced permitting stage. With a mine life of approximately 11 years, Gahcho Kué is expected to mine around 31 million tonnes of ore containing an estimated 48 million carats.

De Beers sells rough diamonds through two distribution channels; about 90% is sold via long term contract sales to clients (known as Sightholders), with the remainder being sold via regular auctions. De Beers’ current rough diamond term based supply arrangements with its Sightholders are due to end on March 30, 2015. During the course of 2014, it is anticipated that applications will be sought for the next supply period with a view to those arrangements being effective as of March 31, 2015. De Beers is also an equal joint venture partner in Diamond Trading Company Botswana and in Namibia Diamond Trading Company with the GRB and GRN, respectively. The local companies facilitate local sales and beneficiation, and are intermediaries in the global selling function.

Element Six is a global leader in the design, development and production of synthetic diamond supermaterials for a range of applications. It comprises two businesses: Technologies, which is wholly owned, and Abrasives, in which De Beers has a 59.78% interest (Umicore SA holds the remaining 40.22%).

Acquisition of Shareholding

On August 16, 2012, the Group completed the acquisition of an additional 40% interest in De Beers from the CHL Group for a total cash consideration of US$5.2 billion (following adjustment under the relevant agreement), increasing the Group's equity interest in De Beers from 45% to 85%, the purchase price was funded from cash on hand. The remaining interest is held by the GRB.

As of completion of the acquisition, De Beers became a subsidiary of the Group and is fully consolidated for financial reporting purposes. Prior to completion of the acquisition, De Beers was an associate of the Group and, as such, was accounted for in the consolidated financial statements of the Group using the equity method of accounting.

Industry Overview

Around 60% of the world's diamonds, by value, originate from south and central Africa, with significant sources also found in Russia, Australia and Canada.

Most diamonds come from the mining of kimberlite deposits. Another important source of gem diamonds, however, has been secondary alluvial and marine deposits formed by the weathering of primary kimberlites and the subsequent deposition of released diamonds in rivers, beach gravels and the sea.

Rough (or uncut) diamonds are broadly classified either as gem or industrial quality, with gem being overwhelmingly the larger of the two markets by value. The primary world market for gem diamonds is retail jewelry, where aspects such as size, color, cut and clarity have a large impact on valuation.

Strategy and Business Development

De Beers' vision is to unlock the full economic value of its leadership position across the diamond pipeline in a safe and sustainable manner.

De Beers is a demand-driven business, with a clear understanding that consumer desire is the overwhelming source of value for its gem diamonds.

With growth in demand for diamonds expected to outstrip supply in the medium to long term, De Beers aims to maximize the value of every carat mined, sorted and sold. To achieve this objective, De Beers focuses on optimizing the value of its mining assets, selling to selected leading Sightholders and offering consumers the integrity and confidence of its brands.

De Beers' rough diamond prices increased to record levels in the first half of 2011 as robust demand from Asian and Middle East markets continued, although the macroeconomic environment was more challenging in the second half of the year impacting retail and cutting center sentiment.

Demand for diamond jewelry in the key markets of the United States, China, Japan and India collectively grew in 2012, albeit at a slower pace than in 2011. This, together with higher polished stock levels, resulted in a decline in polished prices particularly in the third quarter of the year. Although rough diamond prices remained broadly stable in the first half of 2012, a combination of weaker polished prices, high levels of cutting center stock and tightening liquidity in the mid-stream, resulted in a price correction during the third quarter. By the end of 2012, rough diamond prices stabilized, reflecting a modest improvement in consumer demand during the holiday sales season in most major diamond jewelry markets.

In 2013, despite global macro-economic uncertainty, diamond jewelry sales increased in local currency terms in all major diamond markets, except India. In India, challenging economic conditions and a devaluation of the rupee resulted in a decline in demand. The US market posted positive growth, with a generally strong holiday season in the fourth quarter. China continued to show positive growth rates, but at levels consistent with slower economic growth.

Although the De Beers rough price index increased slightly in the first half of the year, a combination of weaker polished prices, high levels of stock in the cutting centers and tightening liquidity resulted in some of this increase being reversed in the second half. The price decrease, together with an increase in polished sales, saw the rough market stabilize and start to improve toward the end of the year.

Other Information

During September 2011, DBCM completed the sale of the Finsch Diamond Mine to a consortium led by Petra Diamonds Limited. In May 2011, DBCM signed an agreement for the sale of Namaqualand Mines to Trans Hex Group Limited and, in August 2012, a further amending agreement was signed. The sale is subject to certain conditions precedent and is not yet complete.

In August 2013, De Beers Group Services Proprietary Limited ("DBGS") and DBCM signed an agreement for the sale of DBGS's diamond trading division into the DBCM group structure. This transaction will have the effect of transferring the indirect ownership of 26% of the diamond trading business to Ponahalo Holdings, a broad-based empowerment consortium, given Ponahalo Holdings' 26% ownership of DBCM. This transaction meets the requirements of the South African Diamonds Act, 1986 (as amended) and regulations published thereunder for the purposes of the continued grant of a diamond dealer's license under that Act for the diamond trading business. Related to the sale transaction, in October 2013, a vendor funding agreement and related security agreements were concluded between DBGS and the DBCM group in order to fund the purchase price payable by the DBCM group for the DTC SA business. Both the sale agreement and vendor funding and related security agreements are subject to conditions precedent (including regulatory conditions) and have not yet been completed.

In September 2011, GRB and De Beers announced a new 10 year contract for the sorting, valuing and sales of Debswana's diamond production. The agreement, which is effective as of January 1, 2011, is the longest sales contract ever agreed between the two partners. Pursuant to the agreement, De Beers transferred the majority of its UK-based sales functions from London to Botswana before the end of 2013. From its new base in Botswana, De Beers aggregates production from its own mines, and its joint venture operations worldwide, and sells to local and international Sightholders.

In November 2011, De Beers and the GRN finalized an agreement to increase the GRN's effective shareholding in Debmarine Namibia from 15% to 50% through the establishment of a new 50:50 joint venture holding company, Namdeb Holdings. This did not change the current sales and marketing arrangements and all diamond production from Namdeb continues to be sorted, valued and marketed exclusively by De Beers together with Namibia Diamond Trading Company. The Namibian sorting, valuing, sales and marketing agreement, which sets out the current sales and marketing arrangements in respect of Namdeb's diamond production, was due for renewal on January 1, 2014, but an extension has been mutually agreed between De Beers and GRN, and it is anticipated that discussions between the parties will commence in the first half of 2014 in relation to such renewal.

The agreement entered into by De Beers in the United States in 2006 to settle all outstanding class actions against it became unconditional and effective in May 2012. From 2001, seven class actions were filed against De Beers in various federal and state courts in the United States alleging violation of federal and state anti-trust laws, violations of consumer protection laws, deceptive trade practices, unfair competition and similar claims. The US$295 million settlement, plus interest, held in escrow since 2006 is being distributed in accordance with the court ordered plan.

See "Operating and Financial Review" for further information.

OTHER MINING AND INDUSTRIAL

As part of the strategy to increase the Metallurgical Coal business, Anglo American decided in 2011 to retain the Peace River Coal asset in British Columbia, Canada. Peace River Coal is now managed as part of the Metallurgical Coal business unit and accordingly is presented as part of the Metallurgical Coal segment. It was previously reported within the Other Mining and Industrial reporting segment.

In February 2011, Anglo American disposed of the Lisheen mine (comprising mining and milling operations) and the 74% interest in Black Mountain (which holds 100% of the Black Mountain mine and Gamsberg project) for a total net cash inflow of US$499 million.

In July, October and November 2011, Anglo American completed the sale of the Chinese, Turkish and Romanian aggregates businesses respectively for a total net cash inflow of US$8 million.

As at December 31, 2013, this business segment included the non-core business Tarmac (including Tarmac Middle East and a 50% interest in Lafarge Tarmac joint venture) and until November 2013 Amapá. As part of the restructuring announced in October 2009, businesses were identified for divestment and were separately reported in this business segment.

Amapá

On January 4, 2013, Anglo American announced that it had reached an agreement to sell its 70% interest in Amapá to Zamin. On March 28, 2013 a major geological event occurred at the Santana port of Amapá, which resulted in the loss of five lives, with a further one person still missing, as well as the loss of the port operation. In light of these circumstances, Anglo American entered into further discussions with its partner Cliffs and Zamin. Anglo American subsequently entered into an agreement with Cliffs to acquire its 30% interest in Amapá and entered into an amended sale agreement with Zamin, to reflect Anglo American's disposal of a 100% interest in Amapá to Zamin.

On November 1, 2013, Anglo American completed the acquisition from Cliffs and simultaneously completed the sale of the 100% interest in Amapá to Zamin for a total initial consideration of approximately US$134 million, net of certain completion adjustments. In addition, Zamin will pay Anglo American conditional deferred consideration of up to a maximum of US$130 million in total, payable over a five year period and calculated on the basis of the market price for iron ore.

As part of the transaction, Anglo American has assumed responsibility for, and the risks and rewards of, certain insurance claims including those relating to the Santana port incident, through the purchase of the claims from Amapá at the full claim value.

Tarmac Quarry Materials' UK businesses

On January 7, 2013, following final clearance from the CC, Anglo American and Lafarge announced the completion of the transaction to create an incorporated joint venture known as Lafarge Tarmac. Although selected market indicators are pointing towards an improvement in 2014, Lafarge Tarmac remains cautious about the underlying strength of recovery within the construction sector.

On January 14, 2014, the CC published its final report relating to the investigation into the aggregates, cement and ready mix concrete ("RMX") markets. In this report the CC concluded that there were aspects of the cement markets that had adverse effects on competition. Accordingly it has determined that, amongst other remedies, Lafarge Tarmac is required to divest of a cement plant (either the Cauldon or Tunstead cement plants, plus relevant depots), and (if required by a prospective purchaser) a number of RMX plants. The CC has determined that the prospective purchaser cannot be one of the existing cement producers in Great Britain. Lafarge Tarmac disputes the conclusions of the CC and, taking into account the best interests of its employees, contractors, customers and shareholders, has appealed the decision to the Competition Appeal Tribunal.

On November 14, 2013 Anglo American announced that it had entered into an agreement to sell Tarmac Building Products to Lafarge Tarmac.

Scaw Metals

On April 24, 2012, Anglo American announced the sale of its interest in Scaw SA to an investment consortium led by the Industrial Development Corporation of South Africa and the Group's partners in Scaw SA, (Izingwe Holdings (Pty) Limited, Shanduka Resources (Pty) Limited and the Southern Palace Group of Companies (Pty) Limited).

On November 23, 2012, the sale of Scaw SA and related companies completed for a total consideration of ZAR3.4 billion (US$440 million) on a cash- and debt-free basis as announced.

Zinc

In February 2011, Anglo American completed the disposal of the Lisheen mine and the 74% interest in Black Mountain (which holds 100% of the Black Mountain mine and Gamsberg project) for a total net cash inflow of US$499 million.

MAJOR GROWTH AND REPLACEMENT PROJECTS

The Group's pipeline of approved and unapproved projects spans its core commodities, and approved projects are expected to deliver significant organic production growth by the end of 2016. Despite the economic downturn in 2008 and 2009, we decided to continue the development of four near term strategic growth projects, namely the Barro Alto nickel project, the Los Bronces copper expansion project, Kumba's Kolomela and the Minas-Rio iron ore projects. The Los Bronces copper expansion and Kolomela both delivered first metal in late 2011. Los Bronces began running at full capacity in 2012, and Kolomela reached full production in 2013. All four of these projects are well placed on their respective industry cost curves and are expected to have long resource lives.

Details of major projects are provided by business segment, as follows:

Iron Ore and Manganese

The Minas-Rio iron ore project in Brazil is expected to produce 26.5 Mtpa of iron ore in its first phase. In the past, the Minas-Rio project has been affected by permitting challenges and injunctions, which impacted the timing of the development of the project and associated infrastructure. In December 2012, all three injunctions that had disrupted the project in the year, contributing to the delay of first ore on ship ("FOOS") to the end of 2014, had been lifted.

By the end of 2013, the project was 84% complete overall and is on schedule to deliver first ore on ship by the end of 2014. The main schedule risks identified at the end of 2012 have been resolved and over the past year significant construction and operation progress has been made. Highlights during 2013 include:

- the mine's cave suppression permit was granted in March and mine access approved in May, allowing stripping of surface overburden to be completed;
- land release for the 230 kV transmission line obtained, and the transmission line has been completed, ahead of schedule;
- closure of the tailings dam was achieved in April, as planned, and the dam is near completion;
- the pipeline and land-access permits were obtained on schedule and 481 kilometers of pipe (representing 91% of the total 525 kilometer length) had been installed by the end of 2013;
- no outstanding permits or licenses now impede the construction process, while good progress is being made in converting the installation permits to operating licenses;
- the beneficiation plant is 84% complete. Civil engineering work has finished on the first ball mill and primary crusher, while the long-distance conveyor belt is almost assembled; and
- assembly of the ship-loader at Açu is 96% complete and caissons are being placed in position for the 2,624 meter long breakwater.

Capital expenditure remains in line with the previously announced cost of US$8.8 billion including a centrally held contingency of US$600 million. To date, US$5.6 billion has been spent on the project and it is envisaged that a further US$3.2 billion (inclusive of the US$600 million contingency) will need to be spent in order to deliver the project.

As with other complex greenfield mining projects, a number of issues, such as the discovery of caves at the beneficiation plant site which require specialized assessment have caused delays to the work scheduling, in addition to land access issues and a challenging permitting environment. Management has been working to secure permits and licenses required for the project in a challenging and changing regulatory environment. Potential risks for 2014 are being addressed and mainly relate to manpower availability to complete construction activities at the beneficiation plant and the completion of the breakwater. The first phase of the project is expected to begin its ramp up at the end of 2014.

Pre-feasibility studies for the second phase of the Minas-Rio iron ore project commenced during 2011 and, while ongoing, these studies, together with the current reserve statement, support the expansion of the project.

The delivery of the project on the revised schedule is dependent upon a number of development milestones: suppression of caves at the mine site; completion of the tailings dam before the rainy season; land release for the transmission line to the beneficiation plant and pipeline; and fulfillment of installation licenses' conditions such that operating licenses can be issued in due course. Subject to no further unexpected interventions and the successful completion of these key milestones in the next 12 months, first ore on ship is anticipated at the end of 2014.

Following on from its approval in 2011, the US$279 million GEMCO Expansion Phase 2 ("GEEP2") project (Anglo American's 40% share: US$112 million) will increase GEMCO's beneficiated product capacity from 4.2 Mtpa to 4.8 Mtpa through the introduction of a dense media circuit by-pass facility. The project was completed in late 2013. The expansion will also address infrastructure constraints by increasing road and port capacity to 5.9 Mtpa, creating 1.1 Mtpa of latent capacity for future expansion.

The 130ktpa high-carbon ferromanganese furnace M14 at the Metalloys in South Africa was completed in March 2013 with a total cost of US$99 million (Anglo American's 40% share: US$40 million).

During 2013, Samancor withdrew from its Gabon Manganese project following the completion of the feasibility study. The rehabilitation of the project site has been completed.

Metallurgical Coal

The development of the 5 Mtpa Grosvenor metallurgical coal project was approved in December 2011. The project remains on target for first longwall production in 2016. All key permits and licenses are in place. Critical engineering and procurement activities have been completed, and the majority of the project budget has been contracted and committed. Surface construction is well advanced, earthworks and concrete are essentially complete, structural, mechanical and piping works are advancing well, and electrical works have commenced. The drift portal works are complete, and underground development has commenced with the commissioning of the tunnel boring

machine. As announced in July 2013, the capital costs to develop the Grosvenor project increased by US$250 million to US$1.95 billion owing to scope changes resulting from an investigation into the drift failure at Moranbah North in 2011 that led to a complete redesign of the Grosvenor drift and its construction method. Costs have also been impacted by adverse exchange rate movements during the construction phase.

Thermal Coal

The 11 Mtpa New Largo project is in feasibility and engagement with Eskom to finalize the coal supply agreement continues. The project is expected to be presented for board approval once the necessary permits have been obtained and the coal supply agreement concluded.

The Cerrejón expansion project (P40), to increase the port and logistics chain capacity to handle a total mine output of 40 Mtpa (an additional 8.0 Mtpa), is progressing on schedule and budget.

Copper

At Collahuasi, the pre-feasibility study on further expansion potential beyond the three current milling lines remains on hold pending restoring operational stability of current operations.

In Peru, the Quellaveco copper project was evaluated as part of the Group asset review which resulted in a decision to delay project approval until 2015. This will allow the project to be reconfigured such that its economic returns are more attractive. During the intervening period work will continue on the project site aimed mainly at progressing the Asana river diversion tunnel such that the project's environmental impact assessment remains valid. In addition, various social and community programs will continue, thereby solidifying the already high social support for the project.

In the Los Bronces District, the conceptual study of the Los Sulfatos deposit has commenced, and the permits required to start sub-surface hydrogeological drilling were received in the final quarter of 2013.

Nickel

The Barro Alto project was completed in the first quarter of 2011, delivering first metal in March 2011. Barro Alto produced 25,100 tonnes of nickel in 2013, 16% higher than 2012. This increase reflects improved operational stability in the second half of the year, following the planned line 2 sidewall rebuild and subsequent metal run-out in the first half. Despite this improvement, equipment sensitivities remain. Barro Alto's furnace rebuild was a focus in the second half of the year, with evaluation of the optimal design and construction scenario, as well as early engineering activities now well progressed. The first rebuild is expected to commence in late 2014 and the second in late 2015, with the rebuilds and associated ramp-ups fully completed during 2016.

The unapproved projects in the pipeline (Jacaré and Morro Sem Boné) have the potential to significantly increase the Group's total nickel production. The focus in 2013 has been on obtaining the requisite environmental licenses for both projects.

Platinum

In an environment of capital austerity, careful consideration is taken to determine how projects are prioritized in line with the company's strategy to increase scrutiny over capital allocation. Projects including the development of Twickenham and expansion of production capacity at Mogalakwena mine are in line with the longer term strategy of increasing shallow, mechanized and lower cost production and continue to be progressed.

Capital expenditure planned for 2014 also remains unchanged at between ZAR6 billion and ZAR7.3 billion excluding pre-production costs, capitalized waste stripping and interest.

Diamonds

In Botswana, infrastructure construction at Debswana's Jwaneng Cut-8 project is complete. Cut-8 will provide access to an estimated 96 million tonnes of ore, which is estimated to contain approximately 113 million carats of mainly high quality diamonds, and extend the life of one of the world's richest diamond mines to at least 2028 (scheduled inferred resources constitute 78% (88.1Mct) of the estimated carats).

In South Africa, the first blast took place in September 2013 for the construction of an underground mine beneath the open pit at Venetia. With capital investment of US$2 billion, this represents De Beers' largest ever investment in South Africa. Underground mine production is expected to start in 2021 and will extend the life of the mine to beyond 2040. The life of mine plan will treat approximately 129 million tonnes of ore, containing an estimated 94 million carats (scheduled inferred resources constitute 28% (26.3Mct) of the estimated carats).

In Canada, the Mackenzie Valley Land and Water Board approved a pioneer Land Use Permit for Gahcho Kué, which allows land-based site works to commence in preparation for deliveries planned for the 2014 winter road season. When operational, Gahcho Kué is expected to mine around 31 million tonnes of ore containing an estimated 48 Mct.

Project summary

The tables that follow provide information on a selection of completed, approved (by the Board of Directors of Anglo American plc) and future unapproved projects as at December 31, 2013. Further information on these projects is included within business segment discussions in this document.

Projects completed from 2010 to 2013

The table below sets forth selected major new or expansion projects that were completed from January 1, 2010 to December 31, 2013. No major new or expansion projects were completed from January 1, 2013 to December 31, 2013.

Sector	Project	Country	Completion date	Capital Expenditure (US$m)[1]	Estimated Production Volume[2]	Type of Mine
Iron Ore and Manganese	Kolomela	South Africa	2011	1,062	9.0 Mtpa iron ore	Open pit
	Groote Eylandt Expansion Project	Australia	2013	279	0.6 Mtpa manganese ore	Open pit
Thermal Coal	Zibulo	South Africa	2011	517	6.6 Mtpa thermal	Underground
Copper	Los Bronces expansion	Chile	2011	2,800	200 ktpa copper[3]	Open pit
	Collahuasi Phase 1	Chile	2011	148	19 ktpa copper	n/a
	Collahuasi Phase 2	Chile	2013	175	20 ktpa copper	n/a
Nickel	Barro Alto	Brazil	2011	1,900	36 ktpa nickel	Open pit
Platinum	Unki	Zimbabwe	2011	459	70 kozpa refined platinum	Underground
	Mogalakwena North	South Africa	2011	822	350 - 400 kozpa refined platinum	Open pit
	Base metals refinery expansion	South Africa	2011	360	11 ktpa nickel	n/a
	Dishaba East Upper UG2	South Africa	2011	219	100 kozpa refined platinum	Underground
	MC Plant Capacity Expansion — phase 1	South Africa	2010	95	11 ktpa Waterval Converter Matte (WCM)	n/a
	Mainstream inert grind projects	South Africa	2010	149	Improve process recoveries	n/a

(1) Capital expenditure shown on 100% basis in nominal terms and reflects capital expenditure per investment proposal. Platinum projects reflect approved capital expenditure.
(2) Represents 100% of average incremental or replacement production, at full production, unless otherwise stated.
(3) Production represents average over first 10 years of the project.

Approved projects

The table below sets forth major new or expansion projects that have been approved but are not yet completed. The figures and dates contained within are estimates and subject to change. The information below, as well as all other estimates regarding future capital expenditure, production, reserves and similar information in this Business Description or elsewhere in this document is forward-looking information and should be read in conjunction with "Forward-Looking Statements". The information in the following table is generally updated only as part of our annual reporting cycle and, consequently, reflects estimates as at December 31, 2013, the end of our latest fiscal year. These estimates are subject to change between table updates.

Sector	Project	Country	Full Production Targeted	Estimated Capital Expenditure (US$bn)[1]	Estimated Production Volume[2]	Type of Mine
Iron Ore and Manganese	Minas-Rio Phase 1	Brazil	2016	8.8[5]	26.5 Mtpa iron ore	Open pit
Thermal Coal	Cerrejón P40	Colombia	2015	<2	8.0 Mtpa thermal	Open pit
Metallurgical Coal	Grosvenor	Australia	2016	<2	5.0 Mtpa metallurgical	Underground
Platinum	Twickenham	South Africa	2024	<2	202 kozpa refined Pt	Underground
	Bathopele Phase 5	South Africa	2017	<1	128 kozpa refined Pt	Underground
Copper	Mantoverde desalination plant	Chile	2014	<1	To sustain current copper production plans	n/a
Diamonds	Jwaneng – Cut-8	Botswana	2018[3]	3[4]	Approx. 10 million carats pa	Open pit
	Venetia U/G	South Africa	2024	2	Approx. 4 million carats pa	Underground
Niobium and Phosphates	Boa Vista Fresh Rock	Brazil	2015	<1[6]	6.5 ktpa total niobium production	Open pit

(1) Capital expenditure shown on 100% basis in nominal terms and reflects capital expenditure per investment proposal. Platinum projects reflect approved capital expenditure.
(2) Represents 100% of average incremental or replacement production, at full production, unless otherwise stated.
(3) Waste stripping at Cut-8, an extension to Jwaneng mine, began in 2010. Carat recovery will commence in 2016, with Cut-8 becoming the main ore source for Jwaneng from 2018.
(4) Infrastructure expenditure of approximately US$450 million has already been spent. Project expenditure, including infrastructure expenditure, is estimated to total approximately US$3 billion and is anticipated to create access to an estimated 113 million carats from 96 million tonnes treated over the life of the mine.
(5) Capital expenditure, post-acquisition of Anglo American's shareholding in Minas-Rio, includes 100% of the mine and pipeline, and an attributable share of the port.
(6) An extension to mine life by mining the unweathered ore after oxides have been depleted. New processing plant (from crushing to leaching) required.

Unapproved projects

The table below sets forth potential major new or expansion projects that have not yet been approved. The information below, as well as all other estimates regarding future capital expenditure, production, reserves and similar information in this Business Description or elsewhere in this document are forward-looking information and should be read in conjunction with "Forward-Looking Statements". This information is as at December 31, 2013. No new major or expansion projects have been announced since December 31, 2013.

Sector	Project	Country	Estimated Full Production	Estimated Production Volume(1)	Type of Mine
Iron Ore and Manganese	Kolomela increased production	South Africa	2014	1.0 Mtpa iron ore	Open pit
	Kolomela Expansion phase 1	South Africa	2018	2.0 Mtpa iron ore	Open pit
	JIG – 1mm project	South Africa	2017	0.8 Mtpa iron ore	Open pit
	Minas-Rio Phase 1 AO	Brazil	TBD	3.3 Mtpa iron ore	Open pit
	Minas-Rio Expansion	Brazil	TBD	TBD	Open pit
Metallurgical Coal	Drayton South	Australia	TBD	4.0 Mtpa thermal	Open pit
	Moranbah South	Australia	TBD	12.0 Mtpa metallurgical	Underground
	Aquila	Australia	TBD	2.5 Mtpa metallurgical	Underground
Thermal Coal	Elders multi-product project	South Africa	2020	3.3 Mtpa thermal	Underground
	Mafube	South Africa	2017	4.6 Mtpa thermal	Open pit
	New Largo	South Africa	2018	11.0 Mtpa thermal	Open pit
Copper	Quellaveco	Peru	TBD	TBD	Open pit
	Michiquillay	Peru	TBD	TBD	Open pit
	Los Bronces District/Los Sulfatos	Chile	TBD	TBD	Underground
	Mantoverde Development Project	Chile	TBD	TBD	Open pit
Nickel	Jacaré	Brazil	TBD	TBD	Open pit
	Morro Sem Boné	Brazil	TBD	TBD	Open pit
Platinum	Tumela 5 Shaft	South Africa	TBD	195 kozpa refined Pt	Underground
	Mogalakwena NC Debottlenecking	South Africa	TBD	TBD	n/a
	Mogalakwena Expansion Phase 2	South Africa	TBD	TBD	Open pit
Diamonds	Gahcho Kué(3)	Canada	TBD	4.7 million carats pa	Open pit
Niobium and Phosphates	Goiás II	Brazil	TBD	1.2 Mtpa phosphates concentrate	Open pit

(1) Represents 100% of average incremental or replacement production, at full production, unless otherwise stated.
(2) Expansion potential to 300 ktpa.
(3) Gahcho Kué has received De Beers board approval subject to completion of the permitting process and receipt of certain regulatory clearances.

MINERAL PRODUCTION

This section provides the entire output of consolidated entities and the Group's share of joint ventures, joint arrangements and associates where applicable, except for Collahuasi in Copper (in which the Group has a 44% interest) and De Beers (in which the Group had a 45% interest, until August 16, 2012, when this interest increased to 85%) which are quoted on a 100% basis.

	Year ended December 31,		
	2011	**2012**	**2013**
		(tonnes)	
Iron Ore and Manganese segment			
Kumba[1]			
Lump	25,445,100	26,580,500	25,496,000
Fines	15,822,500	16,484,600	16,877,100
Total iron ore production[2]	41,267,600	43,065,100	42,373,100
Samancor[3]			
Manganese ore	2,786,800	3,347,800	3,301,700
Manganese alloy	300,500	198,400	251,100
Total manganese	3,087,300	3,546,200	3,552,800

(1) Kolomela commenced commercial production as from December 1, 2011. Revenue and related costs were capitalized up to this date.
(2) In 2012 Amapá was reclassified from Iron Ore and Manganese to Other Mining and Industrial to align with internal management reporting.
(3) We owned 40% of Samancor for all periods presented.

Coal

	Year ended December 31,		
	2011	**2012**	**2013**
		(tonnes)	
Metallurgical Coal segment			
Australia			
Callide	8,038,700	7,464,000	6,317,800
Capcoal	5,047,900	6,022,400	6,061,400
Dawson	3,904,600	4,593,500	3,985,700
Drayton	3,991,900	3,663,300	3,710,700
Foxleigh	1,417,100	1,896,000	1,966,600
Jellinbah[1]	1,829,600	2,073,200	2,516,500
Moranbah North	2,450,100	3,545,500	4,916,500
Canada			
Peace River Coal	936,300	1,376,900	1,683,800
Total Metallurgical Coal segment production	27,616,200	30,634,800	31,159,000
Thermal Coal segment			
South Africa			
Greenside	2,853,100	2,883,200	3,269,500
Goedehoop	5,200,800	4,859,900	4,680,800
Isibonelo	4,338,200	5,399,200	5,066,800
Kriel	8,151,700	8,096,900	8,102,700
Kleinkopje	4,400,600	3,765,500	3,997,200
Landau	4,171,200	4,272,300	4,084,000
New Denmark	4,812,600	3,401,200	3,586,900
New Vaal	17,399,700	17,623,300	17,105,700
Mafube[2]	2,313,100	1,804,100	1,825,400
Zibulo[3]	3,366,500	5,026,100	4,871,700
	57,007,500	57,131,700	56,590,700
South America			
Carbones del Cerrejón[4]	10,751,700	11,548,800	11,001,500
Total Thermal Coal segment production	67,759,200	68,680,500	67,592,200

	Year ended December 31,		
	2011	2012	2013
		(tonnes)	
Metallurgical Coal segment by product type			
Australia			
Thermal	13,426,500	12,970,500	12,503,400
Metallurgical	13,253,400	16,287,400	16,971,800
Canada			
Metallurgical	936,300	1,376,900	1,683,800
Total Metallurgical Coal segment production	27,616,200	30,634,800	31,159,000
Thermal Coal segment by product type			
South Africa			
Eskom	35,296,000	33,706,400	33,567,400
Thermal	21,388,100	23,351,200	23,023,300
Metallurgical	323,400	74,100	—
	57,007,500	57,131,700	56,590,700
South America			
Thermal	10,751,700	11,548,800	11,001,500
Total Thermal Coal segment production	67,759,200	68,680,500	67,592,200

(1) The Group owns 23.3% of the Jellinbah East mines (for all periods presented).
(2) The Group owns 50% of the Mafube mine (for all periods presented).
(3) Zibulo commenced commercial production on October 1, 2011. Revenue and related costs have been capitalized up to this date.
(4) The Group owns 33.3% of the Carbones del Cerrejón mine (for all periods presented). All production from this mine relates to thermal coal.

	Year ended December 31,		
	2011	2012	2013
		(tonnes)	
Copper segment			
Collahuasi[1]	453,300	282,100	444,500
AA Sur — Los Bronces mine[2]	221,800	365,300	416,300
AA Sur — El Soldado mine[2]	46,900	53,800	51,500
AA Sur — Chagres Smelter Copper blister/anodes[2][3]	138,200	138,700	145,200
Anglo American Norte — Mantos Blancos mine	72,100	54,200	54,600
Anglo American Norte — Mantoverde mine	58,700	62,300	56,800
Total Copper segment copper production[4]	599,000	659,700	774,800
Platinum copper production	12,800	11,400	14,100
Other Mining and Industrial segment — Black Mountain copper production	300	—	—
Total copper production	612,100	671,100	788,900

(1) Production is quoted on a 100% basis (our share is 44%) for all periods presented.
(2) Production is quoted on a 100% basis for all periods presented. In November 2011, the Group announced the sale to Mitsubishi of a 24.5% interest in AA Sur, which owns 100% of the Los Bronces and El Soldado mines and the Chagres Smelter. In August 2012, the Group announced an agreement to transfer a further 25.4% of AA Sur to a Codelco and Mitsui joint venture. See "Business Description — Copper — Disposal of Interests in AA Sur and Settlement with Codelco".
(3) Excluded from total copper production.
(4) Total attributable Copper segment production represents 100% of production for all operations except Collahuasi which represents 44%.

	Year ended December 31,		
	2011	2012	2013
	(tonnes)		
Nickel segment			
Codemin	9,500	9,600	9,300
Loma de Níquel	13,400	8,100	—
Barro Alto[(1)]	6,200	21,600	25,100
Total Nickel segment production	29,100	39,300	34,400
Platinum	20,300	17,700	22,600
Total attributable nickel production	49,400	57,000	57,000

(1) Barro Alto is currently not in commercial production and therefore all revenue and related costs are capitalized.

	Year ended December 31,		
	2011	2012	2013
	(thousands of ounces)		
Platinum segment— Platinum production[(1)]			
Rustenburg Section			
Bathopele	118.3	115.7	110.9
Khomanani	102.2	102.8	68.3
Thembelani	106.4	86.5	90.3
Khuseleka	133.0	133.4	146.4
Siphumelele	100.9	83.4	85.0
Amandelbult Section			
Tumela	284.4	221.8	217.7
Dishaba	161.9	148.4	145.7
Union	273.1	213.0	170.8
Mogalakwena	312.8	304.8	342.8
Twickenham Platinum Mine (Project)	0.9	—	10.0
Unki Mine	50.8	64.6	67.0
Modikwa Platinum Mine[(2)]	129.8	130.1	127.8
Kroondal[(3)]	217.6	223.4	260.2
Marikana[(3)]	48.7	28.2	—
Mototolo[(4)]	115.1	123.8	128.5
Western Limb Tailings Retreatment	43.0	46.2	59.7
	2,198.9	2,026.1	2,031.1
Purchases of metals in concentrate from associates and third parties production and metal returned	331.1	352.5	348.4
Total Platinum segment platinum production	2,530.1	2,378.6	2,379.5

(1) Total refined production is presented by mine for production from owned mining operations and our share of joint ventures, as well as purchases of metals in concentrate from joint ventures. Purchases of metals in concentrate from associates and third parties are separately presented. All mines are based in South Africa and Zimbabwe.

(2) Modikwa Platinum Mine is a 50:50 joint venture with ARM Platinum. However, the information reported represents 100% of the Modikwa Platinum Mine operation as Platinum purchases and converts the joint venture partner's 50% share of the metal in concentrate.

(3) Represents half the mine operation plus the purchase and conversion of 50% of metal in concentrate that are, in total, surplus to its offtake agreement with Aquarius Platinum.

(4) Represents half the mine operation plus the purchase and conversion of 50% of metal in concentrate.

	Year ended December 31,		
	2011	2012	2013
	(thousands of ounces)		
Platinum segment— Palladium production[1]			
Rustenburg Section			
Bathopele	65.8	66.3	60.7
Khomanani	47.9	49.3	30.5
Thembelani	55.3	45.6	44.3
Khuseleka	65.6	67.0	68.5
Siphumelele	43.3	36.0	34.6
Amandelbult Section			
Tumela	129.7	103.3	97.6
Dishaba	72.6	68.6	61.8
Union	116.7	94.7	73.4
Mogalakwena	320.6	327.3	347.6
Twickenham Platinum Mine (Project)	0.7	—	9.7
Unki Mine	33.9	44.5	45.7
Modikwa Platinum Mine[2]	117.5	120.3	118.2
Kroondal[3]	106.4	113.8	128.3
Marikana[3]	22.8	13.5	—
Mototolo[4]	66.8	74.5	73.9
Western Limb Tailings Retreatment	13.2	16.8	21.3
	1,278.8	1,241.5	1,216.1
Purchases of metals in concentrate from associates and third parties production and metal returned	151.9	154.4	164.7
Total Platinum segment palladium production	1,430.7	1,395.9	1,380.8

(1) Total refined production is presented by mine for production from owned mining operations and our share of joint ventures, as well as purchases of metals in concentrate from joint ventures. Purchases of metals in concentrate from associates and third parties are separately presented. All mines are based in South Africa and Zimbabwe, as above.

(2) Modikwa Platinum Mine is a 50:50 joint venture with ARM Platinum. However, the information reported represents 100% of the Modikwa Platinum Mine operation as Platinum purchases and converts the joint venture partner's 50% share of the metal in concentrate.

(3) Represents half the mine operation plus the purchase and conversion of 50% of metal in concentrate that are, in total, surplus to its offtake agreement with Aquarius Platinum.

(4) Represents half the mine operation plus the purchase and conversion of 50% of metal in concentrate.

	Year ended December 31,		
	2011	2012	2013
	(thousands of ounces)		
Platinum segment— Rhodium production[1]			
Rustenburg Section			
Bathopele	20.9	22.6	18.7
Khomanani	10.8	12.3	7.0
Thembelani	15.5	13.5	11.9
Khuseleka	16.6	18.4	16.9
Siphumelele	7.5	6.8	6.0
Amandelbult Section			
Tumela	46.5	38.5	34.4
Dishaba	20.8	21.0	16.7
Union	47.2	39.1	29.4
Mogalakwena	20.7	19.9	21.8
Twickenham Platinum Mine (Project)	0.3	—	0.8
Unki Mine	2.9	5.2	5.3
Modikwa Platinum Mine[2]	25.0	20.8	25.1
Kroondal[3]	41.2	34.8	43.2
Marikana[3]	8.1	6.9	—
Mototolo[4]	17.8	18.3	20.8
Western Limb Tailings Retreatment	2.1	2.7	3.5
	303.9	280.8	261.5
Purchases of metals in concentrate from associates and third parties production and metal returned	33.7	30.0	33.2
Total Platinum segment rhodium production	337.6	310.7	294.7

(1) Total refined production is presented by mine for production from owned mining operations and our share of joint ventures, as well as purchases of metals in concentrate from joint ventures. Purchases of metals in concentrate from associates and third parties are separately presented. All mines are based in South Africa and Zimbabwe, as above.
(2) Modikwa Platinum Mine is a 50:50 joint venture with ARM Platinum. However, the information reported represents 100% of the Modikwa Platinum Mine operation as Platinum purchases and converts the joint venture partner's 50% share of the metal in concentrate.
(3) Represents half the mine operation plus the purchase and conversion of 50% of metal in concentrate that are, in total, surplus to its offtake agreement with Aquarius Platinum.
(4) Represents half the mine operation plus the purchase and conversion of 50% of metal in concentrate.

	Year ended December 31,		
	2011	2012	2013
	(carats)		
Diamonds segment[1]			
Debswana	22,890,000	20,216,000	22,707,000
Namdeb Holdings	1,335,000	1,667,000	1,762,000
DBCM	5,443,000	4,432,000	4,724,000
De Beers Canada	1,660,000	1,560,000	1,966,000
	31,328,000	27,875,000	31,159,000

(1) Information in the table reflects diamonds recovered. Production is quoted on a 100% basis for all periods presented.

	Year ended December 31,		
	2011	2012	2013
	(tonnes)		
Niobium and Phosphates segment			
Phosphates			
Fertilizers produced	1,060,900	1,127,600	1,199,000
Niobium	3,900	4,400	4,500

ORE RESERVES

This section contains tables setting forth the Proved and Probable Ore Reserves for the various business segments of the Group.

The Ore Reserve estimates presented in this section are prepared in accordance with the Anglo American plc Reporting of Exploration Results, Mineral Resources and Ore Reserves standard. This standard requires that the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 Edition ("JORC Code"), be used as a minimum standard. Some of our subsidiaries have a primary listing in South Africa where public reporting is conducted in accordance with the South African Code for Reporting of Exploration Results, Mineral Resources and Mineral Reserves, 2007 Edition as amended July 2009 ("SAMREC Code").

Ore Reserve reporting requirements for filings with the SEC are specified in Industry Guide 7, which recommends that economic assumptions be based on a three-year historic average. Our reporting standard is not derived from, or consistent with, Industry Guide 7 and differs from Industry Guide 7 in certain material respects. Accordingly, our Proved and Probable Ore Reserves would differ from those described herein if determined in accordance with Guide 7.

The Ore Reserve estimates were prepared by or under the supervision of "Competent Persons" as defined in the JORC and SAMREC Codes. All Competent Persons have sufficient experience relevant to the style of mineralization and type of deposit under consideration and to the activity which they are undertaking.

The Group companies are subject to a comprehensive program of independent third-party audits aimed at providing assurance in respect of Ore Reserve estimates. The frequency and depth of the independent audits is a function of the risks and/or uncertainties associated with a particular Ore Reserve, the overall value thereof and time that has elapsed since an independent third-party audit has been conducted.

The JORC and SAMREC Codes require the use of reasonable economic assumptions. These include long-range commodity price forecasts, which are prepared by in-house specialists largely using estimates of future supply and demand and long-term economic outlooks.

Ore Reserve estimates are dynamic and are influenced by changing economic conditions, technical issues, environmental regulations and relevant new information and therefore can vary from year to year.

The estimates of Ore Reserves are as of December 31, 2011, 2012 or 2013, as indicated. Unless otherwise stated, Ore Reserves are reported on a dry tonnes basis. The figures in the tables have been rounded and, if used to derive totals and averages, could cause minor computational differences. Ore Reserves in the context of this document have the same meaning as "Mineral Reserves" as defined by the SAMREC Code and the CIM (Canadian Institute of Mining and Metallurgy) Definition Standards on Mineral Resources and Mineral Reserves. The following abbreviations are used in the tables:

- "OP"= Open Pit,
- "OC"= Open Cut/Cast (as applicable),
- "UG"= Underground,
- "MM"= Marine Mining,
- "Mine Life"= The extraction period in years, based on scheduled total estimated Ore Reserves divided by the annual weighted average planned production;
- and for Diamonds, "LOM"= years of anticipated mining based on the scheduled estimated Probable Reserves including Indicated and some Inferred Resources considered for Life of Mine planning divided by the annual weighted average planned production.

Iron Ore and Manganese segment — Iron Ore

Iron Ore Ore Reserves[1]	Classification	Tonnage 2011	Tonnage 2012	Tonnage 2013	Grade 2011	Grade 2012	Grade 2013	Saleable product 2011 Mt	2011 %Fe	2012 Mt	2012 %Fe	2013 Mt	2013 %Fe
		(Million tonnes)[2]			*(%Fe)*			*Mt*	*%Fe*	*Mt*	*%Fe*	*Mt*	*%Fe*
Kumba Iron Ore													
Kolomela Mine (OP) (51.5% attributable, 20 year Mine Life)	Proved	109.7	107.6	101.3	64.9	64.8	64.4	110	65.0	107	64.8	101	64.4
	Probable	93.7	102.0	98.7	64.3	64.0	64.5	94	64.4	102	64.0	99	64.5
	Total	203.4	209.5	200.0	64.6	64.4	64.4	203	64.7	209	64.4	200	64.4
Sishen Mine (OP) (40.5% attributable, 19 year Mine Life)	Proved	525.8	642.9	428.9	58.9	59.4	59.2	393	65.0	485	65.3	311	65.4
	Probable	458.1	276.0	435.1	59.3	58.8	59.1	351	65.1	201	65.0	311	65.1
	Total	983.9	918.9	864.1	59.1	59.2	59.1	744	65.0	686	65.2	622	65.3
Thabazimbi Mine (OP) (51.5% attributable, 9 year Mine Life)	Proved	2.7	0.4	0.5	61.4	61.1	62.2	2	63.2	0	62.9	0	64.4
	Probable	7.7	9.0	10.8	60.4	60.6	60.4	6	63.0	7	62.9	8	62.9
	Total	10.4	9.5	11.3	60.7	60.6	60.5	8	63.1	7	62.9	9	63.0
Iron Ore Brazil – Projects													
Serra do Sapo (OP)[3] (100% attributable, 28 year Mine Life)	Proved	—	—	—	—	—	—	—	—	—	—	—	—
	Probable	—	1,452.8	1,385.3	—	38.8	38.8	—	—	685	67.5	686	67.5
	Total	—	1,452.8	1,385.3	—	38.8	38.8	—	—	685	67.5	686	67.5

(1) The figures reported represent 100% of the Ore Reserves. The percentage attributable to Anglo American plc at December 31, 2013 is stated next to each operation.
(2) Tonnage: quoted as metric tonnes.
(3) Tonnage and grades are on a dry basis. In 2012, tonnages were reported on a wet basis with an average moisture content of 4.2 wt% for Friable ore. Saleable Product tonnes are on a wet basis (average moisture content is 8.0 wt% of the wet mass) with quality stated on a dry basis.

Iron Ore and Manganese segment — Manganese

Manganese Ore Reserves[1]	Classification	Tonnage 2011	Tonnage 2012	Tonnage 2013	Grade 2011	Grade 2012	Grade 2013	% Yield 2011	% Yield 2012	% Yield 2013
		(Million tonnes)[3]			*(%Mn)*					
GEMCO (OP) (40.0% attributable, 12 year Mine Life)	Proved	79.4	72.5	68.9	46.5	45.0	44.4	54.8	55.1	59.1
	Probable	25.9	24.9	27.6	45.6	45.0	44.7	54.2	55.1	58.7
	Total	105.3	97.4	96.5	46.3	45.0	44.5	54.7	55.1	59.0
Hotazel Manganese Mines[2]										
Mamatwan (OP) (29.6% attributable, 20 year Mine Life)	Proved	43.9	41.4	38.3	37.3	37.2	37.1			
	Probable	30.5	31.4	30.5	37.1	37.1	36.9			
	Total	74.4	72.8	68.8	37.2	37.1	37.0			
Wessels (UG) (29.6% attributable, 46 year Mine Life)	Proved	4.1	3.9	4.2	44.0	44.8	44.5			
	Probable	67.7	64.9	63.9	43.0	42.9	42.3			
	Total	71.8	68.8	68.1	43.1	43.0	42.4			

(1) The figures reported represent 100% of the Ore Reserves. The percentage attributable to Anglo American plc at December 31, 2013 is stated next to each operation.
(2) We own 29.6% of Hotazel Manganese Mines through our investment in Samancor.
(3) Tonnage: quoted as metric tonnes. Mamatwan tonnages stated as wet metric tonnes. Wessels and GEMCO tonnages stated as dry metric tonnes.

Metallurgical Coal segment

Coal Reserves[1]	Classification	Run Of Mine (ROM) 2011	2012	2013	Saleable 2011	2012	2013	Saleable Quality 2011	2012	2013
		(Million tonnes)[2]			*(Million tonnes)*[2]			*kcal/kg or CSN*[3]		
Australia Callide (OC) (100% attributable, 23 year Mine Life)										
Thermal — Domestic	Proved	199.9	192.2	185.5	195.8	188.2	181.6	4,380	4,380	4,380
	Probable	52.0	52.0	52.0	51.0	51.0	51.0	4,250	4,250	4,250
	Total	251.9	244.2	237.5	246.8	239.2	232.6	4,350	4,350	4,350
Capcoal (OC)[4] (77.5% attributable, 23 year Mine Life)										
Metallurgical — Coking	Proved	77.1	69.9	73.4	16.3	14.4	21.0	7.0	7.0	6.0
	Probable	72.5	72.5	69.5	12.3	12.3	19.8	6.5	6.5	5.5
	Total	149.5	142.4	142.9	28.6	26.7	40.8	7.0	7.0	6.0
Metallurgical — Other	Proved				37.0	33.6	27.6	6,970	6,970	6,850
	Probable				35.0	35.0	26.0	6,990	6,990	6,850
	Total				72.1	68.7	53.6	6,980	6,980	6,850
Thermal — Export	Proved				2.3	2.0	3.8	7,060	7,070	6,160
	Probable				1.7	1.7	3.2	7,030	7,030	6,290
	Total				4.0	3.7	7.1	7,050	7,050	6,220
Capcoal (UG) (70.0% attributable, 11 year Mine Life)										
Metallurgical — Coking	Proved	40.6	36.0	43.4	31.6	28.5	32.9	9.0	9.0	9.0
	Probable	14.7	14.7	6.8	11.2	11.2	5.3	9.0	9.0	8.5
	Total	55.3	50.7	50.2	42.7	39.7	38.2	9.0	9.0	9.0
Dawson (OC)[4] (51.0% attributable, 26 year Mine Life)										
Metallurgical — Coking	Proved	15.0	180.7	171.9	3.1	44.7	42.4	7.5	7.5	7.0
	Probable	149.0	227.2	225.9	24.5	49.1	48.5	7.5	7.5	7.0
	Total	163.9	407.9	397.8	27.5	93.8	90.9	7.5	7.5	7.0
Thermal — Export	Proved				10.0	95.8	91.3	6,500	5,440	5,170
	Probable				90.9	125.3	124.8	6,500	5,340	5,100
	Total				101.0	221.1	216.1	6,500	5,380	5,130
Drayton (OC) (88.2% attributable, 2 year Mine Life)										
Thermal — Export	Proved	3.2	7.9	4.6	2.4	6.0	3.4	6,260	6,650	6,600
	Probable	19.7	4.2	2.2	14.9	3.2	1.7	6,260	6,600	6,540
	Total	22.9	12.0	6.8	17.3	9.2	5.1	6,260	6,630	6,580
Foxleigh (OC) (70.0% attributable, 6 year Mine Life)										
Metallurgical — Other	Proved	4.1	1.9	0.7	3.5	1.7	0.6	6,940	6,870	7,190
	Probable	13.7	12.6	23.4	11.3	10.4	17.4	6,810	6,800	7,050
	Total	17.8	14.5	24.1	14.8	12.1	18.0	6,840	6,810	7,050
Moranbah North (UG) (88.0% attributable, 19 year Mine Life)										
Metallurgical — Coking	Proved	114.8	109.5	114.8	92.6	88.5	89.1	8.0	8.0	8.0
	Probable	11.3	11.3	20.4	8.7	8.7	14.5	8.0	8.0	8.0
	Total	126.1	120.8	135.2	101.3	97.2	103.6	8.0	8.0	8.0
Australia[4][5][6]										
Metallurgical — Coking Attributable % — 71.6	Proved	454.6	598.0	594.3	143.5	176.0	185.4	8.0	8.0	7.5
	Probable	332.8	394.4	400.3	56.6	81.3	88.2	7.5	7.5	7.0
	Total	787.4	992.5	994.6	200.1	257.3	273.5	8.0	8.0	7.5
Metallurgical — Other Attributable % — 75.6	Proved				40.5	35.3	28.2	6,970	6,970	6,860
	Probable				46.3	45.5	43.4	6,940	6,940	6,930
	Total				86.8	80.8	71.6	6,960	6,950	6,900
Thermal — Export Attributable % — 52.7	Proved				14.7	103.8	98.6	6,550	5,540	5,260
	Probable				107.5	130.2	129.7	6,480	5,390	5,150
	Total				122.2	233.9	228.3	6,480	5,460	5,200
Thermal — Domestic Attributable % — 100	Proved				195.8	188.2	181.6	4,380	4,380	4,380
	Probable				51.0	51.0	51.0	4,250	4,250	4,250
	Total				246.8	239.2	232.6	4,350	4,350	4,350

Coal Reserves[1]	Classification	Run Of Mine (ROM) 2011	2012	2013	Saleable 2011	2012	2013	Saleable Quality 2011	2012	2013
		(Million tonnes)[2]			*(Million tonnes)*[2]			*kcal/kg or CSN*[3]		
Canada										
Trend (OC)[4][7] (100% attributable, 7 year Mine Life)										
Metallurgical — Coking ..	Proved	20.3	17.9	10.5	13.9	12.4	8.1	7.0	7.0	7.0
	Probable	2.3	2.3	2.3	1.5	1.5	1.9	7.0	7.0	7.0
	Total	22.6	20.2	12.8	15.4	14.0	10.0	7.0	7.0	7.0
Thermal — Export	Proved				0.1	0.1	—	5,070	5,070	—
	Probable				0.0	0.0	—	5,070	5,070	—
	Total				0.2	0.2	—	5,070	5,070	—
Metallurgical Coal – Projects										
Capcoal (UG) - Aquila (70.0% attributable, 13 year Mine Life)										
Metallurgical — Coking	Proved	—	—	26.3	—	—	19.2	—	—	9.0
	Probable	—	—	19.2	—	—	13.5	—	—	9.0
	Total	—	—	45.5	—	—	32.7	—	—	9.0
Grosvenor (100% attributable, 31 year Mine Life)										
Metallurgical — Coking ..	Proved	76.1	76.1	115.0	53.2	53.2	79.6	8.5	8.5	8.5
	Probable	62.6	62.6	78.7	43.1	43.1	51.4	8.0	8.0	8.0
	Total	138.7	138.7	193.7	96.3	96.3	130.9	8.5	8.5	8.5
Roman Mountain (100% attributable, 14 year Mine Life)										
Metallurgical — Coking	Proved	—	—	32.6	—	—	24.3	—	—	7.0
	Probable	—	—	2.9	—	—	2.3	—	—	7.0
	Total	—	—	35.5	—	—	26.6	—	—	7.0

(1) Coal Reserves are quoted on a Run Of Mine ("ROM") reserve tonnes basis, which represents the tonnes delivered to the plant. Saleable reserve tonnes represents the estimated product tonnes. Coal Reserves (ROM and Saleable) are on the applicable moisture basis. The figures reported represent 100% of the Coal Reserves. The percentage attributable to Anglo American plc at December 31, 2013 is stated next to each operation.
(2) Tonnage: quoted as metric tonnes. ROM tonnages on an As Delivered moisture basis, and Saleable tonnages on a Product moisture basis.
(3) The coal quality for Coal Reserves is quoted as either kilo-calories per kilogram ("kcal/kg") or Crucible Swell Number ("CSN"). Kilo-calories per kilogram represent Calorific Value ("CV") on a Gross As Received ("GAR") basis. Coal quality parameters for the Coal Reserves for Coking, Other Metallurgical and Export Thermal collieries meet the contractual specifications for coking coal, PCI, metallurgical coal, steam coal and domestic coal. Coal quality parameters for the Coal Reserves for Domestic Power and Synfuel collieries meet the specifications of the individual supply contracts. CV is rounded to the nearest 10 kcal/kg and CSN to the nearest 0.5 index.
(4) For the multi-product operations, the ROM tonnage figures apply to each product.
(5) Australian Export mining operations include Capcoal, Drayton, Foxleigh, Moranbah North and Dawson. Domestic Australian mining operations relates to Callide.
(6) Attributable percentages for country totals are weighted by Saleable tonnes and should not be directly applied to the ROM tonnage.
(7) Canadian Export mining operations relate to Trend which is part of Peace River Coal. Anglo American's interest in Peace River Coal at December 31, 2013 was 100%.

Metallurgical — Coking refers to high-, medium- to low-volatile semi-soft, soft or hard coking coal primarily for blending and use in steel industry; quality measured as Crucible Swell Number ("CSN").

Metallurgical — Other refers to semi-soft, soft, hard, semi-hard or anthracite coal, other than Coking Coal, such as PCI or other general metallurgical coal for the export or domestic market with a wider range of properties than Coking Coal; quality measured by calorific value ("CV").

Thermal — Export refers to low- to high-volatile thermal coal primarily for export in the use of power generation; quality measured by CV.

Thermal — Domestic refers to low- to high-volatile thermal coal primarily for domestic consumption for power generation; quality measured by CV.

Thermal Coal segment

Coal Reserves[1]	Classification	Run Of Mine (ROM)			Saleable			Saleable Quality		
		2011	2012	2013	2011	2012	2013	2011	2012	2013
		(Million tonnes)[2]			*(Million tonnes)*[2]			*kcal/kg or CSN*[3]		
Colombia										
Cerréjon (OC)[4]										
(33.3% attributable, 18 year Mine Life)										
Thermal — Export	Proved	718.8	675.0	645.1	695.5	652.7	626.6	6,300	6,180	6,150
	Probable	86.0	93.2	96.2	83.2	90.4	93.9	6,240	6,110	6,130
	Total	804.8	768.2	741.3	778.7	743.1	720.4	6,290	6,170	6,150
South Africa										
Goedehoop (UG&OC)										
(100% attributable, 7 year Mine Life)										
Thermal — Export	Proved	37.4	30.0	29.5	20.2	16.8	15.8	6,230	6,190	6,200
	Probable	48.6	40.9	29.9	25.6	21.5	17.8	6,210	6,200	5,930
	Total	86.0	70.9	59.4	45.9	38.3	33.6	6,220	6,200	6,060
Greenside (UG)										
(100% attributable, 14 year Mine Life)										
Thermal — Export	Proved	25.8	21.3	23.0	15.5	12.7	16.2	6,200	6,200	6,080
	Probable	21.9	26.4	36.8	12.3	14.8	26.2	6,190	6,190	5,840
	Total	47.8	47.7	59.8	27.8	27.5	42.5	6,200	6,190	5,930
Isibonelo (OC)										
(100% attributable, 14 year Mine Life)										
Synfuel	Proved	69.9	70.5	65.2	69.9	70.5	65.2	4,590	4,520	4,690
	Probable	—	—	—	—	—	—	—	—	—
	Total	69.9	70.5	65.2	69.9	70.5	65.2	4,590	4,520	4,690
Kleinkopje (OC)[5]										
(100% attributable, 12 year Mine Life)										
Thermal — Export	Proved	64.5	50.8	38.9	23.7	17.4	15.4	6,170	6,190	6,190
	Probable	12.0	—	—	5.6	—	—	6,180	—	—
	Total	76.4	50.8	38.9	29.3	17.4	15.4	6,170	6,190	6,190
Thermal — Domestic	Proved				21.8	19.6	11.9	4,550	4,580	4,580
	Probable				—	—	—	—	—	—
	Total				21.8	19.6	11.9	4,550	4,580	4,580
Kriel (UG&OC)										
(73.0% attributable, 12 year Mine Life)										
Thermal — Domestic	Proved	46.0	40.3	36.1	46.0	40.3	36.1	4,790	4,830	4,860
	Probable	67.5	63.8	10.0	67.5	63.8	10.0	4,430	4,430	4,280
	Total	113.5	104.1	46.1	113.5	104.1	46.1	4,580	4,580	4,730
Landau (OC)[5]										
(100% attributable, 6 year Mine Life										
Thermal — Export	Proved	36.4	29.6	22.0	17.8	14.5	10.7	6,240	6,210	6,230
	Probable	24.4	12.1	12.2	11.9	5.7	5.8	6,230	6,210	6,250
	Total	60.7	41.7	34.2	29.8	20.2	16.5	6,240	6,210	6,240
Thermal — Domestic	Proved				3.2	3.7	3.5	4,550	4,040	4,390
	Probable				1.8	2.3	2.6	3,970	4,370	4,530
	Total				5.0	5.9	6.1	4,340	4,170	4,450
Mafube (OC)[5]										
(50% attributable, 18 year Mine Life)										
Thermal — Export	Proved	24.8	12.1	10.2	11.6	5.8	5.3	6,220	6,270	6,260
	Probable	66.6	70.7	113.0	22.2	24.2	48.4	6,210	6,260	6,040
	Total	91.3	82.8	123.2	33.8	30.0	53.7	6,210	6,260	6,060
Thermal — Domestic	Proved				6.8	2.4	2.6	5,460	5,360	5,240
	Probable				25.0	21.2	21.1	5,010	4,970	5,050
	Total				31.8	23.6	23.7	5,110	5,010	5,070
New Denmark (UG)										
(100% attributable, 25 year Mine Life)										
Thermal — Domestic	Proved	30.2	30.8	25.8	30.2	30.8	25.8	4,880	4,950	5,040
	Probable	80.9	81.2	82.7	80.9	81.2	82.7	5,120	5,020	5,150
	Total	111.1	112.0	108.6	111.1	112.0	108.6	5,050	5,000	5,120

Coal Reserves[1]	Classification	Run Of Mine (ROM) 2011	2012	2013	Saleable 2011	2012	2013	Saleable Quality 2011	2012	2013
		(Million tonnes)[2]			*(Million tonnes)*[2]			*kcal/kg or CSN*[3]		
New Vaal (OC) (100% attributable, 17 year Mine Life)										
Thermal — Domestic	Proved	371.8	348.1	296.3	359.8	323.8	286.6	3,490	3,560	3,510
	Probable	—	—	—	—	—	—	—	—	—
	Total	371.8	348.1	296.3	359.8	323.8	286.6	3,490	3,560	3,510
Nooitgedacht 5 Seam (UG)[6] (100% attributable)										
Metallurgical – Other	Proved	0.4	—	—	0.3	—	—	6,370	—	—
	Probable	—	—	—	—	—	—	—	—	—
	Total	0.4	—	—	0.3	—	—	6,370	—	—
Zibulo (UG&OC)[5] (73.0% attributable, 19 year Mine Life)										
Thermal — Export	Proved	86.1	91.3	84.1	43.0	45.6	49.0	6,090	6,100	6,110
	Probable	28.6	23.5	34.2	13.3	10.4	16.1	6,070	6,110	6,110
	Total	114.7	114.9	118.2	56.3	56.0	65.1	6,090	6,100	6,110
Thermal — Domestic	Proved				26.4	25.1	12.2	4,820	4,930	4,840
	Probable				8.9	7.3	7.1	4,640	4,780	4,830
	Total				35.4	32.4	19.3	4,770	4,900	4,840
South Africa[5][6][7][8]										
Thermal — Export	Proved	793.3	724.9	631.1	131.8	112.8	112.5	6,170	6,160	6,150
Attributable % — 80.4	Probable	350.5	318.7	318.8	90.9	76.5	114.3	6,190	6,210	6,000
	Total	1,143.8	1,043.6	949.9	222.7	189.3	226.8	6,180	6,180	6,070
Thermal — Domestic	Proved				494.2	445.7	378.7	3,850	3,910	3,840
Attributable % — 94.1	Probable				184.1	175.7	123.6	4,820	4,780	5,030
	Total				678.4	621.4	502.3	4,110	4,150	4,130
Synfuel	Proved				69.9	70.5	65.2	4,590	4,520	4,690
Attributable % — 100	Probable				—	—	—	—	—	—
	Total				69.9	70.5	65.2	4,590	4,520	4,690
Metallurgical – Other	Proved				0.3	—	—	6,370	—	—
Attributable % — 100	Probable				—	—	—	—	—	—
	Total				0.3	—	—	6,370	—	—

(1) Coal Reserves are quoted on a Run Of Mine ("ROM") reserve tonnes basis, which represents the tonnes delivered to the plant. Saleable reserve tonnes represents the estimated product tonnes. Coal Reserves (ROM and Saleable) are on the applicable moisture basis. The figures reported represent 100% of the Coal Reserves. The percentage attributable to Anglo American plc at December 31, 2013 is stated next to each operation.
(2) Tonnage: quoted as metric tonnes. ROM tonnages on an As Delivered moisture basis, and Saleable tonnages on a Product moisture basis.
(3) The coal quality for Coal Reserves is quoted as either kilo-calories per kilogram (kcal/kg) or Crucible Swell Number (CSN). Kilo-calories per kilogram represent Calorific Value (CV) on a Gross As Received (GAR) basis. Coal quality parameters for the Coal Reserves for Coking, Other Metallurgical and Export Thermal collieries meet the contractual specifications for coking coal, PCI, metallurgical coal, steam coal and domestic coal. Coal quality parameters for the Coal Reserves for Domestic Power and Domestic Synfuels collieries meet the specifications of the individual supply contracts in the short-term and studies are underway to ensure long-term compliance. CV is rounded to the nearest 10 kcal/kg.
(4) We own a 33.3% interest in Carbones del Cerrejón.
(5) For the multi-product operations, the ROM tonnage figures apply to each product.
(6) Nooitgedacht is not reported in 2012 and 2013 due to the planned shaft closure and the re-allocation of the reserves to resources.
(7) South African Export mining operations include Greenside, Goedehoop, Kleinkopje, Landau, Zibulo and Mafube. Domestic South African mining operations include Isibonelo, Kriel, New Denmark and New Vaal.
(8) Attributable percentages for country totals are weighted by Saleable tonnes and should not be directly applied to the ROM tonnage.

Thermal — Export refers to low- to high-volatile thermal coal primarily for export in the use of power generation; quality measured by CV.

Thermal — Domestic refers to low- to high-volatile thermal coal primarily for domestic consumption for power generation; quality measured by CV.

Synfuel refers to a coal specifically for the domestic production of synthetic fuel and chemicals; quality measured by CV.

Metallurgical — Other refers to semi-soft, soft, hard, semi-hard or anthracite coal, other than Coking Coal, such as PCI or other general metallurgical coal for the export or domestic market with a wider range of properties than Coking Coal; quality measured by CV.

Copper segment

Copper Ore Reserves[1]	Classification	Tonnage			Grade			Contained Metal		
		2011	2012	2013	2011	2012	2013	2011	2012	2013
		(Million tonnes)[2]			*(%Cu)*			*(thousand tonnes)*[2]		
Collahuasi (OP)										
(44.0% attributable, 63 year Mine Life)[3]										
Oxide and Mixed (TCu) Heap Leach.....	Proved	0.0	31.0	—	0.60	0.58	—	0	181	—
	Probable	35.4	13.0	7.0	0.63	0.71	0.57	224	93	40
	Total	35.4	44.1	7.0	0.63	0.62	0.57	224	274	40
Sulphide (TCu)										
Flotation — direct feed....................	Proved	285.0	419.1	422.4	1.07	1.00	1.03	3,042	4,200	4,351
	Probable	1,640.3	1,655.1	1,683.0	0.93	0.98	0.98	15,177	16,202	16,494
	Total	1,925.3	2,074.2	2,105.4	0.95	0.98	0.99	18,219	20,402	20,845
Low Grade Sulphide (TCu)										
Flotation — stockpile	Proved	—	—	28.2	—	—	0.53	—	—	150
	Probable	935.2	1069.2	1,137.8	0.49	0.49	0.48	4,596	5,219	5,427
	Total	935.2	1069.2	1,166.0	0.49	0.49	0.48	4,596	5,219	5,576
El Soldado (OP)										
(50.1% attributable, 11 year Mine Life)[3]										
Sulphide (TCu)										
Flotation...	Proved	95.4	125.7	48.1	0.96	0.81	0.94	915	1,018	452
	Probable	67.3	44.6	39.1	0.79	0.79	0.82	533	352	321
	Total	162.7	170.3	87.2	0.89	0.80	0.89	1,448	1,371	773
Oxide (TCu)										
Heap Leach	Proved	—	—	—	—	—	—	—	—	—
	Probable	3.5	3.0	2.3	0.46	0.45	0.33	16	14	8
	Total	3.5	3.0	2.3	0.46	0.45	0.33	16	14	8
Los Bronces (OP)										
(50.1% attributable, 31 year Mine Life)[3]										
Sulphide (TCu)										
Flotation...	Proved	899.6	729.9	721.4	0.69	0.70	0.69	6,208	5,109	4,977
	Probable	598.8	779.4	724.1	0.51	0.53	0.53	3,054	4,131	3,838
	Total	1,498.4	1509.3	1,445.4	0.62	0.61	0.61	9,261	9,240	8,815
Sulphide (TCu)										
Dump Leach	Proved	486.6	428.6	439.1	0.35	0.32	0.32	1,703	1,371	1,405
	Probable	197.1	179.0	158.5	0.27	0.29	0.29	532	519	460
	Total	683.7	607.6	597.6	0.33	0.31	0.31	2,235	1,891	1,865
Mantos Blancos (OP)										
(100% attributable, 10 year Mine Life)[3]										
Sulphide (ICu)										
Flotation...	Proved	26.3	14.1	19.2	0.83	0.82	0.86	218	115	165
	Probable	19.7	21.6	29.3	0.80	0.79	0.72	157	170	211
	Total	46.0	35.6	48.5	0.82	0.80	0.78	376	286	376
Oxide (ASCu)										
Vat and Heap Leach	Proved	8.3	2.7	3.7	0.54	0.55	0.48	45	15	18
	Probable	16.3	12.7	12.0	0.33	0.38	0.44	54	47	53
	Total	24.7	15.4	15.7	0.40	0.41	0.45	99	62	71
Oxide (ASCu)										
Dump Leach	Proved	2.1	—	—	0.18	—	—	4	—	—
	Probable	49.6	36.8	36.2	0.23	0.23	0.23	115	84	83
	Total	51.7	36.8	36.2	0.23	0.23	0.23	119	84	83
Mantoverde (OP)										
(100% attributable, 6 year Mine Life)[3]										
Oxide (ASCu)										
Heap Leach	Proved	33.3	22.2	38.9	0.59	0.56	0.53	196	124	206
	Probable	9.5	20.2	9.3	0.55	0.52	0.52	52	105	48
	Total	42.7	42.3	48.1	0.58	0.54	0.53	248	229	254
Oxide (ASCu)										
Dump Leach	Proved	27.2	18.4	20.1	0.24	0.23	0.22	65	42	44
	Probable	18.2	25.7	13.4	0.28	0.27	0.23	51	70	31
	Total	45.4	44.2	33.4	0.26	0.25	0.22	116	112	75
Copper Projects										
Quellaveco (OP)										
(81.9% attributable, 28 year Mine Life)										
Sulphide (TCu)										
Flotation...	Proved	701.8	701.8	701.8	0.65	0.65	0.65	4,562	4,562	4,562
	Probable	214.6	214.6	214.6	0.63	0.63	0.63	1,352	1,352	1,352
	Total	916.4	916.4	916.4	0.65	0.65	0.65	5,914	5,914	5,914

(1) The figures reported represent 100% of the Ore Reserves. The percentage attributable to Anglo American plc at December 31, 2013 is stated next to each operation or project. On August 23, 2012, an agreement was reached with Codelco for the Group to dispose of further interests in AA Sur reducing the Group's share in the Los Bronces and El Soldado mines to 50.1%. See "Business Description — Copper — Disposal of Interests in AA Sur and Settlement with Codelco".

(2) Tonnage: quoted as metric tonnes.

(3) Mine Life figures reflect the extraction period for scheduled Ore Reserves only as opposed to the Life of Mine figures published in the 2013 Annual Report which include Inferred Resources within the Mine Plan.

Nickel segment

Nickel Ore Reserves[1]	Classification	Tonnage 2011	Tonnage 2012	Tonnage 2013	Grade 2011	Grade 2012	Grade 2013	Contained Metal 2011	Contained Metal 2012	Contained Metal 2013
		(Million tonnes)[2]			*(%Ni)*			*(thousand tonnes)[2]*		
Barro Alto (OP)[3] (100% attributable, 17 year Mine Life)										
Saprolite	Proved	21.2	23.4	20.0	1.66	1.71	1.71	352	401	342
	Probable	31.0	23.4	25.2	1.55	1.51	1.42	481	353	358
	Total	52.2	46.8	45.3	1.60	1.61	1.55	833	754	700
Niquelândia (OP)[3] (100% attributable, 23 year Mine Life)										
Saprolite	Proved	3.7	3.9	4.5	1.35	1.35	1.31	50	52	59
	Probable	0.9	1.0	1.1	1.33	1.32	1.25	12	14	14
	Total	4.6	4.9	5.6	1.35	1.34	1.30	63	66	73

(1) The figures reported represent 100% of the Ore Reserves. The percentage attributable to Anglo American plc at December 31, 2013 is stated next to each operation or project.
(2) Tonnage: quoted as metric tonnes.
(3) Niquelândia Mine is adjacent to the Codemin Ferro-Nickel smelter which is fed with ore from Barro Alto and is blended with Niquelândia ore to achieve an appropriate smelter feed chemistry.

Niobium and Phosphate segment

	Classification	Tonnage 2011	Tonnage 2012	Tonnage 2013	Grade 2011	Grade 2012	Grade 2013	Contained Product 2011	Contained Product 2012	Contained Product 2013
Niobium Ore Reserves[1]		*(Million tonnes)[2]*			*($\%Nb_2O_5$)*	*($\%Nb_2O_5$)*	*($\%Nb_2O_5$)*	*(thousand tonnes)[2]*		
Boa Vista[3] (OP) (100% attributable, 1 year Mine Life)										
Carbonatite (Oxide)	Proved	3.4	2.9	1.2	1.03	0.98	1.19	35	29	14
	Probable	1.0	1.0	0.4	1.04	1.18	1.03	10	11	5
	Total	4.3	3.9	1.6	1.03	1.03	1.15	45	40	19
Carbonatite (Phosphate tailings)	Proved	—	—	—	—	—	—	—	—	—
	Probable	—	2.0	14.5	—	0.73	0.69	—	14	100
	Total	—	2.0	14.5	—	0.73	0.69	—	14	100
Phosphate products[1]										
Chapadão[4] (OP) (100% attributable, 20 year Mine Life)					*($\%P_2O_5$)*	*($\%P_2O_5$)*	*($\%P_2O_5$)*			
Carbonatite	Proved	87.9	83.1	41.0	14.0	14.1	12.5			
	Probable	151.3	151.0	77.0	13.0	13.0	13.0			
	Total	239.2	234.0	118.1	13.4	13.4	12.8			

(1) The figures reported represent 100% of the Ore Reserves. The percentage attributable to Anglo American plc at December 31, 2013 is 100%.
(2) Tonnage: quoted as metric tonnes.
(3) Previously reported as Catalão. For 2013, the Ore Reserves reported previously as Boa Vista - Oxides have been reported in terms of 4 entities namely, Boa Vista, Mina I, Mina II and Area Leste. The Ore Reserves for Mina I and Area Leste (previously declared as part of Boa Vista – Oxides) were reallocated to Mineral Resource following re-classification of historical estimates and are therefore not reported in 2013.
(4) Previously reported as Copebrás/Ouvidor.

Platinum segment

Platinum Ore Reserves	Classification	Tonnage 2011	Tonnage 2012	Tonnage 2013	Grade[3] 2011	Grade[3] 2012	Grade[3] 2013	Contained Metal 2011	Contained Metal 2012	Contained Metal 2013
South African Operations[1]		*(million tonnes)[2]*			*(4E PGE g/t)*			*(4E million troy ounces)*		
Merensky Reef[4]	Proved	63.9	59.8	55.0	5.05	4.79	4.79	10.4	9.2	8.5
	Probable	49.1	22.5	17.3	5.16	4.49	4.52	8.1	3.2	2.5
	Total	113.0	82.3	72.3	5.10	4.71	4.72	18.5	12.5	11.0
UG2 Reef[4]	Proved	390.7	389.8	316.2	4.10	4.05	4.13	51.5	50.8	42.0
	Probable	250.0	128.6	91.0	4.78	4.46	4.20	38.4	18.4	12.3
	Total	640.7	518.4	407.2	4.36	4.15	4.15	89.9	69.2	54.3
Platreef	Proved	538.8	587.5	705.8	2.84	2.75	2.73	49.3	52.0	61.9
	Proved (primary ore stockpile)	20.0	26.7	28.7	1.71	1.72	1.59	1.1	1.5	1.5
	Probable	166.5	394.6	901.4	3.24	2.81	2.70	17.4	35.6	78.2
	Total	725.4	1,008.9	1,635.9	2.90	2.75	2.69	67.7	89.1	141.6

Platinum Ore Reserves	Classification	Tonnage 2011	Tonnage 2012	Tonnage 2013	Grade[3] 2011	Grade[3] 2012	Grade[3] 2013	Contained Metal 2011	Contained Metal 2012	Contained Metal 2013
South African Operations[1]		*(million tonnes)[2]*			*(4E PGE g/t)*			*(4E million troy ounces)*		
All Reefs	Proved	1,013.4	1,063.9	1,105.7	3.44	3.32	3.20	112.2	113.4	113.8
	Probable	465.7	545.7	1,009.6	4.27	3.27	2.87	63.9	57.3	93.0
	Total	1,479.1	1,609.6	2,115.3	3.70	3.30	3.04	176.1	170.8	206.9
Tailings	Proved	—	—	—	—	—	—	—	—	—
	Probable	18.9	15.9	23.7	0.86	1.02	1.08	0.5	0.5	0.8
	Total	18.9	15.9	23.7	0.86	1.02	1.08	0.5	0.5	0.8
Zimbabwe Operations										
Main Sulphide Zone[5]	Proved	15.0	13.9	14.1	3.68	3.85	3.72	1.8	1.7	1.7
	Probable	23.7	39.8	36.6	3.85	3.73	3.68	2.9	4.8	4.3
	Total	38.7	53.7	50.7	3.79	3.76	3.69	4.7	6.5	6.0

(1) The figures reported represent 100% of the Ore Reserves. Of these reserves at December 31, 2013 we owned 78.0% (2011: 79.8% and 2012: 79.9%) through our interest in Anglo American Platinum.
(2) Tonnage: quoted as metric tonnes.
(3) Grade: 4E PGE is the sum of platinum, palladium, rhodium and gold grades in grams per tonne (g/t).
(4) The pay limit is based on Cost 4 which consists of 'Direct Cash Cost' (on and off mine), 'Other Indirect Costs' and 'Stay in Business Capital' (on and off mine). The reserve pay-limit varies across all operations between 2.5g/t and 4.8g/t (4E PGE). The range is a function of various factors including depth of the ore body, geological complexity, infrastructure and economic parameters.
(5) Unki: The Main Sulphide Zone is the ore body mined at Unki Mine. The Ore Reserves for the Main Sulphide Zone relate to the Unki East mine only. Anglo American Platinum owns an effective 100% interest in Southridge Limited.

Diamonds segment

	BCO (mm)[1]	Classification	Tonnage 2011	Tonnage 2012	Tonnage 2013	Grade 2011	Grade 2012	Grade 2013	Saleable carats 2011	Saleable carats 2012	Saleable carats 2013
			(Million tonnes)			*(cpht)[2]*			*(Million carats)*		
De Beers Canada[3]											
Snap Lake (UG)											
(85.0% attributable, 15 year LOM)											
Kimberlite	1.14	Proved	—	—	—	—	—	—	—	—	—
		Probable	—	1.6	5.6	—	123.1	119.8	—	2.0	6.7
		Total	—	1.6	5.6	—	123.1	119.8	—	2.0	6.7
Victor (OP)											
(85.0% attributable, 5 year LOM)											
Kimberlite	1.50	Proved	—	—	—	—	—	—	—	—	—
		Probable	—	12.1	9.3	—	19.4	18.3	—	2.3	1.7
		Total	—	12.1	9.3	—	19.4	18.3	—	2.3	1.7
De Beers Canada projects											
Gahcho Kué (OP)											
(43.4% attributable, 11 year LOM)											
Kimberlite	1.00	Proved	—	—	—	—	—	—	—	—	—
		Probable	—	31.0	31.0	—	153.7	153.7	—	47.6	47.6
		Total	—	31.0	31.0	—	153.7	153.7	—	47.6	47.6
De Beers Consolidated Mines[3]											
Venetia											
(62.9% attributable, 31 year LOM)[5]											
Kimberlite(OP)	1.00	Proved	—	—	—	—	—	—	—	—	—
		Probable	—	33.6	31.3	—	97.5	96.3	—	32.8	30.1
		Total	—	33.6	3.13	—	97.5	96.3	—	32.8	30.1
Kimberlite (UG)	1.00	Proved	—	—	—	—	—	—	—	—	—
		Probable	—	91.4	91.3	—	76.5	74.2	—	70.0	67.7
		Total	—	91.4	91.3	—	76.5	74.2	—	70.0	67.7
Debswana Diamond Company[3]											
Damtshaa (OP)											
(42.5% attributable, 19 year LOM)											
Kimberlite	1.65	Proved	—	—	—	—	—	—	—	—	—
		Probable	—	25.0	25.0	—	16.6	16.6	—	4.1	4.1
		Total	—	25.0	25.0	—	16.6	16.6	—	4.1	4.1
Jwaneng (OP)											
(42.5% attributable, 18 year LOM)											
Kimberlite	1.47	Proved	—	—	—	—	—	—	—	—	—
		Probable	—	70.1	61.8	—	126.0	125.2	—	88.3	77.3
		Total	—	70.1	61.8	—	126.0	125.2	—	88.3	77.3

	BCO (mm)[1]	Classification	Tonnage 2011	2012	2013	Grade 2011	2012	2013	Saleable carats 2011	2012	2013
			(Million tonnes)			*(cpht)* [2]			*(Million carats)*		
Letlhakane (OP)											
(42.5% attributable, 4 year LOM)											
Kimberlite	1.65	Proved	—	—	—	—	—	—	—	—	—
		Probable	—	4.7	3.2	—	16.9	19.9	—	0.8	0.6
		Total	—	4.7	3.2	—	16.9	19.9	—	0.8	0.6
Orapa (OP)											
(42.5% attributable, 16 year LOM)											
Kimberlite	1.65	Proved	—	—	—	—	—	—	—	—	—
		Probable	—	146.1	140.3	—	58.7	63.8	—	85.7	89.6
		Total	—	146.1	140.3	—	58.7	63.8	—	85.7	89.6
Letlhakane											
(42.5% attributable, 27 year LOM)											
Tailings Mineral Resources	1.15	Proved	—	—	—	—	—	—	—	—	—
		Probable	—	—	34.9	—	—	25.4	—	—	8.9
		Total	—	—	34.9	—	—	25.4	—	—	8.9

	BCO (mm)[1]	Classification	*Tonnage* 2011	2012	2013	*Grade* 2011	2012	2013	*Saleable carats* 2011	2012	2013
			(Thousand tonnes)			*(cpht)*[2]			*(Thousand carats)*		
Namdeb Holdings[3]											
Elizabeth Bay (OC)											
(42.5% attributable, 5 year LOM)											
Aeolian and Marine	1.40	Proved	—	—	—	—	—	—	—	—	—
		Probable	—	1,808	1,076	—	12.78	13.01	—	231	140
		Total	—	1,808	1,076	—	12.78	13.01	—	231	140
Mining Area 1 (OC)[4]											
(42.5% attributable, 10 year LOM)											
Beaches	2.00	Proved	—	—	—	—	—	—	—	—	—
		Probable	—	1,023	3,124	—	7.26	0.51	—	74	16
		Total	—	1,023	3,124	—	7.26	0.51	—	74	16
Orange River (OC)											
(42.5% attributable, 10 year LOM)											
Fluvial Placers	3.00	Proved	—	—	—	—	—	—	—	—	—
		Probable	—	34,994	36,711	—	1.03	0.95	—	359	349
		Total	—	34,994	36,711	—	1.03	0.95	—	359	349

	BCO (mm)[1]	Classification	Area 2011	2012	2013	Grade 2011	2012	2013	Saleable carats 2011	2012	2013
Offshore			*(Thousand m^2)*			*(cpm^2)* [2]			*(Thousand carats)*		
Atlantic 1 (MM)											
(42.5% attributable, 15 year LOM)											
Marine Placer	1.47	Proved	—	—	—	—	—	—	—	—	—
		Probable	—	57,033	69,642	—	0.09	0.08	—	4,935	5,504
		Total	—	57,033	69,642	—	0.09	0.08	—	4,935	5,504

(1) Reported Diamond Reserves are based on a Bottom Cut Off (BCO) which refers to the bottom screen size aperture and varies between 1.00mm and 3.00mm (nominal square mesh).

(2) cpht= carats per hundred metric tonnes; cpm^2= carats per square meter.

(3) Prior to 2012 Anglo American plc did not have a majority shareholding in non-listed De Beers Société Anonyme (Lux) and therefore Diamond Reserves were not reported in 2011 as significant portions of the operations had attributable percentages below the internal threshold for reporting.

(4) The decrease in grade (and carats) is due to depletion of high grade material, the inclusion of the lower grade material and the exclusion of high grade material currently situated under mine infrastructure.

(5) The LOM is stated as 31 years which reflects the full duration of the current Venetia consolidated OP and UG Life of Mine Plan.

SELECTED FINANCIAL INFORMATION

The selected financial information for the Group set forth below as at or for the years ended December 31, 2013, 2012 and 2011 has been derived from, and should be read in conjunction with, the Group 2013 Consolidated Financial Statements, the Group 2012 Financial Statements and the Group 2011 Financial Statements, and notes thereto prepared in accordance with EU IFRS and incorporated by reference herein.

You should regard the selected financial data below only as an introduction and should base your investment decision on a review of this entire document, including the sections entitled "Operating and Financial Review" and "Non-IFRS Financial Measures".

	As at or for the year ended December 31, 2011[(1)]	As at or for the year ended December 31, 2012[(1)]	As at or for the year ended December 31, 2013
	(US$m unless otherwise stated)		
Income statement measures			
Group revenue	30,580	28,680	29,342
Group revenue (including associates and joint ventures)[(2)]	36,548	32,785	33,063
Operating profit from subsidiaries and joint operations before special items and remeasurements[(4)]	9,668	5,493	6,168
Underlying operating profit[(2)]	11,095	6,253	6,620
Profit/(loss) for the financial year	7,922	(564)	426
Underlying earnings[(2)]	6,120	2,860	2,673
Earnings/(loss) per share (US$)			
Basic	5.10	(1.17)	(0.75)
Diluted	4.89	(1.17)	(0.75)
Dividends per share (US cents)[(3)]			
Ordinary	74.0	85.0	85.0
Balance sheet measures			
Total assets	72,442	79,137	71,165
Medium and long-term borrowings	(11,855)	(15,150)	(15,740)
Net debt[(2)]	(1,374)	(8,510)	(10,652)
Cash flow measures			
Net cash inflows from operating activities	9,362	5,919	6,792
Net cash used in investing activities	(4,853)	(10,174)	(5,625)
Net cash inflows / (used in) from financing activities	1,474	1,951	(2,402)

(1) Changes in accounting policy relating to IAS 19R, IFRIC 20 and IFRS 11, resulted in the restatement of financial results for the year ended December 31, 2012. See "Presentation of Financial Information" for more detail. The financial results for the year ended December 31, 2011 included in this document have not been restated. The impact of the restatements on the financial results for the year ended December 31, 2012 is shown in note 41 of the Group 2013 Consolidated Financial Statements, which are incorporated by reference into this document.

(2) Definitions are set out in "Non-IFRS Financial Measures".

(3) Year-end dividends proposed in respect of the applicable year ended December 31.

(4) Underlying operating profit included subsidiaries and joint ventures for the year ended December 31, 2011.

OPERATING AND FINANCIAL REVIEW

This "Operating and Financial Review" section is intended to convey management's perspective on the Group's operational performance and its financial performance as measured in accordance with EU IFRS. We intend this disclosure to assist readers in understanding and interpreting the financial statements incorporated by reference in this document. This section is based on and should be read in conjunction with the Group 2013 Consolidated Financial Statements and the Group 2012 Financial Statements and the Group 2011 Financial Statements, which are incorporated by reference into this document, as well as the "Presentation of Financial Information" section. In this analysis, all references to "2013" are to the year ended December 31, 2013, all references to "2012" or the "prior year" are to the year ended December 31, 2012 and all references to "2011" are to the year ended December 31, 2011.

The following discussion also contains trend information and forward-looking statements. Actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed below and elsewhere in this document, particularly under "Forward-Looking Statements" and "Risk Factors".

We make reference herein to certain non-IFRS financial information that is explained in "Non-IFRS Financial Measures".

OVERVIEW

The Group's underlying earnings in 2013, 2012 and 2011 were US$2,673 million, US$2,860 million and US$6,120 million, respectively. The 6.5% decrease from 2012 to 2013 was principally due to increased costs related to Corporate Activities and Unallocated Costs segment (principally due to movements in tax provisions), and a decrease in contribution from:

- Metallurgical Coal (principally due to a decrease in the average quarterly HCC benchmark coal price, partially offset by the implementation of significant cost reductions),
- Copper (principally due to increased minority interest due to the sale of 24.5% interest in AA Sur in August 2012),
- Thermal Coal (principally due to lower average export thermal coal prices partially offset by the impact of the weaker South African rand),
- Other Mining and Industrial (principally driven by Amapá not benefitting from the reversal of penalty provisions, as it had in 2012, as well as by the sale of Scaw South Africa and related companies in November 2012), and
- Nickel (principally due to lower realized prices and ceased production at MLdN in 2012).

The decrease in underlying earnings was partially offset by increases in contribution from Platinum (principally due to weaker average South African rand exchange rate and an increase in sales volumes partially offset by lower realized basket prices and above-inflation costs increases), and Diamonds (principally driven by Anglo American's increased shareholding in De Beers from August 2012 as well as favorable exchange rate variance and slightly higher realized prices).

The 53% decrease from 2011 to 2012 was principally due to a decrease in contribution from:

- Copper (principally due to lower realized sales prices, lower by-product quantities and higher operating, exploration and study costs, partly offset by increased sales volumes),
- Platinum (principally due to lower metal prices, higher unit costs and the cost of an illegal strike, partly offset by a US$172 million positive stock adjustment following an annual physical count),
- Metallurgical Coal (principally due to lower realized export selling prices, partially offset by record production and higher sales),
- Iron Ore and Manganese (principally due to Kumba, which had lower average prices, the unprotected strike at Sishen and an increase in waste stripping, partially offset by the ramp up of the Kolomela mine),

- Thermal Coal (principally due to lower export thermal coal prices for both South African and Colombian coal, and, in South Africa, above inflation cost increases, partially offset by increased sales volumes, mainly from Zibulo), and
- Diamonds (principally due to the impact of difficult trading conditions brought about by predominantly weaker demand and changing product requirements of Sightholders).
- The decrease in underlying earnings was partially offset by a small increase in contribution from OMI. Industry-wide, above-CPI cost pressures continued, particularly in South Africa and Australia, although they were mitigated by the continued positive performance of our asset optimization and procurement programs.

The reconciliation of profit for the financial period to underlying earnings is set out below:

	Year ended December 31,		
	2011[(1)]	**2012**[(1)]	**2013**
		(US$m)	
Profit/(loss) for the financial period	7,922	(564)	426
Non-controlling interests	(1,753)	(906)	(1,387)
Profit/(loss) for the financial period attributable to equity shareholders of the Company	6,169	(1,470)	(961)
Operating special items including associates and joint ventures	173	7,039	3,291
Operating remeasurements including associates and joint ventures	74	112	550
Non-operating special items	(203)	594	469
Non-operating remeasurements	-	(1,990)	-
Financing special items	9	-	-
Financing remeasurements including associates and joint ventures	(205)	88	130
Special items and remeasurements tax including associates and joint ventures	118	(1,110)	(590)
Non-controlling interests on special items and remeasurements including associates and joint ventures	(15)	(403)	(216)
Underlying earnings	6,120	2,860	2,673

(1) Changes in accounting policy relating to IAS 19R, IFRIC 20 and IFRS 11, resulted in the restatement of financial results for the year ended December 31, 2012. See "Presentation of Financial Information" for more detail. The financial results for the year ended December 31, 2011 included in this document have not been restated. The impact of the restatements on the financial results for the year ended December 31, 2012 is shown in note 41 of the Group 2013 Consolidated Financial Statements, which are incorporated by reference into this document.

The Group's (loss)/profit attributable to equity shareholders for 2013, 2012 and 2011 was US$(961) million, US$(1,470) million and US$6,169 million, respectively. The 35% reduction in loss from 2012 to 2013 was principally due to reduced impairments from US$5.8 billion in 2012 to US$2.5 billion in 2013 offset by larger contributions to minority interests due to the sale of 24.5% of Anglo American Sur in August 2012 and a larger tax expense due in the main to the tax impact of the aforementioned adjustments. The decrease from 2011 to 2012 was principally due to impairments recorded on Minas-Rio (Iron ore and manganese segment) and certain Platinum projects and other assets (Platinum segment) totaling US$5.8 billion, lower realized prices across our commodities (particularly platinum, metallurgical coal, iron ore and copper) and increased costs, partially offset by higher production levels.

Factors Affecting Results of Operations

The Group's results of operations and period-to-period comparability of its financial results are affected by a number of factors, including changes in commodity prices and exchange rates, production levels, cost pressures and acquisitions, divestments and accounting standards.

Commodity prices. The table below sets forth the average market prices for certain of our key commodities for the periods presented:

	Year ended December 31,		
	2011	**2012**	**2013**
Average prices for the period			
Iron ore (US $/tonne)[1]	160	122	127
Export metallurgical coal (US $/tonne)[2]	251	178	140
South Africa export thermal coal (US $/tonne)[2]	114	92	77
South Africa domestic thermal coal (US $/tonne)[3]	21	21	19
Colombian export thermal coal (US $/tonne)[2]	101	89	77
Australian export thermal coal (US $/tonne)[2]	101	96	84
Australian domestic thermal coal (US $/tonne)[3]	35	37	39
Copper (US cents/lb)[4]	400	361	332
Nickel (US cents/lb)[4]	1,035	794	680
Platinum (US $/oz)[5]	1,725	1,551	1,485
Palladium (US $/oz)[5]	736	644	725
Rhodium (US $/oz)[5]	2,022	1,275	1,066

(1) Source: Platts (62% Fe, Free on board (“FOB”) Australia)
(2) Weighted average realized FOB sales price.
(3) Weighted average realized sales price.
(4) Average LME price.
(5) Source: London Platinum and Palladium Market (“LPPM”), Johnson Matthey until December 2012.

For further discussion on contributing factors to changes in commodity prices, see “Overview—The Anglo American Group—Developments and Outlook—Commodity Markets”.

Set forth below is the impact on 2013 underlying earnings of a 10% fluctuation in the prices for certain of the Group’s key commodities. These sensitivities reflect movement of an individual commodity price in isolation and are offered for illustrative purposes. In reality the combination of movements in commodity prices, exchange rates and interest rates will result in a different outcome.

	Year ended December 31, 2013
	10% sensitivity
	(US$m)[3]
Iron ore[1]	+/-183
Metallurgical coal	+/-196
Thermal coal	+/-147
Copper[2]	+/-341
Nickel	+/-24
Platinum	+/-157
Palladium	+/-47

(1) Sensitivity reflects the impact of a 10% change in the average price across lump and fine.
(2) Sensitivity excludes the impact of provisionally priced copper.
(3) Stated after tax at marginal rate. Sensitivities are the average of the positive and negative and reflect the impact of a 10% change in the average prices achieved during 2013. Increases in commodity prices increase underlying earnings and vice versa.

We estimate that decreases in the average price of many of the commodities produced by our subsidiaries and joint operations, particularly with respect to thermal coal, metallurgical coal, iron ore and copper negatively impacted operating profit in 2013 by approximately US$1,657 million compared to 2012.

We estimate that decreases in the average price of many of the commodities produced by our subsidiaries and joint operations, particularly with respect to iron ore and manganese, metallurgical coal, platinum, thermal coal and copper negatively impacted operating profit in 2012 by approximately US$3,893 million compared to 2011.

The table below sets forth the spot market prices for certain of our key commodities at period end:

Period end prices	At December 31, 2011	2012	2013
Iron ore (US $/tonne)[1]	127	138	123
Hard coking coal (US $/tonne)[3]	285	170	152
Thermal coal (US $/tonne)[2]	105	89	85
Copper (US cents/lb)[4]	343	359	335
Nickel (US cents/lb)[4]	829	771	663
Platinum (US $/oz)[5]	1,388	1,523	1,357
Palladium (US $/oz)[5]	636	699	716
Rhodium (US $/oz)[5]	1,400	1,080	975

(1) Source: Platts (62% Fe, FOB Australia)
(2) Source: McCloskey RSA-API 4 index closing.
(3) Represents premium hard coking coal (FOB Australia) fourth quarter benchmark price for 2013, 2012 and 2011.
(4) LME closing price.
(5) Source: LPPM closing price, Johnson Matthey closing until December 2012.

The Group's policy is generally not to hedge exposure to commodity prices. This is discussed further under "—Financial Risk Exposure and Management".

Exchange rates. The Group's results are influenced by a variety of currencies (the most important of which are listed in the table below) owing to its geographical diversity, and because we sell our products principally in US dollars but incur most of our costs in local currencies.

The table below sets forth the average exchange rates for certain of our key currencies with respect to the US dollar for the periods presented. The average exchange rate has been determined using the end of day Bloomberg rates averaged for the year.

	Year ended December 31, 2011	2012	2013
Average spot prices for the period	*(per US dollar)*		
South African rand	7.26	8.21	9.65
Australian dollar	0.97	0.97	1.03
Chilean peso	484	486	495
Brazilian real	1.67	1.95	2.16
Euro	0.72	0.78	0.75
British pound	0.62	0.63	0.64
Botswana pula	6.84	7.61	8.39
Closing spot prices			
South African rand	8.11	8.47	10.51
Australian dollar	0.98	0.96	1.12
Chilean peso	520	479	526
Brazilian real	1.87	2.05	2.36
Euro	0.77	0.76	0.73
British pound	0.65	0.62	0.60
Botswana pula	7.49	7.79	8.76

Set forth below is the impact for the year ended December 31, 2013 underlying earnings of the Group of a 10% fluctuation in certain exchange rates. These sensitivities reflect movement of an individual exchange rate in isolation and are offered for illustrative purposes. In reality, the combination of movements in commodity prices, exchange rates and interest rates will result in a different outcome.

	Year ended December 31, 2013
	10% sensitivity
	(US$m)[(1)]
South African rand/US dollar[(2)]	+/-375
Australian dollar/US dollar[(2)]	+/-125
Chilean peso/US dollar[(2)]	+/-44
Brazilian Real/US dollar[(2)]	+/-6
Canadian dollar/US dollar[(2)]	+/-84

(1) Excludes the effect of any hedging activities. Stated after tax at marginal rate.
(2) A strengthening of the South African rand, Australian dollar, Chilean peso and Brazilian real relative to the US dollar reduces underlying earnings and vice versa.

We estimate that operating profit in 2013 and 2012 was positively impacted principally by a weaker average exchange rate for the South African rand and Brazilian real. Operating profit in 2011 was negatively impacted principally by a stronger average exchange rate for the Australian dollar and South African rand relative to the US dollar.

Geographical Distribution. The following table sets forth the Group's total underlying operating profit, by geography, allocated based on the location of our operations, for the periods presented:

	Year ended December 31,					
	2011[(1)]	**%**[(1)]	**2012**[(1)]	**%**[(1)]	**2013**	**%**
			(US$m)			
Total Group[(2)]						
South Africa	6,059	54.6	3,374	54.0	4,189	63.3
Other Africa	501	4.5	437	7.0	532	8.0
South America	3,245	29.2	2,417	38.7	2,109	31.9
Australia and Asia	1,318	11.9	465	7.4	238	3.6
North America	256	2.3	(138)	(2.3)	(129)	(2.0)
Europe	(284)	(2.5)	(302)	(4.8)	(319)	(4.8)
Total	11,095	100	6,253	100	6,620	100

(1) Changes in accounting policy relating to IAS 19R, IFRIC 20 and IFRS 11, resulted in the restatement of financial results for the year ended December 31, 2012. See "Presentation of Financial Information" for more detail. The financial results for the year ended December 31, 2011 included in this document have not been restated. The impact of the restatements on the financial results for the year ended December 31, 2012 is shown in note 41 of the Group 2013 Consolidated Financial Statements, which are incorporated by reference into this document.
(2) The financial results of associates are accounted for in the consolidated financial statements of the Group using the equity method of accounting.

The 6% increase in operating profit from 2012 to 2013, as noted above, was principally due to increased operating profits from South Africa (principally Kumba, Platinum and Diamonds).

The 44% decrease in operating profit from 2011 to 2012, as noted above, principally was due to decreased operating profits from South Africa (principally Kumba, Platinum and Thermal Coal), South America (principally Copper), Australia and Asia (principally Metallurgical Coal) and North America (principally Diamonds).

Input costs and effects of inflation. The mining industry continues to experience price inflation for costs of inputs used in production, which leads to higher production costs reported by many mining companies, including the Group which has experienced generally higher production costs across its operations.

Commodity prices are determined principally by international markets and global supply and demand, and the Group is unable to control the prices at which it sells the commodities it produces. Accordingly, in the event of significant inflation in input costs, particularly labor and power costs, without a concurrent devaluation of the local currency or an increase in commodity prices, there could be a material adverse effect on the Company's results of operations and financial condition.

Divestments. Anglo American's divestment program, established in October 2009, has been completed, raising US$4.0 billion of cumulative proceeds on a debt and cash free basis as announced.

In April 2012, Anglo American announced the final stage of the US$1.4 billion Scaw Metals divestment with the sale of Scaw SA, a leading South Africa-based integrated steel maker, to an investment consortium led by the IDC and Anglo American's partners in Scaw SA (Izingwe Holdings (Pty) Limited, Shanduka Resources (Pty) Limited and the Southern Palace Group of Companies (Pty) Limited), for a total consideration of ZAR3.4 billion (US$440 million) on a debt and cash free basis as announced. This transaction was completed in November 2012.

On February 18, 2011, Anglo American and Lafarge announced their agreement to combine their cement, aggregates, ready-mixed concrete, asphalt and asphalt surfacing, maintenance services, and waste services businesses in the UK: Tarmac Limited, Lafarge Cement UK, Lafarge Aggregates and Concrete UK. The 50:50 joint venture created a leading UK construction materials company, with a portfolio of high quality assets drawing on the complementary geographical distribution of operations and assets, the skills of two experienced management teams and a portfolio of well-known and innovative brands. On January 7, 2013, following final clearance from the CC, Anglo American and Lafarge announced the completion of the transaction, creating an incorporated joint venture, known as Lafarge Tarmac. The Group's share of Lafarge Tarmac's underlying operating profit was US$9 million in 2013. The Group also recognized a loss of US$55 million in respect of the formation of the Lafarge Tarmac joint venture which has been recognized as a non-operating special item in the Group 2013 Consolidated Financial Statements.

On January 4, 2013, Anglo American announced that it had reached an agreement to sell its 70% interest in Amapá to Zamin. On March 28, 2013 a major geological event occurred at the Santana port of Amapá, which resulted in the loss of five lives, with a further one person still missing, as well as the loss of the port operation. In light of these circumstances, Anglo American entered into further discussions with its partner Cliffs and Zamin. Anglo American subsequently entered into an agreement with Cliffs to acquire its 30% interest in Amapá and entered into an amended sale agreement with Zamin, to reflect Anglo American's disposal of a 100% interest in Amapá to Zamin.

On November 1, 2013, Anglo American completed the sale of the 100% interest in Amapá to Zamin for a total initial consideration of approximately US$134 million, net of certain completion adjustments. In addition, Zamin will pay Anglo American conditional deferred consideration of up to a maximum of US$130 million in total, payable over a five year period and calculated on the basis of the market price for iron ore.

As part of the transaction, Anglo American has assumed responsibility for, and the risks and rewards of, certain insurance claims including those relating to the Santana port incident through the purchase of the claims from Amapá at the full claim value.

In 2013, the Company recorded a loss of US$175 million, which is shown under non-operating special items, in relation to the sale of Amapá. In addition Amapá's underlying operating loss of US$7 million for 2013 is for the account of Zamin and has been excluded from the Group's results. See "Business Description— Other Mining and Industrial".

On July 31, 2013, Anglo American completed the sale of its 16.8% interest in Palabora in South Africa for ZAR938 million (approximately US$95 million), The purchaser was a consortium comprising South African and Chinese entities led by the IDC and Hebei Iron & Steel Group.

RESULTS OF OPERATIONS FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

The table below summarizes the Group's income statement and certain other measures for the periods indicated and should be read in conjunction with, and is qualified in its entirety by reference to, the Group 2013 Financial Statements and Group 2012 Financial Statements and notes thereto, which are incorporated by reference into this document.

	Year ended December 31, 2011[(1)]	Year ended December 31, 2012[(1)]	Year ended December 31, 2013
		(US$m)	
Income statement			
Group revenue	30,580	28,680	29,342
Total operating costs before special items and remeasurements	(20,912)	(23,187)	(23,174)
Operating profit from subsidiaries and joint ventures before special items and remeasurements	9,668	5,493	6,168
Operating special items	(164)	(6,977)	(3,211)
Operating remeasurements	(65)	(116)	(550)
Operating profit from subsidiaries and joint ventures	9,439	(1,600)	2,407
Non-operating special items	183	(594)	(469)
Non-operating remeasurement	-	1,990	-
Share of net income from associates[(2)]	977	421	168
Total profit from operations and associates	10,599	217	2,106
Net finance costs before financing special items and remeasurements	(20)	(299)	(276)
Financing special items and remeasurements	203	(89)	(130)
Profit before tax	10,782	(171)	1,700
Income tax expense	(2,860)	(393)	(1,274)
Profit for the financial year	7,922	(564)	426
Underlying operating profit	11,095	6,253	6,620
Underlying earnings	6,120	2,860	2,673
Earnings per share (US$)			
Basic	5.10	(1.17)	(0.75)
Diluted	4.89	(1.17)	(0.75)
Dividends per share (US cents)[(3)]			
Ordinary	74.0	85.0	85.0
Balance sheet			
Total assets	72,442	79,137	71,165
Net assets	43,189	43,738	37,364
Total share capital	3,452	5,129	5,130
Net debt	(1,374)	(8,510)	(10,652)

(1) Changes in accounting policy relating to IAS 19R, IFRIC 20 and IFRS 11, resulted in the restatement of financial results for the year ended December 31, 2012. See "Presentation of Financial Information" for more detail. The financial results for the year ended December 31, 2011 included in this document have not been restated. The impact of the restatements on the financial results for the year ended December 31, 2012 is shown in note 41 of the Group 2013 Consolidated Financial Statements, which are incorporated by reference into this document.

(2) Associates' operating profit is reconciled to "Share of net income from associates" as follows:

	2011	2012	2013
Operating profit from associates before operating special items and remeasurements	1,427	760	452
Operating special items and remeasurements	(18)	(58)	(80)
Operating profit from associates after operating special items and remeasurements	1,409	702	372
Net profit on disposals	20	-	-
Net finance costs (before financing special items and remeasurements)	(48)	(75)	(36)
Financing special items	(9)	-	-
Financing remeasurements	2	1	-
Income tax expense (after special items and remeasurements)	(384)	(200)	(155)
Non-controlling interests (after special items and remeasurements)	(13)	(7)	(13)
Share of net income from associates	977	421	168

(3) Interim and year end dividends proposed in respect of the applicable year ended December 31.

Group Revenue

Group revenue for 2013, 2012 and 2011 was US$29,342 million, US$28,680 million and US$30,580 million, respectively. The 2% increase in revenue from 2012 to 2013 was principally driven by the Group's increased shareholding of De Beers' as well as increased sales volumes, particularly iron ore and manganese, metallurgical coal, platinum, thermal coal and copper, offset by lower prices across virtually all of the Group's commodities, particularly, metallurgical coal, thermal coal and platinum.

The 6% decrease in revenue from 2011 to 2012 was principally a result of lower prices across virtually all of the Group's commodities, particularly iron ore and manganese, metallurgical coal, platinum, thermal coal and copper. Revenue was further impacted by illegal strikes in the Platinum and Iron ore and manganese segments.

Total Operating Costs

Total operating costs before operating special items and remeasurements for 2013, 2012 and 2011 were US$23,174 million, US$23,187 million and US$20,912 million, respectively. Total operating costs in 2013 were in line with 2012, reflecting improved volumes which have been offset by cost reductions and a weaker South African rand and Brazilian real.

The 11% increase in total operating costs from 2011 to 2012 was principally driven by inflationary pressures (principally in South Africa and Australia), the impact of above-inflation input cost increases for labor, fuel, consumables and maintenance and stronger local currencies (principally the Australian dollar relative to the US dollar).

Operating Special Items and Remeasurements

Operating special items in 2013, 2012 and 2011 were losses of US$3,211 million, US$6,977 million and US$164 million, respectively, and operating remeasurements were losses of US$550 million, US$116 million and US$65 million, respectively.

The operating special items loss in 2013 of US$3,211 million principally consists of impairment related charges of US$2,474 million (principally the impairment of Barro Alto by US$1,012 million (see "— Nickel — Financial overview and operating performance"), the impairment by US$379 million of certain Platinum projects and other assets, not in use, that are not considered economically viable in the current market environment, the impairment by US$331 million of Foxleigh (see "— Metallurgical Coal — Financial overview and operating performance"), the impairment by US$337 million of Michiquillay (see "— Copper — Financial overview and operating performance"), and other impairments and related charges of US$172 million), onerous contract provisions of US$434 million (principally reflecting a provision increase of US$393 million for coal supply agreements inherited on the acquisition of Callide in 2000), a charge of US$177 million relating to restructuring costs (principally relating to the Platinum portfolio review), and the reversal of fair value uplifts on inventory sold by De Beers in 2013, subsequent to its acquisition, of US$126 million.

The operating special items loss in 2012 of US$6,977 million principally consists of impairment related charges of US$5,988 million (principally the impairment of Minas-Rio by US$4,960 million (see "— Iron Ore and Manganese — Financial overview and operating performance"), and the impairment by US$860 million of certain Platinum projects and other assets, not in use, that are not considered economically viable in the current market environment and other impairments and related charges of US$230 million), the reversal of fair value uplifts on inventory sold by De Beers in 2012, subsequent to its acquisition, of US$421 million, onerous contract provisions of US$386 million (principally reflecting a provision increase of US$292 million for coal supply agreements inherited on the acquisition of Callide in 2000) and a charge of US$159 million arising at MLdN due to the expiry of its mining concession in November 2012.

The operating special items loss in 2011 of US$164 million principally consists of impairment related charges of US$154 million. Impairment related charges consisted principally of MLdN accelerated depreciation of US$84 million (2010: US$73 million) and the impairment of Tarmac Building Products by US$70 million. The accelerated depreciation at MLdN has arisen in relation to ongoing uncertainty over the renewal of three concessions, which expired in November 2012, and over the restoration of 13 other concessions, which have been cancelled. See "— Nickel — Financial overview and operating performance".

Non-operating special items

Non-operating special items in 2013, 2012 and 2011 amounted to US$469 million loss, US$594 million loss and US$183 million gain, respectively.

The 2013 non-operating special items include a US$311 million loss on the exit from the Pebble copper project in Alaska, a US$175 million loss relating to the sale of Amapá, a US$55 million loss recognized on the formation of the Lafarge Tarmac joint venture, a US$54 million charge for the Kumba Envision Trust (Kumba's broad based employee share scheme provided solely for the benefit of non-managerial HDSA employees who do not participate in other Kumba share schemes), offset by a US$163 million gain principally relating to deferred proceeds following payment received in respect of undeveloped coal assets in Australia which the Group disposed of in 2010 and a gain on the disposal of the Group's 16.79% effective interest in Palabora Mining Company Limited.

The 2012 non-operating special items include a US$404 million loss on the Amapá iron ore system net assets reclassified to held for sale and recognized at fair value less costs to sell, a US$135 million loss on the Tarmac Quarry Materials net assets reclassified to held for sale and recognized at fair value less costs to sell, a US$77 million charge for the Kumba Envision Trust which is Kumba's broad based employee share scheme provided solely for the benefit of non-managerial Historically Disadvantaged South African employees who do not participate in other Kumba share schemes offset by a US$27 million profit on disposal of its 5.28% shareholding in Mondi.

The 2011 non-operating special items include US$397 million gain on the sale of our 100% interest in Lisheen mine and 74% interest in Black Mountain, partially offset by a US$141 million charge related to Platinum BEE transactions and a US$75 million loss on disposal of Tarmac's aggregates businesses in Turkey, China and Romania.

Non-operating Remeasurement

There were no non-operating remeasurements in 2013 (2012: US$1,990 million, 2011: nil).

The 2012 non-operating remeasurement of US$1,990 million reflects the net gain of US$2,017 million, after transaction costs, resulting from the remeasurement to fair value of the Group's existing 45% shareholding held in De Beers at the date a controlling stake was acquired.

Share of Net Income from Associates and Joint Ventures

Our share of net income from associates and joint ventures in 2013, 2012 and 2011 was US$168 million, US$421 million and US$977 million, respectively.

The 60% decrease from 2012 to 2013 was principally due to Anglo American's acquisition of an additional 40% of De Beers (Diamonds segment) and it therefore being a consolidated subsidiary from August 16, 2012 onwards and lower net income contributed by Cerrejón (Thermal Coal segment), driven by lower prices offset by an increase at Samancor (Iron Ore and Manganese segment) following higher manganese ore and alloy prices.

The 56% decrease from 2011 to 2012 was principally due to Anglo American plc acquiring an additional 40% of De Beers (Diamonds segment) and it therefore becoming a consolidated subsidiary from August 16, 2012 onwards and lower net income contributed by Cerrejón (Thermal Coal segment), driven by lower prices and higher inflation and Samancor (Iron Ore and Manganese segment) following lower manganese ore and alloy prices.

Net Finance Costs before Financing Special Items and Remeasurements

Net finance costs before financing special items and remeasurements in 2013, 2012 and 2011 were US$276 million, US$299 million and US$20million, respectively.

The decrease from 2012 to 2013 was due to a decrease in investment income of US$40 million, owing to lower average levels of cash offset by lower interest expense due to an increase of US$55 million in the amount of interest capitalized.

The increase from 2011 to 2012 was due to a decrease in investment income of US$250 million, owing to changes in the accounting of net interest income on defined benefit arrangements and lower average levels of cash. Foreign exchange losses on net debt also increased by US$74 million compared with 2011.

Financing Special Items and Remeasurements

Financing special items and remeasurements in 2013, 2012 and 2011 were a US$130 million loss, a US$89 million loss and a US$203 million gain, respectively.

Financing remeasurements related to an embedded derivative, non-hedge derivatives of debt and other financing remeasurements.

Income Tax Expense before Special Items and Remeasurements

Income tax expense before special items and remeasurements in 2013, 2012 and 2011 was US$1,861 million, US$1,506 million and US$2,741 million, respectively. Income tax expense is a function of profit before tax and the

tax rates applicable in the various geographic locations in which the Group operates. The increase from 2012 to 2013 was principally due to the impact of various prior year adjustments and the remeasurement of certain withholding tax provisions across the Group.

The decrease from 2011 to 2012 was due to the recognition of previously unrecognized losses and the remeasurement of certain withholding tax provisions held across the Group. Effective tax rate movements are analyzed in greater detail after the table below.

IAS 1 requires income from associates and joint ventures to be presented net of tax on the income statement. Associates' and joint ventures' tax is therefore not included within the Group's income tax expense on the income statement. Associates' and joint ventures' tax (before special items and remeasurements) included within "Share of net income from associates and joint ventures" in 2013, 2012 and 2011 was US$158 million, US$197 million and US$385 million, respectively.

The table below summarizes the Group's tax expense before special items and remeasurements for the periods indicated.

	Year ended December 31, 2011			Year ended December 31, 2012			Year ended December 31, 2013		
	Before specials and remeasure-ments	**Associates' tax and non-controlling interests**	**Including associates**	**Before specials and remeasur-ements**	**Associates' and joint ventures' tax and non-controlling interests**	**Including associates**	**Before specials and remeasure-ments**	**Associates' and joint ventures' tax and non-controlling interests**	**Including associates**
					(US$m)				
Profit before tax	10,626	401	11,027	5,676	203	5,879	6,135	173	6,308
Tax	(2,741)	(385)	(3,126)	(1,506)	(197)	(1,703)	(1,861)	(158)	(2,019)
Profit for the financial year	7,885	16	7,901	4,170	6	4,176	4,274	15	4,289
Effective tax rate including associates			28.3%			29.0%			32.0%

(1) Changes in accounting policy relating to IAS 19R, IFRIC 20 and IFRS 11, resulted in the restatement of financial results for the year ended December 31, 2012. See "Presentation of Financial Information" for more detail. The financial results for the year ended December 31, 2011 included in this document have not been restated. The impact of the restatements on the financial results for the year ended December 31, 2012 is shown in note 41 of the Group 2013 Consolidated Financial Statements, which are incorporated by reference into this document.

The effective rate of tax, before special items and remeasurements (including share of associates' tax before special items and remeasurements), in 2013, 2012 and 2011 was 32.0%, 29.0% and 28.3%, respectively. The 2013 tax rate of 32.0% increased from the equivalent effective tax rate of 29.0% for the year ended December 31, 2012, principally due to the impact of various prior year adjustments and the remeasurement of certain withholding tax provisions across the Group.

The 2012 tax rate of 29.0% increased from the equivalent effective tax rate of 28.3% for the year ended December 31, 2011, principally due to reduced impact of certain non-recurring factors. The non-recurring factors in 2012 included further recognition of previously unrecognized tax losses and the reassessment of certain withholding tax provisions across the Group.

Income Tax Expense — Special Items and Remeasurements

For 2013, tax on special items and remeasurements amounted to a charge for one-off tax items of US$188 million (2012: nil; 2011: nil), offset by a credit of US$923 million (2012: US$377 million credit; 2010: US$25 million charge) and a tax remeasurements charge of US$145 million (2012: US$189 million charge; 2011: $230 million charge) relating to the foreign currency impact on deferred tax balances.

(Loss)/Profit for the Financial Year

(Loss)/profit for the financial years 2013, 2012 and 2011 was US$426 million, US$(564) million and US$7,922 million, respectively. The year on year movements are explained by reference to the movements of the component parts which are discussed above.

Changes in accounting standards

Changes in accounting policy relating to IAS 19R, IFRIC 20 and IFRS 11, resulted in the restatement of financial results for the year ended December 31, 2012 as published in the Group 2013 Consolidated Financial Statements. The financial results for the year ended December 31, 2011 included in this document have not been restated. The impact of the restatements is shown in note 41 of the Group 2013 Consolidated Financial Statements.

Below is a summary of the key changes relating to each standard:

- IAS 19R - The principal impact for the Group arises from the requirement to replace the interest cost on the defined benefit obligation and the expected return on plan assets with a net interest cost/income based on the net defined benefit liability/asset. Net interest costs/income is calculated using the discount rate used to measure the defined benefit obligation.

This has increased the income statement charge as the discount rate now applied to the assets is lower than the expected return on plan assets. There is no effect on total comprehensive income as the increased charge in the income statement is offset by a credit in other comprehensive income.

- IFRIC 20 – The principal changes to the Group's previous accounting policy relate to the initial recognition and subsequent remeasurements of deferred stripping assets. The initial recognition of the stripping asset is determined by reference to components of the ore body rather than by reference to the entire operation. The subsequent remeasurement of the asset is recognized as depreciation on a unit of production basis, by reference to the related component, rather than as a charge to operating costs based on the expected strip ratio.

The adoption of IFRIC 20 has resulted in increased capitalization of waste stripping costs and a reduction in cost of sales in 2012.

- IFRS 11 – The standard removes the accounting choice between proportionate consolidation and equity method for joint arrangements that meet the definition of a joint venture under IFRS 11. Instead joint arrangements are classified based on their specific facts and circumstances as either joint ventures or joint operations. Joint ventures are accounted for using the equity method. For joint operations the Group accounts for its share of the assets and liabilities of the arrangement using proportionate consolidation. There is no impact on the net assets or underlying earnings of the Group.

SEGMENT DISCUSSION — FULL YEAR DECEMBER 31, 2013, 2012 AND 2011

In this section, revenue and operating profit include the Group's share of revenue and operating profit from associates and exclude special items and remeasurements, unless otherwise stated. Capital expenditure relates to cash expenditure on property, plant and equipment in the year presented.

The table below sets forth the Group's operating profits before special items and remeasurements by business segment for the years presented:

	Year ended December 31, 2011(1)	%(2)	Year ended December 31, 2012(1)	%(2)	Year ended December 31, 2013	%
	(US$m unless otherwise stated)					
Iron Ore and Manganese	4,520	40.7	3,011	48.2	3,119	47.1
Metallurgical Coal	1,189	10.5	405	6.4	46	0.7
Thermal Coal	1,230	10.9	793	12.6	541	8.2
Copper	2,461	21.9	1,736	27.8	1,739	26.3
Nickel	57	0.5	26	0.4	(44)	(0.7)
Niobium and Phosphates	188	1.7	169	2.7	150	2.3
Platinum	890	7.9	(120)	(1.9)	464	7.0
Diamonds	659	5.9	474	7.6	1,003	15.2
Other Mining and Industrial	7	0.1	168	2.7	(13)	(0.2)

(1) Changes in accounting policy relating to IAS 19R, IFRIC 20 and IFRS 11, resulted in the restatement of financial results for the year ended December 31, 2012. See "Presentation of Financial Information" for more detail. The financial results for the year ended December 31, 2011 included in this document have not been restated. The impact of the restatements on the financial results for the year ended December 31, 2012 is shown in note 41 of the Group 2013 Consolidated Financial Statements, which are incorporated by reference into this document.
(2) Percentages are calculated based on a total which excludes the contribution of Exploration and Corporate Activities and Unallocated costs.

IRON ORE AND MANGANESE

The following table summarizes the results of operations of the Iron Ore and Manganese business segment and average market price for iron ore for the years indicated:

	Year ended December 31, 2011(1)	2012(1)	2013
	(US$m unless otherwise stated)		
Revenue	8,124	6,403	6,517
Underlying operating profit	4,520	3,011	3,119
Kumba	4,397	3,042	3,047
Iron Ore Brazil(2)	(42)	(5)	(31)
Samancor	165	103	210
Projects and Corporate	—	(129)	(107)
Underlying EBITDA	4,733	3,262	3,390
Net operating assets	13,069	9,138	11,034
Capital expenditure	1,732	2,139	2,517
Share of Group operating profit	41%	48%	47%
Share of Group net operating assets	30%	18%	23%
Iron Ore production (million tons)(2)	46.1	43.1	42.4
Iron Ore (US$/t)(3)(4)	160	122	127

(1) Changes in accounting policy relating to IAS 19R, IFRIC 20 and IFRS 11, resulted in the restatement of financial results for the year ended December 31, 2012. See "Presentation of Financial Information" for more detail. The financial results for the year ended December 31, 2011 included in this document have not been restated. The impact of the restatements on the financial results for the year ended December 31, 2012 is shown in note 41 of the Group 2013 Consolidated Financial Statements, which are incorporated by reference into this document.
(2) Average Kumba iron ore export price achieved.
(3) In 2012, Amapá has been reclassified from Iron Ore and Manganese to Other Mining and Industrial to align with internal management reporting.
(4) Average market price for the year. Source: Platts (62% Fe, FOB Australia)

Financial overview and operating performance

Iron Ore and Manganese business segment operating profit in 2013, 2012 and 2011 was US$3,119 million, US$3,011 million, and US$4,520 million, respectively. The 4% increase from 2012 to 2013 was principally a result of stronger average export iron ore prices at Kumba and higher prices, reduced costs and improved volumes at Samancor. This was partly offset by a decrease in export iron ore volumes and increased costs at Kumba. The 33%

decrease from 2011 to 2012 was principally due to lower export iron ore prices at Kumba, Amapá being reclassified from Iron Ore and Manganese to Other Mining and Industrial, the unprotected strike at Sishen, an increase in waste stripping at Sishen and lower ore and alloy prices at Samancor. The decrease was partially offset by a weaker South African rand relative to the US dollar, the ramp-up of Kolomela mine and increased manganese ore sales.

Revenues in 2013, 2012 and 2011 were US$6,517 million, US$6,403 million and US$8,124 million, respectively. The 2% increase in revenue from 2012 to 2013 was primarily due to a higher realized price of US$125/t (US$122/t in 2012) in 2013 due to stronger spot prices and lump premium. This was partly offset by lower export sales volumes, driven by lower production at Sishen. The 21% decrease from 2011 to 2012 was principally driven by significantly lower export iron ore and manganese ore prices (the average export iron ore price achieved decreased by 23% from US$159/t to US$122/t), Amapá being reclassified from Iron Ore and Manganese to Other Mining and Industrial and lower ore prices at Samancor, and partly offset by an increased sales volumes of export iron ore and manganese ore.

Kumba: Operating profit in 2013, 2012 and 2011 was US$3,047 million, US$3,042 million and US$4,397 million, respectively. Operating profit in 2013 reflected 2% higher average export iron ore prices compared to 2012 and the impact of the weaker South African rand. This was partly offset by a 2% decrease in export sales volumes. The 31% decrease from 2011 to 2012 was principally due to lower export iron ore prices, the unprotected strike at Sishen and an increase in waste stripping at Sishen and Kolomela. The decrease was partially offset by a weaker South African rand relative to the US dollar and the ramp-up of Kolomela mine.

Kumba's iron ore production for 2013, 2012 and 2011 was 42.4 Mt, 43.1Mt and 41.3 Mt, respectively. The 2% decrease from 2012 to 2013 was primarily due to production losses at Sishen mine, partially offset by the strong performance at Kolomela. The 4% increase from 2011 to 2012 was principally driven by the ramp-up of Kolomela, which achieved production of 8.5 Mt in 2012 (2011: 1.5 Mt), partially offset by the unprotected strike at Sishen which resulted in lost production of approximately 5 Mt.

Iron Ore Brazil: Operating loss in 2013, 2012 and 2011 was US$31 million, US$5 million and US$42 million, respectively, reflecting the pre-operational stage of the Minas-Rio Project. The 88% decrease in operating loss from 2011 to 2012 was principally due to Amapá being reclassified from Iron Ore and Manganese to Other Mining and Industrial.

Minas-Rio was acquired in two separate transactions in 2007 and 2008 and is expected to produce 26.5 Mtpa of high quality pellet feed in its first phase of development, with the potential to increase to 29.8 Mtpa following asset optimization. This is supported by an estimated resource base at that time of 5.32 billion tons, as detailed in the 2011 Ore Reserves and Mineral Resources statement. We have subsequently converted 1.38 billion tons to Ore Reserves.

Additional capital expenditure has been incurred as a result of various factors, including the delays arising from licensing issues, scope changes and higher than expected inflation of operational costs. Management has completed a detailed review to assess the impact of these additional costs and the forecast capital expenditure for the first phase of Minas-Rio was increased from US$5.8 billion to US$8.8 billion in early 2013.

Based on this valuation, the Group recorded an impairment charge of US$4,960 million (before tax) against the carrying value of the asset in 2012. Of this charge, US$1,105 million has been recorded against goodwill and US$3,855 million has been recorded against mining properties, with an associated deferred tax credit of US$960 million. The post-tax impairment charge was US$4 billion.

Capital expenditure remains in line with the previously announced cost of US$8.8 billion including a centrally held contingency of US$600 million. To date, US$5.6 billion has been spent on the project and it is envisaged that US$3.2 billion (inclusive of the US$600 million contingency) will need to be spent in order to deliver the project.

Following a strategic review in 2012, Amapá is now managed as part of the Other Mining and Industrial business unit and is presented as part of the Other Mining and Industrial segment in the 2012 discussion. See "— Other Mining and Industrial".

Samancor: Operating profit in 2013, 2012 and 2011 was US$210 million, US$103 million and US$165 million respectively. The 104% increase in operating profit from 2012 to 2013 was driven by higher prices and focused cost control, supported by strong volumes. The 38% decrease in operating profit from 2011 to 2012 was principally due to lower manganese ore and alloy prices, partially offset by lower costs and higher ore sales volumes.

METALLURGICAL COAL

The following table summarizes the results of operations of the Metallurgical Coal business segment and average realized price for metallurgical coal for the years indicated:

	Year ended December 31,		
	2011[(1)]	2012[(1)]	2013
	(US$m unless otherwise stated)		
Revenue	4,347	3,889	3,396
Underlying operating profit	1,189	405	46
Underlying EBITDA	1,577	877	612
Net operating assets	4,692	5,219	4,630
Capital expenditure	695	1,028	1,050
Share of Group operating profit	11%	6%	0.7%
Share of Group net operating assets	11%	10%	10%
Export metallurgical coal production (million tonnes)[(2)]	14.2	17.7	18.7
Thermal coal production (million tonnes)[(2)]	13.4	13.0	12.5
Export metallurgical price (US$/t)[(3)]	251	178	140
Australian export thermal (US$/t)[(3)]	101	96	84
Australian domestic thermal (US$/t)[(4)]	35	37	39

(1) Changes in accounting policy relating to IAS 19R, IFRIC 20 and IFRS 11, resulted in the restatement of financial results for the year ended December 31, 2012. See "Presentation of Financial Information" for more detail. The financial results for the year ended December 31, 2011 included in this document have not been restated. The impact of the restatements on the financial results for the year ended December 31, 2012 is shown in note 41 of the Group 2013 Consolidated Financial Statements, which are incorporated by reference into this document.
(2) See "Business Description — Mineral Production" for a full breakdown.
(3) Weighted average realized FOB sales price.
(4) Weighted average realized sales price.

Financial Overview and Operating Performance

Metallurgical Coal business segment operating profit in 2013, 2012 and 2011 was US$46 million, US$405 million and US$1,189 million, respectively. The 89% decrease from 2012 to 2013 was attributable to a 24% decrease in the average quarterly HCC benchmark coal price, partially offset by the implementation of significant cost reductions initiated in 2012, a 9% increase in metallurgical coal sales volumes, and favorable exchange rate movements in the Australian dollar. The 66% decrease from 2011 to 2012 was principally due to a 29% decrease in export metallurgical coal prices, partially offset by a 25% increase in metallurgical coal sales volumes.

Revenues in 2013, 2012 and 2011 were US$3,396 million, US$3,889 million and US$4,347million, respectively. The 13% decrease from 2012 to 2013 was principally due to a 21% decrease in export metallurgical coal prices from US$178/tonne in 2012 to US$140/tonne in 2013. The decrease was partially offset by an increase in export metallurgical coal sales volumes of 8% from 17.4 Mt in 2012 to 19.0 Mt in 2013. The 11% decrease from 2011 to 2012 was principally due to a 29% decrease in export metallurgical coal prices from US$251/tonne in 2011 to US$178/tonne in 2012. The decrease was partially offset by an increase in export metallurgical coal sales volumes of 25% from 14.0 Mt in 2011 to 17.4 Mt in 2012.

Total attributable production of export metallurgical coal increased by 6% from 17.7 Mt in 2012 to 18.7 Mt in 2013. Total attributable production of thermal coal decreased by 4% from 13.0 Mt in 2012 to 12.5 Mt in 2013. The increase in total attributable production for export metallurgical coal was principally due to a production increase of 39% at Moranbah North underground operations and a 30% increase in production from underground operations in total, including Moranbah North. In 2013, export thermal coal production was 4% higher for the year as a result of productivity improvements. Total attributable production of export metallurgical coal increased by 24% from 14.2 Mt in 2011 to 17.7 Mt in 2012. Total attributable production of thermal coal decreased by 3% from 13.4 Mt in 2011 to 13.0 Mt in 2012. The increase in total attributable production for export metallurgical coal was principally due to a production increase of 28% at Capcoal open cut mine and a 29% increase in production from underground operations. In 2012, thermal coal production was impacted by wet weather in New South Wales and industrial action in the first quarter at Drayton.

In 2013, production improved by 30% at the underground operations owing to a significant step-change in performance since half year 2012. Production at the open cut operations decreased by 5%, mainly as a result of excessive rainfall causing flooding and rail disruptions in the first quarter, and planned capacity reductions.

Metallurgical Coal's sustained focus on costs reduced FOB costs by 10%, despite export volumes increasing by 5%. In 2012, production improved at both underground and open cut operations by 29% and 22% respectively, with record run of mine production achieved at all of the export open cut operations. Increased production was driven by asset optimization programs and a reduction in rain-related stoppages, supported by rain mitigation initiatives implemented during 2011. FOB cash unit costs improved from 2011 to 2012, with a 10% reduction at the Australian export operations, and a 20% reduction achieved in the second half of 2012. Production at the Queensland operations was affected by heavy rainfall and subsequent flooding in late 2010 and the first quarter of 2011. Export metallurgical coal production decreased by 9% in 2011 due to the aforementioned adverse weather conditions, scheduled longwall moves and a partial drift failure at Moranbah. Unit costs increased as a result of lower production, the additional costs associated with flood recovery initiatives and the strong Australian dollar. Productivity improvements remained a major focus at underground operations during 2011, with the implementation of a structured internal program to raise the longwall operations' productivity to benchmark levels.

Peace River Coal revenue was US$258 million, US$232 million and US$279 million in 2013, 2012 and 2011, respectively, and underlying operating profit/(loss) was US$(70) million, US$(38) million and US$59 million in 2013, 2012 and 2011, respectively. The increase in underlying operating loss from 2012 to 2013 was due to 24% decrease in the average quarterly hard coking coal benchmark coal price. The decrease in underlying operating profit from 2011 to 2012 was due to a 27% decrease in the average hard coking coal price.

THERMAL COAL

The following table summarizes the results of operations of the Thermal Coal business segment and average market price for thermal coal for the years indicated:

	Year ended December 31,		
	2011[1]	**2012[1]**	**2013**
	(US$m unless otherwise stated)		
Revenue	3,722	3,447	3,004
Underlying operating profit	1,230	793	541
South Africa	775	482	356
Colombia	482	358	228
Projects and corporate	(27)	(47)	(43)
Underlying EBITDA	1,410	972	735
Net operating assets	1,886	1,965	1,422
Capital expenditure	190	266	217
Share of Group operating profit	11%	13%	8%
Share of Group net operating assets	4%	4%	3%
RSA thermal coal production (million tonnes)[1]	21.4	23.4	23.0
RSA Eskom production (million tonnes)[1]	35.3	33.7	33.6
Colombian export thermal production (million tonnes)[1]	10.8	11.5	11.0
South Africa export thermal coal price (US$/t)[2]	114	92	77
South Africa domestic thermal coal price (US$/t)[3]	21	21	19
Colombia export thermal coal price (US$/t)[2]	101	89	73

(1) Changes in accounting policy relating to IAS 19R, IFRIC 20 and IFRS 11, resulted in the restatement of financial results for the year ended December 31, 2012. See "Presentation of Financial Information" for more detail. The financial results for the year ended December 31, 2011 included in this document have not been restated. The impact of the restatements on the financial results for the year ended December 31, 2012 is shown in note 41 of the Group 2013 Consolidated Financial Statements, which are incorporated by reference into this document. See "Business Description — Mineral Production" for a full breakdown.

(2) Weighted average realized thermal FOB sales price.

(3) Weighted average realized thermal sales price.

Financial overview and operating performance

Thermal Coal business segment operating profit in 2013, 2012 and 2011 was US$541 million, US$793 million, and US$1,230 million, respectively. The 32% decrease from 2012 to 2013 was principally due to lower average export thermal coal prices. This was partly offset by the impact of the weaker South African rand exchange rate. Business performance was also affected by a 32-day strike at Cerrejón in the first quarter. The 36% decrease from 2011 to 2012 was principally due to lower average export thermal coal prices and above-inflation cost pressures. This was partly offset by the closure of high cost sections, a weaker South African rand and increased sales volumes from the full incorporation of Zibulo as an operating asset, supported by record production at Cerrejón.

Revenues in 2013, 2012 and 2011 were US$3,004 million, US$3,447 million and US$3,722 million respectively. The 13% decrease from 2012 to 2013 was primarily due to lower average export prices. This was partly offset by the impact of the weaker South African rand exchange rate. The 7% decrease from 2011 to 2012 was principally due to lower average export thermal prices. This was primarily driven by oversupply as a result of unprecedented US export volumes, strong production growth and fewer weather-related supply disruptions from the major supply regions of Indonesia, Australia, Colombia and South Africa. Cheap US natural gas displaced a significant volume of US domestic thermal coal in 2012, as utility companies switched from coal to gas.

South Africa: Operating profit in 2013, 2012 and 2011 was US$356 million, US$482 million and US$775 million, respectively. The 26% decrease from 2012 to 2013 was principally driven by 16% lower average export thermal coal prices, partially offset by the impact of the weaker South African rand. However, the continuation of cost control measures has contained cost increases in line with CPI in local currency terms, despite above-CPI increases for several major cost components. The 38% decrease from 2011 to 2012 was principally driven by lower average export thermal coal prices and above-inflation cost increases in labor, power and fuel. This was partly offset by the incorporation of Zibulo as an operating asset, a weaker South African rand and higher sales volumes, supported by a more stable TFR rail performance.

Total attributable production decreased marginally to 56.6 Mt (2012: 57.1 Mt; 2011: 56.7 Mt). Export production at 17.0 Mt was in line with 2012 with a 13% improvement in performance at Greenside offset by lower production at Goedehoop, owing to challenging mining conditions, and Landau following the slower than anticipated plant ramp-up following maintenance. Key underlying production movements in 2012 included an increase in export production by 5% as a result of Zibulo's continued ramp-up and a change to include lower calorific value coals, resulting in higher yielding products at Zibulo and Goedehoop, partly offset by the planned closure of high-cost sections at Goedehoop, Greenside and pits at Kleinkopje. Key underlying production movements in 2011 included a decrease of 1.4 Mt at Kriel, due to equipment availability and pitroom length, 0.8 Mt at Goedehoop, due to optimization of portfolio mix, and 0.6 Mt at Greenside, due to adverse geological conditions and a section closure from a contract termination. This decrease was partially offset by an increase of 1.7 Mt in Zibulo, which reached commercial levels of production in October 2011.

Colombia: Operating profit in 2013, 2012 and 2011 was US$228 million, US$358 million and US$482 million, respectively. The 36% decrease from 2012 to 2013 was primarily due to the impact of lower thermal coal prices, partly offset by significant cost efficiencies (8% lower costs than 2012) and marginally higher sales volumes of 11.2 Mt as the operation recovered strongly from a 32-day strike in the first quarter. The weighted average achieved FOB price for Colombian export thermal coal decreased by 18% from US$89/t in 2012 to US$73.0/t in 2013. The 26% decrease from 2011 to 2012 was primarily due to lower thermal coal prices, compensated to some extent by a strong operational performance and drier weather conditions, with record production and sales. The weighted average achieved FOB price for Colombian export thermal decreased by 12% from US$101.0/t in 2011 to US$89/t in 2012.

Attributable production at Cerrejón decreased from 11.5 Mt in 2012 to 11.0 Mt in 2013, primarily due to a 32-day strike in the first quarter of 2013. Attributable production at Cerrejón increased from 10.8 Mt in 2011 to a record of 11.5 Mt in 2012, due to a strong operational performance and drier weather conditions.

COPPER

The following table summarizes the results of operations of the Copper business segment and average market price for copper for the years indicated:

	Year ended December 31,		
	2011[(1)]	2012[(1)]	2013
	(US$m unless otherwise stated)		
Revenue	5,144	5,122	5,392
Underlying operating profit	2,461	1,736	1,739
Underlying EBITDA	2,750	2,288	2,402
Net operating assets	7,643	8,431	8,380
Capital expenditure	1,570	1,214	1,011
Share of Group operating profit	22%	28%	26%
Share of Group net operating assets	17%	17%	18%
Attributable production (kilotonnes)	599.0	659.7	774.8
Copper (US cents/lb)[(2)]	400	361	332

(1) Changes in accounting policy relating to IAS 19R, IFRIC 20 and IFRS 11, resulted in the restatement of financial results for the year ended December 31, 2012 see "Presentation of Financial Information" for more detail. The financial results for the year ended December 31, 2011 included in this document have not been restated. The impact of the restatements on the financial results for the year ended December 31, 2012 is shown in note 41 of the Group 2013 Consolidated Financial Statements, which are incorporated by reference into this document.

(2) Average LME price.

Financial overview and operating performance

Copper business segment operating profit in 2013, 2012 and 2011 was US$1,739 million, US$1,736 million and US$2,461 million, respectively.

Underlying operating profit in 2013 was in line with 2012. Higher sales volumes from Los Bronces and Collahuasi, leading to lower unit costs were offset by the decline in the average realized copper price. Operating profit also benefited from lower power prices, exploration and study costs.

In December 2013, Anglo American concluded its exit from the Pebble copper project in Alaska. As a result, the investment in Pebble was written off in full, resulting in a charge of US$311 million including exit costs.

Revenues in 2013, 2012 and 2011 were US$5,392 million, US$5,122 million and US$5,144 million, respectively. The increase from 2012 to 2013 was primarily driven by higher sales volumes due to higher production from Los Bronces and Collahuasi. This increase was offset by a lower realized copper price. The average copper price on the LME decreased from 361c/lb in 2012 to 332 c/lb in 2013. The marginal decrease from 2011 to 2012 was primarily driven by a lower realized copper price. The average copper price on the LME decreased from 400c/lb in 2011 to 361 c/lb in 2012. This decrease was offset by higher sales volumes due to increased production from the Los Bronces expansion project

Sales of certain commodities are "provisionally priced" such that the price is not settled until a predetermined future date usually based on the average market price over a period defined in the contract. Revenue on these sales is initially recognized at the current market price and then marked to market until final settlement using the forward price for the period equivalent to that outlined in the contract (mark to market adjustments are recorded in revenue). A loss to revenue of US$92 million (2012: gain of US$47 million; 2011: loss of US$278 million) reflecting the impact of provisional pricing was recognized in 2013.

Attributable copper production in 2013 of 774,800 tonnes was 17% higher than in 2012, driven by improved operating performance at Los Bronces and Collahuasi. Production at Los Bronces was 14% higher at 416,300 tonnes, owing to continued strong throughput performance. Reduced mine congestion and de-bottlenecking at the primary crushers has improved continuity of ore supply and throughput at both processing plants. Improvements implemented in the Confluencia milling and flotation processes have also resulted in higher recoveries. Mine development continues, with the initial opening of the next two phases of ore supply completed during 2013. Large-scale mining equipment is now in place in these phases, with development stripping accelerating in the second half of 2013. At Collahuasi, production increased by 58%, with Anglo American's attributable output increasing to 195,600 tonnes. Following the SAG 3 stator motor replacement and repowering in the second quarter of the year, plant stability and mill throughput performance have improved significantly. Production also benefited from higher than planned grades. Production at El Soldado decreased by 4% to 51,500 tonnes, owing to lower grades. The

development of the next major phase of ore supply has slowed as mining activities intersected a geological fault, impacting ore availability in the last quarter of 2013. The lack of ore has been partially mitigated by the processing of slag from the nearby Chagres smelter. Production at Mantoverde decreased by 9% owing to lower grades, while Mantos Blancos production was in line with the prior year.

During 2013, Copper undertook a full review of its contracted services processes, identifying a number of improvements which are now being implemented. Cost savings have already started to be realized and the benefits are expected to increase.

NICKEL

The following table summarizes the results of operations of the Nickel business segment and the average market price for nickel for the years indicated:

	Year ended December 31,		
	2011[(1)]	**2012**[(1)]	**2013**
	(US$m unless otherwise stated)		
Revenue	488	336	136
Underlying operating profit	57	26	(44)
Underlying EBITDA	84	50	(37)
Net operating assets	2,535	2,509	1,597
Capital expenditure	398	100	(28)
Share of Group operating profit	1%	0.4%	(0.7)%
Share of Group net operating assets	6%	5%	3%
Attributable production (tonnes)	29,100	39,300	34,400
Nickel price (US cents/lb)[(2)]	1,035	794	680

(1) Changes in accounting policy relating to IAS 19R, IFRIC 20 and IFRS 11, resulted in the restatement of financial results for the year ended December 31, 2012 see "Presentation of Financial Information" for more detail. The financial results for the year ended December 31, 2011 included in this document have not been restated. The impact of the restatements on the financial results for the year ended December 31, 2012 is shown in note 41 of the Group 2013 Consolidated Financial Statements, which are incorporated by reference into this document.

(2) Average LME price.

Financial overview and operating performance

Nickel business segment underlying operating profit/(loss) in 2013, 2012 and 2011 was US$(44) million, US$26 million and US$57 million, respectively. The decrease from 2012 to 2013 was primarily due to lower realized prices as well as the non-recurrence of an insurance receivable at MLdN that benefited the business in 2012. The 54% decrease from 2011 to 2012 was primarily due to lower realized prices partially offset by an insurance receivable at MLdN.

Revenues in 2013, 2012 and 2011 were US$136 million, US$336 million and US$488 million, respectively. The 60% decrease in revenue from 2012 to 2013 was principally driven by lower realized prices partially offset by a self-insurance recovery at MLdN of US$57 million. Barro Alto's results were capitalized throughout all periods. The 31% decrease in revenue from 2011 to 2012 was principally driven by a 23% decrease in nickel prices in 2012 as well as a reduction in MLdN volumes following the export ban imposed by the Venezuelan government from the beginning of June 2011.

Total nickel production in 2013, compared to 2012, decreased by 12% to 34,400 tonnes (2012: 39,300 tonnes, 2011: 29,100 tonnes). Production at Barro Alto was 25,100 tonnes (2012: 21,600 tonnes) reflecting improved operational stability at Barro Alto furnaces, despite the need for furnace rebuilds. Barro Alto has not reached commercial production, therefore, underlying operating result generated by the operation are capitalized and do not affect revenue or operating profit. Production at Codemin decreased 3% to 9,300 tonnes (2012: 9,600 tonnes, 2011: 9,500 tonnes) reflecting a planned decline in ore grades. There was no production at MLdN during 2013 as a result of the expiry of the exploration and exploitation concessions (2012: 8,100 tonnes, 2011: 13,400 tonnes).

Total nickel production in 2012, compared to 2011, increased by 35% to 39,300 tonnes (2011: 29,100 tonnes). Production at Barro Alto was 21,600 tonnes (2011: 6,200 tonnes) following the ramp-up process. Barro Alto has not reached commercial production, therefore, profits or losses generated by the operation are capitalized and do not affect revenue or operating profit. Production at MLdN decreased by 5,300 tonnes to 8,100 tonnes (2011: 13,400 tonnes) as a result of the cessation of operations and production at Codemin was broadly in line with 2011 (2012: 9,600 tonnes; 2011: 9,500 tonnes). Total nickel production in 2011 increased by 44% to 29,100 tonnes (2010:

20,200 tonnes) as a result of delivery of the Barro Alto project, which produced 6,200 tonnes and higher output at both MLdN and Codemin compared to 2010.

Operations at MLdN ceased permanently in November 2012.

Accelerated depreciation of US$70 million (2011: US$84 million; 2010: US$73 million) was recorded at MLdN during 2012 in relation to the concession expiry. This was recorded as a special item and did not impact underlying operating profit.

NIOBIUM AND PHOSPHATES

The following table summarizes the results of operations of the Niobium and Phosphates business segment:

	Year ended December 31		
	2011[1]	2012[1]	2013
	(US$m unless otherwise stated)		
Revenue	720	770	726
Underlying operating profit/(loss)	188	169	150
Niobium [2]	54	81	89
Phosphates [3]	136	91	79
Projects and corporate	(2)	(3)	(18)
Underlying EBITDA		196	176
Net operating assets	690	691	854
Capital expenditure	42	94	237
Share of Group underlying operating profit	0%	3%	2%
Share of Group net operating assets	2%	1%	2%

(1) Changes in accounting policy relating to IAS 19R, IFRIC 20 and IFRS 11, resulted in the restatement of financial results for the year ended December 31, 2012. See "Presentation of Financial Information" for more detail. The financial results for the year ended December 31, 2011 included in this document have not been restated. The impact of the restatements on the financial results for the year ended December 31, 2012 is shown in note 41 of the Group 2013 Consolidated Financial Statements, which are incorporated by reference into this document.

(2) In 2012, Catalão was re-named Anglo American Nióbio Brasil Limitada (Niobium).

(3) In 2012, Copebrás was re-named Anglo American Fosfatos Brasil Limitada (Phosphates).

Financial overview and operating performance

Niobium. Underlying operating profit in 2013, 2012 and 2011 was US$89 million, US$81 million and US$52 million, respectively. The 10% increase from 2012 to 2013 was primarily driven by higher sales volumes, lower cash costs and the positive impact of the weaker Brazilian real on operating costs, partly offset by lower realized sales prices and increased study costs. Production of 4,500 tonnes was 2% higher, as throughput and recovery improvements offset the decline in ore quality. The 56% increase from 2011 to 2012 was primarily driven by an increase of 15% in Niobium sales volumes due to increased production.

Phosphates. Underlying operating profit in 2013, 2012 and 2011 was US$79 million, US$91 million and US$134 million, respectively. The 13% decrease from 2012 to 2013 was primarily driven by lower selling prices and higher study costs only partly offset by lower labor and sulphur costs and the positive impact of the weaker Brazilian real on operating costs. Fertilizer production increased by 6% to 1.2 million tonnes, owing to improved performance following optimized maintenance scheduling, increased plant availability and enhanced performance at the acidulation and granulation plants. The 32% decrease from 2011 to 2012 was primarily driven by unfavorable international fertilizer prices.

PLATINUM

The following table summarizes the results of operations of the Platinum business segment and the average basket price of metal sold for the years indicated:

	Year ended December 31,		
	2011[(1)]	2012[(1)]	2013
	(US$m unless otherwise stated)		
Revenue	7,359	5,489	5,688
Underlying operating profit	890	(120)	464
Underlying EBITDA	1,672	580	1,048
Net operating assets	11,191	10,419	8,622
Capital expenditure	970	822	608
Share of Group operating profit	8%	(2)%	7%
Share of Group net operating assets	25%	20%	18%
Platinum production (thousands of ounces)	2,530	2,379	2,380
Palladium production (thousands of ounces)	1,431	1,396	1,381
Rhodium production (thousands of ounces)	338	311	295
Average basket price ($/ounce)	2,698	2,406	2,326

(1) Changes in accounting policy relating to IAS 19R, IFRIC 20 and IFRS 11, resulted in the restatement of financial results for the year ended December 31, 2012. See "Presentation of Financial Information" for more detail. The financial results for the year ended December 31, 2011 included in this document have not been restated. The impact of the restatements on the financial results for the year ended December 31, 2012 is shown in note 41 of the Group 2013 Consolidated Financial Statements, which are incorporated by reference into this document.

Financial overview and operating performance

Platinum business segment operating profit / (loss) in 2013, 2012 and 2011 was US$464 million, US$(120) million and US$890 million, respectively. The increase from 2012 to 2013 was primarily driven by a weaker average South African rand against the dollar and an increase in sales volumes, which were partly offset by lower realized basket prices, and above-inflation cost increases. The significant decrease from 2011 to 2012 was primarily due to lower sales volumes, the impact of higher mining inflation on costs and lower average realized prices. Platinum sales volumes for the period were lower due to the two month illegal industrial action experienced at most of the mining operations in the fourth quarter. This was compensated in part by a weaker average rand against the dollar and a positive stock adjustment of US$172 million

Revenues in 2013, 2012 and 2011 were US$5,688 million, US$5,489 million and US$7,359 million respectively. The 4% increase from 2012 to 2013 was principally due to increased sales volumes. The 25% decrease from 2011 to 2012 was principally due to reduced sales volumes as a result of the illegal industrial action.

The average dollar price realized for the basket of metals sold by Platinum in 2013, 2012 and 2011 was US$2,326, US$2,406 and US$2,698 per platinum ounce, respectively. The 3% decrease from 2012 to 2013 and the 11% decrease from 2011 to 2012 were a result of weakening PGM prices as a whole.

The average realized price for platinum in 2013, 2012 and 2011 was US$1,485, US$1,532 and US$1,707 per ounce, respectively. The average realized price for palladium in 2013, 2012 and 2011 was US$722, US$640 and US$735 per ounce, respectively. The price achieved for rhodium in 2013, 2012 and 2011 averaged US$1,053, US$1,264 and US$2,015 per ounce, respectively. The average realized price for nickel was US$6.58 and US$7.76 per pound in 2013 and 2012, respectively.

Refined platinum production remained flat in 2013 at 2.38 million ounces primarily due to increased feed from mining operations and improved performance at the Anglo American Platinum Converting Process (ACP) plant which has been operating at a steady state level since production issues caused by a high-pressure leak were resolved at the end of the second quarter of 2013. The 6% decrease in 2012 was primarily driven by the processing of pipeline stocks into refined ounces in the second half of 2012 to reduce the impact of the industrial action.

Equivalent refined platinum production for 2013 totaled 2.32 million ounces, 5% up on 2012. Platinum's own mines, including Western Limb Tailings Retreatment, produced 1.5 million of equivalent refined platinum ounces, which was 3% higher year on year. Production at Khomanani mine, Khuseleka 2 shaft and Union North decline was suspended in August 2013, in line with the restructured operations. Production at Tumela and Dishaba mines decreased by 2% from 2012 owing to shortages of production crews and supervisors as the redeployment of labor program following the placement of mines on care and maintenance was only completed in the final quarter of the year. At Mogalakwena mine, output increased by 12% from 2012 to a record 335,800 ounces following higher

throughput at the concentrators and improved head grade. In 2012, equivalent refined production was 8% down on 2011 as a result of the two months of unprotected industrial action linked to wage demands which resulted in 305,600 ounces of lost platinum production.

The cash operating cost per erpo in South African rand terms increased by 4% to ZAR17,053 (2012: ZAR16,364), primarily owing to increases in the costs of labor, electricity, diesel and key inputs of processing operations, partly offset by higher production.

The cash operating cost per erpo in South African rand terms increased from ZAR13,552 in 2011 to ZAR16,364 in 2012. This 21% increase was primarily due to the impact of the strike and increases in the costs of labor, electricity, diesel and key inputs of processing operations.

DIAMONDS

The following table summarizes the results of operations of De Beers for the years indicated:

	Year ended December 31,		
	2011[(1) (2)]	**2012**[(1) (2)]	**2013**
	(US$m unless otherwise stated)		
Revenue	3,320	4,028	6,404
Underlying operating profit	659	474	1,003
Underlying EBITDA	794	712	1,451
Net operating assets	n/a	12,924	11,351
Capital expenditure	n/a	161	551
Share of Group operating profit	6%	8%	15%
Share of Group net operating assets	n/a	25%	24%
Group's aggregate investment in De Beers[(3)]	2,230	n/a	n/a
Total production (thousand carats) – 100% basis	31,328	27,875	31,159

(1) Amounts based on 45% shareholding up to August 16, 2012 the date of acquisition.

(2) Changes in accounting policy relating to IAS 19R, IFRIC 20 and IFRS 11, resulted in the restatement of financial results for the year ended December 31, 2012. See "Presentation of Financial Information" for more detail. The financial results for the year ended December 31, 2011 included in this document have not been restated. The impact of the restatements on the financial results for the year ended December 31, 2012 is shown in note 41 of the Group 2013 Consolidated Financial Statements, which are incorporated by reference into this document.

(3) De Beers was an independently managed associate of the Group until August 16, 2012. The Group's aggregate investment in De Beers excluded shareholder loans of US$301 million at the end of 2011.

Financial overview and operating performance

The Group's share of operating profit from De Beers in 2013, 2012 and 2011 was US$1,003 million, US$474 million and US$659 million, respectively. De Beers' operating profit in 2013 totaled US$1,003 million, an increase of 112% compared with 2012, driven by the Group's increased shareholding and an improvement in the underlying results of the business. The improvement reflected higher sales revenues and tight cost control, which benefited from favorable exchange rate movements.

The decrease in the Group's share of operating profit from 2011 to 2012 of 28% reflected the impact principally of difficult trading conditions brought about predominantly by weaker demand and changing Sightholder requirements and tighter liquidity in the cutting centers. This was partly offset by an increased contribution (100% of De Beers operating profit was consolidated subsequent to August 16, 2012, against 45% previously), net of acquisition accounting impacts, from De Beers due to Anglo American's increased shareholding.

The Group's share of De Beers' revenue was US$6,404 million, US$4,028 million and US$3,320 million for 2013, 2012 and 2011, respectively. The 59% increase from 2012 to 2013 was principally driven by our increased shareholding and average realized rough diamond prices which were 5% higher, driven by the product mix. Despite global macro-economic uncertainty, diamond jewelry sales increased in local currency terms in all major diamond markets, except India. In India, challenging economic conditions and a devaluation of the rupee resulted in a decline in demand. The US market posted positive growth, with a generally strong holiday season in the fourth quarter. China continued to show positive growth rates, but at levels consistent with slower economic growth.

The 21% increase from 2011 to 2012 was principally driven by our increased shareholding partly offset by diminished demand for rough diamonds and changing Sightholder requirements. Demand for diamond jewelry in the key markets of the US, China, Japan and India collectively grew, albeit at a slower pace than in 2011. This together with high cutting center stock levels and tight midstream liquidity resulted in a rough diamonds price correction in the third quarter with prices stable by the end of 2012.

On August 16, 2012, the Group completed the acquisition of an additional 40% interest in De Beers from the CHL Group for a total cash consideration of US$5.2 billion. The purchase price was funded from cash on hand. See "Business Description — Diamonds — Acquisition of Shareholding".

Total De Beers rough diamond production on a 100% basis was 31.2 million carats in 2013, 27.9 million carats in 2012 and 31.3 million carats in 2011. The 12% improvement from 2012 to 2013 was driven by improvements across all regions, particularly in Botswana and Canada. In Botswana, higher production was driven by Jwaneng's recovery from the slope failure in June 2012, which followed completion of the remediation program in the third quarter. Production at Orapa was slightly higher than 2012, despite unplanned maintenance on plant No. 1, which returned to full operation in October. In South Africa, full operations were restored at Venetia after the mine was impacted by very heavy flooding in the Limpopo province at the start of the year. Shortfalls in ore mined were mitigated by the processing of ore stockpiles. Production improved steadily in the third quarter, with full recovery by the fourth quarter. In Canada, performance at Snap Lake improved significantly, with carats recovered up approximately 50% as a result of a focus on throughput and mining efficiency. At Victor, carat recovery exceeded expectations and was broadly in line with the prior year.

The 11% decrease from 2011 to 2012 was partially driven by weak customer demand with operations focusing on maintenance and waste stripping backlogs. A number of factors impacted production at specific sites. At Debswana, this included the Jwaneng slope failure referred to above. De Beers Consolidated Mines saw lower grades from Venetia and production was also impacted by the completion of the disposal of the Finsch Diamond Mine in September 2011.

OTHER MINING AND INDUSTRIAL

The following table summarizes the results of operations of the Other Mining and Industrial business segment for the years indicated:

	Year ended December 31,		
	2011[(1)]	2012[(1)]	2013
	(US$m unless otherwise stated)		
Revenue	3,319	3,296	1,795
Underlying operating profit/(loss)	7	168	(13)
Tarmac	(35)	73	(6)
Amapá	-	54	-
Scaw Metals	40	49	-
Zinc	20	-	-
Projects and corporate	(18)	(8)	(7)
Underlying EBITDA	178	289	81
Net operating assets	2,511	65	25
Capital expenditure	110	171	53
Share of Group underlying operating profit	0%	3%	(0.2)%
Share of Group net operating assets	6%	0.1%	0.1%

(1) Changes in accounting policy relating to IAS 19R, IFRIC 20 and IFRS 11, resulted in the restatement of financial results for the year ended December 31, 2012 see "Presentation of Financial Information" for more detail. The financial results for the year ended December 31, 2011 included in this document have not been restated. The impact of the restatements on the financial results for the year ended December 31, 2012 is shown in note 41 of the Group 2013 Consolidated Financial Statements, which are incorporated by reference into this document.

Financial overview and operating performance

Other Mining and Industrial underlying operating profit/(loss) in 2013, 2012 and 2011 was US$(13) million, US$168 million and US$7 million, respectively. The 108% decrease from 2012 to 2013 was driven by results of Amapá, Scaw Metals and Tarmac.

Tarmac. Underlying operating profit/(loss) in 2013, 2012 and 2011 was US$(6) million, US$73 million and US$(35) million, respectively. The significant decrease from 2012 to 2013 was primarily driven by inclusion in 2012 of the 100% contribution from Tarmac Quarry Materials, which formed part of the Lafarge Tarmac joint venture with effect from January 7, 2013.

On January 7, 2013 the Group announced the completion of the 50:50 joint venture with Lafarge, which combined their cement, aggregates, ready-mix concrete, asphalt and asphalt surfacing, maintenance services, and waste services businesses in the UK. The joint venture will be known as Lafarge Tarmac. See " — Business Description — Other Mining and Industrial — Tarmac Quarry Materials' UK businesses".

The significant increase from 2011 to 2012 was primarily as a result of the Tarmac Quarry Materials operation being treated as "held for sale" from the end of July 2012, and the subsequent cessation of recorded depreciation.

On January 14, 2014, the CC published its final report relating to the investigation into the aggregates, cement and RMX markets. In this report the CC concluded that there were aspects of the cement markets that had adverse effects on competition. Accordingly it has determined that, amongst other remedies, Lafarge Tarmac is required to divest of a cement plant (either the Cauldon or Tunstead cement plants, plus relevant depots), and (if required by a prospective purchaser) a number of RMX plants. The CC has determined that the prospective purchaser cannot be one of the existing cement producers in Great Britain. Lafarge Tarmac disputes the conclusions of the CC and, taking into account the best interests of its employees, contractors, customers and shareholders, has appealed the decision to the Competition Appeal Tribunal.

Amapá. Amapá recorded a nil underlying operating profit in 2013 for the 10 months to the completion of the divestment of the operation on November 1, 2013. All profits and losses generated by Amapá from the signing of the sale agreement at the end of 2012 to completion were for the account of Zamin and therefore the underlying operating loss of US$7 million incurred in the period has been excluded from the Group results.

Underlying operating profit in 2012 was US$54 million. Following a strategic review in July 2012, Amapá became managed as part of the Other Mining and Industrial business unit and is presented as part of the Other Mining and Industrial segment in 2012.

Total production of iron ore volumes for 2013 and 2012 was 4,139 kt and 6,072 kt, respectively. The decrease in production was due to lower sales and stockpile constraints following the event on March 28, 2013 as well as only 10 months production recorded due to the completion of the divestment of the operation on November 1, 2013.

On January 4, 2013, Anglo American announced that it had reached an agreement to sell its 70% interest in Amapá to Zamin. On March 28, 2013 a major geological event occurred at the Santana port of Amapá, which resulted in the loss of five lives, with a further one person still missing, as well as the loss of the port operation. In light of these circumstances, Anglo American entered into further discussions with its partner Cliffs and Zamin. Anglo American subsequently entered into an agreement with Cliffs to acquire its 30% interest in Amapá and entered into an amended sale agreement with Zamin, to reflect Anglo American's disposal of a 100% interest in Amapá to Zamin.

On November 1, 2013, Anglo American completed the acquisition from Cliffs and simultaneously completed the sale of the 100% interest in Amapá to Zamin for a total initial consideration of approximately US$134 million, net of certain completion adjustments. In addition, Zamin will pay Anglo American conditional deferred consideration of up to a maximum of US$130 million in total, payable over a five year period and calculated on the basis of the market price for iron ore.

As part of the transaction, Anglo American has assumed responsibility for, and the risks and rewards of certain insurance claims including those relating to the Santana port incident, through the purchase of the claims from Amapá at the full claim value.

Scaw Metals. Underlying operating profit in 2013, 2012 and 2011 was nil, US$49 million and US$40 million, respectively. The Group finalized the disposal of interests in Scaw Metals with the completion of the sale of Scaw SA and related companies in November 2012. The 23% increase from 2011 to 2012 was principally due to the company being treated as held for sale from April 24, 2012, and the subsequent cessation of recorded depreciation.

Total production of steel volumes for 2012 and 2011 was 612 kt and 677 kt, respectively. The decrease of 10% over 2011 is primarily driven by the fact that 2012 only comprises 11 months of production following disposal.

LIQUIDITY AND CAPITAL RESOURCES

Anglo American focuses on ensuring that there are sufficient committed loan facilities (including refinancing, where necessary) in order to meet near-term cash requirements, after taking into account cash flows from operations and our holding of cash and cash equivalents, as well as any existing restrictions on distributions. We believe that these facilities (including refinancing, where necessary) and cash generation will be sufficient to cover our anticipated near-term cash requirements.

For more information on our borrowing arrangements and liquidity sources, see "— Cash Flow — Funding Sources" below, and Notes 24 and 25 to the Group 2013 Consolidated Financial Statements, incorporated by reference herein.

The Group operates in some countries (principally South Africa) in which the existence of exchange controls may restrict the use of certain cash balances. The restrictions are not expected to have a material effect on the

Group's ability to meet its ongoing obligations. In light of the multinational nature of the Group's business, cash is held in a number of countries and currencies. The majority of the Group's cash is held in US dollars, South African rands, Brazilian reais and Australian dollars.

CASH FLOW

The table below summarizes our consolidated cash flow statement for the periods indicated:

	Year ended December 31,		
	2011[(1)]	**2012**[(1)]	**2013**
		(US$m)	
Cash flows from operations	11,498	7,370	7,729
Dividends from associates and joint ventures	344	294	246
Dividends from financial asset investments	59	54	18
Income tax paid	(2,539)	(1,799)	(1,201)
Net cash inflows from operating activities	9,362	5,919	6,792
Net cash used in investing activities	(4,853)	(10,174)	(5,625)
Net cash (used in) / inflows from financing activities	1,474	1,951	(2,402)
Net increase / (decrease) in cash and cash equivalents	5,983	(2,304)	(1,235)

(1) Changes in accounting policy relating to IAS 19R, IFRIC 20 and IFRS 11, resulted in the restatement of financial results for the year ended December 31, 2012. See "Presentation of Financial Information" for more detail. The financial results for the year ended December 31, 2011 included in this document have not been restated. The impact of the restatements on the financial results for the year ended December 31, 2012 is shown in note 41 of the Group 2013 Consolidated Financial Statements, which are incorporated by reference into this document.

Net cash inflows from operating activities in 2013, 2012 and 2011 were US$6,792 million, US$5,919 million and US$9,362 million, respectively. The 15% increase from 2012 to 2013 principally resulted from higher cash inflows from operations, reflecting increased volumes, reduced operational costs and reduced tax payment partially offset by lower prices across the Group's core commodities except for iron ore.

The 37% decrease from 2011 to 2012 principally resulted from lower cash inflows from operations, reflecting weaker prices across the Group's core commodities and changes in operational performance, partly offset by lower tax payments.

Net cash used in investing activities in 2013, 2012 and 2011 was US$5,625 million, US$10,174 million and US$4,853 million, respectively. The 45% decrease from 2012 to 2013 was principally due to the net cash outflow on acquisition of an additional 40% shareholding in De Beers in 2012, partially offset by increased capital expenditure in 2013. The 110% increase from 2011 to 2012 was principally due to the net cash outflow on acquisition of an additional 40% shareholding in De Beers. Proceeds from the disposal of Scaw SA (US$100 million) and from the sale of the Group's investment in Mondi (US$273 million) were also lower than the proceeds from disposals in 2011, which related primarily to the disposals of Black Mountain and Lisheen (US$499 million).

Net cash inflows from/(used in) financing activities in 2013, 2012 and 2011 was US$(2,402) million, US$1,951 million and US$1,474 million, respectively. The decrease in cash flows between 2012 and 2013 of US$4,353 million is principally due to a cash inflow of US$1,220 million from the sale in 2012 of a 25.4% interest in AA Sur to the Codelco/Mitsui joint venture company controlled by Codelco, as well as a cash outflow in 2013 from the reduction in net debt drawn down on external borrowings by US$3,914 million as the Group repaid a US$2 billion multi-currency credit facility at De Beers. The 32% increase in inflows from 2011 to 2012 is principally due to an increase in net receipts of medium and long term borrowings from US$964 million to US$5,633 million, partly offset by a reduction in inflows relating to movements in minority interests from US$4,964 million in 2011 (which included the proceeds from the sale of a 24.5% interest in AA Sur to Mitsubishi of US$5,396 million) to US$1,220 million in 2012 (which included the sale of a 25.4% interest in AA Sur to a Codelco/Mitsui joint venture company controlled by Codelco, for proceeds of US$1.9 billion). In addition, financing activities in 2012 included a tax payment of US$1,015 million relating to the sale of a 24.5% interest in AA Sur to Mitsubishi in 2011.

Capital Expenditure

The following table summarizes capital expenditure, on a cash flow basis, by business segment for the periods indicated:

	Year ended December 31,		
	2011[(1)]	2012[(1)]	2013
		(US$m)	
Iron Ore and Manganese	1,732	2,139	2,517
Metallurgical Coal	695	1,028	1,050
Thermal Coal	190	266	217
Copper	1,570	1,214	1,011
Nickel	398	100	(28)[(2)]
Niobium and Phosphates	42	94	237
Platinum	970	822	608
Diamonds	n/a	161	551
Other Mining and Industrial	110	171	53
Other	57	35	45
Capital expenditure on property, plant and equipment	5,764	6,030	6,261

(1) Changes in accounting policy relating to IAS 19R, IFRIC 20 and IFRS 11, resulted in the restatement of financial results for the year ended December 31, 2012. See "Presentation of Financial Information" for more detail. The financial results for the year ended December 31, 2011 included in this document have not been restated. The impact of the restatements on the financial results for the year ended December 31, 2012 is shown in note 41 of the Group 2013 Consolidated Financial Statements, which are incorporated by reference into this document.

(2) Cash capital expenditure for Nickel of US$76 million is offset by the capitalization of US$104 million of net operating cash inflows generated by Barro Alto which has not yet reached commercial production.

Capital expenditure for 2013, 2012 and 2011 was US$6,261 million, US$6,030 million and US$5,764 million, respectively. Capital expenditure is primarily driven by the Minas-Rio iron ore project in Brazil, Grosvenor metallurgical coal project in Australia in addition to "stay-in-business" capital expenditure across all business units.

Anglo American has announced guidance for capital expenditure for 2014 in the range of US$7.0 billion to US$7.5 billion and expects capital expenditure to reduce in 2015 and 2016.

For a description of the Group's project pipeline, see "Business Description — Major Growth and Replacement Projects".

Net Debt

Net debt, including the impact of related hedges, as of December 31, 2013, 2012 and 2011 was US$10,652 million, US$8,510 million and US$1,374 million, respectively. Net debt was made up of the following:

	As of December 31,		
	2011[(1)]	2012[(1)]	2013
		(US$m)	
Cash and cash equivalents	11,732	9,298	7,702
Short-term borrowings	(1,018)	(2,490)	(2,106)
Medium and long-term borrowings	(11,855)	(15,150)	(15,740)
Net debt, excluding the impact of hedges[(3)]	(1,141)	(8,342)	(10,144)
Hedges	(233)	(168)	(508)
Net debt, including the impact of related hedges	(1,374)	(8,510)	(10,652)

(1) Changes in accounting policy relating to IAS 19R, IFRIC 20 and IFRS 11, resulted in the restatement of financial results for the year ended December 31, 2012. See "Presentation of Financial Information" for more detail. The financial results for the year ended December 31, 2011 included in this document have not been restated. The impact of the restatements on the financial results for the year ended December 31, 2012 is shown in note 41 of the Group 2013 Consolidated Financial Statements, which are incorporated by reference into this document.

Net debt movements are principally a function of cash flows from operating, investing and financing activities. In addition, non-cash items including fair value adjustments and exchange rate movements and hedges of debt also influence our net debt level.

Net debt as of December 31, 2013 increased US$2,142 million, from US$8,510 million as of December 31, 2012 to US$10,652 million (principally due to cash movements in the year).

In addition to the aforementioned factors which impact net debt, in 2013 we issued corporate bonds with a US$ equivalent value of US$3.5 billion in the European, Australian and Japanese markets. These included €750 million

2.5% guaranteed notes due 2021, €900 million 1.75% guaranteed notes due 2017, €600 million 2.875% guaranteed notes due 2020, and JPY10,000 million 1.028% guaranteed notes due 2018 issued under the Euro Medium Term Note ("EMTN") program, and AUD 500 million 5.75% guaranteed notes due 2018 issued under the Australian Medium Term Note ("AMTN") program. In March 2013, the Group replaced a US$3.5 billion credit facility maturing in July 2015 with a US$5 billion credit facility maturing in March 2018. At the same time the US$2 billion multi-currency credit facility within the De Beers was repaid and cancelled.

In 2012 we issued corporate bonds with a US$ equivalent value of US$5.1 billion in the US, European and South African markets. These included US$600 million 2.625% senior notes due 2017, US$750 million 2.625% senior notes due 2017 and US$600 million 4.125% senior notes due 2022 in offerings pursuant to Rule 144A; €750 million 3.50% guaranteed notes due 2022, €750 million 2.75% guaranteed notes due 2019 and €750 million 2.50% guaranteed notes due 2018 issued under the EMTN program, and ZAR600 million floating rate notes at 3M JIBAR + 1.38% due 2017 and ZAR1.4 billion 9.27% fixed rate notes due 2019 issued under the South African Domestic Medium Term Note program. On March 23, 2012, we gave notice that we had exercised the right to redeem US$1.7 billion of convertible bonds on May 22, 2012 (the "optional redemption date"). Of the US$1,700 million convertible bonds issued, US$1,678 million were converted prior to the optional redemption date, including US$1 million converted in 2011, and the remaining US$22 million were redeemed by the Group. As a result, 62.5 million ordinary shares were issued and the financial liability of US$1,529 million was derecognized.

Non-wholly owned subsidiaries, where possible, will maintain their own financing and funding requirements. In most cases, the financing is non-recourse to Anglo American. In addition, certain projects are financed by means of limited-recourse project finance, if appropriate.

Funding Sources

The maturity profile of our debt obligations as of December 31, 2013 is set forth below:

	Within 1 year or on demand	Between 1 year and 2 years	Between 2 years and 5 years	After 5 years	Total
			(US$m)		
Secured					
Bank loans and overdrafts	9	9	22	1	41
Obligations under finance leases	7	27	7	15	56
Total secured loans	16	36	29	16	97
Unsecured					
Bonds issued under EMTN program	-	1,445	4,175	3,878	9,498
Bank loans and overdrafts	433	228	1,059	716	2,436
Senior Notes	1,256	-	1,338	1,856	4,450
Other loans	403	163	539	262	1,367
Total unsecured loans	2,092	1,836	7,111	6,712	17,751
Total borrowings	2,108	1,872	7,140	6,728	17,848

The Group had available undrawn committed borrowing facilities of US$9,251 million as of December 31, 2013, US$9,257 million as of December 31, 2012 and US$8,419 million as of December 31, 2011. The Group's available undrawn committed borrowing facilities of US$9,251 million as of December 31, 2013 included undrawn rand facilities equivalent to US$1,200 million in respect of a series of facilities with 364 day maturities which roll automatically on a daily basis, unless notice is served. In March 2013, the Group replaced a US$3.5 billion credit facility maturing in July 2015 with a US$5 billion credit facility maturing in March 2018. At the same time the US$2 billion multi-currency credit facility at De Beers was repaid and cancelled. In March 2014, the Group issued €1,500 million of bonds under the EMTN program.

FINANCIAL RISK EXPOSURE AND MANAGEMENT

The Group is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors of Anglo American plc (the "Board") approves and monitors the risk management processes, including documented treasury policies, counterparty limits, controlling and reporting structures. The risk management processes of Anglo American's independently listed subsidiaries (including Anglo American Platinum and Kumba) are in line with Anglo American's own policies.

Credit risk. The Group's principal financial assets are cash, trade and other receivables, investments and derivative financial instruments. The Group limits credit risk on liquid funds and derivative financial instruments

through diversification of exposures with a range of approved financial institutions. Counterparty limits are set for each financial institution with reference to credit ratings assigned by S&P, Moody's and Fitch Ratings.

Given the diverse nature of the Group's operations (both in relation to commodity markets and geographically), together with insurance cover (including letters of credit from financial institutions), it does not have significant concentration of credit risk in respect of trade receivables, with exposure spread over a large number of customers. An allowance for impairment for trade receivables is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

Liquidity risk. The Group ensures that there are sufficient committed loan facilities (including refinancing, where necessary) in order to meet short-term cash requirements, after taking into account cash flows from operations and its holding of cash and cash equivalents, as well as any group distribution restrictions that exist. Non-wholly owned subsidiaries, where possible, will maintain their own financing and funding requirements. In addition, certain projects are financed by means of limited recourse project finance, if appropriate.

Foreign exchange risk. As a global business, the Group is exposed to many currencies principally as a result of non-US dollar operating costs incurred by US dollar functional currency companies and, to a lesser extent, from non-US dollar revenues.

The Group's policy is generally not to hedge such exposures as hedging is not deemed appropriate given the diversified nature of the Group, though exceptions can be approved by the Group Management Committee. In addition, currency exposures exist in respect of non-US dollar approved capital expenditure projects and non-US dollar borrowings in US dollar functional currency entities. The Group's policy is that such exposures should be hedged subject to a review of the specific circumstances of the exposure.

Interest rate risk. Interest rate risk arises due to fluctuations in interest rates which impact the value of short term investments and financing activities. The Group's exposure to interest rate risk is particularly with reference to changes in US and South African interest rates.

The Group's policy is to borrow funds at floating rates of interest as, over the longer term, this is considered by management to give somewhat of a natural hedge against commodity price movements, given the correlation to economic growth (and industrial activity) which in turn shows a high correlation with commodity price fluctuation. In certain circumstances, the Group uses interest rate swap contracts to manage its exposure to interest rate movements on a portion of its existing debt. Also, we may undertake strategic hedging using fixed rate debt from time to time if considered appropriate. 82%, 76% and 75% of the Group's debt in 2013, 2012 and 2011, respectively, was in the form of fixed rate borrowings, the majority of which was converted to floating rate debt through the use of interest rate swaps.

In respect of financial assets, Anglo American's policy is to invest cash at floating rates of interest and to maintain cash reserves in short-term investments (less than one year) in order to maintain liquidity, while achieving a satisfactory return for shareholders.

Floating rate financial assets consist principally of cash and bank term deposits. Interest on floating rate financial assets is based on the relevant national inter-bank rates. Fixed rate financial assets consist principally of financial asset investments and cash. Equity investments are fully liquid and have no maturity period.

Commodity price risk. The Group's operations are principally exposed to movements in the prices of the commodities we produce. Commodity price risk can be reduced through the negotiation of long-term contracts or through the use of financial derivatives. The Group's policy is generally not to hedge commodity price risk, although some hedging may be undertaken for strategic reasons. In such cases, the Group generally uses forward and deferred contracts to hedge the price risk. At December 31, 2013 commodity hedges held by the Group were minimal.

Derivatives and hedging. The Group utilizes derivative instruments to manage certain market risk exposures as explained above. The Group does not use derivative financial instruments for speculative purposes; however it may choose not to designate certain derivatives as hedges for accounting purposes. Such derivatives are classified as non-hedges and fair value movements are recorded in the income statement. The use of derivative instruments is subject to limits and the positions are regularly monitored and reported to senior management. Derivatives are classified as current or non-current depending on the maturity of the derivative.

OFF-BALANCE SHEET ARRANGEMENTS

The Group enters into certain arrangements in the ordinary course of business that would be considered "off balance sheet". Such arrangements principally arise from the requirement, in several jurisdictions, to provide

guarantees in respect of environmental restoration and decommissioning obligations. The Group has provided for the estimated cost of these activities.

CONTRACTUAL OBLIGATIONS AND COMMERCIAL COMMITMENTS

As of December 31, 2013, the Group had contractual cash obligations arising in the ordinary course of business as follows:

	Total	Less than 1 year	Between 1 year and 2 years	Between 2 years and 5 years	More than 5 years
			(US$m)		
Debt obligations[1]	(20,087)	(2,615)	(2,604)	(8,183)	(6,685)
Operating lease obligations	(477)	(104)	(83)	(145)	(145)
Purchase obligations[2]	(3,391)	(2,348)	(244)	(674)	(125)
Other liabilities[3]	(4,204)	(4,204)	-	-	-
Total Contractual Obligations	(28,159)	(9,271)	(2,931)	(9,002)	(6,955)

(1) Debt obligations include finance lease obligations, the effect of related currency derivatives and interest rate swaps and the anticipated future interest payments on borrowings.
(2) Purchase obligations reflect the Group's capital commitments and commitments under service contracts at December 31, 2012.
(3) Other liabilities include trade payables and other financial liabilities of the Group.

Information relating to the Group's post-retirement benefit obligations is provided in Note 28 of the Group 2013 Financial Statements, incorporated by reference herein.

On the basis of the levels of obligations described above, the Group's access to debt and equity capital markets, access to committed and uncommitted bank debt, the level of cash deposits and the level of currently anticipated free cash flow, we believe that the Group has sufficient short and long-term sources of funding available to meet our liquidity requirements.

APPLICATION OF CRITICAL ACCOUNTING POLICIES AND ESTIMATES

In the course of preparing financial statements, management necessarily makes judgments and estimates that have a significant effect on the amounts recognized in the financial statements. Changes in the assumptions underlying the estimates could have a significant impact on the financial results. The most critical of these are the following:

Ore Reserve estimates and useful economic lives of assets

When determining Ore Reserves, which may be used to calculate depreciation on the Group's mining properties, assumptions that were valid at the time of estimation may change when new information becomes available. Any changes could affect prospective depreciation rates and asset carrying values.

The calculation of the unit of production rate of amortization could be impacted to the extent that actual production in the future is different from current forecast production based on proven and probable mineral reserves. Factors which could impact useful economic lives of assets and Ore Reserve estimates include:

- changes to Proved and Probable Reserves;
- the grade of Ore Reserves varying significantly from time to time;
- differences between actual commodity prices and commodity price;
- assumptions used in the estimation of mineral reserves;
- renewal of mining licenses;
- unforeseen operational issues at mine sites;
- adverse changes in capital, operating, mining, processing and reclamation costs, discount rates; and foreign exchange rates used to determine mineral reserves.

For property, plant and equipment depreciated on a straight line basis over its useful economic life, management reviews the appropriateness of useful economic life at least annually and any changes could affect prospective depreciation rates and asset carrying values.

Impairment of Assets

In making assessments for impairment, management necessarily applies its judgment in allocating assets that do not generate independent cash flows to appropriate cash generating units ("CGU"), and also in estimating the timing and value of underlying cash flows within the calculation of recoverable amount. Factors which could impact underlying cash flows include:

- commodity prices and exchange rates;
- timelines of granting of licenses and permits;
- capital and operating expenditure; and
- available reserves and resources and future production profile.

Subsequent changes to the CGU allocation or to the timing of or assumptions used to determine cash flows could impact the carrying value of the respective assets.

Fair valuation of net assets on acquisition

The Group applies the acquisition method of accounting for acquisitions. This requires all identifiable assets, liabilities and contingent liabilities of a subsidiary, joint venture entity or an associate acquired on the date control is obtained, which can be measured reliably, to be recognized at their provisional fair values at the date of acquisition.

The fair value of identifiable assets and liabilities is determined using discounted cash flows or other valuation techniques using assumptions considered to be reasonable and consistent with those that would be applied by a market participant. The assessment of assumptions used in determining the fair value of identifiable assets and liabilities is inherently subjective and the use of inaccurate valuation assumptions could result in a significant impact on financial results.

Restoration, Rehabilitation and Environmental Costs

Costs for restoration of site damage, rehabilitation and environmental costs are estimated using either the work of external consultants or internal experts. Management uses its judgment and experience to provide for and amortize these estimated costs over the life of the mine.

Retirement Benefits

The expected costs of providing pensions and post-employment benefits under defined benefit arrangements relating to employee service during the period are determined based on financial and actuarial assumptions.

Assumptions in respect of the expected costs are set after consultation with qualified actuaries. While management believes the assumptions used are appropriate, a change in the assumptions used would impact the Group's comprehensive income going forward.

Financial Assets and Liabilities at Fair Value through Profit and Loss

The fair value of the Group's financial assets and liabilities held at fair value through profit and loss represents the market value of quoted investments and other traded instruments where available. For financial assets and liabilities held at fair value through profit and loss for which market prices are not readily available, fair value is determined using discounted cash flows or other valuation techniques using assumptions considered to be reasonable and consistent with those that would be used by a market participant. The assessment of assumptions used in applying valuation techniques is inherently subjective and the use of inaccurate assumptions could result in a significant impact on financial results.

Contingent Liabilities

On an ongoing basis the Group is a party to various legal disputes, the outcomes of which cannot be assessed with a high degree of certainty. A liability is recognized where, based on the Group's legal views and advice, it is considered probable that an outflow of resources will be required to settle a present obligation that can be measured reliably. Disclosure of other contingent liabilities is made unless the possibility of a loss arising is considered remote.

Special Items

Special items are those that management considers, by virtue of their size or incidence, should be disclosed separately to ensure that the financial information also allows an understanding of the underlying performance of the business. The determination as to which items should be disclosed separately requires a degree of judgment. For further explanation of the nature of special items, see "Non-IFRS Financial Measures".

Differences Between EU IFRS and US GAAP

The financial information included in this document in respect of the years ended December 31, 2011, 2012 and 2013 has been prepared and presented in accordance with EU IFRS. Certain differences exist between EU IFRS and US GAAP, which might be material to the financial information herein.

In making an investment decision, investors must rely on their own examination of the Group, the terms of the offering and the financial information. Potential investors should consult their own professional advisers for an understanding of the differences between EU IFRS and US GAAP, and how these differences might affect the financial information herein.

REGULATION

We are subject to government regulations that affect all aspects of our operations. In particular government regulations in South Africa could have a material effect on the Group's business.

In most jurisdictions, the rights to mineral deposits are conferred by the state. We therefore must rely upon rights granted to us by the government who acts as the custodian of the minerals (and the renewal of those rights). These rights typically take the form of a lease or license that grants us the right to gain access to the land and to explore for and subsequently extract the minerals. Exploration rights typically include the obligation to spend a predetermined amount of money on the exploration or to undertake specific exploration activities. The terms of the leases or licenses, including the time period for which they are effective, are specific to the laws of the relevant governmental authority. Generally, we own the minerals that we extract and pay royalties or similar taxes to the relevant government.

We also have a number of joint venture arrangements with government and private entities (including Botswana and Namibia), which are sometimes necessary in order to operate exploration and mining activities in certain jurisdictions.

In addition to reliance upon government grants of rights to explore for and extract materials, in certain jurisdictions we rely upon the relevant government to grant the rights necessary to transport and to treat the extracted materials in order to prepare them for sale, as well as to export the raw or processed material.

Governments generally impose applicable regulations relating to, for example, environmental protection, water use, land rehabilitation, occupational health and safety and native land title, and we must comply with these regulations in order to continue to enjoy the right to conduct our operations within that jurisdiction. These obligations often require us to make substantial expenditure to minimize, to remediate or to rehabilitate the environmental impact of our operations and to ensure the safety of our employees and contractors. For further information on these obligations and the actions we take to meet them, see "Sustainable Development (Including Safety, Health, Environment and Social)".

SOUTH AFRICA

Our South African operations represent a material contribution to the business of the Group, representing 54.6%, 54.0% and 63.3% of operating profit (including the Group's attributable share of associates' operating profit and before special items and remeasurements) in 2011, 2012 and 2013 respectively.

Requirements to obtain permits and licenses are imposed by various departments of the South African government. We strive to follow the required procedures in the application for these environmental, water and mineral permits and licenses.

Additionally, the transfer of a share of the ownership, management and benefits of the South African mining industry into the hands of people previously excluded from the economy is a government priority. This transfer has been closely linked to the conversion of existing exploration and mining licenses as well as the granting of new exploration and mining licenses under minerals legislation in force from May 1, 2004.

BEE in General

Black Economic Empowerment is a term that represents the South African government's economic transformation strategy to, broadly speaking, de-racialize the South African economy. The underlying principle of BEE is the use of the state's purchasing and regulatory power to increase participation by black South Africans in the South African economy by giving recognition and preference to enterprises which contribute to BEE. Early attempts at BEE, now commonly referred to as "narrow-based BEE" created empowerment principally through ownership of shares or assets, and through board representation. BBBEE is the more modern approach to BEE and includes a greater number of components, such as management control, employment equity, skills development, enterprise development, preferential procurement and socio-economic development. BBBEE emphasizes shareholding by black communities, black women and black employees to broaden equity ownership beyond entrepreneurs and businessmen, who have tended to be the main beneficiaries of BEE. The key instruments in implementing BBBEE are the BBBEE Act and the Codes of Good Practice promulgated under the BBBEE Act. The BBBEE Act does not, itself, set any targets for the elements of BEE. Rather, it provides a framework for the implementation of BEE initiatives. The Codes of Good Practice are based on a generic scorecard comprising seven aspects with differing weightings against which enterprises' progress on BEE contributions will be assessed.

While the BBBEE Act and the Codes of Good Practice are intended to be equally applicable to all sectors of the South African economy, there is a secondary layer of "Sector Charters" which provide industry specific commitments for the implementation of BEE for some sectors of the economy, including the mining sector.

Therefore, although it is important that the mining sector maintains ongoing interest in the Codes of Good Practice, it is more specifically governed by the requirements of the Mineral and Petroleum Resources and Development Act 2002 (the "MPRDA") and the Charter.

MPRDA and the Charter

Historical Background

We are subject to the MPRDA, which took effect in May 2004. The MPRDA vests custodianship of South Africa's minerals in the state, which issues new mineral rights in the form of exploration, prospecting rights or mining rights to applicants. Prospecting, mining and mineral rights were formerly regulated under the Minerals Act 50 of 1991 and the South African common law are now known as "old order" mining or prospecting rights and the transitional arrangements provided in Schedule II to the MPRDA give holders of such old order rights the opportunity to apply for conversion of their old order rights into new order rights within specified time frames, subject to compliance with certain requirements.

One of these requirements is that the holder provides an undertaking that furthers, and describes the manner in which the holder will give effect to, amongst others, the object set out in section 2(d) of the MPRDA, which seeks a substantial and meaningful expansion of opportunities for Historically Disadvantaged South Africans ("HDSAs") (including women) to enter the South African mining industry and benefit from the exploitation of South African mineral resources. In further clarifying this object, the South African Department of Mineral Resources has published, pursuant to the MPRDA, the Charter.

The Charter outlines nine scorecard items (employment equity, human resource development, procurement, ownership, migrant labor, housing and living conditions, beneficiation, mine community and rural development and reporting) against which compliance with the MPRDA is measured for all mining companies operating in South Africa.

Only two of these items, namely employment equity and ownership, have specific targets. The Charter requires every mining company to achieve 15% ownership by HDSAs of its South African mining assets by May 1, 2009 and 26% ownership by 2014 and 40% of HDSA employment in management of mining companies by 2009. Compliance with these targets is necessary for the conversion of old order mining rights to new order mining rights and is required on an ongoing basis following conversion. The other scorecard items are generally monitored through social and labor plans submitted with license applications for new or converted mining rights.

In order to qualify for conversion of our older order mining rights, we have sought to meet the requirements relating to ownership principally by selling portions of our South African assets to BEE companies. Some of these transactions are referred to in this document as BEE transactions.

The DMR granted the conversions of Anglo American's old order prospecting and mining rights as provided for in the MPRDA as follows:

- Thermal Coal — All conversions have been granted and executed;
- Kumba — The Kolomela and Thabazimbi rights have been granted, executed and registered. The Sishen right has not yet been registered. The process was delayed pending the outcome of the litigation with DMR and ICT. The Zandrivierspoort prospecting right has expired, although a renewal application was submitted prior to the expiry date. The DMR has not yet reverted with a decision on the renewal application. See "Business Description – Iron Ore and Manganese";
- Platinum — All conversions have been granted and executed; and
- De Beers — All conversions have been granted and executed.

New mining rights are granted for a maximum period of 30 years, with renewals of up to 30 years each. Prospecting rights are valid for a period of five years, with one renewal of up to three years. For exploration (gas) rights, the maximum period is three years with options of renewal for up to two years each. Furthermore, the MPRDA provides for a retention period after prospecting of up to three years with one renewal of up to two years, subject to certain conditions, such as non-concentration of resources, fair competition and non-exclusion of others.

In addition, the new order rights are transferable only with the approval of the South African Minister of the DMR and are subject to various terms and conditions, including commencement of operations within specified periods, continuing and active operations and compliance with work programs, social and labor plans, environmental management programs and empowerment requirements.

New order mining rights can be suspended or cancelled by the Minister of Mineral Resources if an entity has breached its obligations under the terms of the rights and has failed to remedy such breach after written notice of the breach from the Minister and an opportunity for response. The MPRDA imposes specific responsibilities on mining companies relating to environmental management and in respect of any environmental damage caused by prospecting, exploration or mining activities. Amendments were made to the MPRDA in 2008 (the "NEMA Amendment 2008") in terms of which existing provisions in the MPRDA relating to environmental management would be removed from the statute and integrated into the primary legislation on environmental management, the National Environmental Management Act (the "NEMA"), under the jurisdiction of the Department of Water and Environmental Affairs. In terms of this alignment, the Minister of Mineral Resources would be the competent authority in terms of the NEMA in respect of mining matters. This is a transitional arrangement estimated to last 18 months to 3 years. The Minister of Water and Environmental Affairs will be the appeal authority in terms of the NEMA. Certain sections of these amendments were brought into effect from June 7, 2013 (the "2013 Amendment Bill") with the following effects:

- commencement of the 18 month transition period provided for under NEMA;
- the replacement provisions under the NEMA Amendment 2008 will take effect from December 7, 2014;
- the introduction of significant changes to the MPRDA that will only be in operation for an interim period until the 2013 Amendment Bill comes into force;
- the potential for increased difficulty with current listings under NEMA and potential confusion as to whether all listed activities on a prospecting and mining area are covered by NEMA;
- the establishment of different competent authorities for different listings, with what constitutes a mining area now critical to this determination; and
- once an application for a prospecting or mining right has been accepted, a further application for an environmental authorization under NEMA is required.

Subsequent Regulatory Developments

The process to review the Mining Charter commenced in 2009. In June 2010 representatives of all major stakeholders in the mining sector signed a declaration reaffirming the Mining Charter while at the same time calling for greater urgency in implementation and recontextualizing some aspects. What appears to be a more broad-based, egalitarian and growth-oriented focus has been broadly welcomed by the sector.

On September 13, 2010, the South African Department of Mineral Resources issued an amended Mining Charter (Revised Charter) that makes a number of significant changes to the existing charter. The notable changes are as follows:

- The Mining Charter now introduces sanctions for failure to comply with the charter, with the possible loss of mining licenses for non-compliance.
- The Minister of the Department of Mineral Resources will have the power to make future amendments to the charter unilaterally.
- The Mining Charter now includes additional quantitative measures for transformation, with targets for procurement of goods and services from empowered suppliers, for reinvestment in local communities, for contributions to human resources development, and to improve housing conditions for mine employees.
- The Mining Charter includes a new requirement to ensure that meaningful cash flow accrues to BEE investors in mining properties.

On April 29, 2009, the Minister of the Department of Mineral Resources published Codes of Good Practice and the Housing and Living Conditions Standards (Codes and Standards) pursuant to the MPRDA. The Codes, though intended to complement and support the Mining Charter, seek to introduce new and, in some instances, more onerous provisions dealing with ownership, employment equity and preferential procurement, amongst other matters. The Standards seek to introduce new requirements on mining companies to provide single unit accommodation, nutrition, and health care facilities both for employees and their families. The South African

Chamber of Mines has engaged with the Department of Mineral Resources regarding the scope and application of the Codes and Standards. Since the publication of the Codes and Standards, the Department of Mineral Resources has indicated that, although the Codes are law, the Department is not enforcing them.

In March 2011, the DMR issued a template to be used for reporting in terms of the Revised Charter. The original deadline for submitting reports for the 2010 calendar year was March 31, 2011. All Anglo American South African based Business Units (Thermal Coal, Kumba and Platinum) submitted their annual reports on time.

There are currently discussions regarding the Broad Based Black Economic Empowerment Amendment Bill, which would override the Mining Charter and become the main legislation governing economic empowerment. This may impact on for instance, the transformation and economic empowerment aspects within the mining industry. It is incumbent on stakeholders to be mindful that the process is in the early stages, and the Department of Mineral Resources is still to state its position in respect of the Broad Based Black Economic Empowerment Amendment Bill.

New Developments

A revised version of the Broad-Based Black Economic Empowerment Amendment Bill was published in 2012. This Bill no longer contains provisions that would override the Mining Charter. The Bill has been introduced to Parliament, with public hearings scheduled to take place in March 2013.

An Amendment Bill to the MPRDA was published for comment in December 2012 and after receiving comments, another Amendment Bill replacing the previous Amendment Bill to the MPRDA was published on June 24, 2013. Key aspects of the latest Amendment Bill include:

- Empowering the Minister of Mineral Resources to designate minerals as strategic minerals. The Minister will be required to consult with affected stakeholders before designating minerals and mineral products and before determining the percentages, quantities, qualities and timelines that have to be offered to local beneficiators at the mine gate price; and
- Providing for liability for latent or residual environmental liabilities, pollution, ecological degradation and the pumping of extraneous water by mining companies beyond mine closure.

On March 12, 2014, the National Assembly debated and approved the report by its Parliamentary Portfolio Committee on Mineral Resources ("PPC") on the PPC's proposed amendments to the MPRDA Amendment Bill. The Bill will then be presented to the National Council of Provinces ("NCOP") for consideration.

Royalties

The Mineral and Petroleum Resources Royalty Act (the "Royalty Act") was promulgated in November 2008 and implemented on March 1, 2010. A royalty is payable by an extractor of mineral resources upon the transfer of the mineral resources.

The royalty rate is determined in terms of a formula using EBIT and allowing for a deduction of the mining capital expenditure permitted for income tax purposes as opposed to depreciation. The maximum royalty rate is 5% for refined mineral resources and 7% for unrefined mineral resources. This royalty rate is then applied to the extractor's sales or its "deemed" equivalent at the specified condition of the mineral to determine the royalty payable.

In the Budget Speech delivered on February 27, 2013, the Minister of Finance announced that a study will be conducted to evaluate the robustness of the tax system, including the Royalty Act. The study, the outcome of which has not been announced, will assess the tax system's ability to support long-term policy objectives.

Exchange Controls

The following is a general outline of South African exchange control regulations ("Exchange Control Regulations") and its impact on the Group's business.

The current set of Exchange Control Regulations was promulgated on December 1, 1961. It is the stated intention of the South African authorities to relax Exchange Control Regulations in an orderly manner as and when it is deemed appropriate. Although a gradual relaxation has taken place over a number of years, exchange controls still exist with the intention of controlling the flow of capital into and out of the member countries of the Common Monetary Area (comprising South Africa, Lesotho, Namibia and Swaziland) and generally to prevent the unauthorized export of capital by residents.

The administration of exchange controls has been delegated to the Financial Surveillance Department of the South African Reserve Bank ("SARB"). The SARB has broad discretion, but it acts within policies set by the Minister of Finance and the National Treasury in consultation with the SARB. Certain powers have been delegated to authorized dealers (banks licensed by the SARB to deal in foreign exchange) to approve applications for foreign exchange. Matters that are beyond these powers are referred to the SARB, which adjudicates applications on their merits in accordance with policy and national interests.

Exchange Control Regulations apply to all South African residents. For this purpose, a resident is a natural person or legal entity, whether of South African or any other nationality, who has taken up residence, is domiciled or registered in the Republic of South Africa. A branch of a foreign company is resident for exchange control purposes.

All subsidiaries of the Group registered in South Africa, including Anglo American Platinum, De Beers's South African operations and Kumba, are South African residents and, consequently, are subject to South African Exchange Control Regulations. Any offshore transaction by these companies of a capital nature requires prior authorized dealer or SARB approval, depending on the value and specific circumstances of the transaction.

Most transactions of a revenue nature would not usually require prior SARB approval, although there are administrative and reporting requirements. These transactions would include the import and/or export of trade goods and the remittance of dividends to non-resident shareholders from profits earned in the normal course of business.

Normally, non-residents may freely invest or disinvest from South Africa and income due to the non-resident may be freely remitted. However, because the Group's acquisition of its South African interests was by means of a share issue, SARB approval would be required for the remittance of any capital to the Group offshore by its South African resident subsidiaries.

SUSTAINABLE DEVELOPMENT (INCLUDING SAFETY, HEALTH, ENVIRONMENT AND SOCIAL)

Our facilities and operations are subject to extensive general and industry-specific safety, health, social and environmental regulations in each jurisdiction in which we operate. These regulations include those relating to occupational health and safety, mining and processing operations, the handling and disposal of hazardous and non-hazardous materials, air quality, water, mineral waste, mine rehabilitation, aspects of social investment and resettlement.

Specifically, our mining operations inevitably generate mineral waste such as rock and tailings, so tailings and waste rock management and disposal make up a substantial part of our environmental compliance efforts. Our operations are also regulated to limit the gaseous and particulate air pollution that may result from them, such as emissions of fine and coarse dust, sulfur dioxide, nitrogen oxides and volatile organic compounds. As an energy-intensive company and major producer of coal, we have identified three main strands of climate change-related risk to which we are exposed:

- the increase in energy and compliance costs associated with new policy measures, including potentially significant costs from carbon pricing;
- changing expectations from our investors, communities, customers and suppliers; and
- increased risks associated with the physical impacts of climate change on our operations and neighboring communities.

Water is a vital input to our operations and the security of its supply is of strategic importance both to us and the communities and countries in which we operate. The threat posed by climate change is also requiring us to look at new approaches to managing water in our operations, many of which are located in some of the most water-stressed regions of the world.

Chemicals registration and safety management are an important part of our environmental compliance. The European Union's principal chemicals regulation, called the Registration, Evaluation and Authorisation and Restriction of Chemicals or REACH, is now fully in force and the European Chemicals Agency, or ECHA, has been established to regulate chemicals imported into the European Union. We have registered our EU-bound products with ECHA, and have collaborated with the metals consortia to classify our ores and concentrates according to the European Regulation on Classification, Labelling and Packaging of Substances and Mixtures.

Every business unit continues to make contributions to controlled funds to meet the cost of our decommissioning, restoration and environmental rehabilitation liabilities principally in South Africa; at 2013 year-end the value of the fund was US$348 million (2012: US$392 million).

We employ safety, health, environmental and social experts to advise us on technical and regulatory matters relevant to the management of our facilities, operations and community impacts. We continually invest in plant and equipment and the sharing of knowledge and best practices to ensure that we comply with our obligations under safety, health, environmental and social laws and regulations.

Our Board and the Board Safety and Sustainable Development Committee ("S&SD Committee") is actively involved in ensuring appropriate governance of strategic safety and sustainable development matters. The S&SD Executive Committee is responsible for developing strategy, framework policies, standards and guidelines for the management of S&SD ("Safety and Sustainable Development"), including safety, occupational health and environmental matters, and ensuring the progressive implementation throughout the Group. A group-wide Corporate Affairs Council performs an identical role for social performance issues and human rights (and also for socio-political risk matters more broadly, including government relations).

We support leading international initiatives to promote responsible corporate activity. We remain committed to the United Nations Global Compact, the UN Guiding Principles on Security and Human Rights, the Voluntary Principles on Security and Human Rights and the Extractive Industries Transparency Initiative and continue to support the Investment Climate Facility for Africa. Every year, we contract an independent assurance provider to provide assurance, which is by its nature limited in scope, on the data reported in the annual Sustainable Development Report. Approximately 16 key indicators are chosen on a materiality basis and the assurance provider visits a sample of about 18 sites across operational geographies and business units. These key indicators are assured against certain Anglo American definitions and calculation methodologies.

SAFETY

The Anglo Safety Way details the Group's vision regarding safety, principles and policies, management system standards, fatal-risk standards and also provides a set of behavioral based 'golden rules'.

Our vision of Zero Harm, which was endorsed in 2007 by all our businesses, is built on three clear principles: all injuries and occupational illnesses are preventable; all necessary steps must be taken to learn from incidents in order to prevent any recurrence; and common, simple, non-negotiable standards must be consistently applied.

The global safety strategy, which was approved in November 2008, is central to achieving our vision of Zero Harm; the strategy is based on the understanding that safety improvement can be tracked through a number of defined stages representing different levels of safety management maturity. We have implemented our safety strategy at site and business unit levels through the utilization of Safety Improvement Plans, which are regularly reviewed at Group level.

We are currently focused on embedding a new global risk management process and related procedures to help manage high-level risks. In this regard, we have developed an over-arching Integrated Risk Management Standard which is mandatory across all operations and major risk standards, to help manage high level risks, are in place. In addition, when our standards regarding safety have not been met, we have responded by closing shafts, and suspending work until standards are met, as well as, retraining affected employees and investigating all significant safety incidents.

A risk and assurance team is charged with providing an independent, professional opinion to the Group Board and the Executive Committee on the adequacy of S&SD risk control measures. The team seeks to ensure, by means of a risk-based assurance program, that current risks and liabilities are effectively controlled by the business units. The risk and assurance team reports to the Board S&SD Committee on a quarterly basis and to the Executive Committee on an ad hoc basis.

Although we are making improvements with respect to safety, our goal of Zero Harm necessitates our continued focus on safety matters. In 2013, 15 employees lost their lives in work-related incidents during the year (with one person still missing) compared to 13 in 2012. In 2013, our lost-time injury and total recordable case frequency rate (0.49 and 1.08 respectively) were at their lowest levels since listing on the LSE. Anglo American is also working tirelessly with its partners in government and its workforce to implement more effective means of addressing major risks and non-compliance with standards.

SECURITY

Certain of the countries in which we operate, including the Democratic Republic of Congo and Colombia, have in the past experienced and, in certain cases, continue to experience, a difficult security environment as well as political instability. In particular, various illegal groups active in regions in which we are present may pose a credible threat of terrorism, extortion and kidnapping, which could have an adverse effect on our operations in such regions. In the event that continued operations in these countries compromise our security or business principles, we may withdraw from these countries on a temporary or permanent basis, which, in turn, could have an adverse impact on the results of our operations and on our financial condition.

HEALTH

The Anglo Occupational Health Way rolled out in 2008 details the Group's approach to occupational health management, including its vision, principles, policies and management system standards. Program standards for hearing protection and inhalable hazards are being implemented throughout the Group and a standard for managing musculoskeletal disorders is being developed.

We have a number of methods to help protect and preserve the health of our employees, ranging from complete medical care (clinics, hospitals and health insurance) and workplace wellness programs to workplace design.

Our occupational health programs cover all employees and are aimed at preventing occupational disease through prevention of exposure at source. To develop our health programs and maintain best practice, we seek input from a range of experts, including occupational hygienists, engineers and occupational medical practitioners.

HIV/AIDS is a significant threat to economic growth and development particularly in sub-Saharan Africa. Our HIV/AIDS response is focused on HIV testing, care, and treatment. In 2002, we initiated our strategy of providing free anti-retroviral therapy to employees with HIV/AIDS at the appropriate stage of infection. Early diagnosis and access to treatment, complemented by a well-established system of counseling and care, coupled with intensive

HIV-prevention campaigns are key elements of our holistic approach. In 2013, 75% of employees in sub-Saharan Africa participated in voluntary HIV counseling and testing.

Our HIV/AIDS program was extended to include dependents in 2008, although the delivery of services to families living remotely from our operations is a significant challenge which will take some time to implement. We are actively involved in best practice sharing with organizations such as the New York based GBC Health which has recognized Anglo American's HIV/AIDS program performance with business excellence awards on several occasions.

The escalating TB epidemic in Southern Africa is an ongoing source of concern at all our South African operations. Our TB-control programs, based on similar principles to our HIV/AIDS programs, are being improved to ensure that this emerging threat is actively managed and properly controlled. We are actively engaged in dealing with the control of TB in mines in the Southern African Development Community ("SADC").

In many of the developing countries in which we operate there is a significant burden of communicable and non-communicable disease, which is aggravated by weak health systems. We are actively involved in health systems strengthening initiatives, particularly at the primary care level. We have supported the Global Fund to fight AIDS, TB and Malaria at Board level since its inception in 2002 and have pledged financial support to both the Global Fund and the GAVI Alliance for vaccines and immunizations.

In addition to programs for treatment of infectious disease, wellness programs aimed at maintaining and improving the health of employees are in place at all operations.

ENVIRONMENT

We have a comprehensive set of environmental management policies, standards and guidelines which are regularly reviewed to ensure alignment with recognized best practice. In March 2009, we launched the Anglo American Environment Way ("AEW"), which sets out a consistent approach to responsible environmental management, supporting our vision for minimizing harm to the environment by designing, operating and eventually closing all of our operations in an environmentally responsible manner.

We recognize our responsibility to help address the causes of climate change, to protect our people and our assets, as well as the communities around our operations. The low carbon economy cannot exist without the metals we produce. In addition, coal will continue to drive economic and social progress in developing countries. The challenge is to make the production and use of our commodities more sustainable.

Our approach is to: drive operational excellence, exploit technology and engage and partner with our stakeholders. We are actively tackling our own carbon footprint. Our goal is to maximize energy and carbon savings in our business. Our ECO_2MAN program helps us understand our current and future energy use and carbon footprint at every site, and identify projects to deliver savings to meet new targets. Through ECO_2MAN, we saved 4.3 million GJ of energy and 3.5 million tonnes of CO_2 equivalent emissions in 2013, totaling a $95 million cost saving.

We have also invested more than US$180 million in low carbon technology. We are developing technology pathways to minimize the future carbon footprint of mining and we have invested in clean coal research & development projects in the US, Australia and South Africa.

We are engaging with governments and other key stakeholders to develop equitable and effective climate change policies and enable our communities to access clean energy and benefit from the green economy. We're also working with recognized climate science experts to understand and prepare for the potential physical impacts of climate change.

Water is an increasingly scarce resource and access to it is a basic human right. The availability of a sustainable water supply is fundamental to our operations and the growth of our business. Our operations are often situated near communities that lack basic water services, or in areas where there is competition between industrial and agricultural users. With more than 70% of our operations and planned projects located in water-stressed basins, this is considered a key business risk. To maintain our license to operate, we cannot degrade water quality or compromise the rights of other users.

The Anglo American water strategy and policy, approved in 2010, reflects our aim to demonstrate leadership within our water-basin areas. The strategy includes a commitment to make our operations water-resilient, invest in water treatment and relevant technology innovation, build water infrastructure for mutual benefit and proactively partner with key stakeholders. Implementation of this strategy is being realized through our initiatives in three focus

areas: improving operational excellence, investing in technology, and engaging and partnering with our stakeholders.

In 2011, we finalized and approved a new Group technical standard for water management, and updated our Group water guideline. This new mandatory technical standard includes detailed requirements on target setting, water monitoring, site management and water action plans (“WAPs”). The implementation of our water management program (“WETT”) in 2013 once again had a material impact on improving our water efficiency across the Group: despite CAPEX constraints, we implemented 30 new projects and have reduced our water consumption by 22% (53 million m3) against the projected consumption levels in 2013. These projects saved US$85 million in water costs.

Our operations are subject to various international, national, regional and local laws and regulations governing the protection of the environment. Through our membership in the International Council on Mining and Metals we are actively engaged in, and contribute to, the international regulatory and stakeholder processes that lead to the establishment of best practices.

COMMUNITY / SOCIAL PERFORMANCE

Community relations within Anglo American are governed by the “Anglo American Social Way”, our social management standards system. The Social Way sets out a series of requirements that apply across the whole Group, and which are designed to address both local legislation (particularly in South Africa) and a growing body of “soft law” and external commitments, such as conventions, voluntary principles, codes of conduct, and best practices. All operations are assessed against the requirements of the Social Way on an annual basis, and results are reported to the Anglo American plc Board and, in summary fashion, in our annual Sustainable Development report.

The Group has voluntarily adopted a number of requirements for operations to have a formalized community engagement program. In addition, our Good Citizenship Business Principles define an overall framework for ethical business practices. We are signatories to the United Nations’ Global Compact, to the Extractive Industries Transparency Initiative and to the Voluntary Principles on Security and Human Rights, and we are committed to adhering to ten ICMM Sustainable Development Principles, and to independent assurance of our public reports in this regard.

One of the major challenges for modern mining operations is to ensure that they command a continuing social license to operate within, and generate benefits for, their local communities. Anglo American has put in place a number of initiatives to prevent social performance and community relations issues from presenting material risks, with the policy being one of anticipating and preventing risks through the development of positive relationships with host communities and governments. These measures include:

- The development of a clear hierarchy of policies, performance standards, risk management processes and guidelines, supported by appropriate assurance activities. These take as their starting point (but often exceed) the requirements set out in the International Finance Corporation’s Environmental and Social Performance Standards (as published in 2006), and cover all stages in the mining lifecycle, from M&A activity and exploration through final closure.

- The provision of foundational and advanced (post-graduate level) training to relevant managers on best practices in managing social performance.

- Efforts to ensure that local communities have a vested interest in the success of our investments. Measures include small business development programs in South Africa, Chile and Brazil, our three primary countries of operation, local workforce development programs and the design of mine infrastructure (such as water and power supply) in such a way as to provide benefits to host communities, where practical.

- Initiatives aimed at building the capacities of our host communities including through investing in schools and programs designed to raise the incomes available from other economic activities. Some of these programs introduce the communities to improved agricultural practices and pre-employment training aimed at equipping local people with the skills they need to qualify for jobs in our operations.

- Targeted social investments in host communities and countries.

For existing operations, where most value is at risk, our community engagement initiatives are led by our Socio-Economic Assessment Toolbox (“SEAT”). Its objective is to improve our understanding of the needs and priorities of these local communities, and to enable them to make a greater contribution to local development. The SEAT

methodology consists of assessment tools and a series of rigorous stakeholder identification and engagement tools to identify priorities, needs and concerns. The operation then discusses the issues raised with stakeholders, commits to specific management responses to improve performance, and publishes a summary report to all local stakeholders. SEAT has been recognized as "an international best practice" by leading US sustainability NGO, Business for Social Responsibility and won the International Association for Impact Assessment's 2012 "Corporate Initiative Award" for its "unique contribution" to integrating ongoing socio-economic impact assessment into the management of large extractive operations.

For new projects, the full range of Anglo American's social performance requirements are integrated into our project development process through processes managed by our Group Projects function. Amongst the most significant social risks that investment projects may face arise in the context of the need to resettle communities in order to access ore bodies or land for infrastructure. Mishandling can lead to disruption and project delays, political repercussions or reputational damage. Challenges include managing pre-existing splits within communities, ensuring that we deal with genuinely representative community leaders, disrupting social infrastructure and restoring the livelihoods of the population once they have moved. We are currently in the last phase of a resettlement in the Limpopo province of South Africa and are in discussions about a proposed relocation close to our Sishen iron ore mine in the Northern Cape Province. If we proceed with Phase 2 of our Minas-Rio Project in Brazil or our Michiquillay copper project in Peru, we will be required to engage in resettlement activities.

Anglo American has won numerous external accolades for our social performance. In 2010, our small business creation programs were recognized by the United Nations Development Program's Business Call to Action, and we were awarded the prestigious Community Mark award by the UK's Business in the Community for excellence in community development.

Recognizing the importance of the role we play in the local community, we also have invested significantly in long term programs related to female empowerment, sexual and reproductive health, citizenship and rural entrepreneurship. In recognition of this work, the business received the "Sustainable Company of the Year 2012" award from Exame business magazine, one of the most prestigious sustainability awards in Brazil.

HUMAN RIGHTS

The Anglo American Social Way and the Business Principles commit us to respectful engagement with the communities in which we operate and to respecting the human rights of stakeholders.

The Group is committed to upholding the principles of the Universal Declaration on Human Rights and has been admitted to the Voluntary Roundtable on Security and Human Rights. More recently, we have welcomed the UN Guiding Principles on Business and Human Rights. The Group has developed a policy and implementation manual for the Voluntary Principles that provides guidance on best practice in conducting security risk assessments involving a range of stakeholders, on governance of arrangements with public security providers and for the selection, training and accountabilities of private security providers. In addition, it has initiated human rights training for security personnel including in South Africa, Peru and Venezuela. In South Africa, we have provided funding to develop a human rights training program for the South African Police Service. The principles have also been included in contracts for security firms.

In 2010, the Group implemented a company-wide complaints and grievance mechanism which implemented mechanisms suggested by Professor John Ruggie, in his capacity as the UN Secretary General's Special Representative on Business and Human Rights. We have been informed by the Institute for Human Rights and Business that we are the first global company to implement such a mechanism on a group-wide basis.

MANAGEMENT OF ANGLO AMERICAN PLC

BOARD OF DIRECTORS

The Board of Directors has a duty to promote the long term success of the Company for its shareholders. Its role includes the establishment, review and monitoring of strategic objectives, approval of major acquisitions, disposals and capital expenditure and overseeing the Group's systems of internal control, governance and risk management.

Certain matters are reserved for the Board's decision regarding key aspects of the Company's affairs that the Board does not delegate (including, among other things, approval of business plans, budgets and material expenditure).

The Board is chaired by Sir John Parker, who is responsible for leading the Board and for its effectiveness. Mark Cutifani is the chief executive and is responsible for the execution of strategy and the day-to-day management of the Group, supported by the Group Management Committee ("GMC") which he chairs.

The Company has adopted the Statement of Division of Responsibilities between the Chairman and Chief Executive promulgated by the Institute of Chartered Secretaries and Administrators.

The Board has a strong independent element and currently comprises, in addition to the chairman, two executive directors and ten non-executive directors who are independent according to the definition contained in the UK Corporate Governance Code 2012.

MANAGEMENT COMMITTEES

On July 26, 2013, it was announced that the Executive Committee would be disbanded and the membership of the Group Management Committee ("GMC") would be extended. The GMC is supported by a Corporate sub-committee ("CorpCo"), an Operational sub-committee ("OpCo") and an Investment sub-committee ("InvestCo"). CorpCo and OpCo were formed in late 2013.

GROUP MANAGEMENT COMMITTEE

The GMC is responsible for formulating strategy, for discussion and approval by the Board, setting budget and performance targets, talent management and managing the Group's portfolio. The current members of GMC are Mark Cutifani (chair), René Médori, Paulo Castellari-Porchia, and, Seamus French, Chris Griffith, Khanyisile Kweyama, Norman Mbazima, Philippe Mellier, Tony O'Neill, Mervyn Walker, Duncan Wanblad, and Peter Whitcutt.

Along with the chief executive and finance director, the members of GMC are selected from the heads of business units and corporate functions.

The business address of each such person is 20 Carlton House Terrace, London SW1Y 5AN, England.

CORPORATE COMMITTEE

CorpCo meets at least monthly and is principally responsible for reviewing corporate policies and processes, as well as reviewing financial performance and budgets at a Business Unit level.

The CorpCo presently comprises: René Médori (chairman), Mark Cutifani, Khanyisile Kweyama, Tony O'Neill, Mervyn Walker and Peter Whitcutt.

OPERATIONAL COMMITTEE

OpCo meets quarterly. Its responsibilities include driving operational best practices across the Group and the setting of technical standards.

The OpCo presently comprises: Tony O'Neill (chairman), Mark Cutifani, Paulo Castellari-Porchia, Seamus French, Chris Griffith, Norman Mbazima, Philippe Mellier and Duncan Wanbald.

INVESTMENT COMMITTEE

The role of the InvestCo, which is a sub-committee of GMC, is to manage the process of capital allocation by ensuring that investments and divestments increase shareholder value and meet Anglo American's financial criteria. The Committee makes recommendations to GMC and/or the Board on these matters. The Committee meets as required.

The InvestCo presently comprises: René Médori (chairman), Tony O'Neill, Nimesh Patel and Peter Whitcutt.

CONFLICTS OF INTEREST

If directors become aware that they have a direct or indirect interest in an existing or proposed transaction with Anglo American, they are required to notify the Board at the next Board meeting or by a written declaration. Directors and members of the Group Management and its subcommittees have a continuing duty to update any changes in their interests. During 2013 Mr Nhleko recused himself from a discussion on an item of business where there was a potential conflict of interest. In accordance with the Company's Articles and relevant legislation, a quorum of the Board, which does not include the director with the potential conflict of interest, can authorize potential conflicts by a majority of the non-conflicted directors and such authorizations can be limited in scope and are reviewed on an annual basis. During 2013, the directors' conflicts register was updated and the conflict management procedures were adhered to and operated effectively.

No potential conflicts of interest exist between each of the Directors' duties to Anglo American plc and his or her private interests or other duties.

COMPOSITION OF BOARD

The names and biographical details of the directors are set forth below. The business address of each Director is 20 Carlton House Terrace, London SW1Y 5AN, England.

In October 2012, Cynthia Carroll announced her decision to step down as Chief Executive with effect from April 3, 2013. She also stepped down from the Board at the Annual General Meeting ("AGM") on April 19, 2013. Mark Cutifani was appointed as an Executive Director and as Chief Executive with effect from April 3, 2013. He was previously the Chief Executive of AngloGold Ashanti Limited, a position he held since 2007.

Anne Stevens joined the Board in May 2012 and was elected as a Non-Executive Director at the 2013 AGM on April 19, 2013.

In addition, Dr. Byron Grote, an executive director of BP plc until April 11, 2013, was elected as a non-executive director at the AGM on April 19, 2013. All other directors were proposed for annual re-election and were re-elected at the 2013 AGM.

Changes to the composition of the Anglo American plc Board since the 2013 AGM include the appointments of three new non-executive directors; Dr. Mphu Ramatlapeng (appointed July 2013), Jim Rutherford (appointed November 2013), and Dr Judy Dlamini (appointed January 2014).

Current non-executive directors David Challen and Sir CK Chow will step down from the Board at the forthcoming AGM in April 2014.

Executive Directors

Mark Cutifani, BE (Mining Engineering) (55), was appointed as a director and CEO with effect from April 3, 2013, and is chairman of the GMC and a member of the CorpCo and the S&SD Committee. Mark has over 37 years' experience in the mining industry across a wide range of geographies and commodities. He is a non-executive director of Anglo American Platinum and was previously CEO of AngloGold Ashanti Limited. Before joining AngloGold Ashanti, Mark was COO at Vale Inco, where he was responsible for Vale's global nickel business. Prior to this he held senior executive positions with the Normandy Group, Sons of Gwalia, Western Mining Corporation, Kalgoorlie Consolidated Gold Mines and CRA (Rio Tinto).

René Médori, Doctorate in Economics (56), was appointed to the Board on June 1, 2005, becoming finance director on September 1, 2005. Rene is a member of the GMC and chairman of CorpCo and the InvestCo. René brings significant financial and commercial expertise from capital intensive businesses, supplying products to the oil refining, steel and mining industries and experience in international finance in the UK, Europe and the United States. He is a non-executive director of Anglo American Platinum and Petrofac Limited. René is a former finance director of The BOC Group plc and was a non-executive director of SSE plc.

Non-Executive Directors

The Group is conscious of the need to maintain an appropriate mix of skills and experience on the Board. In April 2013, Dr. Byron Grote joined the Board and Peter Woicke retired. In July and November 2013, respectively, Dr. Mphu Ramatlapeng and Jim Rutherford were appointed as a non-executive directors. Anglo American announced the appointment to its Board of Dr Judy Dlamini as a non-executive director, with effect from January 1, 2014. These changes continue our comprehensive refreshment program.

Sir John Parker, GBE, FREng DSc (Eng), ScD (Hon), DSc (Hon), DUniv (Hon), FRINA (72), joined the Board as a non-executive director on July 9, 2009 and became chairman of the Board of Anglo American plc on August 1, 2009. Sir John is also chairman of the Nomination Committee and is a member of the S&SD Committee. He is a non-executive director of Carnival Corporation, Airbus Group and deputy chairman of DP World. Sir John is President of the Royal Academy of Engineering, and a Visiting Fellow of the University of Oxford. Sir John was previously chairman of National Grid plc, senior non-executive director and chair of the Court of the Bank of England and joint chair of Mondi and chair of BVT and P&O plc.

David Challen CBE, MA, MBA (71), joined the Board on September 9, 2002 and was appointed as the senior independent non-executive director in April 2008. He is chairman of the Audit Committee and a member of the Nomination and Remuneration Committees. David is currently chairman of the EMEA governance committee at Citigroup and senior non-executive director of Smiths Group plc. He is currently a deputy chairman of the UK's Takeover Panel. Previously he was chairman of J. Henry Schroder & Co. Limited, where he spent most of his professional career. David will step down from the Board at the forthcoming AGM.

Sir CK Chow, DEng (Hon), CEng, FREng, HonFHKIE, FIChemE (63), was appointed to the Board on April 15, 2008 and is a member of the Nomination and Remuneration Committees. He is currently a non-executive director of AIA Group Company Limited and chairman of Hong Kong Exchanges and Clearing Limited. Sir CK was appointed as a member of the Executive Council of the Hong Kong Special Administrative Region in July 2012. He is chairman of the Hong Kong General Chamber of Commerce, and was recently appointed Chairman of the Advisory Committee on Corruption by the Hong Kong SAR Government.

Between 2003 and 2011 he was CEO of the MTR Corporation in Hong Kong. He was formerly chief executive of Brambles Industries and GKN PLC and non-executive chairman of Standard Chartered Bank (Hong Kong) Limited. Prior to joining GKN PLC he worked for The BOC Group plc for 20 years, joining its board in 1993. Sir CK will step down from the Board at the forthcoming AGM.

Judy Dlamini, MBChB, DOH, MBA (54), was appointed to the Board on January 1, 2014 and is a member of the Audit Committee. She will be appointed as a member of the Remuneration Committee at the conclusion of the AGM. Judy is a successful businesswoman with longstanding public company board experience across a range of geographies and sectors, including mining. She is the chairman of Aspen Pharmacare and founder and chairman of Mbekani Group, a South African healthcare investment company. Judy served as a non-executive director of Northam Platinum between 2004 and 2013, and as a member of that company's committees on: health; safety and environmental; investment; and social, ethics and human resources. She started her career as a medical practitioner and after spending two years at HSBC, she began to develop her entrepreneurial interests. Judy is also a founder and trustee of Mkhiwa Trust, a family vehicle for social responsibility initiatives, and has served as a non-executive director on the boards of Discovery Holdings and Woolworths Holdings.

Dr. Byron Grote, PhD (66), was appointed to the Board on April 19, 2013 and is a member of the Audit and Remuneration Committees. Byron contributes broad business, financial and board experience in numerous geographies. He is a non-executive director of Unilever NV and Unilever plc. Byron has extensive management experience across the oil and gas industry. He served on the BP plc board from 2000 until 2013 and was BP's chief financial officer during much of that period. Byron will be appointed as chairman of the Audit Committee to replace David Challen.

Sir Philip Hampton, MA, ACA, MBA (60), joined the Board on November 9, 2009. He is chairman of the Remuneration Committee and a member of the Audit Committee. Sir Philip is chairman of The Royal Bank of Scotland and brings to Anglo American significant financial, strategic and boardroom experience across a number of industries. His previous appointments include chairman of J Sainsbury plc, finance director of Lloyds TSB Group plc, BT Group plc, BG Group plc, British Gas plc, British Steel plc, an executive director of Lazards and a non-executive director of RMC Group plc and Belgacom SA. Sir Philip will succeed David Challen as the senior independent director at the conclusion of the AGM.

Phuthuma Nhleko, BSc (Eng), MBA (54), joined the Board on March 9, 2011 and is a member of the Audit and Nomination Committees. Phuthuma is also chairman of Pembani Group (Pty) Limited and Afrisam South Africa (Pty) Limited and a non-executive director of BP plc. He is chairman of MTN Group Ltd, having formerly been the president and CEO between 2002 and 2011. He brings broad business experience and previously served as a director on a number of boards in South Africa, including Nedbank Group, Alexander Forbes, Bidvest and Old Mutual (SA).

Ray O'Rourke, KBE, HONFREng, CEng, FIEI, FICE (66), joined the Board on December 11, 2009. He is a member of the Remuneration, Nomination and S&SD Committees. Ray O'Rourke has a proven track record in

delivering complex and large scale projects around the world, mobilizing large numbers of people with great success and applying leading project management practices. As a member of the S&SD Committee, he has a keen interest in safety. Ray founded the O'Rourke Group in 1977, having begun his career at Kier and J Murphy & Sons. In 2001, the O'Rourke Group acquired John Laing, to form Laing O'Rourke, now Europe's largest privately owned construction company, of which Ray O'Rourke is chairman.

Dr Mphu Ramatlapeng, MD, MHSc (60) is a member of the S&SD Committee and brings to Anglo American a broad range of domestic and international health expertise at board level across both the public and private sectors. She is the Executive Vice President of HIV/AIDS and Tuberculosis programs for the Clinton Health Access Initiative and also the Vice Chair of the Global Fund to Fight AIDS, TB and Malaria. She served as Minister of Health and Social Welfare of Lesotho between 2007 and 2012. In this role, she championed Lesotho's significant achievements in reducing the transmission of HIV from mother to child. Across her career, she has also been a leading advocate for women in business, including serving as founding Board Member of Women in Business in Lesotho.

Jim Rutherford, BSc (Econ), MA (Econ) (54) was appointed to the board on November 4, 2013. He is a member of the S&SD Committee and will be appointed as a member of the Audit Committee at the conclusion of the AGM. Jim has extensive experience in investment banking and investment management, both as an institutional investor and analyst. He brings to the Board considerable financial insight from the perspective of the capital markets and a deep strategic understanding of the mining industry. Between 1997 and 2013, he was a Senior Vice President of Capital International Investors and had responsibility for investments in the mining and metals industry with a broad geographic focus that included Europe, Emerging Markets and Australasia. Prior to joining Capital Group, Jim was an investment analyst covering the South American mining and metals industry for HSBC James Capel in New York.

Anne Stevens, PhD, BSc (66), joined the board on May 14, 2012. Anne is a member of the Audit and Nomination Committees. Anne brings a wealth of experience and wide-ranging commercial acumen from a number of global industries including engineering. She has experience gained across North, Central and South America. She has served on the Board of Lockheed Martin Corporation as a non-executive director since 2002 and is also the chairman of a privately held IT services business, SA IT. Anne's 16-year career with Ford Motor Company culminated in her appointment as chief operating officer for the Americas, a position she held until 2006. Prior to joining Ford in 1990, Anne spent ten years in a number of engineering, product development and sales and marketing roles at Exxon Chemical Co. and three years as chairman and CEO of Carpenter Technology.

Jack Thompson, BSc, PhD (64), joined the Board on November 16, 2009 and is chairman of the S&SD Committee and a member of the Remuneration Committee. He is currently a non-executive director of Tidewater Inc. Jack brings experience gained at all levels of the mining industry and has received wide recognition as a mining executive. Jack was previously chairman and CEO of Homestake Mining Co., vice chairman of Barrick Gold Corp. and has served on the boards of Centerra Gold Inc., Century Aluminum Co., Molycorp Inc, Phelps Dodge Corp., Rinker Group Ltd and Stillwater Mining.

Committees of the Board

Subject to those matters reserved for its decision, the Board delegates certain responsibilities to a number of standing committees — the Audit, Remuneration, Nomination and Safety and Sustainable Development Committees.

Audit Committee. The primary role of the Audit Committee is to ensure the integrity of financial reporting and the audit process, and that a sound risk management and internal control system is maintained. In pursuing these objectives, the Audit Committee oversees relations with the external auditors and reviews the effectiveness of the internal audit function. The committee also monitors developments in corporate governance to ensure the Group continues to apply high and appropriate standards.

In fulfilling its responsibility of monitoring the integrity of financial reports to shareholders, the Audit Committee reviews accounting principles, policies and practices adopted in the preparation of public financial information and examines documentation relating to the Annual Report, Half Year Financial Report, preliminary announcements and related public reports. The clarity of disclosures included in the financial statements is reviewed by the Audit Committee, as is the basis for significant estimates and judgments. In assessing the accounting treatment of major transactions open to different approaches, the committee considers written reports by management and the external auditors. The committee's recommendations are submitted to the Board for approval.

The Audit Committee presently consists of: David Challen (chairman), Judy Dlamini, Byron Grote, Sir Philip Hampton, Phuthuma Nhleko and Anne Stevens, all of whom are independent non-executive directors. The Board, in

consultation with the Audit Committee chairman, makes appointments to the committee. The Board has determined that the committee members have the skills and experience necessary to contribute meaningfully to the committee's deliberations. In addition, the chairman has requisite experience in accounting and financial management. The committee met four times during 2013, and the Audit Committee held meetings with the external auditors without the presence of management on two occasions and the chairman of the Audit Committee held regular meetings with the audit engagement partner during the year.

Remuneration Committee. The Remuneration Committee is responsible for establishing and developing the Group's general policy on executive and senior management remuneration, determining specific remuneration packages for the Chairman and executive directors, and designing the Company's share incentive schemes. The Remuneration Committee met four times during 2013. The Remuneration Committee presently consists of: Sir Philip Hampton (chairman), David Challen, Sir CK Chow, Byron Grote, Ray O'Rourke and Jack Thompson, all of whom are independent non-executive directors.

Nomination Committee. The Nomination Committee makes recommendations to the Board on the appointment of new executive and non-executive directors, including making recommendations as to the composition of the Board and its committees and the balance between executive and non-executive directors with the aim of cultivating a board with the appropriate mix of skills, experience, independence and knowledge of the Company. The Nomination Committee also responsible for setting guidelines (with the approval of the Board) for the types of skills, experience and diversity being sought when making a search for new directors and with the assistance of external consultants, identifying and reviewing in detail each potential candidate available in the market. The Committee then agrees a "long list" of candidates for each directorship and following further discussion and research decides upon a shortlist of candidates for interview. Shortlisted candidates are each interviewed by the Committee members who then convene to discuss their impressions and conclusions, culminating in a recommendation to the Board. The Nomination Committee meets as and when required and engages external consultants to identify appropriate candidates.

The Board, via the Nomination Committee, has taken steps to ensure that the Human Resources function of the Group regularly reviews and updates the succession plans of directors and senior managers. The Committee met four times during 2013. The Nomination Committee currently consists of Sir John Parker (chairman), David Challen, Sir CK Chow, Phuthuma Nhleko, Ray O'Rourke and Anne Stevens.

Safety and Sustainable Development Committee. The S&SD Committee is responsible for:

- Reviewing the development of framework policies and guidelines for the management of sustainable development and socio-political risks, including safety, health and environment.
- Reviewing the performance of the Company and the progressive implementation of its S&SD and corporate affairs policies
- Receiving reports covering matters relating to material S&SD risks and liabilities
- Monitoring key indicators and learning from incidents and, where appropriate, ensuring they are communicated throughout the Group
- Considering material national and international regulatory and technical developments in the field of S&SD management.

The S&SD Committee normally meets three or four times each year, including a visit to an operation, and business unit heads are invited to attend committee meetings. Each business unit head makes a safety and sustainable development presentation to the committee. The committee met four times during 2013. The S&SD Committee presently consists of: Jack Thompson (chairman), Mark Cutifani, Sir John Parker, Tony O'Neill, Ray O'Rourke, Mphu Ramatlapeng and Jim Rutherford. The Sustainable Development Report 2013 focuses on the safety, sustainable development, health and environmental performance of the Group's managed operations, its performance with regard to the Company's Good Citizenship: Our Business Principles, and the operational dimensions of its social programs.

Group Management Committee

The names and biographical details of the members of GMC, are set forth below. The business address of each such person is 20 Carlton House Terrace, London, SW1Y 5AN. No potential conflicts of interest exist between the duties of each such person to Anglo American plc and his or her private interests or other duties.

Mark Cutifani is chief executive of Anglo American plc, see "— Composition of Board".

René Médori is finance director of Anglo American plc, see "— Composition of Board".

Mervyn Walker, MA (54) is Group director, HR and corporate affairs. He is a solicitor by training and joined Anglo American in 2008 from Mondi, where he was group HR and legal director. He is currently also non-executive chairman of pension schemes for AMEC plc. Mervyn previously held a series of senior roles at British Airways, including HR director, legal director, director of purchasing and director of UK airports. Mervyn will retire with effect on June 30, 2014, and his successor will be announced in due course.

Peter Whitcutt, BCom (Hons), CA (SA), MBA (48), is Group director, strategy and business development and commercial. He joined Anglo American in 1990 within the corporate finance division. He worked on the merger of Minorco with Anglo American, the listing of Anglo American in 1999, and the subsequent unwinding of the cross-holding with De Beers. Peter was appointed Group head of finance in 2003, CFO of Base Metals in August 2008 and to his present position in October 2009, which was expanded to include commercial in 2013.

Paulo Castellari-Porchia, BCom, MBA (43), CEO of Iron Ore Brazil. He was previously CEO of Anglo American's Phosphates and Niobium businesses in Brazil and served in Anglo American's former Base Metals division. Paulo's career with the Group started in 1993 and has included positions at AngloGold Ashanti and Minorco in a number of corporate finance and capital project roles.

Seamus French, BEng (Chemical) (51), is CEO of Coal. He joined WMC Resources in Australia in 1994, initially in a strategic planning and business development role and progressed to various operational management roles, gaining extensive experience in the gold and nickel businesses before advancing to the position of executive general manager, copper-uranium division. Seamus joined BHP Billiton as global vice president, business excellence, following its takeover of WMC in 2005. He was appointed regional CEO of Anglo Coal Australia in 2007, bringing strong skills in operations, safety and business improvement to the role. He was CEO of Metallurgical Coal between 2009 and 2013.

Chris Griffith, BEng (Mining) Hons, Pr Eng (49), was appointed CEO of Anglo American Platinum Limited with effect from September 1, 2012. He was previously CEO of Kumba Iron Ore from 2008. Prior to this he was Anglo American Platinum's head of operations for joint ventures. Chris has been with Anglo American for more than 24 years.

Khanyisile Kweyama, BS Administration (USA), PDM, MM Human Resources (48) is Executive director, Anglo American South Africa Limited. Khanyisile formerly served on the executive committee of Anglo American Platinum, during which time she was successful in building a cohesive management team, driving performance and improving relationships with unions. She gained corporate experience in a number of international companies, including BMW, Altech and Barloworld Ltd, holding executive roles incorporating human resources, industrial relations, corporate affairs, stakeholder relations and transformation. She has also been elected as the vice president of the South African Chamber of Mines. She has served as a non-executive director at various companies, including the boards of Sovereign Foods Ltd, IAC and Key Mix Investments, and currently serves on the boards of Business Leadership South Africa (BLSA), Telkom, New Partnership for Africa's Development (NEPAD) business forum and the International Geology Forum (IGF).

Norman Mbazima, FCCA, FZICA(55), was appointed CEO of Kumba Iron Ore with effect from September 1, 2012. He joined Anglo American in 2001 at Konkola Copper Mines plc. He was subsequently appointed global CFO for Anglo Coal. He became executive director of finance at Anglo American Platinum in June 2006 and later stepped in as joint acting CEO. Prior to this, Norman was CEO of Scaw Metals from May 2008 and later CEO of Thermal Coal from October 2009, a position he held until 2012.

Tony O'Neill, MBA, BASc (Eng) (55) is Group director, technical, and joined Anglo American in 2013. He is a member of the S&SD Committee and InvestCo. He is also a non-executive director of Kumba Iron Ore and Anglo American Platinum. Tony joined AngloGold Ashanti in July 2008 as Executive Vice President – Business and Technical Development and served as Joint Acting CEO until July 2013. His 35-year career in the mining industry has spanned iron ore, copper, nickel and gold, and includes his roles as operations executive at Newcrest Mining and as the head of the gold business at Western Mining Corporation. Tony is a mining engineer with an MBA from the University of Melbourne.

Duncan Wanblad, BSc (Eng) Mech, GDE (Eng Management) (47), is CEO of Base Metals and Minerals. He began his career at Johannesburg Consolidated Investment Company Limited in 1990. He was appointed to the board of Anglo American Platinum in 2004 and was appointed joint interim CEO of Anglo American Platinum in 2007, before taking over as CEO of Anglo American's copper operations in 2008. Between 2009 and 2013, Duncan held the position of group director, Other Mining and Industrial businesses.

Philippe Mellier, MSc (Eng) MBA (58), was appointed CEO of De Beers Group in July 2011. He began his career in 1980 with the Ford Motor Company, where he occupied various senior management positions over 19

years. In 1999, Philippe joined Renault as a senior vice president in charge of European sales, and was a member of the management board. In 2001 he moved to Volvo AB to become chairman and CEO of Renault Trucks, and a member of the Volvo Group executive committee. In 2003, Philippe became president of Alstom Transport and was appointed executive vice president of Alstom Group a year later.

***Executive directors*[1]**

The following table summarizes the executive directors' date of appointment and the applicable date of re-election or election to the Board:

	Date of appointment	Next AGM re-election or election
Mark Cutifani (chief executive)	April 3, 2013	April 2014
René Médori (finance director)	June 1, 2005	April 2014

(1) At each AGM all directors shall retire from office.

***Non-executive directors*[1][2]**

All non-executive directors have letters of appointment with the Company for an initial period of three years from their date of appointment, subject to reappointment at the AGM.

The following table summarizes the non-executive directors' date of appointment and the applicable date of re-election or election to the Board:

	Date of appointment	Next AGM re-election or election
Sir John Parker	July 9, 2009	April 2014
David Challen	September 9, 2002	April 2014
Sir CK Chow	April 15, 2008	April 2014
Judy Dlamini	January 1, 2014	April 2014
Sir Philip Hampton	November 9, 2009	April 2014
Phuthuma Nhleko	March 9, 2011	April 2014
Ray O'Rourke	December 11, 2009	April 2014
Mphu Ramatlapeng	July 8, 2013	April 2014
Jim Rutherford	November 4, 2013	April 2014
Anne Stevens	May 14, 2012	April 2014
Jack Thompson	November 16, 2009	April 2014
Byron Grote	April 19, 2013	April 2014

(1) At each AGM, all directors shall retire from office.
(2) There is no fixed notice period; however, the Group may in accordance with, and subject to, the provisions of the 2006 Companies Act, by Ordinary Resolution of which special notice has been given, remove any director from office. The Company's Articles of Association also permit the directors, under certain circumstances, to remove a director from office.

EMPLOYEES

Our employees are essential to the long-term success of the Group. We continue to invest in the development of our people and strive to ensure that we are positioned to attract and retain the best mining and other talent.

The table below sets forth the average number of employees, excluding contractors and associates' employees and joint ventures' employees, and including a proportionate share of employees within joint operations.

	Year ended December 31,		
	2011[1]	2012[1]	2013
	(thousands)		
Platinum	55	57	55
Copper	5	5	6
Nickel	2	2	2
Iron Ore and Manganese[2]	8	8	8
Metallurgical Coal	3	4	3
Niobium and Phosphates	2	2	2
Thermal Coal	9	9	8
Diamonds[3]	n/a	3	10
Other Mining and Industrial[2]	14	13	2
Corporate Activities and Unallocated Costs	2	2	2
Total	100	105	98

(1) Changes in accounting policy relating to IAS 19R, IFRIC 20 and IFRS 11, resulted in the restatement of financial results for the year ended December 31, 2012 see "Presentation of Financial Information" for more detail. The financial results for the year ended December 31, 2011 included in this document have not been restated. The impact of the restatements on the financial results for the year ended December 31, 2012 is shown in note 41 of the Group 2013 Consolidated Financial Statements, which are incorporated by reference into this document.

(2) In 2012 Amapá has been reclassified from Iron Ore and Manganese to Other Mining and Industrial to align with internal management reporting.

(3) The average number of employees in Diamonds reflects the acquisition of De Beers from August 16, 2012.

The table below sets forth the average number of employees (for continuing operations) by principal location of employment, by geographical segment, for the periods presented.

	Year ended December 31,		
	2011[1]	2012[1]	2013
	(thousands)		
South Africa	79	82	75
Rest of Africa	1	2	4
Europe	6	6	2
North America	—	1	2
South America	10	11	11
Australia and Asia	4	3	4
Total	100	105	98

(4) Changes in accounting policy relating to IAS 19R, IFRIC 20 and IFRS 11, resulted in the restatement of financial results for the year ended December 31, 2012 see "Presentation of Financial Information" for more detail. The financial results for the year ended December 31, 2011 included in this document have not been restated. The impact of the restatements on the financial results for the year ended December 31, 2012 is shown in note 41 of the Group 2013 Consolidated Financial Statements, which are incorporated by reference into this document.

We operate defined contribution and defined benefit pension plans for the majority of our employees. We also operate post-retirement medical arrangements in sub-Saharan Africa and North America.

The defined contribution pension and medical cost represents the actual contributions payable by the Group to the various plans. At December 31, 2013, there were no material outstanding/prepaid contributions and so no prepayment or accrual has been disclosed in the balance sheet in relation to these plans.

The majority of the defined benefit pension plans are funded. The assets of these plans are held separately from those of the Group in independently administered funds, in accordance with statutory requirements or local practice throughout the world. At December 31, 2013, the unfunded pension plans are principally in South America.

The post-retirement medical arrangements provide health benefits to retired employees and certain dependents. Eligibility for cover is dependent upon certain criteria. The majority of these plans are unfunded.

RELATED PARTY TRANSACTIONS

The Group has a related party relationship with its subsidiaries, joint ventures and associates.

The Group, in the ordinary course of business, enters into various sale, purchase and service transactions with joint ventures and associates and others in which the Group has a material interest. These transactions are under terms that are no less favorable than those arranged with third parties. These transactions are not considered to be significant other than the transactions with De Beers described below.

Dividends received from associates and joint ventures during the year ended December 31, 2013 totaled US$246 million (2011: US$294 million, 2010: US$344 million).

At December 31, 2013, the Group had provided loans to joint ventures of US$265 million (2012: US$242 million, 2011: US$263million).

At December 31, 2013, the Group had provided loans to associates of US$164 million (2012: US$305 million, 2011: US$572 million). These loans are included in financial asset investments.

At December 31, 2013, the directors of the Group and their immediate relatives control 0.1% (2012: 0.1%, 2011: 0.1%) of the voting shares of the Company.

REFINANCING OF ATLATSA

In 2009, Platinum sold a 51% interest in Bokoni Platinum Mines Proprietary Limited ("Bokoni") and a 1% interest in certain undeveloped projects to Atlatsa Resources Corporation ("Atlatsa") in a BEE transaction. Platinum retained 49% of Bokoni, and in addition acquired an effective 27% interest in Atlatsa as part of the sale consideration. Both Atlatsa and Bokoni are associates of the Group.

Between 2009 and December 2013 Platinum provided Atlatsa and its subsidiaries, including Bokoni, with additional debt and equity funding, and, in 2012, Platinum and Atlatsa agreed to restructure, recapitalize and refinance both Atlatsa and Bokoni. The first phase of the refinancing transaction completed in December 2013, whereby Platinum acquired certain properties from Bokoni and in return the level of debt outstanding from Atlatsa was reduced. A charge of US$37 million was recorded in 2013 within non-operating special items relating to this transaction.

On January 31, 2014, The Group completed the second and final phase of the Atlatsa refinancing plan where, through a series of transactions, the Group converted its unlisted preference share instruments held in a Special Purpose Vehicle for 115.8 million common shares in Atlatsa. These shares were then sold to Pelawan Trust on loan account for ZAR463.2 million. In the final phase of the refinancing plan, the Group subscribed for 125 million new Atlatsa common shares for an aggregate subscription price of ZAR750 million. These proceeds were utilized by Atlatsa to reduce the senior loan provided by Rustenburg Platinum Mines Limited.

RELATED PARTY TRANSACTION WITH MITSUBISHI

In 2013, the Group entered into a transaction with a related party of the Company for the purposes of the UK Listing Authority Listing Rules.

An Anglo American subsidiary entered into a Shareholder Agreement ("SHA") with a subsidiary of Mitsubishi in relation to Anglo American Quellaveco S.A., which owns Anglo American's Quellaveco copper project. Mitsubishi is a related party to Anglo American because its wholly owned subsidiary is a substantial shareholder in AA Sur, a significant subsidiary of the Company. AA Sur owns and operates copper mines and metallurgical plants in Chile and has no ownership interest in Quellaveco.

Anglo American has a controlling 81.9% interest in Anglo American Quellaveco S.A. Mitsubishi purchased its 18.1% shareholding in this company in 2011 from an unrelated third party. The entry into the SHA provides a formal contractual relationship with a minority shareholder to give more certainty to the way in which the shareholding relationship in Anglo American Quellaveco S.A. is managed. It is primarily focused on the governance aspects of the relationship, information rights, the transferability of shares, arrangements for future funding and entitlement to production from the Quellaveco project. The entry into the SHA did not involve a purchase or sale of an asset and no value is ascribed to this transaction.

RELATED PARTY TRANSACTIONS WITH DE BEERS

The Group has in prior years entered into various transactions with De Beers which were considered to be related party transactions for the purposes of the UK Listing Authority's Listing Rules as a result of the interest in

De Beers held by CHL and certain of its subsidiaries in which Mr. N. F. Oppenheimer, a director of the Company at the time of these transactions, had a relevant interest for the purpose of the rules.

The related party transactions entered into and which continued to be relevant in the year ended December 31, 2012 are detailed below.

On November 4, 2011 Anglo American announced it had entered into an agreement with CHL and Centhold International Limited ("CHL Sellers"), together representing the Oppenheimer family interests in De Beers, to acquire their 40% interest in De Beers for a total cash consideration of US$5.1 billion, subject to adjustment and conditions as provided for in the agreement (the "Transaction").

In view of the fact that the CHL Sellers were ultimately controlled through intermediary companies by trusts (the "Seller Trusts") of which Mr. N. F. Oppenheimer is a potential discretionary beneficiary and Mr. N. F. Oppenheimer had been a director of Anglo American within the 12 months preceding agreement of the Transaction, the Transaction was categorized as a related party transaction requiring the approval of Anglo American shareholders (other than Mr. N. F. Oppenheimer and his associates). This approval was obtained at a general meeting of the Company held on January 6, 2012. Further information in relation to the Transaction was set out in the circular posted to the Company's shareholders in December 2011.

Under the terms of the existing shareholders' agreement between Anglo American, CHL and the GRB, the GRB had pre-emption rights in respect of the interests in De Beers to be sold, enabling it to participate in the Transaction and to increase its interest in De Beers, on a pro rata basis, up to 25%.

The GRB elected not to exercise its pre-emption rights to participate in the Transaction on a proportionate basis and accordingly Anglo American's interest in De Beers increased to 85% on August 16, 2012, following the obtaining of certain specified regulatory and government approvals to which the Transaction was subject. Anglo American paid a total cash consideration of US$5.2 billion, comprising the adjusted purchase price under the Transaction.

RELATED PARTY TRANSACTIONS WITH KEY MANAGEMENT

Remuneration and benefits of key management personnel are given in Note 27 to the 2013 Group Financial Statements. Information relating to pension fund arrangements is disclosed in Note 28 to the 2012 Group Financial Statements.

DESCRIPTION OF THE NOTES AND THE GUARANTEES

The following is a summary of the material provisions of the Indenture and the Notes. Copies of the Indenture, the Guarantees and the Notes will be available for inspection during normal business hours at any time after the closing date of the offering of the Notes at the London offices of the Trustee, which are currently located at 14th Floor, Citigroup Centre, Canary Wharf, London E14 5LB. Any capitalized term used herein but not defined shall have the meaning assigned to such term in the Indenture.

GENERAL

The US$500 million Senior Floating Rate Notes due 2016 (the "Floating Rate Notes") and the US$500 million 4.125% Senior Notes due 2021 (the "Fixed Rate Notes" and, together with the Floating Rate Notes, the "Notes") will be issued and treated as two separate series of debt securities under an Indenture dated as of April 8, 2009, as supplemented by a first supplemental indenture dated as of April 2, 2012 (the "Indenture"), among Anglo American Capital plc (the "Issuer"), Anglo American plc (the "Company"), Citibank, N.A., as trustee (the "Trustee"), London paying agent and registrar (the "Agent").

The Indenture is not required to be nor will it be qualified under the US Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"), and will not incorporate by reference any of the provisions of the Trust Indenture Act. Consequently, the Holders of Notes generally will not be entitled to the protections provided under such Act to holders of debt securities issued under a qualified indenture, including those requiring the Trustee to resign in the event of certain conflicts of interest and to inform the Holders of Notes of certain relationships between it and the Issuer or the Company. In this "Description of the Notes and the Guarantees", the terms "Holder", "Noteholder" and other similar terms refer to a "registered holder" of Notes, and not to a beneficial owner of a book-entry interest in any Notes, unless the context otherwise clearly requires.

BNP Paribas Securities Corp., Credit Suisse Securities (USA) LLC, Morgan Stanley & Co. LLC, Mitsubishi UFJ Securities (USA), Inc., Mizuho Securities USA Inc., SMBC Nikko Capital Markets Limited and Standard Chartered Bank (together, the "Initial Purchasers") propose to resell the Rule 144A Global Notes in registered form to certain institutions in the United States in reliance upon Rule 144A under the US Securities Act of 1933, as amended (the "Securities Act"). The Rule 144A Global Notes may not be sold or otherwise transferred except pursuant to registration under the Securities Act or in accordance with Rule 144A or pursuant to Rule 904 of Regulation S thereunder or in a resale transaction that is otherwise exempt from such registration requirements, and will bear a legend to this effect. In light of current US securities laws, subject to certain exceptions, an exemption should be available for a sale or transfer of a Rule 144A Global Note after its Specified Date. The "Specified Date" means, with respect to any Rule 144A Global Note, the date following the expiration of the applicable required holding period determined pursuant to Rule 144 of the Securities Act (such period, the "applicable holding period") after the later of the date of acquisition of such Rule 144A Global Note from the Issuer, or an affiliate of the Issuer, or any resale of such Rule 144A Global Note in reliance on Rule 144 under the Securities Act for the account of either the acquiror or any subsequent holder of such Rule 144A Global Note, in each case demonstrated to the reasonable satisfaction of the Issuer or the Company (which may require delivery of legal opinions). Unless a Holder of a Rule 144A Global Note holds such Rule 144A Global Note for the entire applicable holding period, such Holder may not be able to determine the Specified Date because such Holder may not be able to determine the last date on which the Issuer, the Company or any affiliate thereof was the beneficial owner of such Holder's Rule 144A Global Note. The registrars and the transfer agents for the Notes will not be required to accept for registration or transfer any Rule 144A Global Notes, except upon presentation of satisfactory evidence (which may include legal opinions) that the restrictions on transfer have been complied with, all in accordance with such reasonable regulations as the Issuer and the Company may from time to time agree with such registrars and the transfer agents.

For so long as any Notes remain outstanding and are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, the Company will, during any period in which it is neither subject to Section 13 or 15(d) of the Exchange Act, nor exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act, make available to any registered Holder of Notes (or any Holder of a book-entry interest in such Notes designated by the registered holder thereof) in connection with any sale thereof and to any prospective purchaser of Notes or a book-entry interest in Notes designated by such registered holder, in each case upon request of such registered holder, the information specified in, and meeting the requirements of, Rule 144A(d)(4) under the Securities Act. As of the date of this document, the Company is exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act.

The Regulation S Global Notes will be resold by the Initial Purchasers only to non-US persons located outside the United States in offshore transactions in reliance on Regulation S under the Securities Act.

PRINCIPAL, MATURITY AND INTEREST

The Notes will be unsecured and unsubordinated obligations of the Issuer and will be unconditionally guaranteed on a senior, unsecured basis by the Company (the "Guarantees"). The Floating Rate Notes and the Fixed Rate Notes are initially issuable in aggregate principal amounts not to exceed US$500 million and US$500 million, respectively, and will mature on April 15, 2016 and April 15, 2021, respectively.

Floating Rate Notes

The Floating Rate Notes will bear interest at a floating rate equal to the three-month U.S. dollar LIBOR (the "Applicable Rate"), which will be reset quarterly, as determined by the calculation agent which shall initially be Citibank, N.A., London Branch (the "Calculation Agent"), plus 0.95%. Interest on the Floating Rate Notes for the initial interest period from, and including, April 15, 2014 to, but excluding July 15, 2014 will be payable on July 15, 2014. Thereafter, interest will be payable in arrears on January 15, April 15, July 15 and October 15 of each year. Interest will be payable to the person in whose name any Floating Rate Note is registered at the close of business on January 1, April 1, July 1 or October 1 immediately preceding such interest payment date (each, a "record date"), notwithstanding any transfer or exchange of such Floating Rate Notes subsequent to the record date and prior to such interest payment date, except that, if and to the extent the Issuer shall default in the payment of the interest due on such interest payment date and the applicable grace period shall have expired, such defaulted interest may, at the option of the Issuer, be paid to the persons in whose names such Floating Rate Notes are registered at the close of business on a subsequent record date (which shall not be less than five days which are business days in New York City prior to the date of payment of such defaulted interest) established by notice given by mail by or on behalf of the Issuer to the Holders (which term means registered holders) of the Floating Rate Notes not less than fifteen days preceding such subsequent record date. The Calculation Agent will, as soon as reasonably practicable after 11:00 a.m. (London time) on each applicable Determination Date, determine the Applicable Rate. The aggregate amount of interest payable on the Floating Rate Notes in respect of an Interest Period will be calculated by applying the Applicable Rate as determined on the applicable Determination Date, plus 0.95%, to the principal amount of each Floating Rate Note outstanding at the record date, multiplying each such amount by the actual number of days in the Interest Period concerned divided by 360.

Set forth below is a summary of certain of the defined terms of the Floating Rate Notes:

"Determination Date", with respect to the first Interest Period, will be the Issue Date, and with respect to any subsequent Interest Period, will be the second London Banking Day preceding the first day of such Interest Period.

"Interest Period" means the period commencing on and including an interest payment date and ending on and including the day immediately preceding the next succeeding interest payment date, with the exception that the first Interest Period shall commence on and include the Issue Date and end on and include July 14, 2014.

"LIBOR", with respect to any Interest Period relating to the Floating Rate Notes, will be the rate (expressed as a percentage per annum) for deposits in U.S. dollars for a three-month period in a Representative Amount as such rate appears on Reuters LIBOR01 Page as of 11:00 a.m., London time, on the relevant Determination Date. If Reuters LIBOR01 Page does not include such a rate or is unavailable on a Determination Date, the Calculation Agent will request the principal London office of each of four major banks in the London interbank market, as selected by the Calculation Agent, to provide such bank's offered quotation (expressed as a percentage per annum), as of approximately 11:00 a.m., London time, on such Determination Date, to prime banks in the London interbank market for deposits in a Representative Amount in U.S. dollars for a three-month period beginning on the second London Banking Day after the Determination Date. If at least two such offered quotations are so provided, the rate for the Interest Period will be the arithmetic mean of such quotations provided. If fewer than two such quotations are so provided, the Calculation Agent will request each of three major banks in New York City, as selected by the Calculation Agent, to provide such bank's rate (expressed as a percentage per annum), as of approximately 11:00 a.m., New York City time, on such Determination Date, for loans in a Representative Amount in U.S. dollars to leading European banks for a three-month period beginning on the second London Banking Day after the Determination Date. If at least two such rates are so provided, the rate for the Interest Period will be the arithmetic mean of such rates. If fewer than two such rates are so provided, then the rate for the Interest Period will be the rate or (as the case may be) the arithmetic mean last determined in relation to the Floating Rate Notes in respect of the immediately preceding Interest Period.

"London Banking Day" means a day on which commercial banks are open for business in London, England.

"Representative Amount" means a principal amount of not less than US$1,000,000 for a single transaction in the relevant market at the relevant time.

"Reuters LIBOR01 Page" means the display so designated on the Reuters 3000 Xtra (or such other page as may replace that page on that service, or such other service as may be nominated as the information vendor, for the purpose of displaying rates or prices comparable to the London Interbank Offered rate for U.S. dollar deposits).

All percentages resulting from any of the above calculations will be rounded, if necessary, to the nearest one hundred thousandth of a percentage point, with five one-millionths of a percentage point being rounded upwards (e.g., 9.876545% (or .09876545) being rounded to 9.87655% (or .0987655)) and all dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one-half cent being rounded upwards).

The interest rate on the Floating Rate Notes will in no event be higher than the maximum rate permitted by New York law as the same may be modified by United States law of general application. The duty and obligation to ensure that the interest rate on the Floating Rate Notes will in no event be higher than the maximum rate permitted by the law of the State of New York (as the same may be modified) will be solely that of the Issuer.

The Calculation Agent will, upon the request of the holder of any Floating Rate Note, provide the interest rate then in effect with respect to that note. All calculations made by the Calculation Agent in the absence of manifest error will be conclusive for all purposes and binding on the Issuer, the Company and the holders of the Floating Rate Notes.

If the date on which any interest payment or principal payment is to be made is not a business day in New York City and the place of payment of such interest or principal, such payment will be made on the next day which is a business day in New York City and the place of payment of such interest or principal without any further interest or other amounts being paid or payable in connection therewith, unless such business day falls in the next succeeding calendar month, in which case payment will be made on the immediately preceding day which is a business day in New York City and the place of payment of such interest or principal.

Fixed Rate Notes

The Fixed Rate Notes will bear interest at 4.125% per annum from the date of the initial issuance of such Notes or from the most recent interest payment date to which interest has been paid or provided for.

The Fixed Rate Notes are payable semi-annually in arrears on April 15 and October 15, commencing October 15, 2014, to the person in whose name any Fixed Rate Note is registered at the close of business on April 1 or October 1 (whether or not a business day) immediately preceding such interest payment date (each, a "record date"), notwithstanding any transfer or exchange of such Fixed Rate Notes subsequent to the record date and prior to such interest payment date, except that, if and to the extent the Issuer shall default in the payment of the interest due on such interest payment date and the applicable grace period shall have expired, such defaulted interest may, at the option of the Issuer, be paid to the persons in whose names Fixed Rate Notes are registered at the close of business on a subsequent record date (which shall not be less than five days which are business days in New York City prior to the date of payment of such defaulted interest) established by notice given by mail by or on behalf of the Issuer to the Holders (which term means registered holders) of the Fixed Rate Notes not less than fifteen days preceding such subsequent record date. Interest will be computed on the basis of a 360-day year consisting of twelve 30-day months and in the case of an incomplete month, the number of days elapsed.

If the date on which any interest payment or principal payment is to be made is not a business day in New York City and the place of payment of such interest or principal, such payment will be made on the next day which is a business day in New York City and the place of payment of such interest or principal without any further interest or other amounts being paid or payable in connection therewith.

FORM AND DENOMINATION

The Notes will be issued in fully registered form and only in denominations of US$200,000 and integral multiples of US$1,000 in excess thereof. The Notes will be issued initially as Global Notes.

FURTHER ISSUES

The Issuer may, from time to time, without notice to or the consent of the Holders of the Notes, issue as many distinct series of debt securities under the Indenture as it wishes. It may also from time to time, without notice to or the consent of the Holders of the Notes, "reopen" each series of the Notes and create and issue additional notes having identical terms and conditions as the Floating Rate Notes or the Fixed Rate Notes, as the case may be, (or in all respects except for the payment of interest accruing prior to the issue date of such additional notes or except for the first payment of interest following the issue date of such additional notes) so that the additional notes are consolidated and form a single series of notes with the Floating Rate Notes or the Fixed Rate Notes, as the case may

be, (a “Further Issue”); provided that any notes which have the same CUSIP, ISIN or other identifying number as outstanding Notes must be fungible with such outstanding Notes for US federal income tax purposes.

The period of resale restrictions applicable to any Notes previously offered and sold in reliance on Rule 144A under the Securities Act shall automatically be extended to the last day of the period of any resale restrictions imposed on any such additional Notes.

STATUS OF THE NOTES AND THE GUARANTEES

The Notes will be unsecured and unsubordinated obligations of the Issuer and will rank *pari passu* in right of payment among themselves and with other unsecured and unsubordinated indebtedness of the Issuer (save for certain obligations required to be preferred by law). Upon issue, the Company will unconditionally guarantee, on a senior, unsecured basis, the due and punctual payment (and not collectability) of the principal of and interest on the Notes (and the payment of additional amounts described under “—Payment of Additional Amounts”) when and as the same shall become due and payable, whether at stated maturity, by declaration of acceleration, call for redemption or otherwise. The Guarantees will be an unsecured and unsubordinated obligation of the Company and will rank *pari passu* in right of payment with other unsecured and unsubordinated indebtedness of the Company (save for certain obligations required to be preferred by law).

PAYMENT OF ADDITIONAL AMOUNTS

The Issuer or, if applicable, the Company (pursuant to the terms of the Guarantees) will make payments of, or in respect of, principal, any premium and interest on the Notes or any payment pursuant to the Guarantees, as the case may be, without withholding or deduction for or on account of any and all present or future tax, levy, impost or other governmental charge whatsoever imposed, assessed, levied or collected (“Taxes”) by or for the account of a Relevant Jurisdiction (as defined below), unless such withholding or deduction is required by law.

If the Issuer or, if applicable, the Company is required by a Relevant Jurisdiction to deduct or withhold Taxes, the Issuer or, if applicable, the Company will pay to a Holder of a Note or the beneficial owner thereof such additional amounts (“Additional Amounts”) as may be necessary so that the net amount received by such Holder or beneficial owner will not be less than the amount such Holder or beneficial owner would have received if such Taxes had not been withheld or deducted; *provided*, *however*, that the Issuer or, if applicable, the Company shall not be required to pay any Additional Amounts for or on account of:

(i) any Taxes that would not have been so imposed, assessed, levied or collected but for the fact that the Holder of the applicable Note or Guarantee (or a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of a power over, such Holder, if such Holder is an estate, trust, partnership or corporation) is or has been a domiciliary, national or resident of, or engaging or having been engaged in a trade or business or maintaining or having maintained a permanent establishment or being or having been physically present in the jurisdiction in which such Taxes have been imposed, assessed, levied or collected or otherwise having or having had some connection with such jurisdiction, other than the mere holding or ownership of, or the collection of principal of, and interest on, a Note or the enforcement of a Guarantee, as the case may be;

(ii) any Taxes that would not have been so imposed, assessed, levied or collected but for the fact that, where presentation is required in order to receive payment, the applicable Note or Guarantee was presented more than 30 days after the date on which such payment became due and payable or was provided for, whichever is later, except to the extent that the Holder or beneficial owner thereof would have been entitled to Additional Amounts had the applicable Note or Guarantee been presented for payment on any day during such 30-day period;

(iii) any estate, inheritance, gift, sales, transfer, excise, personal property or similar Taxes;

(iv) any Taxes that are payable otherwise than by deduction or withholding from payments on or in respect of the applicable Note or Guarantee;

(v) any Taxes that would not have been so imposed, assessed, levied or collected but for the failure by the Holder or the beneficial owner of the applicable Note or Guarantee to comply (following a written request addressed to the Holder or beneficial owner, as applicable), with any certification, identification or other reporting requirements concerning the nationality, residence or identity of such Holder or beneficial owner or its connection with a Relevant Jurisdiction if compliance is required by statute, regulation or administrative practice of such Relevant Jurisdiction as a condition to relief or exemption from such Taxes;

(vi) any withholding or deduction imposed on a payment to or for the benefit of an individual that is required to be made pursuant to European Union Directive 2003/48/EC, any law implementing this Directive or any other Directive implementing the conclusions of the ECOFIN Council meeting of November 26-27, 2000

on the taxation of savings, or any law implementing or complying with, or introduced in order to conform to, such Directive;

(vii) any withholding or deduction that is imposed on the applicable Note or Guarantee that is presented for payment, where presentation is required, by or on behalf of a Holder who would have been able to avoid such withholding or deduction by presenting such Note or Guarantee to another paying agent in a member state of the EU; or

(viii) any combination of the Taxes described in (i) through (vii) above.

In addition, Additional Amounts will not be paid in respect of any payment in respect of the applicable Notes or Guarantees to any Holder or beneficial owner of the applicable Notes or Guarantees that is a fiduciary, a partnership, a limited liability company or any person other than the sole beneficial owner of such payment to the extent such payment would be required by the laws of a Relevant Jurisdiction to be included, for tax purposes, in the income of a beneficiary or settlor with respect to such fiduciary, a member of such partnership, an interest holder in such limited liability company or a beneficial owner that would not have been entitled to such amounts had such beneficiary, settlor, member, interest holder or beneficial owner been the Holder of such Notes or Guarantees.

Whenever the Company refers in the document to the payment of the principal of any premium, any interest or other amounts to which a holder or beneficial owner is entitled, if any, on or in respect of the Notes or the Guarantees, unless the context otherwise requires, the Company means to include the payment of Additional Amounts to the extent that, in context, Additional Amounts are, were or would be payable.

REDEMPTION

Optional Redemption

The Issuer may redeem the Fixed Rate Notes in whole or in part, at the Issuer's option, at any time and from time to time at a redemption price equal to the greater of (i) 100% of the principal amount of the Notes to be redeemed and (ii) as determined by the Independent Investment Banker, the sum of the present values of the applicable Remaining Scheduled Payments discounted to the date fixed for redemption (a "Redemption Date") on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months or in the case of an incomplete month, the number of days elapsed) at the Treasury Rate plus 30 basis points, together with accrued and unpaid interest on the principal amount of the Notes to be redeemed to the Redemption Date.

In connection with such optional redemption, the following defined terms apply:

"Treasury Rate" means, with respect to any Redemption Date, the rate per annum equal to the semiannual equivalent yield to maturity (computed as at the third Business Day immediately preceding that Redemption Date) of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for that Redemption Date.

"Comparable Treasury Issue" means the United States Treasury security selected by the Independent Investment Banker that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Fixed Rate Notes, as the case may be.

"Comparable Treasury Price" means, with respect to any Redemption Date, (i) the average of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) on the third Business Day preceding that Redemption Date, as set forth in the daily statistical release designated H.15 (519) (or any successor release) published by the Federal Reserve Bank of New York and designated "Composite 3:30 p.m. Quotations for US Government Notes" or (ii) if such release (or any successor release) is not published or does not contain such prices on such Business Day, (A) the average of the Reference Treasury Dealer Quotations for that Redemption Date, after excluding the highest and lowest of such Reference Treasury Dealer Quotations, or (B) if the Independent Investment Banker for the Notes obtains fewer than four such Reference Treasury Dealer Quotations, the average of all such Quotations.

"Independent Investment Banker" means one of the Reference Treasury Dealers appointed by the Issuer to act as the "Independent Investment Banker".

"Reference Treasury Dealer" means each of BNP Paribas Securities Corp., Credit Suisse Securities (USA) LLC and Morgan Stanley & Co. LLC, their respective successors and two other nationally recognized investment banking firms that are Primary Treasury Dealers specified from time to time by the Issuer; provided, however, that if any of the foregoing shall cease to be a primary US Government securities dealer in the United States (a "Primary

Treasury Dealer"), the Issuer shall substitute therefor another nationally recognized investment banking firm that is a Primary Treasury Dealer.

"Reference Treasury Dealer Quotation" means, with respect to each Reference Treasury Dealer and any Redemption Date, the average, as determined by the Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Independent Investment Banker by such Reference Treasury Dealer at 3:30 p.m., New York City time, on the third Business Day preceding that Redemption Date.

"Remaining Scheduled Payments" means, with respect to each Note to be redeemed, the remaining scheduled payments of the principal thereof and interest thereon that would be due after the related Redemption Date but for such redemption; provided, however, that if that Redemption Date is not an interest payment date with respect to such Notes, the amount of the next succeeding scheduled interest payment thereon will be reduced by the amount of interest accrued thereon to that Redemption Date.

Notice of any redemption will be given in accordance with "Notices" below at least 30 days but not more than 60 days before the Redemption Date to each Holder of the Notes to be redeemed. On and after any Redemption Date, interest will cease to accrue on the Notes or any portion thereof called for redemption.

Upon presentation of any Note redeemed in part only, the Issuer will execute and instruct the Trustee to authenticate and deliver to or on the order of the Holder thereof, at the expense of the Issuer, a new Note or Notes, of authorized denominations, in principal amount equal to the unredeemed portion of the Note so presented.

On or before any Redemption Date, the Issuer shall deposit with the Trustee money sufficient to pay the redemption price of and accrued interest on the Notes to be redeemed on such date. If less than all the Notes are to be redeemed, the Notes to be redeemed shall be selected by the Trustee by such method as the Trustee shall deem fair and appropriate. The redemption price shall be calculated by the Independent Investment Banker and the Issuer, and the Trustee and any paying agent for the Notes shall be entitled to rely on such calculation.

There is no optional redemption for the Floating Rate Notes.

Final Maturity

Unless previously purchased or redeemed by the Issuer or the Company or any of their Subsidiaries, and cancelled, the principal amount of the Floating Rate Notes and the Fixed Rate Notes will mature and become due and payable on April 15, 2016 and April 15, 2021, respectively, in an amount equal to their principal amount, with accrued and unpaid interest to such date.

Reacquisition

There is no restriction on the ability of the Issuer or the Company or any of their respective Subsidiaries to purchase or repurchase Notes.

Redemption for Tax Reasons

Each series of the Notes is redeemable by the Issuer, in whole but not in part, at 100% of the principal amount of the Notes plus accrued and unpaid interest to the applicable Redemption Date and any Additional Amounts payable with respect thereto at the Issuer's option at any time prior to their maturity if due to a Change in Tax Law (as defined below) (i) the Issuer or, if applicable, the Company, in accordance with the terms of the applicable Notes or the applicable Guarantees, respectively, has, or would, become obligated to pay to the Holder or beneficial owner of any Note any Additional Amounts; (ii) in the case of the Company, (A) the Company would be unable, for reasons outside its control, to procure payment by the Issuer or (B) the procuring of such payment by the Issuer would be subject to withholding taxes imposed by a Relevant Jurisdiction; and (iii) such obligation otherwise cannot be avoided by the Issuer or, if applicable, the Company taking reasonable measures available to it. In such case, the Issuer may redeem the Notes in whole, but not in part, upon not less than 30 nor more than 60 days' notice as provided in "Notices" below, at 100% of the principal amount of the Notes plus accrued and unpaid interest to the applicable Redemption Date and any Additional Amounts payable with respect thereto; *provided* that, (a) no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, if applicable, the Company would be obligated to pay any such Additional Amounts were a payment in respect of the applicable Notes or the applicable Guarantees then due and (b) at the time such notice is given, such obligation to pay such Additional Amounts remains in effect. The Issuer's right to redeem the Notes shall continue as long as the Issuer or the Company, as the case may be, is obligated to pay such Additional Amounts, notwithstanding that the Issuer or the Company shall have made payments of Additional Amounts. Prior to the giving of any such notice of redemption, the Issuer must deliver to the Trustee (1) a certificate stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to

redeem have occurred and (2) an opinion of independent counsel of recognized standing selected by the Issuer or the Company, as applicable, to the effect that the Issuer or the Company has, or would, become obligated to pay such Additional Amounts as a result of such change or amendment.

For purposes hereof, "Change in Tax Law" shall mean (i) any changes in, or amendment to, any law of a Relevant Jurisdiction (including any regulations or rulings promulgated thereunder) or any amendment to or change in the application or official interpretation (including judicial or administrative interpretation) of such law, which change or amendment is announced, if applicable, and becomes effective on or after April 8, 2014 or (ii) if the Issuer or the Company consolidates or merges with, or transfers or leases its assets substantially as an entirety to, any person that is incorporated or tax resident under the laws of any jurisdiction other than a Relevant Jurisdiction, as defined immediately prior to such consolidating merger or other transaction, and as a consequence thereof such person becomes the successor obligor to the Issuer or the Company in respect of Additional Amounts that may become payable (in which case, for purposes of this redemption provision, all references to the Issuer, or the Company hereunder, as applicable, shall be deemed to be and include references to such person), any change in, or amendment to, any law of the jurisdiction of incorporation or residence for tax purposes of such person or any successor entity, or any political subdivision or taxing authority thereof or thereon for purposes of taxation (including any regulations or rulings promulgated thereunder) or any amendment to or change in the application or official interpretation (including judicial or administrative interpretation) of such law, which change or amendment becomes effective on or after the date of such consolidation, merger or other transaction.

CERTAIN DEFINITIONS

Set forth below are certain of the defined terms used in the Notes and the Indenture. You should refer to the Notes and the Indenture for the full set of definitions.

"Attributable Debt" means, as to any particular lease under which any Person is liable at the time as lessee, and at any date as of which the amount of the payment is to be determined, the total net amount of rent required to be paid by such Person under such lease during the remaining term of such lease (including any period for which such lease has been extended or may, at the option of the lessor, be extended), discounted from the respective due dates thereof to the date of determination at a rate per annum equivalent to the rate inherent in such lease (as determined by the directors of the Company) compounded semiannually, excluding amounts required to be paid on account of or attributable to operating costs and overhead charges and including, in certain circumstances, any termination penalty in the case of a lease terminable by the lessee.

"Business Day" means any day which is not, in London, England, New York City, or the place of payment of interest or principal a Saturday, Sunday, a legal holiday or a day on which banking institutions in such places are authorized or obligated by law to close.

"Company Jurisdiction" means any of the jurisdictions of incorporation or residence for tax purposes of the Company or any successor entity, or any political subdivision or taxing authority thereof or therein.

"Consolidated Net Tangible Assets" means the aggregate amount of assets (less applicable provisions) after deducting therefrom (1) all current liabilities; (2) all goodwill, trade names, trademarks, patents, unamortized debt discount and financings costs and all similar intangible assets; and (3) appropriate adjustments on account of minority interests of other Persons holding stock in any Subsidiary of the Company, all as set forth on the most recent consolidated balance sheet of the Company and computed in accordance with IFRS.

"Government Obligations" means money or obligations issued by the United States government.

"IFRS" means International Financial Reporting Standards as adopted by the European Union.

"Indebtedness" means all obligations for borrowed money represented by notes, bonds, debentures or similar evidence of indebtedness and obligations for borrowed money evidenced by credit, loan or other like agreements.

"Issuer Jurisdiction" means any of the jurisdictions of incorporation or residence for tax purposes of the Issuer or any successor entity, or any political subdivision or taxing authority thereof or therein.

"Mortgage" means any mortgage, deed of trust, pledge, hypothéc, lien, encumbrance, charge or other security interest of any kind.

"Person" means any individual, corporation, partnership, joint venture, association, limited liability company, joint stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"Principal Property" means the interest of the Company or any Subsidiary in any (a) mineral property or (b) manufacturing or processing plant, building, structure, dam or other facility, together with the land upon which it is erected and fixtures comprising a part thereof, whether owned as of the date of the Indenture or thereafter acquired or constructed by the Company or any Subsidiary, of which interest the net book value in each case, on the date as of which the determination is being made, is an amount which exceeds 10% of Consolidated Net Tangible Assets, other than (i) any such mineral property, manufacturing or processing plant, building, structure, dam or other facility which, in the opinion of the Board, is not of material importance to the total business conducted by the Company and its Subsidiaries as an entirety or (ii) any portion of any such property which, in the opinion of the Board, is not of material importance to the use or operation of such property.

"Project Financing" means the financing or refinancing of the acquisition, construction, expansion, improvement or development of any physical assets in which the providers of such finance or refinance solely look to the entity that owns and operates such assets, the equity interests in such entity, the assets themselves, and/or the revenues generated thereby as the source of repayment of the amounts financed or refinanced, without recourse to the Company or any Subsidiary (other than such entity) other than through a completion guarantee or other obligations that are customary in non-recourse financing or refinancing.

"Relevant Jurisdiction" means an Issuer Jurisdiction and/or a Company Jurisdiction.

"Restricted Subsidiary" means (1) any Subsidiary which owns or leases a Principal Property; and (2) any Subsidiary engaged primarily in the business of owning or holding securities of Restricted Subsidiaries.

"Sale and Leaseback Transactions" mean any arrangement with a bank, insurance company or other lender or investor (other than the Company or a Restricted Subsidiary) providing for the leasing by the Company or any Restricted Subsidiary of any Principal Property which has been or is to be sold or transferred, more than 180 days after the later of the acquisition, completion of construction or commencement of full operation thereof by the Company or such Restricted Subsidiary to such lender or investor or to any Person to whom funds have been or are to be advanced by such lender or investor on the security of that property or asset.

"Significant Subsidiary" means any Subsidiary that would be a "significant subsidiary" under the definition in Article 1, Rule 1-02(w)(2) of Regulation S-X (but as calculated pursuant to IFRS), promulgated pursuant to the Securities Act, as such Regulation is in effect on the date hereof.

"Subsidiary" means, at any relevant time, any person of which the voting shares or other interests carrying more than 50% of the outstanding voting rights attached to all outstanding voting shares or other interests are owned, directly or indirectly, by or for the Company and/or one or more Subsidiaries of the Company.

COVENANTS OF THE ISSUER AND THE COMPANY

Negative Pledge

Each of the Issuer and the Company will covenant under the Indenture that for so long as any of the Notes are outstanding under the Indenture, and subject to the provisions of the Indenture, it will not, and the Company will not permit any Restricted Subsidiary to, create, permit to exist, incur, issue, guarantee, assume or otherwise have outstanding any Mortgage on or over any Principal Property now owned or hereafter acquired by the Company or a Restricted Subsidiary to secure any Indebtedness of the Issuer, the Company or any Restricted Subsidiary, or on shares of stock or Indebtedness of any Restricted Subsidiary now owned or hereafter acquired by the Company or a Restricted Subsidiary to secure any Indebtedness of the Issuer, the Company or any Restricted Subsidiary, unless at the time thereof or prior thereto the Notes then outstanding under the Indenture are secured equally and ratably with (or prior to) any and all such Indebtedness for so long as such Indebtedness is so secured by such Mortgage; *provided*, *however*, such negative pledge will not apply to or operate to prevent or restrict the following permitted encumbrances:

(1) any Mortgage on property, shares of stock or Indebtedness of any Person existing at the time such Person becomes a Restricted Subsidiary or created, incurred, issued or assumed in connection with the acquisition of any such Person;

(2) any Mortgage on any Principal Property created, incurred, issued or assumed at or prior to the time such property became a Principal Property or existing at the time of acquisition of such Principal Property by the Company or a Restricted Subsidiary, whether or not assumed by the Company or such Restricted Subsidiary; *provided* that no such Mortgage will extend to any other Principal Property of the Company or any Restricted Subsidiary;

(3) any Mortgage on all or any part of any Principal Property (including any improvements or additions to improvements on a Principal Property) hereafter acquired, developed, expanded or constructed by the Company or any Restricted Subsidiary to secure the payment of all or any part of the purchase price, cost of acquisition or cost of development, expansion or construction of such Principal Property or of improvements or additions to improvements thereon (or to secure any Indebtedness incurred by the Company or a Restricted Subsidiary for the purpose of financing all or any part of the purchase price, cost of acquisition or cost of development, expansion or construction thereof or of improvements or additions to improvements thereon) created prior to, at the time of, or within 360 days after the later of, the acquisition, development, expansion or completion of construction (including construction of improvements or additions to improvements thereon), or commencement of full operation of such Principal Property; *provided* that no such Mortgage will extend to any other Principal Property of the Company or a Restricted Subsidiary other than, in the case of any such construction, improvement, development, expansion or addition to improvement, all or any part of any other Principal Property on which the Principal Property so constructed, developed or expanded, or the improvement or addition to improvement, is located;

(4) any Mortgage on any Principal Property of any Restricted Subsidiary to secure Indebtedness owing by it to the Company, the Issuer or another Restricted Subsidiary;

(5) any Mortgage on any Principal Property of the Company to secure Indebtedness owing by it to the Issuer or another Restricted Subsidiary;

(6) any Mortgage on any Principal Property or other assets of the Company or any Restricted Subsidiary existing on the date of the Indenture;

(7) any Mortgage on any Principal Property arising by operation of law (or an agreement solely evidencing otherwise applicable law) and (i) arising in the ordinary course of business or (ii) not securing amounts more than 90 days overdue or otherwise being contested in good faith;

(8) judgment Mortgages on any Principal Property not giving rise to an Event of Default;

(9) any Mortgage on any Principal Property of the Company or any Restricted Subsidiary in favor of the government of any country or political subdivision thereof, or any instrumentality of any of them, securing the obligations of the Company or any Restricted Subsidiary pursuant to any contract or payments owed to such entity pursuant to applicable laws, rules, regulations or statutes;

(10) any Mortgage on or over all or any part of the interest of the Company or any Restricted Subsidiary in any joint venture, partnership or similar undertaking, including the revenues and assets derived by the Company or any Restricted Subsidiary from such joint venture, partnership or similar undertaking, or employed by the Company or any Restricted Subsidiary in such joint venture, partnership or similar undertaking, which is in favor of its co-venturers and/or the manager or operator of the joint venture, partnership or similar undertaking as security for the due payment of amounts payable under or in respect of such joint venture, partnership or similar undertaking;

(11) Mortgages arising in connection with any Project Financing;

(12) any Mortgage on any Principal Property or other assets of the Company or any Restricted Subsidiary created for the sole purpose of extending, renewing, altering or refunding any of the foregoing Mortgages (or any successive extension, renewal, alteration or refunding thereof), *provided* that the Indebtedness secured thereby will not exceed the principal amount of Indebtedness so secured at the time of such extension, renewal, alteration or refunding, plus an amount necessary to pay fees and expenses, including premiums, related to such extensions, renewals, alterations or refundings, and that such extension, renewal, alteration or refunding Mortgage will be limited to all or any part of the same Principal Property and improvements and additions to improvements thereon and/or shares of stock and Indebtedness of a Restricted Subsidiary which secured the Mortgage extended, renewed, altered or refunded either of such property or shares of stock or Indebtedness;

(13) Mortgages on any Principal Property subject to Sale and Leaseback Transactions described below in clause (1) or (3) of the section headed “Limitation on Sale and Leaseback Transactions”; or

(14) any Mortgage on any Principal Property or on any shares of stock or Indebtedness of any Restricted Subsidiary created, incurred, issued or assumed to secure Indebtedness of the Company or any Restricted Subsidiary, which would otherwise be subject to the foregoing restrictions, in an aggregate amount which, together with the aggregate principal amount of other Indebtedness secured by Mortgages on any Principal Property or on any shares of stock or Indebtedness of any Restricted Subsidiary then outstanding (excluding Indebtedness secured by Mortgages permitted under the foregoing exceptions) and the Attributable Debt in respect of all Sale and Leaseback Transactions entered into after the date of the Indenture (not including Attributable Debt in respect of any such Sale and Leaseback Transactions described below in clause (1) or (3) of the section headed "Limitation on Sale and Leaseback Transactions") would not then exceed the greater of US$4 billion or 15% of Consolidated Net Tangible Assets of the Company.

Limitation on Sale and Leaseback Transactions

Each of the Issuer and the Company will covenant under the Indenture that for so long as any of the Notes are outstanding under the Indenture, and subject to the provisions of the Indenture, it will not, and the Company will not permit any Restricted Subsidiary to, enter into any Sale and Leaseback Transaction unless (1) such transaction involves a lease or right to possession or use for a temporary period not to exceed three years following such transaction, by the end of which it is intended that the use of such property by the lessee will be discontinued; (2) immediately prior to the entering into of such transaction, the Company or such Restricted Subsidiary could create a Mortgage on Principal Property subject to the Sale and Leaseback Transaction securing Indebtedness in an amount equal to the Attributable Debt with respect to the particular Sale and Leaseback Transaction; or (3) the proceeds of such transaction within 180 days after such transaction, are applied to either (A) the payment of all or any part of the purchase price, cost of acquisition, cost of development, cost of expansion or cost of construction of a Principal Property or cost of improvements or additions to improvements thereon or (B) the retirement of long-term debt ranking at least ratably with the Notes.

Limitation on Mergers and Consolidations

The Indenture will provide that for so long as any of the Notes are outstanding under the Indenture, each of the Issuer and the Company may not consolidate or amalgamate with or merge (including by way of a scheme of arrangement) into or with any other Person, or, directly or indirectly, sell, convey, transfer or lease its properties and assets as an entirety or substantially as an entirety to any Person (other than a Person satisfying the condition set forth in clause (i), below, that is directly or indirectly wholly owned by the Company), unless:

(i) the Person formed by or continuing from such consolidation or amalgamation or into which the Issuer or the Company is merged or the Person which acquires or leases the Issuer's or the Company's properties and assets as an entirety or substantially as an entirety is organized and existing under the laws of the United States, the United Kingdom or any other country that is a member of the Organization for Economic Cooperation and Development, or the Republic of South Africa, Brazil or India;

(ii) the successor Person assumes, or assumes by operation of law, the Issuer's or the Company's obligations under the Notes, the Guarantees and the Indenture to pay Additional Amounts;

(iii) if the Issuer or Company, as applicable, is not the continuing entity, the successor Person expressly assumes or assumes by operation of law all of the Issuer's or the Company's obligations under the Notes, the Guarantees and under the Indenture;

(iv) immediately before and after giving effect to such transaction, no Event of Default (as defined below) and no event which, after notice or lapse of time or both, would become an Event of Default, will have happened and be continuing; and

(v) certain other conditions are met.

If, as a result of any such transaction, any of the Issuer's or the Company's Principal Properties become subject to a Mortgage, then, unless such Mortgage could be created pursuant to the Indenture provisions described under the section headed "Negative Pledge" without equally and ratably securing the Notes, the Issuer or the Company, simultaneously with or prior to such transaction, will cause the Notes to be secured equally and ratably with or prior to the Indebtedness secured by such Mortgage.

The Notes will not contain covenants or other provisions to afford protection to Holders in the event of a highly leveraged transaction or a change in control of the Issuer or the Company except as provided herein.

Upon certain mergers or consolidations involving the Issuer or the Company, or upon certain sales or conveyances of the respective properties of the Issuer or the Company as an entirety or substantially as an entirety, the obligations of the Issuer or the Company, as the case may be, under the Notes or the Guarantees, as the case may be, shall be assumed by the Person formed by such merger or consolidation or which shall have acquired such property (except in the case of an acquisition of such property, for any such Person that meets the condition set forth in clause (i), above, that is directly or indirectly wholly owned by the Company) and upon such assumptions such Person shall succeed to and be substituted for the Issuer or the Company, as the case may be, and then the Issuer or the Company, as the case may be, will be relieved from all obligations under the Notes or the Guarantee, as the case may be. The terms "Issuer" and "Company", as used in the Notes, the Guarantees and the Indenture, also refer to any such successors or assigns so substituted.

Provision of Financial Information

For so long as any Notes are outstanding, each Issuer and the Company shall deliver to the Trustee, or post on its website copies of any annual reports or periodic results announcements it files with each of the United Kingdom Financial Conduct Authority and the London Stock Exchange within 30 days after it files such documents with the United Kingdom Financial Conduct Authority or London Stock Exchange, as the case may be; *provided*, *however*, that this covenant shall not create any obligation under the Indenture to make any such filings or to make such filings in a timely manner. This covenant relates solely to the obligations of the Issuer and the Company under the Notes and is not intended to affect any obligations the Issuer or the Company may have under the UK Disclosure and Transparency Rules.

CHANGE OF CONTROL REPURCHASE EVENT

If a Change of Control Repurchase Event Occurs, unless the Issuer has exercised its right to redeem the Notes as described above, the Issuer or the Company will be required to make an offer to each holder of Notes to repurchase all or any part (equal to US$200,000 or an integral multiple of US$1,000 in excess thereof) of that holder's Notes at a repurchase price in cash equal to 101% of the aggregate principal amount of Notes repurchased plus any accrued and unpaid interest on the Notes repurchased to, but not including, the date of repurchase.

Within 30 days following any Change of Control Repurchase Event or, at the option of the Issuer or the Company, prior to any Change of Control, but after the public announcement of the Change of Control, the Issuer or the Company will mail, by first class mail or equivalent, a notice to each holder, with a copy to the Trustee, describing the transaction or transactions that constitute or may constitute the Change of Control Repurchase Event and offering to repurchase Notes on the payment date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed. The notice shall, if mailed prior to the date of consummation of the Change of Control, state that the offer to purchase is conditioned on a Change of Control Repurchase Event occurring on or prior to the payment date specified in the notice.

The Issuer and the Company will comply with the requirements of the Exchange Act, and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control Repurchase Event. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control Repurchase Event provisions of the Notes, the Issuer and the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached their respective obligations under the Change of Control Repurchase Event provisions of the Notes by virtue of such conflict.

On the repurchase date following a Change of Control Repurchase Event, the Issuer or the Company will, to the extent lawful:

1. accept for payment all Notes or portions of Notes properly tendered pursuant to the Issuer's or the Company's offer;

2. deposit an amount equal to the aggregate purchase price and accrued interest in respect of all Notes or portions of Notes properly tendered with the Agent (or with such other agent as agreed upon at such time); and

3. deliver or cause to be delivered to the Trustee the Notes properly accepted, together with an officers' certificate stating the aggregate principal amount of Notes being purchased by the Issuer or the Company.

The Agent will promptly mail to each holder of Notes properly tendered the purchase price for the Notes, and the Trustee will promptly authenticate and mail (or cause to be transferred by book-entry) to each holder a new note equal in principal amount to any un-purchased portion of any Notes surrendered; provided that each new note will be in a principal amount of US$200,000 or an integral multiple of US$1,000 in excess thereof.

The Issuer or the Company will not be required to make an offer to repurchase the Notes upon a Change of Control Repurchase Event if a third party makes such an offer in the manner, at the times and otherwise in compliance with the requirement for an offer made by the Issuer or the Company and such third party purchases all Notes properly tendered and not withdrawn under its offer.

For purposes of the foregoing description of a repurchase at the option of the holders, the following definitions are applicable:

"Below Investment Grade Ratings Event" means the Notes cease to be rated Investment Grade by at least two of the three Rating Agencies on any date during the period commencing 60 days prior to, and ending 60 days after (which 60-day period will be extended so long as the rating of the notes is under publicly announced consideration for a possible downgrade by any Rating Agency) the earlier of (1) the occurrence of a Change of Control; or (2) public notice of the occurrence of a Change of Control or the intention of the Company to effect a Change of Control. Notwithstanding the foregoing, a Below Investment Grade Ratings Event otherwise arising by virtue of a particular reduction in rating shall not be deemed to have occurred in respect of a particular Change of Control (and thus shall not be deemed a Below Investment Grade Ratings Event for purposes of the definition of Change of Control Repurchase Event hereunder) if the Rating Agencies making the reduction in rating to which this definition would otherwise apply do not announce or publicly confirm or inform the Trustee in writing at its request that the reduction was the result, in whole or in part, of any event or circumstance comprised of or arising as a result of, or in respect of, the applicable Change of Control (whether or not the applicable Change of Control shall have occurred at the time of the ratings event).

"Change of Control" means the occurrence of one or more of the following:

1. the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of consolidation, amalgamation or merger), in one or a series of related transactions, of all or substantially all of the assets of the Company and its Subsidiaries taken as a whole to any "person" (as that term is used in Section 13(d)(3) of the Exchange Act), other than to the Company or one of its Subsidiaries;

2. the consummation of any transaction (including, without limitation, any consolidation, amalgamation, or merger or other combination (including by way of a scheme of arrangement)) the result of which is that any "person" (as that term is used in Section 13(d)(3) of the Exchange Act) becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of the outstanding Voting Stock of the Company, measured by voting power rather than number of shares;

3. the Company consolidates with, or merges with or into, any Person, or any Person consolidates with, or merges with or into, the Company, in any such event pursuant to a transaction in which any of the outstanding Voting Stock of the Company or such other Person is converted into or exchanged for cash, securities or other property, other than any such transaction where the shares of the Voting Stock of the Company outstanding immediately prior to such transaction constitute, or are converted into or exchanged for, a majority of the Voting Stock of the surviving Person immediately after giving effect to such transaction;

4. the first day on which the majority of the members of the board of directors of the Company cease to be Continuing Directors; or

5. the adoption of a plan relating to the liquidation, winding up or dissolution of the Company.

   Notwithstanding the foregoing, a transaction will not be deemed to involve a change of control for the purposes of this definition only if (1) the Company becomes a direct or indirect wholly-owned subsidiary of a holding company and (2)(A) the direct or indirect holders of the Voting Stock of such holding company immediately following that transaction are substantially the same as the holders of the Company's Voting Stock immediately prior to that transaction or (B) immediately following that transaction no person (other than a holding company satisfying the requirements of this sentence) is

the beneficial owner, directly or indirectly, of more than 50% of the Voting Stock of such holding company.

"Change of Control Repurchase Event" means the occurrence of both a Change of Control and a Below Investment Grade Ratings Event.

"Continuing Director" means, as of any date of determination, any member of the board of directors of the Company who:

1. was a member of such board of directors on the date of the Indenture; or

2. was nominated for election or elected to such board of directors with the approval of a majority of the Continuing Directors who were members of such board of directors at the time of such nomination or election.

"Fitch" means Fitch, Inc., a subsidiary of Fimalac, S.A., and its successors.

"Investment Grade" means a rating of Baa3 or better by Moody's (or its equivalent under any successor rating categories of Moody's); a rating of BBB- or better by S&P or Fitch (or its equivalent under any successor rating categories of S&P and Fitch); or the equivalent Investment Grade credit rating from any additional Rating Agency or Rating Agencies selected by the Issuer or the Company.

"Moody's" means Moody's Investor Services Ltd.

"Rating Agency" means each of Moody's, S&P and Fitch; provided that if any of Moody's, S&P or Fitch ceases to rate the Notes or fails to make a rating of the Notes publicly available for reasons outside of the Issuer's or the Company's control, a "nationally recognized statistical rating organization" within the meaning of Section 3(a)(62) of the Exchange Act, selected by the Issuer or the Company (as certified by a resolution of the Chief Executive Officer or Chief Financial Officer) as a replacement agency for Moody's, S&P or Fitch, or all of them, as the case may be.

"S&P" means Standard & Poor's Credit Market Services Europe Limited.

"Voting Stock" of any specified "person" (as that term is used in Section 13(d)(3) of the Exchange Act) as of any date means the capital stock of such person that is at the time entitled to vote generally in the election of the board of directors of such person.

The Change of Control Repurchase Event feature of the Notes may in certain circumstances make more difficult or discourage a sale or takeover of the Company and, thus, the removal of incumbent management. Subject to the limitations discussed below, the Issuer or the Company could, in the future, enter into certain transactions, including acquisitions, refinancings or other recapitalizations, that would not constitute a Change of Control under the Notes, but that could increase the amount of indebtedness outstanding at such time or otherwise affect the Issuer's or the Company's capital structure or credit ratings on the Notes.

The Issuer or the Company may not have sufficient funds to repurchase all the Notes, or any other outstanding debt securities that the Issuer or the Company would be required to repurchase, upon a Change of Control Repurchase Event.

EVENTS OF DEFAULT

The following will be Events of Default (each an "Event of Default") with respect to the applicable Notes:

(i) default in the payment of any installment of interest (excluding Additional Amounts) upon any applicable Note as and when the same shall become due and payable, and continuance of such default for 30 days; or

(ii) default in the payment of the applicable Additional Amounts as and when the same shall become due and payable, and continuance of such default for a period of 30 days; or

(iii) default in the payment of all or any part of the principal of or premium on any applicable Note as and when the same shall become due and payable either at maturity, upon any redemption, by declaration or otherwise; or

(iv) default in the performance or breach of any covenant of the Issuer or the Company in respect of the applicable Notes or the Indenture (other than those described in paragraphs (i), (ii) and (iii) above), and continuance of such default or breach for a period of 90 days after there has been given a written notice, by registered or certified mail, to the Issuer and the Company by the Trustee or to the Issuer, the Company and the Trustee by the Holders of at least 25% in principal amount of the outstanding Notes affected thereby, specifying such default or breach and requiring it to be remedied and stating that such notice is a "Notice of Default" under the Indenture; or

(v) (a) any present or future indebtedness of the Issuer, the Company or any Significant Subsidiary, other than the applicable Notes, for or in respect of moneys borrowed is declared or becomes due and payable prior to its stated maturity as the result of any event of default (howsoever described), or (b) any such indebtedness is not paid when due or, as the case may be, within any applicable grace period or (c) the Issuer, the Company or any Significant Subsidiary fails to pay, within any applicable grace period therefor, any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised, *provided* that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned in this paragraph (v) will have occurred (which indebtedness, guarantees or indemnities have not been repaid or paid and as to which such default has not been cured or such acceleration has not been rescinded or annulled) exceeds US$100,000,000 or its equivalent; or

(vi) a distress, attachment, execution or other legal process is levied or enforced against any assets of the Issuer, the Company or any Significant Subsidiary having a value exceeding US$100,000,000 following upon a decree or judgment of a court of competent jurisdiction and (A) is not discharged or stayed within 90 days or (B) is the subject of a bona fide active dispute (for the avoidance of doubt, any such distress, attachment, execution or other legal process shall be deemed discharged upon any enforcement of a Mortgage on any such assets); or

(vii) the Issuer, the Company or any Significant Subsidiary admits in writing that it is unable to pay its debts generally; a resolution is passed by the board of directors of the Issuer or the Company for such entity to be wound up or dissolved; the Issuer or Company is unable to pay its debts within the meaning of Section 123(2) of the Insolvency Act of Great Britain or makes a general assignment for the benefit of its creditors; an administrator is appointed in respect of, or an administration order is made in relation to, the Issuer or the Company; the Issuer or the Company stops payment of its obligations generally or ceases to carry on its business or substantially all thereof; or an encumbrancer takes possession or an administrative or other receiver is appointed over the whole or any material part of the either the Issuer's or the Company's assets; or

(viii) certain specified events in bankruptcy, insolvency or reorganization involving the Issuer, the Company or any Significant Subsidiary; or

(ix) the Company ceases to own, directly or indirectly, all of the Voting Stock of the Issuer.

The Issuer and/or the Company shall promptly notify the Trustee in writing upon becoming aware of the occurrence of an Event of Default.

The Indenture provides that if an Event of Default occurs and is continuing, then and in each and every such case (other than certain Events of Default specified in paragraphs (vii) and (viii) above with respect to the Issuer or the Company), unless the principal of all the applicable Notes shall have already become due and payable, either the Trustee (at the direction of the Holders) or the Holders of not less than 25% in aggregate principal amount of the applicable Notes then outstanding, by notice in writing to the Issuer and the Company (and to the Trustee if given by the Holders), may declare the entire principal amount of all applicable Notes issued pursuant to the Indenture and interest accrued and unpaid thereon, if any, to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable, without any further declaration or other act on the part of the Trustee or any Holder. If certain Events of Default described in paragraph (vii) or (viii) above occur with respect to the Issuer or the Company and are continuing, the principal amount of and accrued and unpaid interest on all the applicable Notes issued pursuant to the Indenture shall become immediately due and payable, without any declaration or other act on the part of the Trustee or any Holder. Under certain circumstances, the Holders of a majority in aggregate principal amount of the applicable Notes then outstanding, by written notice to the Issuer, the Company and the Trustee, may waive defaults and rescind and annul declarations of acceleration and its

consequences, but no such waiver or rescission and annulment shall extend to or shall affect any subsequent default or shall impair any right consequent thereon.

The Holders of a majority in aggregate principal amount of the applicable Notes then outstanding will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee, subject to certain limitations to be specified in the Indenture.

The Indenture provides that no Holder of any Note may institute any action or proceeding at law or in equity or in bankruptcy or otherwise upon or under or with respect to the Indenture, or for the appointment of a trustee, receiver, liquidator, custodian or other similar official or for any other remedy under the Indenture (except suits for the enforcement of payment of overdue principal or interest) unless such Holder previously shall have given to the Trustee written notice of an Event of Default and continuance thereof and unless the Holders of not less than 25% in aggregate principal amount of the applicable Notes then outstanding shall have made written request upon the Trustee to institute such action or proceedings in its own name as Trustee and shall have offered the Trustee reasonable indemnity, the Trustee shall not have instituted any such action or proceeding within 90 days of its receipt of such notice, request and offer of indemnity and the Trustee shall not have received direction inconsistent with such written request by the Holders of a majority in aggregate principal amount of the applicable Notes at the time outstanding.

An Event of Default with respect to a given series of the Notes would not necessarily constitute an event of default with respect to the securities of any other series issued in the future under the Indenture.

The Indenture provides that each of the Issuer and the Company will each furnish to the Trustee on or before June 30 in each year (commencing on June 30, 2012), if Notes are then outstanding, a certificate from an officer as to his or her knowledge of the Issuer's or the Company's, as the case may be, compliance with all conditions and covenants under the Indenture.

DEFEASANCE

The Indenture provides that the Issuer will have the option either (a) to be deemed (together with the Company) to have paid and discharged the entire indebtedness represented by, and obligations under, the applicable Notes and the Guarantees and to have satisfied all the obligations under the Indenture relating to the Notes, and the Guarantees (except for certain obligations, including those relating to the defeasance trust and obligations to register the transfer or exchange of Notes, to replace mutilated, destroyed, lost or stolen Notes and to maintain paying agencies) on the day after the applicable conditions described below have been satisfied or (b) to cease (together with the Company) to be under any obligation to comply with the covenants described under "— Covenants of the Issuer and the Company — Negative Pledge", "— Covenants of the Issuer and the Company — Provision of Financial Information" and "— Covenants of the Issuer and the Company — Limitation on Sale and Leaseback Transactions" and the condition relating to the absence of any events of default under "— Covenants of the Issuer and the Company — Limitation on Mergers and Consolidations" under the Notes, and noncompliance with such covenants and the occurrence of certain events described above under "Events of Default" will not give rise to any Event of Default under the Indenture, at any time after the applicable conditions described below have been satisfied.

In order to exercise either defeasance option, the Issuer must deposit with the Trustee, irrevocably in trust, money or Government Obligations for the payment of principal of and interest (including Additional Amounts) on the outstanding Notes to and including the Redemption Date irrevocably designated by the Issuer on or prior to the date of deposit of such money or Government Obligations, and must (i) comply with certain other conditions, including delivering to the Trustee an opinion of US counsel, or a ruling received from or published by the United States Internal Revenue Service, to the effect that beneficial owners of the Notes will not recognize income, gain or loss for United States federal income tax purposes as a result of the exercise of such option and will be subject to United States federal income tax on the same amount and in the same manner and at the same time as would have been the case if such option had not been exercised and, in the case of (a) above, such opinion must state that it is based on a change of law or final and binding ruling received from or published by the United States Internal Revenue Service after April 15, 2014 and (ii) pay in full all other amounts due and owing under the Indenture.

MODIFICATION AND WAIVER

Without Consent of Noteholders

The Indenture provides provisions permitting the Issuer, the Company and the Trustee, without the consent of the Holders of any of the Notes at any time outstanding, from time to time and at any time, to enter into an indenture or indentures supplemental to the Indenture or to otherwise amend the Indenture:

- to convey, transfer, assign, mortgage or pledge to the Trustee as security for the Notes any property or assets;

- to evidence the succession of another person to the Issuer or the Company, as the case may be, or successive successions, and the assumption by the successor person of the covenants, agreements and obligations of the Issuer or the Company, as the case may be, pursuant to the Indenture;

- to evidence and provide for the acceptance of appointment of a successor trustee, principal paying agent, registrar or transfer agent, as the case may be;

- to add to the covenants of the Issuer and the Company, as the case may be, such further covenants, restrictions, conditions or provisions as the Issuer and the Company, as the case may be, and the Trustee shall consider to be for the protection of the Holders of Notes, and to make the occurrence, or the occurrence and continuance, of a default in any such additional covenants, restrictions, conditions or provisions an Event of Default under the Indenture permitting the enforcement of all or any of the several remedies provided in the Indenture, Notes or Guarantees; *provided* that, in respect of any such additional covenant, restriction, condition or provision, such supplemental indenture may provide for a particular period of grace after default (which may be shorter or longer than that allowed in the case of other defaults) or may limit the remedies available to the Trustee upon such an Event of Default or may limit the right of Holders of a majority in aggregate principal amount of the applicable Notes to waive such an Event of Default;

- to modify the restrictions on, and procedures for, resale and other transfers of the Notes pursuant to law, regulation or practice relating to the resale or transfer of restricted securities generally;

- to cure any ambiguity or to correct or supplement any provision contained in the Indenture which may be defective or inconsistent with any other provision contained therein or to make such other provision in regard to matters or questions arising under the indenture as the Issuer or the Company may deem necessary or desirable and which will not adversely affect the interests of the Holders of the Notes in any material respect (*provided,* that any modification or amendment to conform language in the Indenture to that appearing in this description of notes shall be deemed not to adversely affect the interests of the Holders of the Notes in any material respect); or

- to issue as many distinct series of debt securities under the Indenture as the Issuer wishes or to "reopen" each series of notes and create and issue additional notes having identical terms and conditions as an existing series of Notes (or in all respects except for the payment of interest accruing prior to the issue date of such additional notes or except for the first payment of interest following the issue date of such additional notes) so that the additional notes are consolidated and form a single series with the applicable Notes.

With Consent of Noteholders

The Indenture provides provisions permitting the Issuer, the Company and the Trustee, with the consent of the Holders of not less than a majority in aggregate principal amount of the Notes at the time outstanding (including consents obtained in connection with a tender offer or exchange offer for the Notes), from time to time and at any time, to enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture or any supplementary indenture or of modifying in any manner the rights of the Holders of the Notes or the Guarantees, *provided* that no such indenture may, without the consent of the Holder of each of the Notes so affected:

- change the stated maturity of the principal of or the date for payment of any installment of interest on any Note;

- reduce the principal amount of or interest on any Note or Additional Amounts payable with respect thereto or reduce the amount payable thereon in the event of redemption or default;

- change the currency of payment of principal of or interest on any Note or Additional Amounts payable with respect thereto;

- change the obligation of the Issuer, the Company, as the case may be, to pay Additional Amounts;

- impair the right to institute suit for the enforcement of any such payment on or with respect to any Note;
- reduce the aforesaid percentage in principal amount of the outstanding Notes, the consent of whose Holders is required for any such supplemental indenture; or
- reduce the aforestated aggregate principal amount of any Note outstanding necessary to modify or amend the Indenture or any such Notes or to waive any future compliance or past default or reduce the quorum requirements or the percentage of aggregate principal amount of any Notes outstanding required for the adoption of any action at a meeting of holders of such Notes or reduce the percentage of the aggregate principal amount of such Notes outstanding necessary to rescind or annul any declaration of the principal of and all accrued and unpaid interest on any Notes to be due and payable; *provided* that no consent of any Holder of any Note shall be necessary to permit the Trustee, the Issuer and the Company to execute supplemental indentures described under "Modification and Waiver — Without Consent of Noteholders" above.

Any modifications, amendments or waivers to the Indenture or to the conditions of the Notes will be conclusive and binding on all Holders of the Notes, whether or not they have consented to such action or were present at the meeting at which such action was taken, and on all future holders of the Notes, whether or not notation of such modifications, amendments or waivers is made upon such Notes. Any instrument given by or on behalf of any Holder of such a Note in connection with any consent to any such modification, amendment or waiver will be irrevocable once given and will be conclusive and binding on all subsequent registered holders of such Note.

PRESCRIPTION

Under New York's statute of limitations, any legal action upon the Notes in respect of interest or principal must be commenced within six years after the payment thereof is due. Thereafter the Notes and the Guarantees will become generally unenforceable.

LISTING

The Issuer expects to make an application for the admission of each series of the Notes to listing on the Official List of the UK Listing Authority and to trading on the London Stock Exchange's Regulated Market, a regulated market.

The Issuer and the Company will use their reasonable best efforts to have such (i) admission of the Notes to trading on the regulated market of the London Stock Exchange and (ii) listing of such Notes on the Official List of the UK Listing Authority become effective and then maintain such listing for so long as any of the Notes remain outstanding.

NOTICES

Notices to Holders of Notes will be mailed by first-class mail (or equivalent) postage prepaid to Holders of Notes at their last registered addresses as they appear in the Notes register. The Issuer and the Company will consider any mailed notice to have been given two Business Days after it has been sent.

In addition, for so long as a given series of the Notes is listed on the Official List of the UK Listing Authority and admitted to trading on the London Stock Exchange's Regulated Market, the Issuer and the Company will publish notices to the Holders of such Notes in a leading newspaper having general circulation in London, England (which is initially expected to be the *Financial Times*) and immediately provide a copy thereof to the Trustee. The Issuer and the Company will consider any published notice to be given on the date of its first publication.

CONSENT TO SERVICE, SUBMISSION TO JURISDICTION; ENFORCEABILITY OF JUDGMENTS

Each of the Issuer and the Company will appoint CT Corporation System, as its process agent for any action brought by a holder based on the Indenture or the Notes or Guarantees, as applicable, instituted in any state or federal court in the Borough of Manhattan, The City of New York.

Each of the Issuer and the Company will irrevocably submit to the non-exclusive jurisdiction of any state or federal court in the Borough of Manhattan, The City of New York in respect of any action brought by a holder based on the Notes, the Guarantees or the Indenture. Each of the Issuer and the Company will also irrevocably waive, to the extent permitted by applicable law, any objection to the venue of any of these courts in an action of that type.

Holders of the Notes may, however, be precluded from initiating actions based on the Notes, the Guarantees or the Indenture in courts other than those mentioned above.

Each of the Issuer and the Company will, to the fullest extent permitted by law, irrevocably waive and agree not to plead any immunity from the jurisdiction of any of the above courts in any action based upon the Notes, the Guarantees or the Indenture.

Since a substantial portion of the assets of each of the Issuer and the Company is outside the United States, any judgment obtained in the United States against the Issuer or the Company, including judgments with respect to the payment of principal, premium, interest and any redemption price and any purchase price with respect to the Notes or payments due under the Guarantee, may not be collectable within the United States.

GOVERNING LAW

The Indenture, the Notes, the Guarantees and the Calculation Agency Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to principles of conflicts of laws thereof.

BOOK-ENTRY SYSTEM; DELIVERY AND FORM

Upon issuance, the Notes will be represented by beneficial interests in Global Notes. Each Global Note will be deposited with, or on behalf of, DTC and registered in the name of Cede & Co., as nominee of DTC. Except under the circumstances described below, Global Notes will not be exchangeable at the option of the holder for certificated notes and Global Notes will not otherwise be issuable in definitive form.

Upon issuance of the Global Notes, DTC will credit the respective principal amounts of the Notes represented by the Global Notes to the accounts of institutions that have accounts with DTC or its nominee (called participants of DTC), including Euroclear and Clearstream. The accounts to be credited shall be designated by the Initial Purchasers. Ownership of beneficial interests in the Global Notes will be limited to participants or persons that may hold interests through participants. Ownership of beneficial interest in the Global Notes will be shown on, and the transfer of that ownership will be effected only through, records maintained by DTC or its nominee (with respect to participants' interests) or by participants or persons that hold through participants. Such beneficial interest shall be in denominations of US$200,000 and in multiples of US$1,000 in excess thereof.

So long as DTC, or its nominee, is the registered owner or holder of the Global Notes, DTC or its nominee, as the case may be, will be considered the sole owner and holder of the Global Notes for all purposes under the Indenture.

Except as set forth below, owners of beneficial interests in the Global Notes:

- will not be entitled to have the Notes represented by the Global Notes registered in their names, and
- will not receive or be entitled to receive physical delivery of Notes in definitive form and will not be considered the owners or holders thereof under the Indenture.

Accordingly, each person owning a beneficial interest in the Global Notes must rely on the procedures of DTC, and indirectly Euroclear and Clearstream, and, if such person is not a participant, on the procedures of the participant through which such person owns its interest, to exercise any rights of a holder under the Indenture.

Principal and interest payments on Global Notes registered in the name of or held by DTC or its nominee will be made to DTC or its nominee, as the case may be, as the registered owner or holder of the Global Note. None of the Issuer, the Company, the Trustee or any paying agent for such Global Notes will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

The Issuer expects that DTC, upon receipt of any payments of principal or interest in respect of the Global Notes, will credit the accounts of the related participants (including Euroclear and Clearstream), with payments in amounts proportionate to their respective beneficial interests in the principal amount of the Global Notes as shown on the records of DTC. Payments by participants to owners of beneficial interest in the Global Notes held through such participants will be the responsibility of the participants, as is now the case with securities held for the accounts of customers in bearer form or registered in "street name".

Unless and until it is exchanged in whole or in part for Notes in definitive form in accordance with the terms of the Indenture, a Global Note may not be transferred except as a whole by the depositary to a nominee of the depositary or by a nominee of DTC to DTC or another nominee of DTC.

If any note, including a Global Note, is mutilated, defaced, stolen, destroyed or lost, such note may be replaced with a replacement note at the office of the registrar or any successor registrar or transfer agent, on payment by the Noteholder of such costs and expenses as may be incurred in connection with the replacement, and on such terms as to evidence and indemnity as we may reasonably require. Mutilated or defaced Notes must be surrendered before replacement Notes will be issued.

Exchanges of Global Notes for Definitive Notes

Global Notes shall be exchangeable for definitive notes registered in the names of persons other than DTC or its nominee for such Global Notes only if:

- DTC has notified the Issuer that it is unwilling or unable to continue as depositary or has ceased to be a clearing agency registered under the Exchange Act, and in either case, we have failed to appoint a successor depositary within 90 days of such notice, or

- there shall have occurred and be continuing an Event of Default (as defined in the Indenture) with respect to the Notes; or

- the Issuer shall have determined in its sole discretion that the Notes shall no longer be represented by the applicable Global Notes.

Any Global Note that is exchangeable for definitive notes pursuant to the preceding sentence shall be exchangeable for Notes issuable in denominations of US$200,000 and in multiples of US$1,000 in excess thereof and registered in such names as DTC shall direct. Subject to the foregoing, a Global Note shall not be exchangeable, except for a Global Note of like denomination to be registered in the name of DTC or its nominee. Bearer notes will not be issued.

Exchanges Between and Among Global Notes

The “distribution compliance period”, as defined in Regulation S under the Securities Act, will begin on the closing date and end 40 days after the closing date of the offering.

Beneficial interests in one Global Note may generally be exchanged for interests in another Global Note. Depending on whether the transfer is being made during or after the distribution compliance period, and to which Global Note the transfer is being made, the Trustee may require the seller to provide certain written certifications in the form provided in the Indenture.

A beneficial interest in a Global Note that is transferred to a person who takes delivery through another Global Note will, upon transfer, become subject to any transfer restrictions and other procedures applicable to beneficial interests in the other Global Note.

Transfers from Definitive Notes to Global Notes

Definitive notes, if any, may be transferred or exchanged for a beneficial interest in the relevant Global Note in accordance with the procedures described in the Indenture.

BOOK-ENTRY SETTLEMENT AND CLEARANCE

THE GLOBAL NOTES

Each series of the Notes will be issued in the form of several registered notes in global form, without interest coupons, which we refer to as the Global Notes, as follows:

- Notes sold to qualified institutional buyers under Rule 144A will be represented by one or more Rule 144A Global Notes; and
- Notes sold in offshore transactions to non-US persons in reliance on Regulation S will be represented by one or more Regulation S Global Notes.

Upon issuance, each of the Global Notes will be deposited with the Registrar and Transfer Agent as custodian for DTC and registered in the name of Cede & Co., as nominee of DTC.

Ownership of beneficial interests in each Global Note will be limited to persons who have accounts with DTC, or DTC participants, or persons who hold interests through DTC participants. We expect that under procedures established by DTC:

- upon deposit of each Global Note with DTC's custodian, DTC will credit portions of the principal amount of the Global Note to the accounts of the DTC participants designated by the Initial Purchasers; and
- ownership of beneficial interests in each Global Note will be shown on, and transfer of ownership of those interests will be effected only through, records maintained by DTC (with respect to interests of DTC participants) and the records of DTC participants (with respect to other owners of beneficial interests in the Global Note).

Each Global Note and beneficial interests in each Global Note will be subject to restrictions on transfer as described under "Transfer Restrictions".

See "Description of the Notes and the Guarantees — Book-Entry System; Delivery and Form".

BOOK-ENTRY PROCEDURES FOR THE GLOBAL NOTES

All interests in the Global Notes will be subject to the operations and procedures of DTC, Euroclear and Clearstream. We provide the following summaries of those operations and procedures solely for the convenience of investors. The information in this section concerning DTC, Euroclear and Clearstream, Luxembourg (referred to herein as Clearstream) and their book-entry systems has been obtained from sources that we believe to be reliable, but neither we nor the Initial Purchasers take any responsibility for or make any representation or warranty with respect to the accuracy of this information. DTC, Euroclear and Clearstream are under no obligation to follow the procedures described herein to facilitate the transfer of interest in Global Notes among participants and account holders of DTC, Euroclear and Clearstream, and such procedures may be discontinued or modified at any time. Neither we, the Company, the Trustee or any paying agent will have any responsibility for the performance of DTC, Euroclear and Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

DTC has advised us that it is:

- a limited purpose trust company organized under the laws of the State of New York;
- a "banking organization" within the meaning of the New York State Banking Law;
- a member of the Federal Reserve System;
- a "clearing corporation" within the meaning of the Uniform Commercial Code; and
- a "clearing agency" registered under Section 17A of the Securities Exchange Act of 1934.

DTC was created to hold securities for its participants and to facilitate the clearance and settlement of securities transactions between its participants through electronic book-entry changes to the accounts of its participants. DTC's participants include securities brokers and dealers, including the Initial Purchasers; banks and trust

companies; clearing corporations and other organizations. Indirect access to DTC's system is also available to others such as banks, brokers, dealers and trust companies; these indirect participants clear through or maintain a custodial relationship with a DTC participant, either directly or indirectly. Investors who are not DTC participants may beneficially own securities held by or on behalf of DTC only through DTC participants or indirect participants in DTC.

So long as DTC's nominee is the registered owner of a Global Note, that nominee will be considered the sole owner or holder of the Notes represented by that Global Note for all purposes under the Indenture.

As a result, each investor who owns a beneficial interest in a Global Note must rely on the procedures of DTC to exercise any rights of a holder of Notes under the Indenture (and, if the investor is not a participant or an indirect participant in DTC, on the procedures of the DTC participant through which the investor owns its interest).

Payments of principal, premium (if any) and interest with respect to the Notes represented by a Global Note will be made by the Paying Agent to DTC's nominee as the registered holder of the Global Note. Neither we nor the Paying Agent will have any responsibility or liability for the payment of amounts to owners of beneficial interests in a Global Note, for any aspect of the records relating to or payments made on account of those interests by DTC, or for maintaining, supervising or reviewing any records of DTC relating to those interests.

Payments by participants and indirect participants in DTC to the owners of beneficial interests in a Global Note will be governed by standing instructions and customary industry practice and will be the responsibility of those participants or indirect participants and DTC.

Transfers between participants in DTC will be effected under DTC's procedures and will be settled in same-day funds. Transfers between participants in Euroclear or Clearstream will be effected in the ordinary way under the rules and operating procedures of those systems.

Cross-market transfers between DTC participants, on the one hand, and Euroclear or Clearstream participants, on the other hand, will be effected within DTC through the DTC participants that are acting as depositaries for Euroclear and Clearstream. To deliver or receive an interest in a Global Note held in a Euroclear or Clearstream account, an investor must send transfer instructions to Euroclear or Clearstream, as the case may be, under the rules and procedures of that system and within the established deadlines of that system. If the transaction meets its settlement requirements, Euroclear or Clearstream, as the case may be, will send instructions to its DTC depositary to take action to effect final settlement by delivering or receiving interests in the relevant Global Notes in DTC, and making or receiving payment under normal procedures for same-day funds settlement applicable to DTC. Euroclear and Clearstream participants may not deliver instructions directly to the DTC depositaries that are acting for Euroclear or Clearstream.

Because of time zone differences, the securities account of a Euroclear or Clearstream participant that purchases an interest in a Global Note from a DTC participant will be credited on the business day for Euroclear or Clearstream immediately following the DTC settlement date. Cash received in Euroclear or Clearstream from the sale of an interest in a Global Note to a DTC participant will be received with value on the DTC settlement date but will be available in the relevant Euroclear or Clearstream cash account as of the business day for Euroclear or Clearstream following the DTC settlement date.

DTC, Euroclear and Clearstream have agreed to the above procedures to facilitate transfers of interests in the Global Notes among participants in those settlement systems. However, the settlement systems are not obligated to perform these procedures and may discontinue or change these procedures at any time. Neither we nor the Trustee will have any responsibility for the performance by DTC, Euroclear or Clearstream or their participants or indirect participants of their obligations under the rules and procedures governing their operations.

UK TAX CONSIDERATIONS

UK TAXATION

The summary below is of a general nature and describes certain UK tax implications of acquiring, holding or disposing of Notes. It is not tax advice and is not intended to be exhaustive. The summary is based on current UK tax law, current UK H.M. Revenue and Customs ("HMRC") published practice and the terms of the double taxation treaty between the United States and the United Kingdom which entered into force on March 31, 2003 (the "Treaty"), all of which are subject to change at any time, possibly with retrospective effect. The comments relate only to the position of persons who are the absolute beneficial owners of their Notes and may not apply to certain classes of holders, such as dealers in securities and holders who are connected with the Issuer for UK tax purposes, and do not necessarily apply where the income in respect of the Notes is deemed for UK tax purposes to be the income of any person other than the holder of the Notes.

Please consult your own tax advisor concerning the consequences of acquiring, owning and disposing of the Notes under UK tax law and the laws of any other jurisdiction in which you may be subject to tax.

Interest Payments

Any premium payable on a redemption of the Notes at the option of the Issuer may, in certain circumstances, constitute interest for UK tax purposes and so be treated in the manner described below. References to "interest" in this section mean interest as understood in UK tax law. The statements below do not take account of any different definitions of interest which may prevail under any other law.

Payments of interest on Notes issued by the Issuer will not be subject to withholding or deduction for or on account of UK tax because the Notes will be treated as "quoted Eurobonds" (within the meaning of section 987 of the Income Tax Act 2007 ("ITA 2007")), so long as the Notes are "listed on a recognised stock exchange". Section 1005 ITA 2007 provides that securities will be treated as "listed on a recognised stock exchange" if (and only if) they are admitted to trading on that exchange, and either they are included in the United Kingdom official list (within the meaning of Part 6 of the Financial Services and Markets Act 2000) or they are officially listed, in accordance with provisions corresponding to those generally applicable in European Economic Area states, in a country outside the United Kingdom in which there is a "recognised stock exchange." The London Stock Exchange is a "recognised stock exchange" for these purposes.

Even if the Notes do not qualify as "quoted Eurobonds", no withholding or deduction for or on account of UK tax is required (subject to contrary direction from HMRC) in respect of payments to a holder who the Issuer reasonably believes is the beneficial owner of the interest payable on the Notes and is either a UK resident company or a non-UK resident company carrying on a trade in the United Kingdom through a UK permanent establishment where the payment is taken into account in calculating the UK corporation tax liability of that company, or falls within various categories enjoying a special tax status (including charities and certain pension funds), or is a partnership consisting of such persons.

In all other cases, payments of interest will generally be subject to withholding or deduction for or on account of UK tax at the basic rate, which is currently 20%. Certain holders of Notes who are resident in the United States may be entitled to receive payments free of withholding or deduction for or on account of UK tax under the Treaty and HMRC may issue a direction to the Issuer to that effect. Holders of Notes who are resident in other jurisdictions may also be able to receive payment free of withholding or deduction for or on account of UK tax or subject to a lower rate of such withholding or deduction under an appropriate double taxation treaty and HMRC may issue a direction to that effect. However, any such direction will, in any case, be issued only on prior application to the relevant tax authorities by the holder in question. If such a direction is not in place at the time a payment of interest is made, the Issuer will be required to withhold or deduct for or on account of UK tax, although a holder of Notes resident in another jurisdiction who is entitled to relief may subsequently claim from HMRC the amount, or proportion of the amount, withheld or deducted.

The interest on Notes issued by the Issuer will have a UK source for UK tax purposes and, as such, may be subject to UK tax by direct assessment even where paid without withholding or deduction for or on account of UK tax. However, interest with a UK source received without withholding or deduction for or on account of UK tax will not be chargeable to UK tax in the hands of a person who is not resident for tax purposes in the United Kingdom unless that person carries on a trade, profession or vocation in the United Kingdom through a branch or agency (or, for holders who are companies, carries on a trade through a permanent establishment) in the United Kingdom in connection with which the interest is received or to which the Notes are attributable, in which case (subject to

exemptions for interest received by certain categories of agent) tax may be levied on the UK branch, agency or permanent establishment.

Disposal (including redemption)

In general, a holder of Notes who is resident in a jurisdiction outside the United Kingdom will not be liable to UK taxation in respect of a disposal (including redemption) of a Note, any gain accrued in respect of a Note or any change in the value of a Note, unless at the time of the disposal, the holder carries on a trade, profession or vocation in the United Kingdom through a branch or agency (or, for holders who are companies, carries on a trade through a permanent establishment) and the Note was used in or for the purposes of that trade, profession or vocation or is attributable to the branch or agency or permanent establishment.

UK Corporation Tax Payers

In general, holders within the charge to UK corporation tax (other than certain authorized investment funds) will be treated for UK tax purposes as realizing profits, gains or losses in respect of the Notes on a basis which is broadly in accordance with their accounting treatment, so long as that accounting treatment is in accordance with generally accepted accounting practice (as that term is defined for UK tax purposes). Such profits, gains and losses whether attributable to currency fluctuations or otherwise will be taken into account in computing taxable income for UK corporation tax purposes.

Other UK Tax Payers

If the holder is an individual resident in the United Kingdom for UK tax purposes, he or she may have to account for UK capital gains tax in respect of any gains arising on a disposal (including a redemption) of a Note. Any such capital gains would be calculated by comparing the British pound values on purchase and disposal of the Notes, so a liability to UK tax could arise even where the non-British pound amount received on a disposal was less than or the same as the amount paid for the Notes.

The rules relating to “accrued income profits and losses” (contained in Part 12 ITA 2007) may apply to certain holders who are not subject to UK corporation tax, in relation to a transfer of the Notes. On a transfer of securities with accrued interest, the rules usually apply to deem the transferor to receive an amount of income equal to the accrued interest and to treat the deemed or actual interest subsequently received by the transferee as reduced by a corresponding amount.

Generally, persons who are not resident in the UK and who do not carry on a trade in the United Kingdom through a branch or agency in the United Kingdom for the purposes of which the Notes were used, held or acquired will not be subject to the rules relating to accrued income profits and losses.

If a Note is issued at a significant discount to its redemption amount or carries certain types of redemption premium, then all profits and losses on its disposal by a holder who is not subject to UK corporation tax may be taxed as income. “Significant” is generally interpreted to mean more than either 15% of the redemption amount or, if less, more than 0.5% of the redemption amount multiplied by the number of years to redemption. Based on the Issuer’s understanding of HMRC’s practice in this area, it is considered that the Notes will not be treated as constituting “deeply discounted securities” for the purposes of Chapter 8 of Part 4 of the Income Tax (Trading and Other Income) Act 2005.

Special rules may apply to individual holders who have ceased to be resident for UK tax purposes in the United Kingdom and once again become resident for UK tax purposes in the United Kingdom after a period of non-residence. Such holders should consult their own tax advisors.

Stamp Duty and Stamp Duty Reserve Tax (“SDRT”)

No UK stamp duty or SDRT should arise on the issue or transfer of a Note, or on its redemption.

Provision of Information

Holders of Notes should note that, in certain circumstances, HMRC has power to obtain information (including details of the beneficial owners of the Notes (or the persons for whom the Notes are held) or the persons to whom payments derived from the Notes are or may be paid and information and documents in connection with transactions relating to the Notes) from, amongst others, the holders of the Notes, persons by or through whom payments derived from the Notes are made, persons who receive (or would be entitled to receive) such payments, persons who effect or are a party to transactions relating to the Notes on behalf of others and certain registrars or administrators. HMRC also has the power, in certain circumstances, to obtain information from any person in the UK who pays amounts payable on the redemption of notes that are deeply discounted securities for the purposes of the Income Tax (Trading and Other Income) Act 2005, or receives such amounts for the benefit of another person (although HMRC

published practice indicates that it will not exercise its power to require this information where such amounts are paid on or before April 5, 2015). Any such information referred to in this paragraph may, in certain circumstances, be exchanged by HMRC with the tax authorities in other countries.

Under EC Council Directive 2003/48/EC on the taxation of savings income (the "EU Savings Directive"), a Member State is required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual or certain other types of person resident in that other Member State. However, for a transitional period Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the end of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). Luxembourg has announced that it will no longer apply the withholding tax system as from January 1, 2015 and will provide details of payments of interest (or similar income) as from this date. A number of non-EU countries and territories including Switzerland have agreed to adopt similar measures (a withholding system in the case of Switzerland). On March 24, 2014, the Council of the European Union adopted a directive amending the EU Savings Directive, which, when implemented, will amend and potentially broaden the scope of the requirements described above. It is understood that EU Member States will have until January 1, 2016 to adopt the national legislation necessary to comply with this amending directive. Investors who are in any doubt as to their position should consult their professional advisors.

MATERIAL US FEDERAL TAX CONSIDERATIONS

US TREASURY DEPARTMENT CIRCULAR 230 NOTICE: TO ENSURE COMPLIANCE WITH TREASURY DEPARTMENT CIRCULAR 230, PROSPECTIVE INVESTORS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF US FEDERAL TAX ISSUES CONTAINED OR REFERRED TO IN THIS DOCUMENT OR ANY DOCUMENT REFERRED TO HEREIN IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED BY PROSPECTIVE INVESTORS FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON THEM UNDER THE US INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"); (B) SUCH DISCUSSION IS WRITTEN FOR USE IN CONNECTION WITH THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) PROSPECTIVE INVESTORS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

This section describes the material US federal income tax consequences to a US holder (as defined below) of owning the Notes we are offering. It applies to you only if you acquire Notes in the offering at the offering price and you hold your Notes as capital assets for US federal income tax purposes. This section does not describe all the US federal income tax considerations that may apply to you if you are a member of a class of owners subject to special rules, such as:

- a dealer in securities or currencies;
- a trader in securities that elects to use a mark-to-market method of accounting for your securities holdings;
- a bank;
- a life insurance company;
- a tax-exempt organization;
- a person that owns Notes that are a hedge or that are hedged against interest rate risks;
- a person that owns Notes as part of a straddle or conversion transaction for tax purposes; or
- a person whose functional currency for tax purposes is not the US dollar.

If a partnership holds Notes, the US federal income tax treatment of a partner will generally depend on the status of the partner and the tax treatment of the partnership. Partnerships holding Notes and their partners should consult their tax advisors with regard to the US federal income tax treatment of an investment in the Notes.

This section is based on the Code, its legislative history, existing and proposed regulations under the Code, published rulings and court decisions, all as of the date hereof. These laws are subject to change, possibly on a retroactive basis. This section does not address alternative minimum tax consequences, US federal estate and gift tax consequences, the applicability of the Medicare tax on net investment income or any US state and local or foreign tax consequences of acquiring, owning or disposing of Notes.

Please consult your own tax advisor concerning the consequences of owning these Notes in your particular circumstances under the Code and the laws of any other taxing jurisdiction.

You are a US holder if you are a beneficial owner of a Note and you are for US federal income tax purposes:

- a citizen or resident of the United States;
- a corporation, or other entity treated as a corporation for US federal income tax purposes, created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate whose income is subject to US federal income tax regardless of its source; or
- a trust if (i) a US court can exercise primary supervision over the trust's administration and one or more US persons are authorized to control all substantial decisions of the trust or (ii) a valid election is in place to treat the trust as a US person.

Payments of Interest. You will be taxed on interest on your Notes (without reduction for any withholding tax) and, without duplication, any Additional Amounts paid with respect to withholding tax on the Notes, including the gross amount of any withholding tax on payments of Additional Amounts, as ordinary income at the time you actually or constructively receive the interest or when it accrues, depending on your method of accounting for US federal income tax purposes.

Interest paid by us on the Notes is income from sources outside the United States for the purposes of the rules regarding the foreign tax credit allowable to a US holder. The interest will, depending on your circumstances, be either "passive" or "general" income for purposes of computing the foreign tax credit.

If a Change of Control Repurchase Event occurs, the Issuer or Company will be required to make an offer to each holder of Notes to repurchase all or any part of that holder's Notes at a repurchase price in cash equal to 101% of the aggregate principal amount of Notes repurchased and any accrued interest (see "Description of the Notes and the Guarantees — Change of Control Repurchase Event"). Notwithstanding this possibility, we do not believe that the Notes are contingent payment debt instruments for US federal income tax purposes, and, consequently, we do not intend to treat the Notes as contingent payment debt instruments. If, notwithstanding our view, any of the Notes were treated as contingent payment debt instruments, a US holder may be required to accrue ordinary income at a rate that is different to the stated interest rate on such Notes and to treat as ordinary income (rather than capital gain) any gain recognized on a sale or other taxable disposition of such Notes. The remainder of this discussion assumes that the Notes will not be treated as contingent payment debt instruments for US federal income tax purposes.

Disposition of a Note. You will generally recognize capital gain or loss on the sale, exchange, redemption, retirement or other taxable disposition of your Notes equal to the difference between the amount you realize on the sale, exchange, redemption, retirement or other taxable disposition, excluding any amounts attributable to accrued but unpaid interest, and your tax basis in your Notes. Your tax basis in your Note generally will be its cost. Capital gain of a noncorporate US holder is generally taxed at preferential rates where the property is held for more than one year. The deductibility of capital losses is subject to limitations.

Information with Respect to Foreign Financial Assets. Certain owners of "specified foreign financial assets" with an aggregate value in excess of US$50,000 (and in some circumstances, a higher threshold) may be required to file an information report with respect to such assets with their US federal income tax returns. "Specified foreign financial assets" include any financial accounts maintained by foreign financial institutions, including those in which Notes may be held, and securities issued by non-US persons, such as the Notes, if they are not held in accounts maintained by financial institutions. Holders are urged to consult their tax advisors regarding the application of this reporting requirement to their ownership of the Notes.

Backup Withholding and Information Reporting. Backup withholding and information reporting requirements may apply to certain payments to US holders of interest on the Notes and to the proceeds of a sale or other disposition of a Note. Backup withholding (currently at a rate of 28%) may be required if you fail (i) to furnish your taxpayer identification number, (ii) to certify that you are not subject to backup withholding or (iii) to otherwise comply with the applicable requirements of the backup withholding rules. Certain US holders (including, among others, corporations) are not currently subject to the backup withholding and information reporting requirements. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules from a payment to a US holder generally may be claimed as a credit against such US holder's US federal income tax liability and any excess may result in a refund, provided that the required information is timely furnished to the Internal Revenue Service.

PLAN OF DISTRIBUTION

Subject to the terms and conditions of a purchase agreement among the Issuer, the Company and the Initial Purchasers, the Issuer has agreed to sell to the Initial Purchasers, and each Initial Purchaser has severally agreed to purchase from the Issuer, the principal amount of Notes indicated in the following table.

Initial Purchasers	Principal Amount of Floating Rate Notes	Principal Amount of Fixed Rate Notes
BNP Paribas Securities Corp.	$100,000,000	$100,000,000
Credit Suisse Securities (USA) LLC	100,000,000	100,000,000
Morgan Stanley & Co. LLC	100,000,000	100,000,000
Mitsubishi UFJ Securities (USA), Inc.	50,000,000	50,000,000
Mizuho Securities USA Inc.	50,000,000	50,000,000
SMBC Nikko Capital Markets Limited	50,000,000	50,000,000
Standard Chartered Bank	50,000,000	50,000,000
Total	$500,000,000	$500,000,000

The obligations of the Initial Purchasers under the purchase agreement, including their agreement to purchase Notes from the Issuer, are several and not joint. The purchase agreement provides that the Initial Purchasers will purchase all the Notes if any of them are purchased.

The Initial Purchasers initially propose to offer and sell the Notes at the respective prices set forth on the cover page of this document. The Initial Purchasers may change such offering prices and any other selling terms at any time without notice. The offering of the Notes by the Initial Purchasers is subject to receipt and acceptance and subject to the Initial Purchasers' right to reject any order in whole or part. The Initial Purchasers may offer and sell Notes through certain of their affiliates.

In the purchase agreement, the Issuer and the Company have agreed to indemnify the several Initial Purchasers, their affiliates, directors, officers, employees and controlling persons against certain liabilities in connection with this offering, including liabilities under the Securities Act, and to contribute to payments that the several Initial Purchasers may be required to make in respect thereof.

The Initial Purchasers expect that delivery of the Notes will be made against payment therefore on the Settlement Date, which will be the fifth business day following the pricing date of the offering (this settlement cycle being referred to as "T+5"). Under Rule 15c6-1 under the Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Notes on the pricing date or the immediately following business day will be required, by virtue of the fact that the Notes initially will settle on a delayed basis, to agree to a delayed settlement cycle at the time of any such trade to prevent a failed settlement and should consult their own advisors.

The Notes and the Guarantees have not been, and will not be, registered under the Securities Act or qualified for sale under the securities laws of any state or any jurisdiction inside or outside the United States. The Initial Purchasers propose to resell the Notes and the Guarantees to qualified institutional buyers in reliance on Rule 144A under the Securities Act and outside the United States to certain non-US persons in reliance on Regulation S under the Securities Act. Each purchaser of the Notes offered hereby in making its purchase will be deemed to have made by its purchase certain acknowledgments, representations, warranties and agreements as set forth under the sections entitled "Notice to Investors" and "Transfer Restrictions".

In connection with sales outside the United States, the Initial Purchasers have agreed that they will not offer, sell or deliver the Notes to, or for the account or benefit of, US persons (i) as a part of the Initial Purchasers' distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering or the date the Notes are originally issued other than in accordance with Regulation S or another exemption from the registration requirements of the Securities Act. The Initial Purchasers will send to each broker or dealer to whom they sell such Notes during such 40-day distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, US persons.

In addition, until the expiration of the 40-day distribution compliance period referred to above, an offer or sale of the Notes within the United States by a broker/dealer, whether or not participating in this offering, may violate the registration requirements of the Securities Act if such sale is made otherwise than in accordance with Rule 144A under the Securities Act or pursuant to another exemption from registration under the Securities Act.

The Notes are a new issue of securities for which there currently is no market. The Issuer intends to make an application for the admission of each series of the Notes to listing on the Official List of the UK Listing Authority and to trading on the London Stock Exchange's Regulated Market, a regulated market. The Initial Purchasers have advised the Issuer that following the completion of this offering, they presently intend to make a market in the Notes. They are not obligated to do so, however, and any market-making activities with respect to the Notes may be discontinued at any time at their sole discretion without notice. In addition, such market-making activity will be subject to the limits imposed by the Securities Act and the Exchange Act. Accordingly, the Issuer cannot give any assurance as to the development of any market or the liquidity of any market for the Notes.

In connection with this offering, the Stabilizing Managers may engage in over-allotment, stabilizing transactions, syndicate covering transactions and penalty bids. Over-allotment involves sales in excess of the offering size, which creates a short position for the Initial Purchasers. Stabilizing transactions involve bids to purchase the Notes in the open market for the purpose of pegging, fixing or maintaining the price of the Notes. Syndicate covering transactions involve purchases of the Notes in the open market after the distribution has been completed in order to cover short positions. Penalty bids permit the Stabilizing Managers to reclaim a selling concession from a broker/dealer when the Notes originally sold by such broker/dealer are purchased in a stabilizing or syndicate covering transaction to cover short positions. Any of these activities may prevent a decline in the market price of such Notes, and may also cause the price of such Notes to be higher than it would otherwise be in the absence of these transactions. The Stabilizing Managers may conduct these transactions in the over-the-counter market or otherwise. If the Stabilizing Managers commence any of these transactions, they may discontinue them at any time.

The Issuer and the Company have each agreed not to, for a period from the date hereof until the date of delivery of the Notes, without the prior written consent of the Initial Purchasers, directly or indirectly, issue, sell, offer to sell, grant any option for the sale of, or otherwise dispose of, any securities similar to the Notes, or any securities convertible into or exchangeable for the Notes or any such similar securities or the Guarantees, except for the Notes sold to the Initial Purchasers pursuant to the purchase agreement.

The Initial Purchasers and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Certain of the Initial Purchasers and their respective affiliates have provided, and may in the future provide, a variety of these services to the Issuer and the Company and to persons and entities with relationships with the Issuer and the Company, for which they received or will receive customary fees expenses. In particular, affiliates of certain of the Initial Purchasers are lenders under certain of our existing credit facilities, and proceeds from the sale of the Notes may be used to service or repay these facilities.

In the ordinary course of their various business activities, the Initial Purchasers and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments, including serving as counterparties to certain derivatives and hedging instruments, and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the Issuer or the Company (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Issuer or the Company. Certain of the Initial Purchasers or their affiliates that have a lending relationship with the Issuer or the Company routinely hedge their credit exposure to the Issuer or the Company consistent with their customary risk management policies. Typically, such Initial Purchasers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the securities of the Issuer or the Company, including potentially the Notes offered hereby. Any such credit default swaps or short positions could adversely affect future trading prices of the Notes offered hereby. The Initial Purchasers and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

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In connection with the offering, the Initial Purchasers are not acting for anyone other than the Issuer and will not be responsible to anyone other than the Issuer for providing the protections afforded to their clients nor for providing advice in relation to the offering.

Each Initial Purchaser has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (“FSMA”) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the Company; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything in relation to the Notes in, from or otherwise involving the United Kingdom.

The Notes may not be offered or sold by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), or (ii) to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a “prospectus” within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), and no advertisement, invitation or document relating to the Notes may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

This document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the SFA, (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 by a relevant person which is: (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries’ rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the Notes under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA; (2) where no consideration is given for the transfer; or (3) by operation of law.

The securities offered hereby have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1998 as amended, the “FIEL”) and each Initial Purchaser has agreed that it will not offer or sell any securities, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEL and any other applicable laws, regulations and ministerial guidelines of Japan. As used in this paragraph, resident of Japan means any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

TRANSFER RESTRICTIONS

The Notes and the Guarantees have not been registered under the Securities Act or any other applicable securities laws, and may not be offered, sold or delivered in the United States or to, or for the account or benefit of, any US person, except pursuant to an effective registration statement or in a transaction not subject to the registration requirements of the Securities Act or in accordance with an applicable exemption from the registration requirements and those other laws. Accordingly, the Notes and the Guarantees are being offered and sold only (i) to qualified institutional buyers in a private sale exempt from the registration requirements of the Securities Act pursuant to Rule 144A and any other applicable securities laws and (ii) outside the United States to non-US persons in compliance with Regulation S.

Each purchase of Notes is subject to restrictions on transfer as summarized below. By purchasing Notes, each purchaser will be deemed to have made the following acknowledgements, representations to and agreements with us and the Initial Purchasers:

(1) The purchaser understands and acknowledges that:
   - each of the Notes and the Guarantees have not been registered under the Securities Act or any other securities laws and are being offered for resale in transactions that do not require registration under the Securities Act or any other securities laws; and
   - unless so registered, the Notes and the Guarantees may not be offered, sold or otherwise transferred except under an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or any other applicable securities laws, and in each case in compliance with the conditions for transfer set forth in paragraph (3) below.

(2) The purchaser represents that it is not an affiliate (as defined in Rule 144 under the Securities Act) of the Company or the Issuer, that the purchaser is not acting on behalf of such persons and that either:
   - the purchaser is a qualified institutional buyer (as defined in Rule 144A), is aware that the sale to it is being made in reliance on Rule 144A and is purchasing Notes for its own account or for the account of another qualified institutional buyer; or
   - the purchaser is not a US person (as defined in Regulation S under the Securities Act) or is acquiring the Notes for its own account or as a fiduciary or agent for others in a transaction outside the United States pursuant to Regulation S.

(3) The purchaser represents that it is purchasing Notes for its own account, or for one or more investor accounts for which it is acting as a fiduciary or agent, in each case not with a view to, or for offer or sale in connection with, any distribution of the Notes in violation of the Securities Act, subject to any requirement of law that the disposition of its property or the property of that investor account or accounts be at all times within its or their control and subject to its or their ability to resell the Notes pursuant to Rule 144A or any other available exemption from registration under the Securities Act. The purchaser agrees on its own behalf and on behalf of any investor account for which it is purchasing Notes, and each subsequent holder of the Notes by its acceptance of the Notes will agree, that until the end of the Resale Restriction Period (as defined below), the Notes may be offered, sold or otherwise transferred only: (a) to us; (b) under a registration statement that has been declared or has become effective under the Securities Act; (c) for so long as the Notes are eligible for resale under Rule 144A, to a person the seller reasonably believes is a qualified institutional buyer that is purchasing for its own account or for the account of another qualified institutional buyer and to whom notice is given that the transfer is being made in reliance on Rule 144A; (d) through offers and sales that occur outside the United States within the meaning of Regulation S under the Securities Act; (e) to an institutional accredited investor (within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act) that is purchasing for its own account or for the account of another institutional accredited investor, in each case in a minimum principal amount of Notes of US$250,000; or (f) under any other available exemption from the registration requirements of the Securities Act; in each case in compliance with any applicable state securities laws; subject in each of the above cases to any requirement of law that the disposition of the seller's property or the property of an investor account or accounts be at all times within the seller's or account's control.

   The purchaser also acknowledges that:

   - the above restrictions on resale will apply from the closing date until the date after which such Notes may be freely transferred pursuant to Rule 144 under the Securities Act (in the case of the Notes sold pursuant to Rule 144A) or 40 days (in the case of the Notes sold pursuant to Regulation S) after the later of the closing date and the last date that we or any of our affiliates were the owner of the Notes or

any predecessor of the Notes (the "Resale Restriction Period"), and will not apply after the applicable Resale Restriction Period ends;

- if a holder of Notes proposes to resell or transfer Notes under clause (e) above before the applicable Resale Restriction Period ends, the seller must deliver to us and the Trustee a letter from the purchaser in the form set forth in the indenture which must provide, among other things, that the purchaser is an institutional accredited investor that is acquiring the Notes not for distribution in violation of the Securities Act;
- we and the Trustee reserve the right to require in connection with any offer, sale or other transfer of Notes under clauses (d), (e) and (f) above the delivery of an opinion of counsel, certifications and/or other information satisfactory to us and the Trustee; and
- each Note being sold pursuant to Rule 144A will contain a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION. THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, ONLY (A) TO THE ISSUER, (B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BECOME OR BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ANOTHER QUALIFIED INSTITUTIONAL BUYER AND TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT, (E) TO AN INSTITUTIONAL "ACCREDITED INVESTOR" WITHIN THE MEANING OF RULE 501(a)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT THAT IS ACQUIRING THE SECURITY FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ANOTHER INSTITUTIONAL ACCREDITED INVESTOR, IN EACH CASE IN A MINIMUM PRINCIPAL AMOUNT OF THE SECURITIES OF US$250,000, FOR INVESTMENT PURPOSES AND NOT WITH A VIEW TO OR FOR OFFER OR SALE IN CONNECTION WITH ANY DISTRIBUTION IN VIOLATION OF THE SECURITIES ACT, (F) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE) OR (G) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT TO THE ISSUER's AND THE TRUSTEE's RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSES (D), (E), (F) OR (G) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/ OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM. THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE.

- each Note being sold pursuant to Regulation S will contain a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION, AND MAY NOT BE OFFERED, SOLD OR DELIVERED IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY US PERSON, UNLESS SUCH NOTES ARE REGISTERED UNDER THE SECURITIES ACT OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS THEREOF IS AVAILABLE. THIS LEGEND WILL BE REMOVED AFTER THE EXPIRATION OF FORTY DAYS FROM THE LATER OF (i) THE DATE ON WHICH THESE NOTES WERE FIRST OFFERED AND (ii) THE DATE OF ISSUE OF THESE NOTES.

(4) The purchaser has received a copy of the offering memorandum relating to the offering of the Notes and the Guarantees and acknowledges that (a) neither we nor the Initial Purchasers or any person representing us or

the Initial Purchasers have made any representation to it with respect to us or the offering and the sale of the Notes and the Guarantees other than the information contained in and incorporated by reference into this document and (b) it has had access to such financial and other information and has been offered the opportunity to ask questions of us and received answers thereto, as it deemed necessary in connection with the decision to purchase Notes.

(5) The purchaser understands that we, the Company, the Initial Purchasers and others will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements and agrees that if any of the representations and acknowledgements deemed to have been made by it by its purchase of the Notes are no longer accurate, the purchaser shall promptly notify us and the Initial Purchasers. If the purchaser is acquiring the Notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such account and it has full power to make the foregoing representations, acknowledgements and agreements on behalf of such account.

(6) The purchaser: (a) is able to fend for itself in the transactions contemplated by this document; (b) has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its prospective investment in the Notes; and (c) has the ability to bear the economic risks of its prospective investment and can afford the complete loss of such investment.

(7) By acceptance of a Note, each purchaser and subsequent transferee will be deemed to have represented and warranted that either (a) no portion of the assets used by such purchaser or transferee to acquire or hold the Notes constitutes assets of any employee benefit plan that is subject to Title I of the United States Employee Retirement Income Security Act of 1974, as amended (“ERISA”), a plan, individual retirement account or other arrangement that is subject to Section 4975 of the United States Internal Revenue Code of 1986, as amended (the “Code”) or provision under any federal, state, local, non-US or other laws, rules or regulations that are similar to such provisions or ERISA or the Code (collectively, “Similar Laws”) or entity whose underlying assets are considered to include “plan assets” of any such plan, account or arrangement or (b) the purchase and holding of the Notes will not constitute a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a violation under any applicable Similar Laws.

LEGAL MATTERS

Certain legal matters in connection with this offering will be passed upon for us by Shearman & Sterling (London) LLP, as to matters of United States federal, New York State law and English law. Certain legal matters in connection with this offering will be passed upon for the Initial Purchasers by Davis Polk & Wardwell London LLP, as to matters of United States federal and New York State law.

INDEPENDENT AUDITORS

The consolidated financial statements of the Group as at and for the year ended December 31, 2013, for the year ended December 31, 2012 and for the year ended December 31, 2011, prepared in accordance with IFRS as adopted by the European Union have been audited by Deloitte LLP, independent auditors and current member of the Institute of Chartered Accountants of England & Wales, as stated in their reports incorporated by reference herein.

The auditor's reports, in accordance with guidance issued by The Institute of Chartered Accountants in England and Wales, include the following limitations: "This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed."

DESCRIPTION OF ANGLO AMERICAN CAPITAL PLC

INCORPORATION, REGISTERED OFFICE AND PURPOSE

Anglo American Capital, a wholly owned subsidiary of Anglo American, was incorporated and registered in England and Wales under the registered number 04658814 on February 6, 2003 and operates under the Companies Act 2006 as a public limited company. Its registered office is at 20 Carlton House Terrace, London SW1Y 5AN. Anglo American Capital was formed as a special purpose company solely for the purposes of issuing debt securities and has no subsidiaries.

Anglo American Capital's authorized share capital is £50,000 and US$1,000,000,000 divided into 50,000 3% cumulative preference shares of £1.00 each and 1,000,000,000 ordinary shares of US$1.00 each, of which 50,000 cumulative preference shares and 1,200 ordinary shares are in issue and fully paid up. All of Anglo American Capital's issued shares are beneficially owned by Anglo American.

BOARD OF DIRECTORS

The Directors of Anglo American Capital and their functions and principal directorships outside Anglo American Capital are as follows:

Name	Title	Principal directorships outside Anglo American Capital
Andrew Hodges	Secretary and Director	None
Nicholas Jordan	Secretary and Director	None
Douglas Smailes	Director	None
Keith Tucker	Director	None
René Médori	Director	Director of Petrofac Limited and Anglo American Platinum Limited

The business address of each of the above is 20 Carlton House Terrace, London SW1Y 5AN and the telephone number of Anglo American Capital's registered office is: +44 (0) 20 7968 8888.

No potential conflicts of interest exist between the Directors' duties to Anglo American Capital and their private interests or other duties.

FINANCIAL STATEMENTS

Deloitte audited Anglo American Capital's accounts in accordance with generally accepted auditing standards in the United Kingdom for the period from February 6, 2003 (Anglo American Capital's date of incorporation) to December 31, 2004 and in accordance with International Standards on Auditing (UK and Ireland) from December 31, 2005 to December 31, 2013. Audit reports issued by Deloitte on these financial statements were without qualification.

GENERAL INFORMATION

1. Authorization

The issue of the Notes, or, in the case of the Company, the giving of the guarantee, has been duly authorized by the resolutions of the Board of Directors of Anglo American plc dated February 11, 2014 and of the Board of Directors of Anglo American Capital plc dated April 2, 2014.

2. Listing

Application has been made to the UK Listing Authority for the Notes to be admitted to the Official List and to the London Stock Exchange for the Notes to be admitted to trading on the London Stock Exchange's Regulated Market and is expected to be effective as of April 15, 2014, subject only to the issuance of the Global Notes. The listing of the Notes on the Official List will be expressed as a percentage of their nominal amount (exclusive of accrued interest). Prior to official listing and admission to trading, however, dealings will be permitted by the London Stock Exchange in accordance with its rules. Transactions will normally be effected for delivery on the third working date after the day of the transaction.

The Issuer's and the Company's out-of-pocket expenses in relation to the admission to trading of the Notes on the London Stock Exchange's Regulated Market are expected to amount to £ .

3. Clearing Reference Numbers

The Notes have been accepted for clearance through DTC's book-entry settlement system. The CUSIP and ISIN numbers for the Notes are as follows:

Floating Rate Notes distributed pursuant to Rule 144A: CUSIP 034863AL4, ISIN US034863AL42

Fixed Rate Notes distributed pursuant to Rule 144A: CUSIP 03486AM2, ISIN US034863AM25

Floating Rate Notes distributed pursuant to Regulation S: CUSIP G0446NAF1, ISIN USG0446NAF18

Fixed Rate Notes distributed pursuant to Regulation S: CUSIP G0446NAG9, ISIN USG0446NAG90

The address of DTC is The Depository Trust Company, 55 Water Street, New York, NY 10041-0099, USA.

4. Financial and Trading Position and Prospects

There has been no significant change in the financial or trading position of the Group since December 31, 2013 being the date of its last published audited financial statements.

There has been no significant change in the financial or trading position of the Issuer since December 31, 2013 being the date of its last published audited financial statements.

There has been no material adverse change in the prospects of the Group since December 31, 2013 being the date of its last published audited financial statements.

There has been no material adverse change in the prospects of the Issuer since December 31, 2013 being the date of its last published audited financial statements.

5. Litigation

Anglo American South Africa ("AASA"), a wholly owned subsidiary of the Company, is a defendant in a number of lawsuits filed in England and South Africa on behalf of former mineworkers (or their dependents or survivors) who allegedly contracted silicosis working for gold mining companies in which AASA was a shareholder and to which AASA provided various technical and administrative services.

In England: AASA is a defendant in five lawsuits filed in the High Court in London on behalf of approximately 6,000 named former mineworkers or their dependents. One of the lawsuits is also a "representative claim" on behalf of all black underground miners in "Anglo gold mines" who have been certified as suffering from silicosis and related diseases.

In South Africa: (i) AASA is a defendant in approximately 100 separate lawsuits filed in the North Gauteng High Court (Pretoria) which have been referred to arbitration and amounts in total to approximately US$15 million.

(ii) AASA is named as one of 32 defendants in a consolidated class certification application filed in South Africa. (iii) On September 19, 2013, AASA concluded a settlement agreement in terms of which 23 claims (filed in South Africa between 2004 and 2009) were settled, without admission of liability by AASA. The terms of the agreement and the settlement amount (which is not material to AASA) are confidential. (iv) AASA is a defendant in a lawsuit filed in the North Gauteng High Court (Pretoria) on March 13, 2014. The summons in this lawsuit lists approximately 2,500 claimants of whom approximately: (a) 100 are claimants who have discontinued their original claims which were instituted in England and whose South African claims amount in total to approximately US$10 million; and (b) 2,400 are claimants who have also instituted claims in England but have not discontinued their original claims. We have been advised that these "duplicate" claims, which amount in total to approximately US$380 million, were instituted in South Africa to protect the claimants' rights from prescribing pending the final outcome of AASA's application to contest the jurisdiction of the English courts to hear the claims filed against it in that jurisdiction.

The aggregate amount of the individual South African claims is approximately US$405 million (excluding claims for interests and costs) if the duplicate claims are included; and US$25 million (excluding claims for interests and costs) if the duplicate claims are excluded. No specific amount of damages has been specified in the claims filed in England or in the consolidated class certification application filed in South Africa.

AASA successfully contested the jurisdiction of the English courts to hear the claims filed against it in that jurisdiction. That ruling has been appealed. AASA is defending the separate lawsuits filed in South Africa and will oppose the application for consolidated class certification in South Africa.

Other than as disclosed in the preceding three paragraphs and under "Business Description—Iron Ore and Manganese—SIOC Iron Ore Supply Agreement" and "Business Description—Iron Ore and Manganese—Mining Right Dispute" on page 45, "Business Description—Copper—Disposal of Interests in AA Sur and Settlement with Codelco" on page 50, "Business Description—Platinum" on page 53 and "Business Description—Diamonds—Other Information" on page 57 there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer or the Company is aware) during the 12 months prior to the date of this document, which may have or have had a significant effect on the financial position or profitability of the Issuer or the Company or the Group.

6. Nature of Financial Information and Auditors

The auditors have made reports under Chapter 3 of Part 16 of the Companies Act 2006 on the statutory accounts of the Company and the Issuer for the years ended December 31, 2012 and 2013 (each incorporated by reference in this document), which were unqualified and did not contain any statement as is described in Sections 498 (2) or (3) of the Companies Act 2006. Any financial information included in this document (other than the statutory accounts incorporated by reference in this document) do not constitute the statutory accounts of the Company or the Issuer within the meaning of Section 435 (1) and (2) of the Companies Act 2006 for any period presented. Statutory accounts of the Company and the Issuer have been delivered to the Registrar of Companies in England and Wales for the year ended December 31, 2013 in accordance with, and as required by, UK law.

The auditors of the Company and the Issuer are Deloitte of 2 New Street Square, London EC4A 3BZ, who are Chartered Accountants and Registered Auditors with the Institute of Chartered Accountants in England and Wales and regulated by the Audit Inspection Unit of the Professional Oversight Board of the Financial Reporting Council in the United Kingdom, whose address is Eighth Floor, 1 Canada Square, Canary Wharf, London E14 5AG.

The auditors of the Issuer and the Company have no interest in the Issuer or the Company.

7. Yield

The projected yield of the Fixed Rate Notes will be 4.188%. Such projection has been calculated on the basis of the offering prices as at the date of this document and is not an indication of actual future returns for investors.

8. Interests of Natural and Legal Persons involved in the Issue

Save for any fees payable to the Initial Purchasers, so far as the Company and the Issuer are aware, no person involved in the issue of the Notes has an interest material to the offer.

9. Documents on display

For the period of 12 months following the date of this document, copies of the following documents will be available for inspection during normal office hours (local time) on any weekday (Saturdays, Sundays and public holidays excluded) at the registered office of the Company and the Issuer:

(a) this document;

(b) the Memorandum and Articles of Association of Anglo American plc and Anglo American Capital plc;

(c) the Group 2012 Financial Statements, the Group 2013 Financial Statements, the Issuer 2012 Financial Statements and the Issuer 2013 Financial Statements;

(d) the Indenture; and

(e) the Calculation Agency Agreement.

DEFINED TERMS

Defined Term	Definition
“AA Sur”	Anglo American Sur SA
“AAS”	Anglo American Services (UK) Ltd.
“AASA”	Anglo American South Africa Limited (previously Anglo American Corporation of South Africa Limited)
“ArcelorMittal S.A.”	ArcelorMittal South Africa Limited
“Amapá”	Anglo Ferrous Amapá Mineração ltda
“Anglo American”, “Company”	Anglo American plc
“Anglo American Capital”, “Issuer”	Anglo American Capital plc
“Anglo American Group”, “Group”, “us”, “we” and “our”	Anglo American, together with its subsidiaries, joint ventures and associates
“Anglo American Platinum”	Anglo American Platinum Limited (previously Anglo Platinum Limited)
“AngloGold Ashanti”	AngloGold Ashanti Limited
“Annual Report”	Annual report of the Company for the year ended December 31, 2013
“AO”	The Group’s Asset Optimization Program
“AOSC”	Asset Optimization and Supply Chain
“ArcelorMittal”, “ArcelorMittal S.A. ”	ArcelorMittal South Africa Limited
“Atlatsa”	Atlatsa Resources Corporation (previously Anooraq Resources Corporation, “Anooraq”)
“Australian dollar”, “AUD”	The lawful currency of Australia
“BBBEE”	Broad-Based Black Economic Empowerment
“BBBEE Act”	The South African Broad-Based Black Economic Empowerment Act, 2003
“BEE”	Black Economic Empowerment
“Board”	The Board of Directors of Anglo American
“Black Mountain”	Black Mountain Mining (Proprietary) Limited
“Brazilian real”, “BRL”	The lawful currency of Brazil
“British pound”, “GBP”	The lawful currency of the United Kingdom
“BRPM”	Bafokeng-Rasimone platinum mine
“Calculation Agent”	Citibank, N.A., London Branch
“CC”	The UK Competition Commission
“Cerrejón”	Carbones del Cerrejón Limited, Cerrejón Zona Norte S.A., and CMC - Coal Marketing Company Limited
“Charter”	The Broad-Based Socio-Economic Empowerment Charter for the South African Mining Industry
“Chilean peso”, “CLP”	The lawful currency of Chile
“CHL”	CHL Holdings Limited
“CHL Group”	CHL and CIL, taken together
“CIL”	Centhold International Limited
“Cliffs”	Cliffs Natural Resources, Inc.
“Codelco”	Corporación Nacional del Cobre de Chile
“CorpCo”	Corporate sub- committee
“c/lb”	US cents per pound
“DBCM”	De Beers Consolidated Mines Limited
“DBUK”	De Beers UK Limited
“De Beers”	DB Investments SA and De Beers S.A. together with its subsidiaries, joint ventures and associated companies
“Deloitte”	Deloitte LLP
“Diamond Trading”	De Beers Global Sightholder Sales
“Directive on Markets in Financial Instruments”	Directive 2004/39/EC
“DMR”	South African Department of Mineral Reserves
“DTC”	The Depository Trust Company
“Enami”	Empresa Nacional de Minería

"Epoch 2"	Epoch Two Investment Holdings Limited
"EPS"	Earnings per share
"erpo"	The equivalent refined platinum ounce in respect of Platinum's own mines plus its share of joint ventures
"Eskom"	Eskom Holdings Limited (the South African electrical utility operator)
"ESOS"	Executive Share Option Scheme
"EU IFRS"	International Financial Reporting Standards as adopted for use by the European Union
"Euro", "EUR"	The lawful common currency of the EU member states who have adopted the Euro as their sole national currency
"Exchange Act"	The United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder
"ExCo"	The Executive Committee of the Board of Directors of Anglo American plc
"Exxaro"	Exxaro Resources Limited (previously Kumba Resources Limited)
"FIEL"	Financial Exchange Law of Japan (Law No. 25 of 1998, as amended)
"Fixed Rate Notes"	4.125% Senior Notes due 2021
"Floating Rate Notes"	Senior Floating Rate Notes due 2016
"FSMA"	The Financial Services and Markets Act 2000
"GEMCO"	Groote Eylandt Mining Company (Proprietary) Limited
"GMC"	Group Management Committee
"GRB"	The Government of the Republic of Botswana
"GRN"	The Government of the Republic of Namibia
"Group 2011 Financial Statements"	The audited consolidated financial statements of the Anglo American Group and notes prepared in accordance with EU IFRS and Company financial statements prepared in accordance with UK GAAP, together with the related independent auditor's audit report, as at and for the year ended December 31, 2011, together with the other materials referenced in section (c) on page [29] hereof
"Group 2012 Financial Statements"	The audited consolidated financial statements of the Anglo American Group and notes prepared in accordance with EU IFRS and Company financial statements prepared in accordance with UK GAAP, together with the related independent auditor's audit report, as at and for the year ended December 31, 2012, together with the other materials referenced in section (b) on page [29] hereof
"Group 2013 Financial Statements"	The audited consolidated financial statements of the Anglo American Group and notes prepared in accordance with EU IFRS and Company financial statements prepared in accordance with UK GAAP, together with the related independent auditor's audit report, as at and for the year ended December 31, 2013, together with the other materials referenced in section (a) on page [29] hereof
"HDSAs"	Historically Disadvantaged South Africans
"Hulamin"	Hulamin Limited
"IAS 19R"	International Accounting Standard 19 (revised) Employee Benefits
"ICT"	Imperial Crown Trading 289 (Proprietary) Ltd
"IDC"	Industrial Development Corporation of South Africa

"IFRIC 20"	IFRS Interpretations Committee Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine
"IFRS 11"	International Financial Reporting Standard 11 Joint Arrangements
"Indenture"	The Indenture, dated April 8, 2009, as supplemented by the first supplemental indenture dated April 2, 2012, under which the Notes will be issued, among the Issuer, Anglo American and Citibank, N.A.
"Initial Purchasers"	BNP Paribas Securities Corp., Credit Suisse Securities (USA) LLC, Morgan Stanley & Co. LLC, Mitsubishi UFJ Securities (USA), Inc., Mizuho Securities USA Inc., SMBC Nikko Capital Markets Limited and Standard Chartered Bank
"Iron Ore Brazil"	The business unit containing the Minas-Rio Project
"Iron Ore Supply Agreement"	SIOC Iron Ore Supply Agreement regulating the sale and purchase of iron ore between ArcelorMittal South Africa and SIOC.
"Issuer 2011 Financial Statements"	The audited financial statements of Anglo American Capital and notes thereto prepared in accordance with UK GAAP, together with the related independent auditor's audit report, as at and for the year ended December 31, 2011
"Issuer 2012 Financial Statements"	The audited financial statements of Anglo American Capital and notes thereto prepared in accordance with UK GAAP, together with the related independent auditor's audit report, as at and for the year ended December 31, 2012
"Issuer 2013 Financial Statements"	The audited financial statements of Anglo American Capital and notes thereto prepared in accordance with UK GAAP, together with the related independent auditors audit report, as at and for the year ended December 31, 2013
"InvestCo"	Investment sub-committee
"JORC Code"	The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2004 edition
"kt"	Denotes kilotonnes
"ktpa"	Denotes kilotonnes per annum
"Kumba"	Kumba Iron Ore Limited
"Kumba Resources"	Kumba Resources Limited (which has changed its name to Exxaro Resources Limited)
"Lafarge"	Lafarge SA
"Lafarge UK"	Lafarge Cement UK, Lafarge Aggregates and Concrete UK
"lb"	Denotes pounds
"LLX Minas-Rio"	LLX Minas-Rio Logística Comercial Exportadora SA (previously LLX Minas-Rio Logística SA)
"MIBAM"	The Venezuelan Ministry of Basic Industries and Mining
"Minas-Rio"	Anglo American Minério de Ferro Brasil SA (previously Anglo Ferrous Minas-Rio Mineração SA)
"Minas-Rio Project"	Anglo American Minério de Ferro Brasil SA together with LLX Minas-Rio Logistíca Comercial Exportadora SA
"Minorco"	Minorco Société Anonyme, a Luxembourg based company
"Mitsui"	Mitsui & Co. Ltd
"Mitsubishi"	Mitsubishi Corporation
"MLdN"	Minera Loma de Níquel

“Mondi”	Mondi Group
“MPRDA”	The South African Mineral and Petroleum Resources Development Act, 2002
“Mt”	Denotes million tonnes
“Mtpa”	Denotes million tonnes per annum
“Mvela”	Mvelaphanda Resources Limited
“NEMA”	The National Environment Management Act
“Niobium”	Anglo American Nióbio Brasil Limitada (previously Mineração Catalão de Goiás Limitada, “Catalão”)
“Notes”	The Fixed Rate Notes together with the Floating Rate Notes
“Official List”	The official list of the UK Listing Authority
“old order” mining or prospecting rights”	Prospecting, mining and mineral rights formerly regulated under the South African Minerals Act 50 of 1991 of the RSA and South African common law
“OMI”	Other Mining and Industrial business segment
“OpCo”	Operational sub-committee
“oz”	Denotes ounces
“Palabora”	Palabora Mining Company Limited
“PCI”	Pulverized coal injection
“Peace River Coal”	Peace River Coal Partnership
“PGI”	Platinum Guild International
“PGMs”	Platinum group metals
“Phosphates”	Anglo American Fosfatos Brasil Limitada (previously Copebrás Limitada, “Copebrás”)
“RB Plat”	Royal Bakofeng Platinum Limited
“ROM”	Run of mine
“Royalty Act”	The Mineral and Petroleum Resources Royalty Act
“RMX”	Ready mix concrete
“RSA”, “South Africa”	The Republic of South Africa
“SAYE”	The Company’s Save As You Earn scheme
“SCA”	Supreme Court of Appeal
“SIP”	The Company’s Share Incentive Plan
“S&SD”	Safety and Sustainable Development
“S&SD Committee”	The Safety & Sustainable Development Committee of the Board of Directors of Anglo American plc
“Samancor”	Samancor Holdings (Proprietary) Limited together with Groote Eylandt Mining Company (Proprietary) Limited and Tasmanian Electro Metallurgical Company (Proprietary) Limited
“SAMREC Code”	The South African Code for Reporting of Exploration Results, Mineral Resources and Mineral Reserves
“SARB”	South African Reserve Bank
“Scaw Metals”	Scaw South Africa (Proprietary) Limited together with, in respect of periods prior to 2011, the Scaw Metals International business
“Scaw SA”	Scaw South Africa (Proprietary) Limited
“SEC”	The United States Securities and Exchange Commission
“Securities Act”	The US Securities Act of 1933, as amended
“Shares”	Ordinary shares of Anglo American plc
“SIOC”	Sishen Iron Ore Company (Proprietary) Limited
“South African rand”, “ZAR”	The lawful currency of the Republic of South Africa
“SWEP”	Sishen Western Expansion Project
“Tarl”	Tarl Investment Holdings Limited
“Tarmac”	The group of aggregates and building products companies operating, under the Tarmac brand in the UK, Middle East and prior to their disposals in 2011, Europe and China
“Tongaat Hulett”	Tongaat Hulett Limited

"tonnes"	Denotes metric tonnes (1,000 kilograms)
"tpa"	Denotes tonnes per annum
"Trust"	The Group's Employee Share Ownership Trust
"Trustee"	Citibank, N.A.
"Trust Indenture Act"	The US Trust Indenture Act of 1939, as amended
"TSR"	Total shareholder return
"UK GAAP"	Generally Accepted Accounting Principles in the United Kingdom
"UK Listing Authority"	The Financial Conduct Authority in its capacity as competent authority pursuant to Part VI of the FSMA
"UOP"	Unit of production
"US GAAP"	Generally Accepted Accounting Principles in the United States
"US$", "US dollar"	The lawful currency of the United States of America
"Zamin"	Zamin Ferrous Ltd

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this document. You must not rely on any unauthorized information or representations. This document constitutes a prospectus that has been prepared solely for the purpose of Admission of the Notes and does not constitute an offer for sale of Notes. The information contained in this document is current only as of its date.

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US$1,000,000,000

Anglo American Capital plc

US$500,000,000 Senior Floating Rate Notes due 2016

US$500,000,000 4.125% Senior Notes due 2021

Guaranteed by Anglo American plc

Joint Bookrunners

BNP PARIBAS

Credit Suisse

Morgan Stanley

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