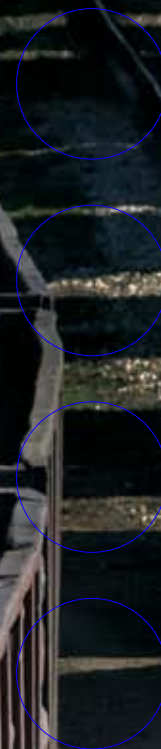


ANGLO COAL

REPORT TO SOCIETY 2007

# Towards sustainable coal





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# Scope of this report

*The purpose of this annual Anglo Coal Global Report to Society is to provide our stakeholders with a summary of our safety and sustainable development performance during 2007. The report identifies the main challenges and opportunities that Anglo Coal faces. It also highlights the issues which are material to our business and stakeholders, and our efforts and progress made in addressing these issues.*

The report summarises the performance of our managed operations for the period 1 January 2007 to 31 December 2007, and also presents Anglo Coal's strategic outlook governing sustainable development activities. Performance data for Trend mine in Canada, acquired at the end of 2006, is not included in this report as company structures are not yet complete. Trend mine's performance will be included in our 2008 Report to Society. Limited coverage of Anglo Coal's non-managed operations in South America is included, as is Anglo Coal's exploration and development work in China and North America.

As this is a global report, it is recommended that it be read in conjunction with the two supporting regional reports from South Africa and Australia. The Anglo Coal South Africa Report to Society 2007 and the Anglo Coal Australia Report to Society 2007, as well as the Anglo American Report to Society 2007, are all available online at [www.angloamerican.co.uk/cr/publications](http://www.angloamerican.co.uk/cr/publications).

## **GRI self declaration**

In our own assessment we have achieved a B+ level of compliance with the Global Reporting Initiative (GRI) 2006 Sustainability Reporting Guidelines, and this has been assured by PricewaterhouseCoopers. We have also referenced relevant indicators from the GRI Mining and Metals Sector Supplement. A GRI content index is provided at the end of this report.

Decisions regarding materiality of issues are based on the company's sustainable development policy and commitments, and our stakeholders' needs and concerns. We also consider the broader socio-economic and sustainability context of the regions in which we operate, and our sphere of influence.

## **Changes in measurement methods and scope boundary**

Since the last report, we have changed the way in which our South African operations interpret the definition for new water for primary use. This ensures that the same definition is used for this parameter across all our regions.

In early 2007, Anglo Coal South Africa announced the formation of Anglo Inyosi Coal (AIC), a broad-based black economic empowerment company in which Anglo Coal has a 73% shareholding. Anglo American approved Zondagsfontein colliery, the first major coal mining project for AIC, in December 2007. This includes the Phola coal processing plant, a 50:50 joint venture between AIC and BHP Billiton Energy Coal SA (BECSA).

This report is assured by PricewaterhouseCoopers who conducted an external review, at selected sites, of certain sustainability performance indicators reflected in this report and in the regional reports. Their assurance statement is provided on page 43.

We invite you to provide us with feedback on the information contained in this report. Contact details for this purpose are included on the inside back cover.



# Anglo Coal at a glance

*Anglo Coal is the world's sixth-largest private sector coal producer and exporter, with operations in Australia, Canada, South Africa and South America. It is wholly-owned by Anglo American plc, which has its primary listing on the London Stock Exchange. In 2007, Anglo Coal contributed 6% (US\$614 million) to the operating profit of Anglo American.*

Approximately 20,900 permanent employees and contractors are employed globally at our managed operations. Thermal, pulverised coal injection (PCI) and metallurgical coal are produced for international export markets, as well as for domestic customers in the countries in which Anglo Coal operates. Our thermal coal is used by power utility customers for electricity generation, while PCI and metallurgical coal are supplied to our customers in the steel-making industry. Anglo Coal also produces coal for the generation of synthetic fuels.

In 2007, Anglo Coal produced 95.6 million tonnes of coal, which is roughly equivalent to 2% of total global coal output.<sup>†</sup>

<sup>†</sup> World Coal Institute Coal Facts. 2007 edition. Based on 2006 data.

## Business development and alliances

Anglo Coal operates coal mining and production facilities in South Africa, Australia and Canada, and conducts project exploration in China. A summary of the growth and developments which occurred in 2007 at our wholly-owned mines and our joint venture projects is presented below.

### South Africa

#### Anglo Inyosi Coal

In early 2007, Anglo Coal South Africa announced the creation of Anglo Inyosi Coal (AIC), a US\$1 billion broad-based black economic empowerment company. Anglo Coal South Africa retains a 73% shareholding in AIC while the remaining 23% is held by Inyosi. Inyosi is a new-generation consortium which has over 85% participation by historically disadvantaged South Africans, 50% of whom are women.

AIC incorporates several Anglo Coal assets, namely Kriel colliery and four project assets: Elders, Zondagsfontein, New Largo and Heidelberg. The US\$505 million Zondagsfontein project was approved at the end of 2007 and construction will commence in early 2008. The Zondagsfontein mine is expected to deliver 6.6 Mtpa from 2010.

#### Mafube

In 2007, the Mafube Phase 2 project progressed well, as evidenced in the commencement of the plant commissioning in mid-December 2007. Mafube will supply thermal coal to local and export markets and it is anticipated that the mine will increase production by 5.4 Mtpa, with the attributable share to Anglo Coal being 2.7 Mtpa.

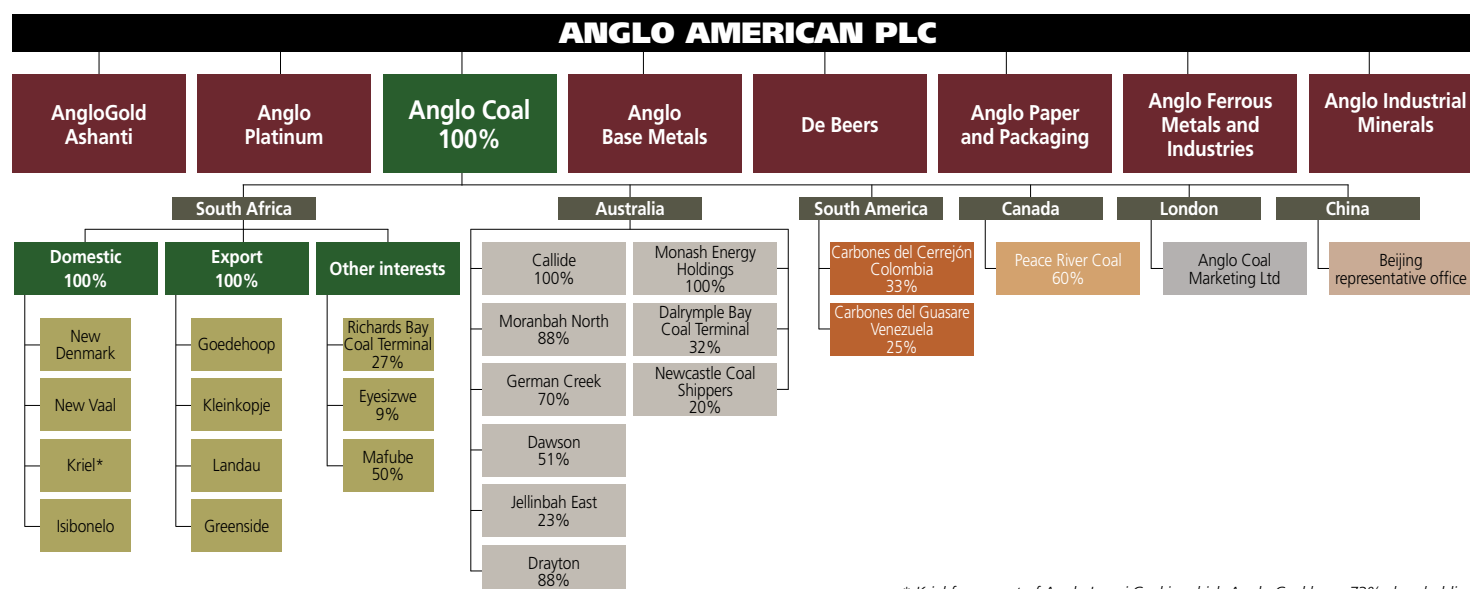
#### Maccaulei West

Construction of Maccaulei West, adjacent to New Vaal colliery, began in 2007. Production has commenced and is expected to be ramped up to 2.7 Mtpa at full production by 2009.

#### Mining licences

In early 2008, it was announced that the government agreed to grant renewed mining licences to all Anglo American's South African mines.

## Company profile



\* Kriel forms part of Anglo Inyosi Coal in which Anglo Coal has a 73% shareholding.

Australia

Dawson

The Dawson project in Central Queensland is expected to be one of the largest coal mining operations in Australia. It is a joint venture between Anglo Coal Australia (51%) and Mitsui Coal Holdings. The project commenced operation during 2007 and is expected to ramp up to full production of 5.7 Mtpa, the attributable share being 2.9 Mtpa, by the end of 2008.

Foxleigh joint venture

Anglo Coal acquired a 70% interest in the Foxleigh coal mine joint venture (JV) in Queensland at the end of 2007. Foxleigh's current JV partners, the Korean steel company POSCO and the Japanese trading and mining investment company Itochu, will hold 20% and 10% interests respectively.

Foxleigh currently produces 2.5 Mtpa of PCI coal for the steelmaking industry. However, it has a production capacity of 3.3 Mtpa, which it is expected to reach following completion of rail and port expansion projects. The Foxleigh mine adjoins Anglo Coal's Capcoal operations and the Lake Lindsay development, offering potential synergies. The mine and surrounding tenements will be the subject of ongoing exploration and feasibility studies.

Lake Lindsay

The Lake Lindsay project, adjacent to our Capcoal operations, will ramp up to full production by the second half of 2008 and will add around 4 Mtpa of metallurgical coal to the operations, extending the mine life to 2027.

Grosvenor

Grosvenor is a metallurgical coal prospect north of the Moranbah township and adjacent to the Moranbah North coal mine. Grosvenor is completing a feasibility study to assess its potential as a new underground longwall operation producing metallurgical coal for the export market from 2012. Grosvenor will share infrastructure with Moranbah North.

Saddler's Creek

Located in the Hunter Valley close to the existing Drayton mine, Saddler's Creek is being evaluated for its potential as a combined open-cut and underground mining operation capable of producing both thermal and semi-soft coking coal.

Canada

Peace River Coal

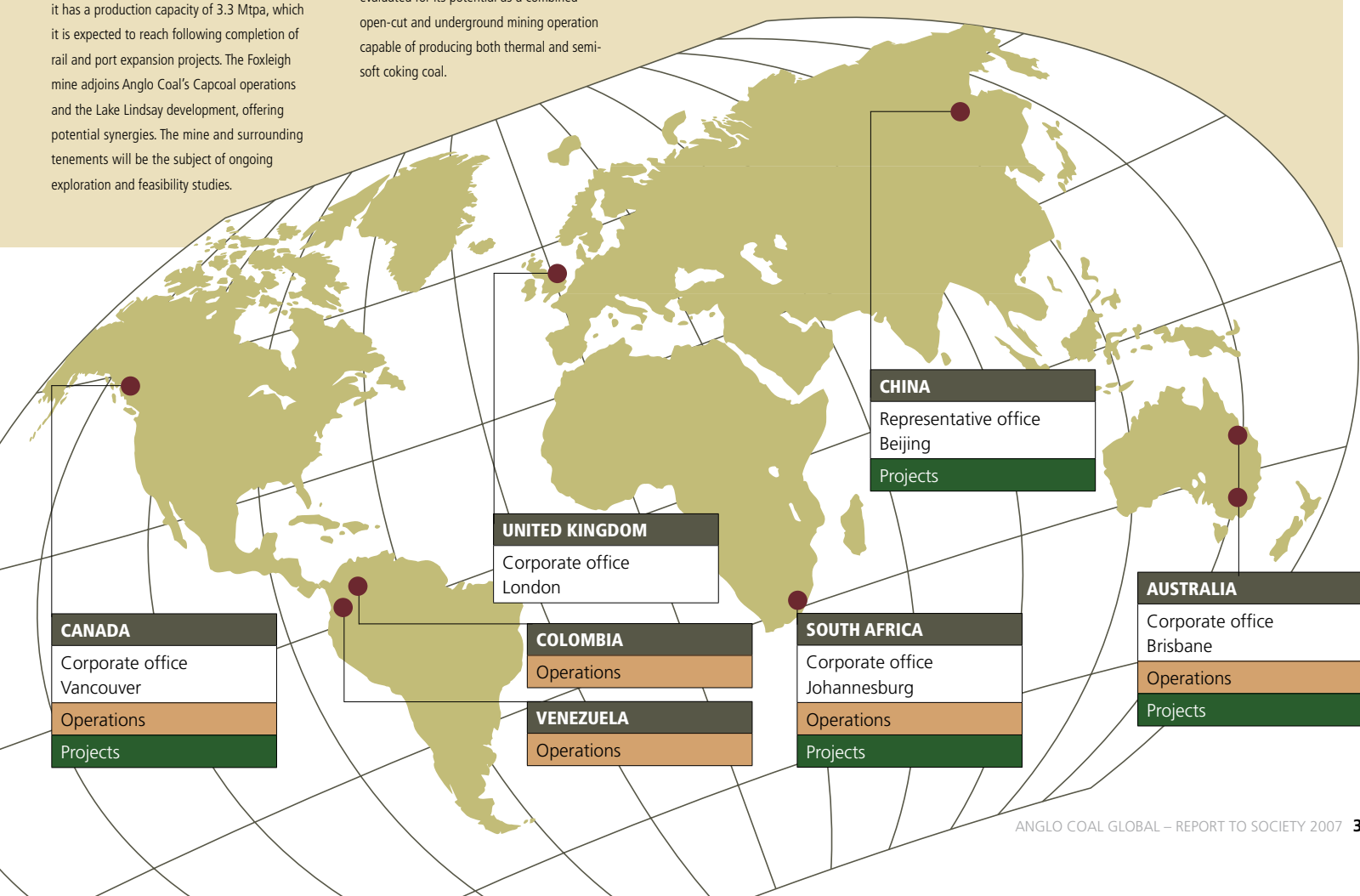
In February 2006, Anglo Coal secured its first stake in the Canadian coal industry by signing a joint venture agreement with Hillsborough Resources Limited, a coal mining company based in British Columbia. The agreement enabled Anglo Coal to become involved in the exploration and potential development of some 11 properties that make up Hillsborough's Five Cabin and ancillary coking coal properties in northeast British Columbia.

Subsequently, Anglo Coal entered into discussions with Northern Energy and Mining Inc, the owners of the operating Trend mine and adjacent coal properties. These negotiations resulted in a new partnership, Peace River Coal LP, in which Anglo Coal holds a 74% interest.

China

Xiwan

During 2007, Anglo Coal progressed activities at the Xiwan property, in which it has a 60% interest. Through a co-operative joint venture with the Shaanxi provincial government, various pre-feasibility studies of the resource and coal conversion options are under way. Located in China's northern Shaanxi province, the resource is a 1.0 billion tonne high-quality thermal coal deposit, of which approximately 600 million tonnes can be mined in an open-cut operation. The Xiwan Chemical Park, to be developed adjacent to the Xiwan lease site, will convert up to 12 Mtpa of coal to create higher-value products such as methanol or derivatives and synthetic fuel or chemical products. First coal production is planned for around 2012.



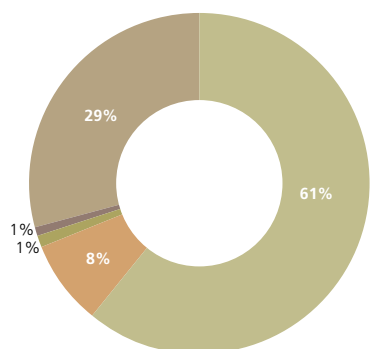




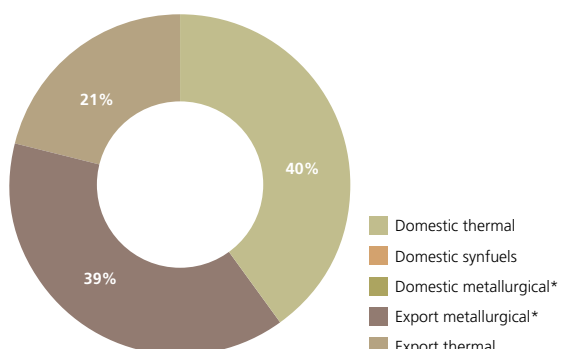
*Coal being loaded at the  
Richards Bay Coal Terminal,  
which is one of the world's  
largest export terminals*

## Production by coal type

### South Africa



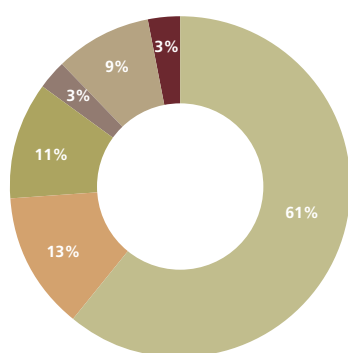
### Australia



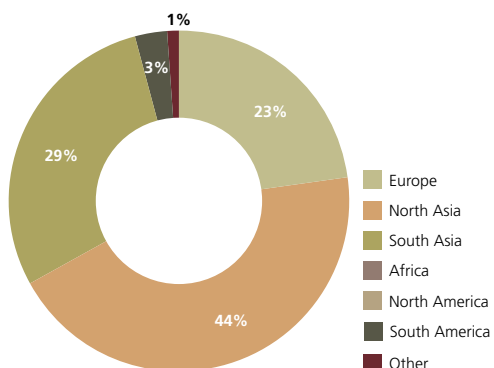
\* PCI coal is included under metallurgical coal

## Export by sales destination

### Export thermal



### Export metallurgical



## Regional production and reserves

	Australia	South Africa	Canada	South America
Attributable production – Mt	25.2	59.2	0	11.3
Attributable coal reserves (saleable) – Mt				
Metallurgical	318	3	7	0
Thermal	315	989	0	105
Synfuels	0	91	0	0
<b>Total</b>	<b>633</b>	<b>1,083</b>	<b>7</b>	<b>105</b>
Attributable coal resources (in-situ) – Mt	1,868	1,764	3	139

### Notes:

Excludes Monash and Waterberg coal bed methane. Brown coal resources: 10.3 Mt.

Resources reported exclusive of reserves.

Resources are within mine leases and projects.

# Leading for sustainability

*Safety is in my mind a leading indicator of overall business performance. It is representative of a rigour, discipline and mindset that are essential if we want to achieve outstanding business performance...*

*...What we do in the field of sustainable development really matters and is embedded in the company's strategy. As a result of our focus on engagement, relationships and on demonstrating very clearly what we stand for, we are being invited by a number of governments to take up projects in their countries.*

**Cynthia Carroll**

*Chief executive, Anglo American*

Anglo American Report to Society 2007

The growth of Anglo Coal's operations has seen it evolve into a global company with managed and joint venture operations on five continents. The regional diversity of our operations presents us with numerous social and environmental challenges particular to each region. Our presence as a multinational coal supplier means we are also concerned with global issues such as climate change, resource depletion and energy security. We regard our ability to respond successfully to these challenges as the ultimate determinant of our success and the key driver of our stewardship approach to sustainability.

## **Safety**

Safety is our first priority, as reflected in our Zero Harm target. Despite our work towards this goal, it is with great regret that we report the deaths of four of our employees in fatal incidents during 2007. We extend our deepest sympathy to the families of these employees.

Every incident is investigated and steps are taken to address the risks and avoid repeat incidents. We believe that the work we are doing to embed a culture of safety will assist us in achieving our vision of Zero Harm to any of our employees. This work includes the implementation of safety management systems, based on the Anglo Safety Way, at all our operations and the rollout of our comprehensive Target Zero Action Plan. We are pleased to report that, during 2007, our lost-time injury frequency rate (LTIFR) improved by 28% and our total recordable case frequency rate (TRCFR) improved by 35%.

## **Environment**

We are proud to say that Anglo Coal is already demonstrating leadership in the environmental arena. The Anglo Coal Australia project at Capcoal is the location of our methane-fired 32 Megawatt capacity electricity generation plant. In South Africa, we have developed the eMalahleni water treatment plant in the Mpumalanga province. The eMalahleni project is a testimony to many years of research and its commissioning in 2007 represented a significant milestone for Anglo Coal.

Both developments can be considered innovative large-scale investments which are leading the way in sustainability practices. We are pleased to report that our efforts are being recognised by our stakeholders and, in 2007, we received numerous awards and commendations for work we have done in this arena. By encouraging innovation, keeping aware of the circumstances around us and being open to new ideas, we continue to push the boundaries and work towards a sustainable future.



## Our people

We continue to strive to become an employer of choice. The strong global expansion of the mining industry has increased the demand for skilled technical and professional people. Anglo Coal faces the same challenges as other resource companies in attracting and retaining the right people. In 2007, we invested heavily in transforming Anglo Coal's workplace culture and focused on the training and development of our employees.

## Social licence to operate

In 2007, we produced 95.6 million tonnes of coal and achieved US\$614 million in operating profit. Such results can only be achieved through collaboration with our host country governments. For example, conditions in South Africa demand that we work closely with the national government and several broad-based black economic empowerment partners. This ensures that all new coal projects are aligned to the principles of transformation of the industry and is a demonstration of our business integrity. Anglo Coal has already played an important role in progressing the empowerment of historically disadvantaged South Africans (HDSAs) in the coal sector through the creation of significant black economic empowerment companies and by facilitating opportunities for the participation of HDSAs.

In other regions in which we operate, particularly South America, we are seeing greater protectionism and nationalisation of resources. In order to preserve the privilege of our social licence to operate in various communities, we will continue to build transparent relationships and trusted partnerships with host governments. Anglo American's Socio-Economic Assessment Toolbox process provides us with a unique tool for engaging with communities and implementing socio-economic development initiatives.

While 2007 has been a year of growth for Anglo Coal, we recognise that the future presents us with many more opportunities for development. Our commitment to socially-responsible stewardship will ensure Anglo Coal realises those opportunities in full measure.

## Climate change

Undoubtedly, one of the most significant challenges facing the world today is climate change. At Anglo Coal we understand that coal is pivotal to global energy supply for the foreseeable future. This presents us with a dual responsibility. Being providers of energy now, as well as in years to come, we are working with industry partners for a future powered by cleaner energy. We recognise that we must provide this energy in a manner consistent with sustainability principles and in the spirit of good corporate citizenship.

We hold the view that clean coal technology, and in particular carbon capture and storage, has the potential to provide a solution – to satisfy growing energy requirements while reducing greenhouse gas emissions from burning fossil fuels. We share a commitment with other companies to develop such solutions through our involvement in international industry initiatives.

We continue to engage our customers and other stakeholders at the research level to identify opportunities for reducing greenhouse gas emissions and improving energy efficiencies. Although we have made some inroads into improving our energy efficiency, we will need to achieve further improvements in order to meet our target of a 15% improvement in energy efficiency by 2014, off a 2004 base year.

*If we are to find solutions for some of the most pressing global challenges – those of climate change, of increasing water shortages and of poverty alleviation – business must take brave, bold steps. The kind of innovation and action we need is most likely to occur when the market sends out strong signals and the regulatory framework is clear.*

*One of the most important requirements for coherent action to mitigate climate change is the establishment of a price for carbon through trading mechanisms. This will drive the commercial development of technologies such as carbon capture and storage. To make real progress, business urgently needs the opportunity to learn from practical demonstration projects.*

**Sir Mark Moody-Stuart**

*Chairman, Anglo American*

Anglo American Report to Society 2007

# Coal stewardship

*We have adopted a stewardship model to identify the process- and product-related sustainable development challenges and opportunities occurring through the coal life cycle. The stewardship approach is a core element of our business strategy and entails minimising or eliminating our negative impacts and maximising the positive contribution we can make.*

We are among the global leaders in coal production and have a responsibility to find solutions to both our own challenges and the issues faced by our customers. For Anglo Coal, sustainability means creating economic wealth, benefiting society and maintaining excellence in all aspects of our performance in the fields of providing safe working conditions, protecting the health and wellbeing of our personnel, conservation and protection of the environment and relationships with our communities.

A key challenge for a coal producer is to demonstrate commitment to a sustainable future, particularly in a future carbon-constrained world. In this context, we understand that the responsible use of fossil fuels has a role to play in reducing carbon emissions. However, coal has an equally important role in global energy supply.

## **Coal stewardship**

Process stewardship focuses our efforts on the management of mining and processing activities to minimise negative impacts on our employees, the environment and society. Material stewardship ensures that our suppliers of raw materials and resources meet Anglo Coal standards and operate responsibly. Where possible, recycled and low-impact inputs are used. Resource optimisation aims to maximise the value created from our existing operations. This is achieved through better mine planning and development, the capture and utilisation of methane for energy and the reworking of waste materials into product. Our process stewardship model has guided our actions in addressing the sustainability challenges in several key areas: our people, the environment, social responsibility and our economic performance.

Our product stewardship strategy is aimed at improving the environmental performance of coal beyond the point of sale, in particular with respect to greenhouse gas emissions associated with combustion of coal for power generation. The following section presents, at a high level, Anglo Coal's response to these sustainability challenges.

## **Safety**

Mining can expose our workforce to a range of hazards and we must ensure that our employees are aware of safety at all times. Safety is the first priority in our business. Following on from the 2007 Anglo American Safety Summit, we have implemented the Target Zero Action Plan (TZAP), a framework that aims to achieve a marked improvement in our safety performance over the next three years. Details of our TZAP and our other safety initiatives, targets and performance are provided on page 16.

### Occupational health and HIV/AIDS

The diversity of our operations presents occupational health challenges across a broad spectrum. At our operations, the major occupational health issues relate to employees' exposure to dust, noise, fatigue and musculo-skeletal illnesses. Additional information relating to our occupational health programmes is provided on page 18.

In South Africa, we are leaders in the fight against HIV and AIDS. All employees are encouraged to know their status, treatment and care is provided as required, and we participate in interventions to

prevent the spread of further infections. A description of our work on HIV and AIDS programmes is provided on page 20. Additional information is available in the Anglo Coal South Africa Report to Society 2007 ([www.angloamerican.co.uk/newsandmedia](http://www.angloamerican.co.uk/newsandmedia)).

### Talent attraction and retention

Globally, all industries are experiencing a scarcity of skilled employees. We have directed considerable efforts to make Anglo Coal an employer of choice as we recognise that, without attracting and retaining competent employees, we cannot achieve

## Coal stewardship

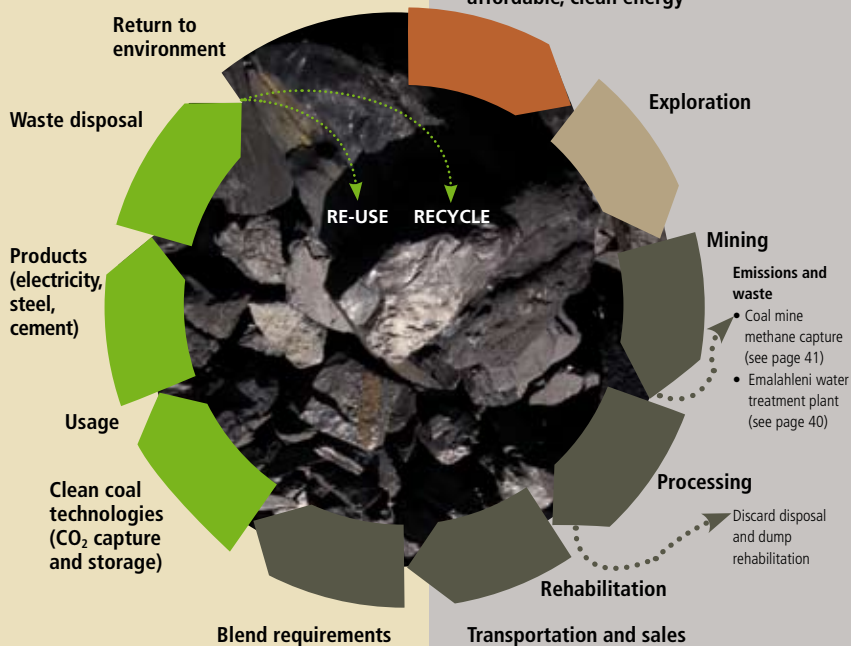


### PRODUCT STEWARDSHIP

Customers  
Regulators, policy makers and NGOs  
National industry engagement  
International industry engagement

### PROCESS STEWARDSHIP

Employees  
Suppliers  
Communities  
Regulators, policy makers and NGOs  
Partners



### KEY ELEMENTS

Secure supply  
Climate change  
Quality  
Clean technology  
CO<sub>2</sub> markets  
Value-based management

### KEY ELEMENTS

Safety, health, environment  
Energy and water security  
Community engagement  
Procurement-related innovations  
Culture and structure of business  
Asset optimisation  
Value-based management



our business and sustainable development targets. Our initiatives to attract and retain talent are provided on page 21.

### *The environment*

We strive to manage our operations in a manner that acknowledges the potential impacts of our operations on the environment and we take all possible steps to prevent and/or minimise these impacts. Where impacts remain, we implement appropriate mitigation measures.

Our key environmental challenges relate to the management of land, water and biodiversity resources, as well as to air quality and climate change. Our strategies for good stewardship of the environment and details of our performance are provided on page 25.

### *Community relationships*

The impact of our operations on our local communities extends from exploration to mine closure. Access to land and resources is predicated on a social licence to operate.

Ongoing stakeholder engagement is the foundation of our social stewardship. The implementation of the Anglo American Socio-Economic Assessment Toolbox (SEAT) process at all our operations has made a significant contribution to improving our stakeholder relationships. During 2008, the roll-out of the upgraded SEAT 2 process will commence.

Our corporate social investment programme is aligned with our business principles and objectives. We focus our efforts on areas where we believe that we can maximise benefits to both stakeholders and our business. Details of our community engagement and corporate social investment programmes are provided on page 32.

### *Black economic empowerment in South Africa*

Our South African operations are an excellent example of our commitment to empowering the people of the countries in which we operate. Anglo Coal is on target to achieve the requirements of the South African Mining Charter, which provides a framework and targets for progressing the empowerment of historically disadvantaged South Africans in the mining and minerals industry. For further information about our performance, refer to the sections on diversity, employment equity and procurement on pages 21 and 42. Additional detail is provided in the Anglo Coal South Africa Report to Society 2007.

### *Climate change*

Climate change is, undoubtedly, one of the most serious challenges facing the world. Coal accounts for 40% of the world's total carbon dioxide emissions from energy consumption\* and is projected to become the largest source of carbon emissions by 2010. In 2030, coal's share of energy-related carbon dioxide emissions is projected to be 43%, compared with 36% for oil and 21% for natural gas.†

The challenge is to find ways in which we can reduce greenhouse gas emissions while maintaining coal's role as a primary source of affordable energy.

Additional details of our efforts to reduce greenhouse gas emissions from our processes and products are provided on page 25.

\* International Energy Agency. *Key World Energy Statistics*. 2006.

† Energy Information Administration, *International Energy Outlook 2007*. Website: [www.eia.doe.gov/oiia/fleol/index.html](http://www.eia.doe.gov/oiia/fleol/index.html).

# Key performance indicators

Indicator	2007 Targets		2007 Performance	2008 Targets
<b>Safety</b>				
Fatalities	Zero	✗	4	Zero
Lost-time injury frequency rate (LTIFR) <sup>†</sup>	0.13	✗	0.36	Zero
Total recordable case frequency rate (TRCFR) <sup>†</sup>	1.03	✗	1.29	0.85
<b>Health</b>				
New cases of occupational disease	Reduce exposure to potential industrial hazards and ultimately eliminate occupational disease	↑	43	Reduce exposure to potential industrial hazards and ultimately eliminate occupational disease
Employee voluntary counselling and testing (VCT) in South Africa	80%	✓	85%	90%
<b>Environment</b>				
CO <sub>2</sub> emissions	10% improvement in CO <sub>2</sub> e emissions per saleable tonne by 2014 (2004 baseline)	↑	69 kg CO <sub>2</sub> e per saleable tonne	10% improvement in CO <sub>2</sub> e emissions per saleable tonne by 2014 (2004 baseline)
	Determine CO <sub>2</sub> e emissions relating to transport	↑	Completed for South African operations	2014 target is 52 kg CO <sub>2</sub> e per saleable tonne Implement new methodology for improved CO <sub>2</sub> e reporting
Total energy use	15% improvement in energy efficiency by 2014 (2004 baseline)	↑	155 MJ per saleable tonne	15% improvement in energy efficiency by 2014 (2004 baseline) 2014 target is 102 MJ per saleable tonne Implement new methodology for improved energy reporting
Water used for primary activities*	Site-specific management targets to be developed	↑	216 l per saleable tonne	Development of site water balances and performance targets Implement new methodology for improved water reporting
Environmental incidents: Level 2 incidents Level 3 incidents	– Zero	✓	44 Zero	– Zero
ISO 14001 certification	Maintain certification to ISO 14001:2004 at existing operations and achieve certification at new operations	✓	All operations certificated except Mafube and Peace River Coal	Mafube colliery to achieve ISO 14001:2004 certification in 2008 and Peace River Coal in 2010
<b>Community</b>				
Socio-Economic Assessment Toolbox (SEAT)	Commence SEAT 2 training for operations	↑	SEAT 2 training being completed for all operations during 2007/2008	Implement and report on SEAT 2 at all operations over a rolling 3-year period

✓ Achieved ✗ Not Achieved ↑ Trending to meet target ↓ Trending to not meet target

<sup>†</sup> Per 200,000 exposure hours \* As South Africa changed its interpretation of new water during the reporting year, the Anglo Coal baseline has changed.

# Embedding sustainable development

*Anglo American's Good Citizenship: Our Business Principles requires all employees to work ethically as a demonstration of business integrity.*

## **Governance, leadership and management**

Good governance at Anglo Coal is the responsibility of all individuals, who must comply with the requirements of Anglo American's *Good Citizenship: Our Business Principles*. This consists of the following four pillars:

- ⑥ Business integrity and ethics
- ⑥ Good corporate citizenship
- ⑥ Employment and labour rights
- ⑥ Safety, health and environmental stewardship.

Each employee is familiarised with these principles, which are integrated into our management systems.

## **Sustainable development structures**

As a wholly-owned division of Anglo American, Anglo Coal subscribes to the standards set by Anglo American's board of directors, which determines the direction for the Group's sustainable development policies and programmes. The board is guided by work conducted by the Safety and Sustainable Development Committee, which is responsible for developing the framework, policies and guidelines that manage sustainable development within the Group. Anglo Coal applies these requirements, both strategically and practically, at its operations, and interacts with Anglo American's sustainable development structure in several ways:

- ⑥ Safety and sustainable development (S&SD) practitioners from the operations are invited to join various communities of practice that provide specialised opinions on specific issues and share best practice
- ⑥ S&SD heads from a regional level are invited to attend steering group meetings
- ⑥ Executives from Anglo Coal attend the Safety and Sustainable Development Council meetings.

Anglo Coal South Africa and Anglo Coal Australia each have their own sustainable development governance and management structures, which were modified recently. Though there are slight differences in organisational structure and each region is faced with different socio-economic conditions and regulatory environments, both are required to comply with Anglo American's sustainable development directives.

Anglo Coal's global office provides direction and strategic guidance on S&SD issues to the various regions, collates reporting

information and performs a reporting, standardisation and assurance function for Anglo Coal.

Our effectiveness in implementing standards and policies is reported on by the regional executives to Anglo Coal's chief executive officer, who then provides letters of assurance to the chief executive of Anglo American. These annual letters of assurance provide information on the management of safety, health and the environment as well as adherence to the standards contained in *Good Citizenship: Our Business Principles*.

## **The Anglo Way**

Anglo American is in the process of developing policies and standard requirements for the management of S&SD issues. This group of standards is known as the 'Anglo Way'. The Anglo Safety Way and Anglo Occupational Health Way have been finalised, while the Anglo Environmental Way and the Anglo Community Way are in draft format. The requirements of these corporate standards will form the basis of S&SD management systems rolled out at Anglo Coal and its operations.

Our South African collieries have certificated their environmental management systems to the ISO 14001 standard, while their health and safety systems are certificated to the OHSAS 18001 standard. Mafube colliery will be certificated during 2008.

S&SD management systems at our Australian operations meet the requirements of the Australian and New Zealand Standard for Occupational and Health Management Systems AS 4801 as well as ISO 14001.

Community relations are managed by implementation of the Anglo American Socio-Economic Assessment Toolbox (SEAT) and the mines' Community Engagement Plans, which set out engagement processes. SEAT assists operations in benchmarking and improving the management of local social and economic impacts.

## **Value-based management**

Anglo American's vision is to be the world's leading metals and mining company. An aspirational vision such as this demands a transformation of company performance in safety and sustainable development. It also necessitates enhanced decision-making processes, innovation and knowledge sharing, and world-class operational performance.

To that end, Anglo American has implemented the value-based management (VBM) methodology to guide business decision-making. This, together with the recently-launched Asset Optimisation programme, marks a significant step-change towards improving and standardising our management approach across all our operations.



During 2007, Anglo Coal was chosen to pilot the VBM methodology for Anglo American. The process allowed Anglo Coal to highlight and reinforce what is being performed well and to prioritise the areas for improvement. By the end of 2007, 500 people had been trained in VBM. In addition, Anglo Coal had undertaken a re-evaluation of its business strategy, adjusting it to ensure that it drives maximum value. This process will be finalised early in 2008.

### Integrated risk management

By understanding, prioritising and managing risk, we aim to safeguard our people, assets, reputation and the environment in order to serve the long-term interests of all stakeholders. The management of risk occurs at a number of levels. Along with the maintenance of S&SD risk registers, specific risk considerations, including the development of multiple fatality risk-management plans, are a priority.

Where potential impacts are not understood fully or where adequate information is not available currently to ascertain fully the risk involved, the precautionary principle is utilised and mitigation and management measures are implemented accordingly. Every employee is responsible for the effective implementation, monitoring and continuous improvement of risk management practices.

Reviews by the internal audit group are conducted regularly to ensure that all headline risk control measures are being implemented and addressed.

Further information on our governance processes and procedures is provided in the Anglo Coal South Africa Report to Society 2007, the Anglo Coal Australia Report to Society 2007, the Anglo American 2007 Annual Report and Review and in the Anglo American Report to Society 2007. All these reports are available online at [www.angloamerican.co.uk/newsandmedia](http://www.angloamerican.co.uk/newsandmedia).

### Whistle-blowing

Our business principles confirm that we are strictly opposed to corruption. We will not offer, pay or accept bribes or condone anti-competitive practices in our dealings in the marketplace and will not tolerate any such activity by our employees. As far as we are aware, no cases of bribery or corruption were recorded during 2007.

Anglo American has a confidential whistle-blowing service known as SpeakUp, which is maintained by an independent service provider. Employees and stakeholders are encouraged to report the transgression of company policy, any behaviour that may impact on safety, health and the environment, failure to comply with the Business Principles or legal obligations, fraud, bribery or corruption, and miscarriages of justice. The facility guarantees anonymity to any person who reports irregularities. In 2007, Anglo Coal received 40 reports, which consisted of the following:

#### Alerts

Safety, health and the environment	3
Criminal allegations	6
Human resources	20
Suppliers and procurement	5
Malicious allegations	5
Other	1

All matters were addressed and resolved.

#### SpeakUp

Pay phone: +27 31 571 5407

Pay fax: +27 31 560 7395

e-mail address: [anglocoal@anglospeakup.com](mailto:anglocoal@anglospeakup.com)

Website: [www.anglospeakup.com](http://www.anglospeakup.com)



Anglo Coal Australia chief executive Seamus French (second from right) in discussion with Callide mine employees Damien Perkins, Mick Keough and Chris Harper during Callide's Target Zero summit

# Working with stakeholders

Sound stakeholder relationships are critical to our future and offer opportunities to leverage mutually-beneficial solutions. We place particular emphasis on strengthening government relationships and, in 2007, a Group Government Relations Council was established to improve how we engage on public policy issues.

At regional level, we focus on engagement with regional industry alliances and initiatives as well as government, customers and major suppliers, joint venture partners and strategic partners. At operational level, we engage with local communities, local contractors and suppliers, employees, trade unions and local government.

## **Human rights and political engagement**

Our Business Principles confirm our endorsement of the principles set forth in the Universal Declaration of Human Rights.

We subscribe to the Voluntary Principles on Security and Human Rights and seek to implement the Principles in our spheres of influence. They provide a best practice benchmark for a variety of circumstances, going beyond the conventional political conflict situations to include guidance on handling community disorders, tense industrial situations and protocols related to the use of security service providers.

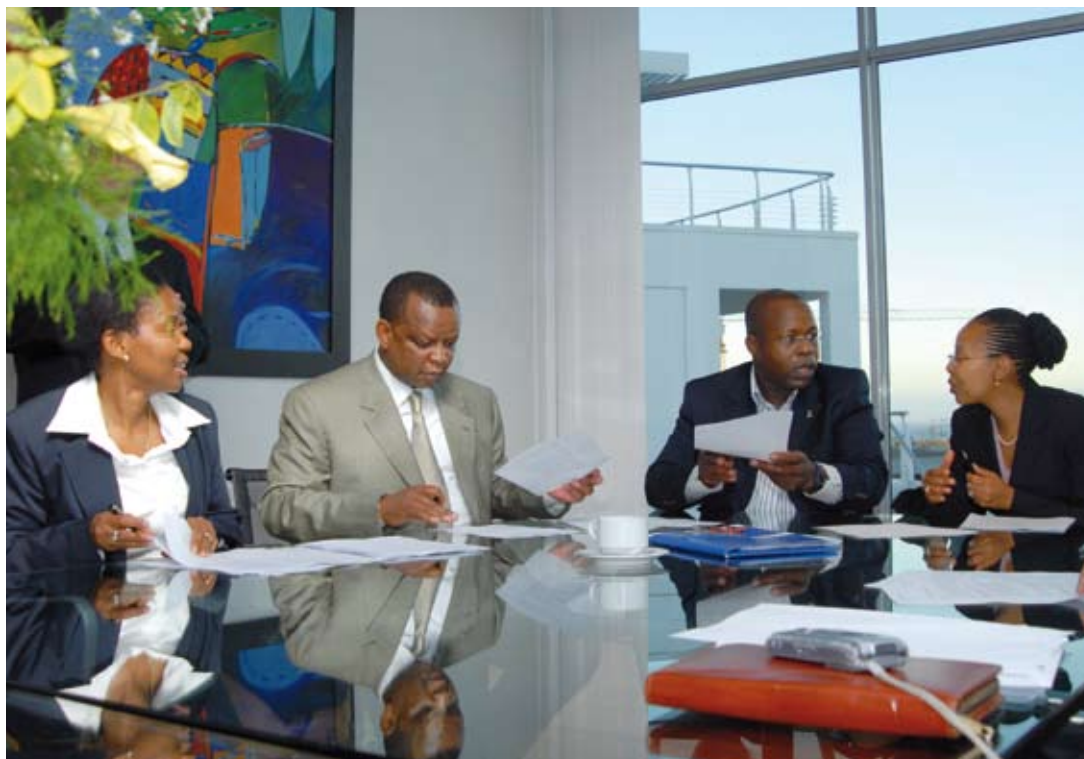
Basic human rights in any country are safeguarded primarily by the government and the legal system. However, we understand our

responsibility to ensure that our operations, employees, contractors, business partners and suppliers uphold our Business Principles and meet our human rights commitments.

Anglo Coal's human rights principles relate to the protection of the rights of our employees and contractors to work for equal pay, to associate freely, to be given a safe and healthy working environment, to contribute freely and to work in a place which is free of discrimination and harassment.

Outsourced security services represent a potential area for human rights conflict. At our South African operations, we make use of security personnel to safeguard our operations and personnel from harm. In order to prevent conflict situations, all contractors who provide security services receive training in our human rights policy. At Carbones del Cerrejón in Colombia, where the poor historical human rights track record has attracted the attention of non-governmental organisations (NGOs), Cerrejón has provided training in human rights to employees, contractors, members of the police force and representatives of the armed forces. During 2007, Cerrejón undertook an independent review of its performance on human rights issues. Results of the review are provided on page 35.

All investment decisions have undergone human rights screening, and Anglo American is in the process of further evolving this methodology. Our Business Principles hold us to upholding human rights wherever we operate.



*Anglo Coal South Africa's chief executive Ben Magara (second from right) leading discussions during the Anglo Inyosi Coal deal*

## Anglo Coal stakeholders

CATEGORY	ISSUES	STAKEHOLDER
Government and related bodies	Compliance, corporate governance, clean coal technology	National and regional governments
Investors	Access to capital, corporate governance, profitability	Shareholders and investor community
Business partners, joint venture partners	Sustainable operations, corporate governance, S&SD performance	Our JV partners in Canada, China and South America, black economic empowerment partners in South Africa, port and rail services
Employees and trade unions	Employment conditions, safety, health	Permanent employees, contract employees, trade unions
Society and civil society	Health, safety, environment, employment opportunities, economic and community development	Communities surrounding our operations, society at large, non-governmental organisations (NGOs), non-profit organisations (NPOs)
Educational institutions and research departments	Skills development, bursaries, research funding and partnerships	Universities, schools, research centres
Customers	Sustainable coal supply to contract requirements	Energy, metallurgical and synthetic fuel markets
Contractors and suppliers	Supply-chain relationships, SHEC performance	Contract companies, machinery suppliers, consumables suppliers, service suppliers
Research, industry, other associations and policy makers	Climate change, energy security, clean coal technology	International Energy Association Clean Coal Centre, World Coal Institute, Coal Industry Advisory Board, Carbon Sequestration Leadership Forum, International Council on Mining and Metals, Global Leadership for Better Environment, FutureGen Alliance



# Journey to Zero Harm

## Safety

*The safety of our workforce is our first priority and we continue to aspire to a target of Zero Harm.*

We are pleased to report that the lost-time injury frequency rate (LTIFR) improved by 28% from 0.50 in 2006 to 0.36 in 2007 and that our total recordable case frequency rate (TRCFR) improved by 35%.

Several of our operations have achieved significant safety milestones, proving that safe operations can be a reality.

Tragically, however, we report four employee deaths at our managed operations in 2007: three in South Africa and one in Australia. While this represents fewer fatalities than those recorded in the previous year, we are determined that, with perseverance and by providing a safe working culture, our target of zero fatalities is achievable.

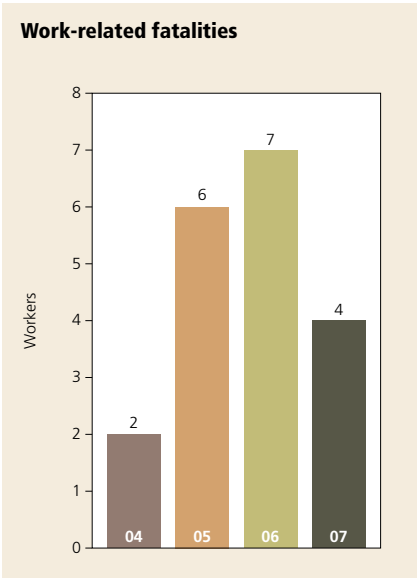
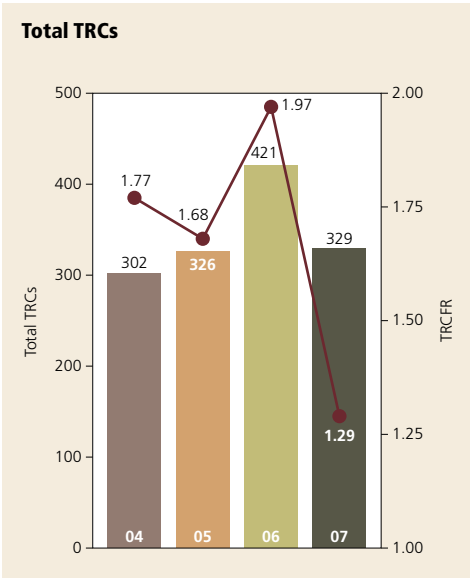
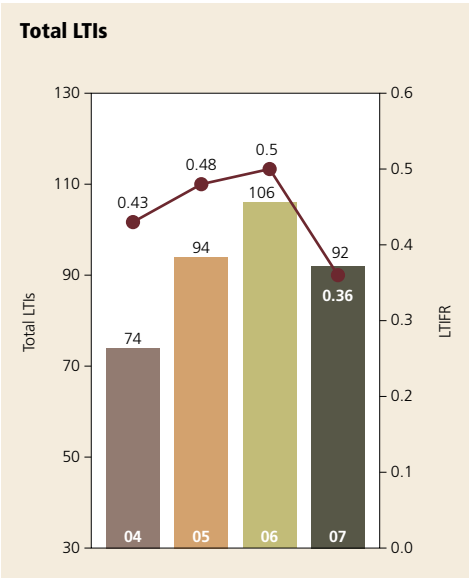
### Safety improvement

At the Anglo American Safety Leadership Summit in June 2007, Group chief executive Cynthia Carroll challenged all Anglo American business units to develop action plans to achieve a step-change in safety performance. This resulted in development of the Anglo Coal Target Zero Action Plan (TZAP) which has five main areas of focus.



Core components of the TZAP are the standardisation of all safety management systems across Anglo Coal's global operations and the sharing of best practices. It includes the implementation of the Anglo Fatal Risk Standards that set out clear, non-negotiable standards relating to all high-risk mining-related operations and equipment.

Roll-out of the TZAP to all operations commenced in 2007 and all operations will have initiated their site plans during 2008. Each site will have a transformation team and will develop their own site-specific TZAP, taking into account site-specific needs and characteristics. Each site will produce a monthly report for the Anglo Coal executive committee detailing progress against targets. Implementation of the site TZAPs is expected to take approximately 18 months, after which a formal review of progress will be undertaken.





*Far left:  
Celebrating Landau  
colliery's safety award for  
best large operation in the  
Anglo American Group  
are Anglo American chief  
executive Cynthia Carroll  
and Landau colliery's  
general manager  
Gerhard Stenzel*

*Left:  
Dawson mine rescue  
members completing a  
mock road accident  
rescue drill*

We will conduct on an annual basis safety culture surveys designed to identify the mindsets and beliefs which prevail in our workforce. This process is expected to assist in targeting individual and potential cultural barriers to the achievement of Zero Harm.

## Pillars for Zero Harm

<b>Safety as a core value</b>	We will reinforce relentlessly that safety takes precedence over every other aspect of our business, including production.
<b>Leadership engagement</b>	All our leaders will be expected to participate in our safety transformation. Supervisors, who are our front-line safety leaders and play a pivotal role in influencing behaviour and hence the safety performance of our workforce, will be given the training and support necessary to fulfil this role effectively.
<b>Overcoming at-risk behaviour</b>	<p>A range of initiatives and interventions aimed at substantially improving risk management processes and applications will be implemented or further enhanced. These include:</p> <ul style="list-style-type: none"> <li>• The development of a common Anglo Coal Safety Management System that will create a standardised approach throughout the business</li> <li>• The implementation of the Anglo Fatal Risk Standards, which are considered to represent non-negotiable minimum standards for the successful management of the critical risks on which they are based.</li> </ul> <p>Risk management competence will be a pre-requisite for career advancement throughout Anglo Coal. Formal and semi-formal training programmes are in place and are being developed further to meet this requirement.</p>
<b>Effective communication</b>	We aim to communicate effectively with all employees, providing constant reassurance that our interest in safety improvement is based on a genuine desire to care for their welfare, and to demonstrate that we are focused on transformation in safety, not on doing a little better than we have done before.
<b>Sharing to improve safety outcomes</b>	We will develop systems to ensure best practice and lessons learnt are shared across the organisation.

## OUR VISION



## OUR SAFETY PRINCIPLES



Caring for people

# Occupational health

Our aim is to ensure that every individual enjoys health and wellbeing for the duration of their career with our company, and beyond.

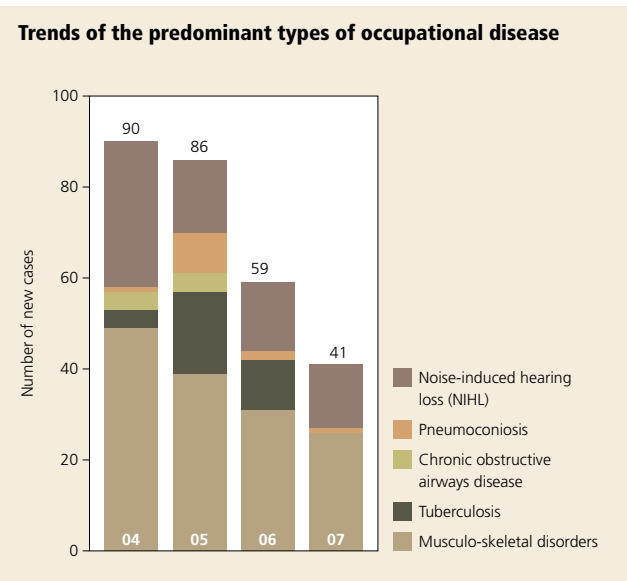
We offer a number of health and wellness programmes. These range in scope from ensuring a positive working environment to educating employees to make healthy lifestyle choices. Our objective is to reduce harmful exposure at source through good engineering practice and application of the ‘as low as reasonably practicable’ principle.

In this regard, we subscribe to the Anglo Occupational Health Way which is consistent with our vision for Zero Harm. The underlying principles of this vision are:

- ⑥ All occupational illnesses are preventable
- ⑥ Information gained from monitoring of harmful exposure and surveillance of disease incidence will be used to prevent the occurrence of occupational disease
- ⑥ Consistent application of common, simple and non-negotiable occupational health standards at all our operations.

**New cases of occupational diseases 2007**

Noise-induced hearing loss (NIHL)	14
Pneumoconiosis	1
Musculo-skeletal disorders	26
Other	2
<b>Total</b>	<b>43</b>



In South Africa, our key occupational health risk remains noise-induced hearing loss (NIHL). In Australia, our largest health impacts are musculo-skeletal disorders related to the older average age and lifestyles of employees. In the following sections, we discuss the programmes and initiatives we have in place to improve the working conditions at our operations.

**Noise**

We are confident that we will meet the South African Department of Minerals and Energy’s 2013 objective to ensure that the total noise emitted by machinery or equipment does not exceed 110 dB. We are in the process of eliminating equipment noise above 110 dB, but avoid exposing employees to levels exceeding 95 dB wherever possible.

We are working towards these targets by implementing various noise-reduction projects, including the modification of existing equipment and machinery either to reduce noise levels or, in some cases, to isolate the operator more effectively from the noise source. In addition to the modification of existing equipment, we are working with equipment suppliers to ensure that all new purchases meet our low-noise requirements.

The percentage of employees exposed to noise levels above 95 dB at our South African operations remained at around 11% in 2007. We had 14 new cases of NIHL, of which three were from Australia and 11 from South Africa.

**Dust**

We have maintained a consistent effort to reduce dust levels in our operational areas for a number of years. Despite our efforts, we have more work to do to achieve our target of zero exposure to dust levels exceeding 2mg/m³ at our South African operations. In 2007, 14% of our South African employees were exposed to dust levels exceeding our 2mg/m³ target. Immediate risk mitigation measures include the compulsory use of personal protective equipment (PPE) and the removal of people from high-risk areas.

**Other occupational diseases**

At our operations in Australia, musculo-skeletal diseases remain the largest category of new cases of occupational disease reported, amounting to 60% of the total new cases of occupational disease in 2007. In order to address this area of concern, our mine sites in Australia continue to introduce a range of health and wellness initiatives. These initiatives focus on issues such as ergonomics and vibration, fatigue, alcohol and drug awareness, and road safety.





Occupational hygienist Juanita van Rensburg discusses the use of ear protection with safety representative Phios Sithole at Kleinkopje colliery



Callide fitter Mick Toms and electricians Steve Evetts and Matt Middleton learn correct posture techniques from physiotherapist Kate Maslen

## Dozer driver vibration

Dozer operators are exposed to the risk of injury from vibration, especially when ripping hard partings which are not practical or economic to blast. Over a five-year period leading to 2003, Anglo Coal Australia recorded 67 musculo-skeletal injuries involving dozer operators.

To address this problem, Drayton mine has purchased a remote-control dozer system, which reduces the risk of jarring and whole body vibration. The system will be used mostly for the remote ripping of hard sandstone partings and occasionally for other hazardous tasks such as cutting blocky sandstone highwalls at the dragline. The project has had support from all levels of management and has involved operators and occupational health and safety committee members at all stages.

To improve the innovation, it was found that there was a need for a mobile cabin and camera system for 24-hour remote-control operations. The installation was completed in January 2007 and operator training commenced in February. Initial feedback from the dozer operators is positive. They have welcomed the new technology and are keen to use the remote system regularly in the coal and partings operation.



Operator John Tunney handles the control system for the remote ripping of hard rock in the mine pit without exposure to high levels of vibration and jolting



# HIV and AIDS

One of the most pressing health challenges we face in South Africa is the prevalence and impact of HIV and AIDS on our workforce and in the communities surrounding our operations. Employees are encouraged to know their HIV/AIDS status and to undergo annual voluntary counselling and testing (VCT).

We are pleased to report that, in 2007, 85% of our South African workforce participated in VCT. This is an increase of 3% compared with 2006. We estimate the HIV prevalence rate in our South African workforce to be around 16%. For the past five years, Anglo Coal South Africa has provided free anti-retroviral treatment to all HIV-positive employees. At the end of 2007, 364 Anglo Coal employees were receiving treatment. In 2008, a compulsory medical aid scheme for employees not previously covered will be implemented, which means that all dependents registered as beneficiaries on the medical aid scheme will be eligible for HIV disease management.

One of our key objectives is to ensure that those who test HIV-negative remain so from year to year. It was disappointing, therefore, to find that 86 of those who had previously tested negative were tested HIV-positive in 2007.

We undertake a wide range of programmes and initiatives to maintain HIV and AIDS awareness. Measures employed include industrial theatre, community volunteer training, establishment of youth centres and a regular newsletter aimed at providing employees with information and feedback on the Anglo Coal HIV/AIDS campaign.

Awareness programmes and initiatives in the communities surrounding our operations are equally important in our efforts to fight HIV and AIDS. In addition to reaching out to the community through peer educators and community volunteers, and allowing access by members of the community to many of our awareness drives, we are working with non-governmental organisations on collaborative HIV/AIDS projects. One of these is the Bhubezi community health centre located in the Bushbuckridge area of South Africa's Mpumalanga province. Opened in April 2007, the Bhubezi centre provides free services to people suffering from HIV and AIDS, tuberculosis and malaria.



*Clothing, used to promote voluntary counselling and testing, being sewed at one of the tailor shops set up at the mines as small business initiatives*

Investing in our people

# Our employees

*Motivated, qualified and skilled employees are pivotal to achieving our targets. The attraction and retention of these employees are essential to creating a sustainable business.*

Anglo Coal has a total of 20,519 permanent employees and contractors at our managed operations in Australia and South Africa. An additional 368 people work in our regional offices in Canada and China and in our global offices in South Africa and London. The graph below provides the percentage of employees by region.

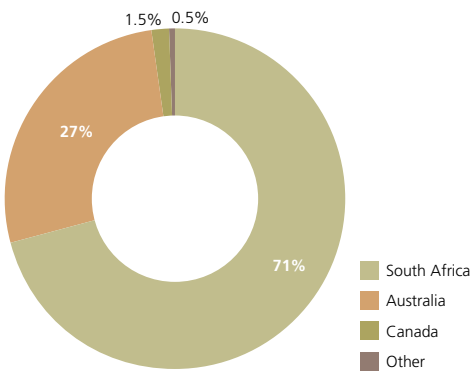
**Skills attraction and retention**

Attracting talent is essential to business growth and the global demand for skilled recruits presents challenges to all industries. For the mining industry, this issue has proven even more difficult against a background of unrelenting resource demand.

We recognise the imperative to position Anglo Coal as an employer of choice. Our focus is directed at providing a stimulating and challenging work environment where innovation is encouraged.

While we recognise that becoming an employer of choice will take time, the efforts that we have made on this front are already showing positive results. This is evidenced in our rank in the top five in Deloitte's *Best Company to Work For* survey in South Africa in the category for large companies.

**Workforce\* distribution**



\* This does not include employees at joint ventures where we do not have management control.

**Diversity and employment equity**

We believe that diversity provides a competitive advantage, as a diverse workforce brings the company a range of skills, perspectives and backgrounds. Anglo Coal is an equal opportunity employer that does not discriminate on grounds of age, ethnic or social origin, gender, disability, sexual orientation, politics or religion.

While this forms the basis of our global approach there are particular demands which may necessitate a specific approach for each country in which we operate.

For example, in South Africa, we have made significant progress on the employment equity requirements of the Mining Charter, which states that historically disadvantaged South Africans must comprise 40% of management and women must comprise 10% of the workforce by 2009. We are proud to report that currently 36% of management is represented by historically disadvantaged South Africans. We have already exceeded the Charter target for women in mining by achieving 12% in 2006 and, by the end of 2007, women accounted for 15% of our workforce, with 50% of these working in technical fields and 13% performing management roles.

Although Australia does not have any official quotas for particular demographic groups, we have been proactive and successful in recent years in attracting and retaining female employees across all areas of our business. Our Australian operations introduced a 'Women in Mining' initiative, which aims to recruit women into non-traditional roles. This has brought a number of benefits to our business. It has helped to ease the serious skills shortage and typically high turnover experienced in some key areas. Currently, women represent 12% of the Anglo Coal Australia workforce. In the other regions, this figure is even higher with 18% of our employees in China and 26% of our employees in Canada being women.

**Training and development**

We continue to provide our employees with access to opportunities for both professional and personal growth and development. Employees are offered training and education, either in the workplace or through external institutions. The performance of employees at or above supervisory level is measured against a personal development plan which is reviewed and updated annually.

In order to ensure a steady input of trained professionals, Anglo Coal offers a large number of trade apprenticeships, graduate trainee positions, bursaries and scholarships across our global operations. In 2007, 946 employees participated in this programme, providing a valuable stable of talent which can be channelled into our business.









*Opposite page:  
Callide mine production  
trainer Mark Blackburn  
completes training with  
operator Juanita Wehmeier*

*Left:  
Eunice Mgogodlana,  
foreman of the diesel  
section's Komatsu  
workshop at New Vaal  
colliery*

As part of our commitment to employee development, we have implemented a number of internal and external programmes for employees aspiring to managerial positions. We have established partnerships with several leading educational and executive development institutions. We work with the Gordon Institute of Business in South Africa, with the University of Queensland in Australia and with Duke Executive Education in the United States.

Operational employees receive competency-based training for all major operational tasks. During 2007, we delivered a number of tailored training programmes to improve operator productivity and safety. In particular, we have realised benefits from our investment in leading-edge simulator training technology in both Australia and South Africa. Our centralised training facility in Witbank, South Africa, was expanded to facilitate growth in the area of simulator training.

Safety training has focused on changing behaviours and mindsets in order to strengthen the ability of employees to undertake risk assessments. In Australia, the majority of supervisors and managers attended a two-day safety leadership training programme.

Globally, we spent US\$33 million on training in 2007. In South Africa, we recognise the need to support the development of our

future workforce. For this reason, Anglo Coal works with provincial governments to strengthen educational institutions at primary, secondary and tertiary levels in a number of programmes. We are pleased to report that, of our corporate social responsibility spend, US\$0.7 million was allocated to education-related initiatives.

### **Transformation of workplace culture**

We have implemented several cultural change initiatives over the past few years. The cultural change initiatives that have been implemented successfully in South Africa (*Yebo Siyaphambili*) and Australia are now being combined into one, with the aim of developing a "One Anglo Coal" approach across all our regions.

The aim of One Anglo Coal is to:

- ⑥ achieve uniformity and alignment across all operations
- ⑥ develop management behaviours that support the business objectives and are aligned with the values
- ⑥ ensure that there are systems and processes in place to retain and share the knowledge and experience held within the company
- ⑥ create and brand Anglo Coal across all regions..





Minimising our footprint

# The environment

*Our vision is to minimise harm to the environment by designing, operating and closing all of our operations in an environmentally responsible manner.*

Management of the environmental aspects of our operations and exploration sites to the highest possible standard is integral to the way we do business. All our operational sites have well-established environmental management systems certificated to the ISO 14001 standard, with the exception of Mafube, which will be certificated during the first quarter of 2008. No fines or sanctions related to non-compliance with environmental laws and regulations have been received during 2007.

While detailed accounts of our material environmental issues are communicated in the regional reports, in this report we summarise the most significant environmental issues facing our operations globally. We acknowledge our responsibility to contribute towards finding solutions to issues such as air quality management and climate change, water management, land stewardship and biodiversity.

**Climate change**

Climate change is a particularly challenging problem given the growing energy demand in emerging economies.

We recognise that operating in a carbon-constrained world is a reality and that policies on carbon emissions may increase the future cost of energy and the costs of doing business. We now ensure that all capital investment proposals factor in a cost of carbon. By improving the measurement of our current and planned exposure to carbon costs, we aim to raise awareness of the potential restrictions of doing business in a carbon-constrained economy and to support efforts to identify and implement projects to reduce emissions.

We have already incorporated the actual and potential impacts of climate change into new business development and into management of our operations. We investigate the potential for CO<sub>2</sub> mitigation opportunities and take part in Clean Development Mechanism projects.

At Anglo Coal, climate change is addressed from the perspective of both process and product stewardship. The specific actions we have undertaken through our stewardship approach are summarised below and are covered in the section on product stewardship on page 8.

**CO<sub>2</sub>e emissions and the coal value chain**

Greenhouse gas emissions are produced as a natural by-product of coal production. We continually seek opportunities to minimise these emissions, recognising that there are universal benefits to doing so. In 2007, the total carbon dioxide equivalent (CO<sub>2</sub>e) emissions from our operations globally amounted to 6.2 million CO<sub>2</sub>e tonnes. Our Australian operations accounted for 60% of these emissions, due mainly to the inherently higher methane content of their coal seams.

**CO<sub>2</sub>e emissions by source (000 tonnes)**

	2006	2007
Electricity purchased	1,425	1,409
Fossil fuel use	575	620
Processes	1,903	1,102
Ventilation shaft methane	3,394	2,981
Methane flared	36	79
<b>Total CO<sub>2</sub>e emissions</b>	<b>7,333</b>	<b>6,192</b>

During 2007, we undertook an initial carbon footprint assessment of the life cycle of our product, based on our South African operations. The results showed that product use was found to account for the largest portion (95%) of the greenhouse gas emissions in the coal value chain. The mining and processing of coal and the transport of coal to the market were found to be of almost equal importance in their contribution to CO<sub>2</sub>e emissions (2.7% and 2.2% respectively). This exercise provided us with a profile of the carbon footprints of each of our operations and will guide our future efforts to reduce the extent of their impacts.

In due course a similar exercise will be completed at all our operations.

**Reducing the carbon footprint of our operations**

In 2007, the calculated CO<sub>2</sub>e emissions from processes decreased considerably from the 2006 levels. This reduction is as a result of the lower incidence of spontaneous combustion reported by our South African operations. It should be noted, however, that there are no internationally-accepted guidelines for determining CO<sub>2</sub>e emissions from spontaneous combustion. CO<sub>2</sub>e emissions from methane also decreased against the 2006 levels, which is attributable to an increase in methane capture, either for use as an energy resource or, in some cases, for flaring.



## Planning for sustainable development at Mafube

Mafube colliery is Anglo Coal South Africa's newest mine and was established in 2004 as a 50/50 joint venture with Eyesizwe Coal, now part of Exxaro. At present, it supplies 1.2 Mtpa to Eskom's Arnot power station, and construction is under way to enable the further production of 3 Mtpa of saleable coal for export.

As Anglo Coal recognises the value gained by incorporating sustainable development considerations at the outset as opposed to retrofitting them to an existing mine plan, Mafube was designated as a pilot project to embed a sustainable development plan that would guide management through to the closure of the mine.

We are using Mafube colliery to build a sustainable development planning approach, which aims to introduce more explicit sustainable development considerations into the planning and operation of our mines. The approach aims to enhance the contribution a mine can make to sustainable development within the region where it is located by considering the opportunities and challenges that exist within the wider region.

The pilot project included:

- ⑤ the compilation of a 'state of the environment' report, which describes the wider context within which the mine is located
- ⑤ a review of sustainable development objectives contained in existing planning documents such as the Municipal Integrated Development Plan
- ⑤ a panel workshop of experts to guide the selection and prioritisation of sustainable development objectives which are of most relevance to Mafube.

This culminated in the selection of a number of possible areas of intervention the colliery should pursue in order to maximise its contribution to sustainable development. The outcome of the planning provides a framework to guide the development of specific action plans.

The approach is being refined, based on the experience gained from the pilot project at Mafube and elsewhere. It is anticipated that during 2008, a guidance document will be published and that a more widespread rollout will commence at all divisions in Anglo American.



*Construction of the new plant at Mafube colliery. Sustainable development considerations were incorporated into the planning of the new mine from the outset*





*The Capcoal 32-megawatt coal seam methane-fired power plant which reduces Anglo Coal's greenhouse gas emissions by 1.1 million tonnes of CO<sub>2</sub>e per year*



On-site awareness and management are considered optimal for reducing the carbon footprint of our operations. This process entails, where appropriate, capturing and utilising methane that is a by-product of our mining operations, implementation of energy efficiency programmes, controlling and preventing spontaneous combustion, and planning new projects to be low emitters of carbon.

#### ***Methane flaring and capture***

Fugitive methane contributed 48% to our total CO<sub>2</sub>e emissions for 2007. As methane poses a risk of fire and explosion when it occurs in underground mines, it is necessary to drain the methane from underground sections and vent it to the atmosphere. Where methane is abundant, it has been the practice to flare it at the point of ventilation, thus making it less potent as a greenhouse gas. Although methane has been considered a waste product in the past, it is increasingly regarded as a potential source of greener energy. Where it is feasible to do so, projects are being investigated to capture methane and use it for energy. Further information on these projects is provided on page 38. Methane capture benefits Anglo Coal in three ways: it helps to reduce our greenhouse gas

emissions; it reduces our reliance on traditional electricity supply; and it generates revenue as we supply it as a by-product to customers for energy.

#### ***Energy security and energy efficiency***

Apart from methane, the major source of CO<sub>2</sub>e emissions is the consumption of electricity and fossil fuels.

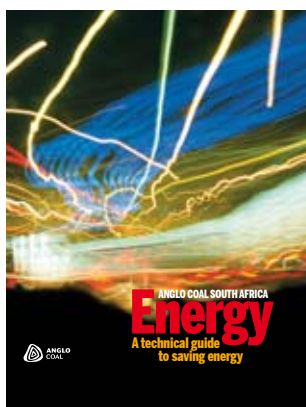
In South Africa, energy efficiency has become an issue of priority not only due to its impacts on climate change, but also due to the serious national electricity supply constraints we face. In this regard we are intensively engaged with Eskom, government and other key industry players to address the national emergency, protect and limit the impact on our operations and mitigate safety risks.

We have commenced with efforts to secure alternative energy sources which, together with our energy efficiency drive, will assist in achieving the national requirement for ongoing savings of 10% of base load power demand. We have active multi-disciplinary energy efficiency task teams at all our operations. These teams are charged with the responsibility of continuously identifying energy reduction opportunities and implementing viable projects. Education is a key



component of changing behaviours and we have published two booklets on energy-saving techniques. One of these, aimed at our employees, describes simple energy-saving techniques for work and at home. The second booklet, aimed at our technical staff, assists with the identification of potential energy efficiency opportunities.

Numerous small-scale energy efficiency projects have been implemented at our operations at a cost of US\$2.1 million, with a payback period of 5 years. These will result in energy savings of 18 GWhr per year. We now look forward to the next step, which is to look at large capital investments into best available technology that is required to achieve further significant energy reductions. This includes an assessment for the construction of a power generation facility that would operate using low-quality discard coal.



In Australia, Anglo Coal participates in the Australian government's Energy Efficiency Opportunities (EEO) programme. This programme encourages large energy-using businesses to improve their energy efficiency by mandating businesses using more than 0.5 petajoules annually to identify, evaluate and report publicly on cost-effective energy-saving opportunities. By 31 December 2008, we will be required to submit our first public report on the results of our energy efficiency assessments. One such initiative includes a

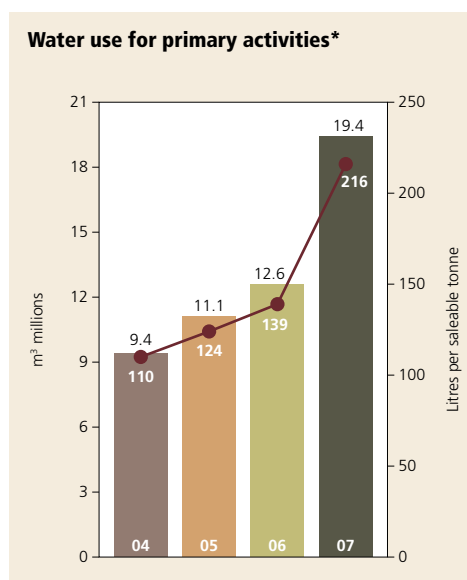
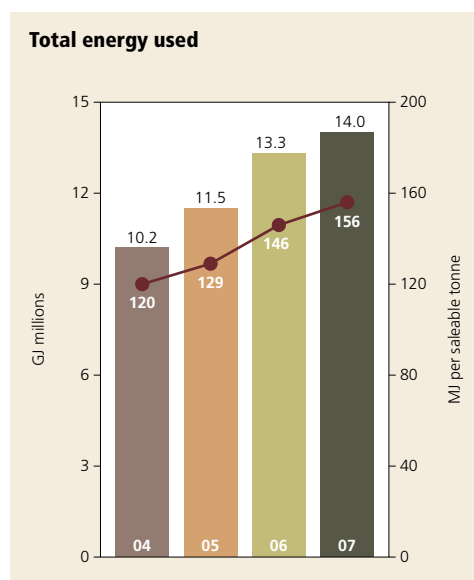
successful biodiesel trial, conducted at Callide mine, which used a 20% biodiesel blend in mining equipment. No technical reasons have been identified not to use biodiesel in mining equipment in the future. An engine test on a Caterpillar grader after 270,000 litres of biodiesel usage showed that it had used less fuel, performed at approximately the same level of power (although 2% less torque) and ran 2.5% cooler when compared with 100% petroleum diesel fuel usage. The biodiesel blend resulted in 18% less carbon monoxide, 7% less nitrogen oxides, 19% less sulphur oxides and 45% less particulate matter emissions. The trial reduced greenhouse gas emissions by an estimated 720 tonnes of CO<sub>2</sub>e emissions during 2006 and 2007.

In Canada, the government of British Columbia has committed to reducing CO<sub>2</sub>e emissions by 33% by 2020. Our operation located in British Columbia is developing systems to track energy use and emissions so that it can meet this commitment.

## Environmental resource use

### Water management

Water scarcity is a significant global issue requiring the highest standard of environmental stewardship. We are especially aware of its significance as most of our operations are located in water-scarce regions. Over the past few years, we have focused on improving our understanding of, and control over, both our water consumption and our impacts on water resources. We have also sought to reduce our consumption of clean water for production processes through the implementation of systems that allow for the recycling of mine water.



\* As South Africa changed its interpretation of new water during the reporting year, the Anglo Coal baseline has changed.



*At Dawson mine, fuel consumption for larger dump trucks was improved by 7%*

## Business improvement drives energy efficiency further

Business improvement projects at our mines in Australia have resulted in a further positive outcome – a saving in the amount of energy being used at the mines.

A review of the energy component of many of the productivity projects being undertaken was recently conducted. It was found that initiatives such as the Plus 10, longwall improvement and tyre life projects that aim to use assets more productively are also reducing the amount of energy consumed.

At Dawson, many initiatives to deliver improved environmental outcomes were built into design and these will result in significant energy savings over the life of the mine.

At each mine, there are areas where major savings in energy use have already been made. The most significant improvements have come from an added focus on fleet and process management, including better tyre and road management, optimisation of asset use, matching the capacity of trucks to the job performed and upgrading old infrastructure. In addition, small every-day savings, such as making it a habit to turn off computers and installing automated lighting, have been implemented to assist with both awareness and energy performance.

As our mines mature, energy consumption tends to rise as the depth of the seam often increases, mine geology becomes more difficult and haul distances increase. This makes energy efficiency an even greater challenge.

Further energy improvement projects are planned for the year ahead to help us achieve our target for reduced energy consumption. For more detail on energy savings achieved at our various operations, please refer to the Anglo Coal Australia Report to Society 2007.

## Water use efficiency

Water is recognised as a critical resource in Australia. Water resources have been over-allocated in many areas and less water is available for existing and new mining projects.

An action plan is being developed to deliver a target for improving the efficiency of 'new' water use by at least 10% between 2004 and 2014. This action plan will:

- ⑥ improve the quality of management information about mine site water to inform decisions on the planning of water infrastructure
- ⑥ reduce the conversion of high-quality water to lower-quality resources
- ⑥ identify opportunities to replace 'new' water with reused or recycled water that is suitable for operational needs

- ⑥ potentially meet mine water needs by cross-linking between mines and companies.

Historically, operational and regulatory requirements have been the primary focus of water management within the community. Current policies (and low water prices) tend to encourage new water use rather than reuse. We recognise that these policies are unlikely to continue and the cost of new water will increase. Used water will, increasingly, be regarded as a resource rather than a waste product.

The use of water in underground mines has been identified as a priority area for improvements in water-use efficiency, as most water used underground is currently 'new' water. Dust suppression in open-cut operations and make-up water in coal processing have also been identified as priority areas for reducing 'new' water use.

## Water management at Peace River in Canada

Our joint venture operations in Canada are located in a sensitive ecosystem. In order to be protective of the fish habitat located approximately 5 km downstream of its current operations, Peace River Coal's Trend mine has developed a system for mitigating total suspended solids (TSS) in water affected by mine activities.

The environmental team undertook research to locate the most effective and cost-effective method of TSS management. A granular, low-toxicity flocculant system is utilised in conjunction with the mine's primary water management feature, the sedimentation control ponds.

Magnafloc 368 and 156, an organic cationic polymer and an anionic polymer respectively, are mixed prior to application. To maximise effectiveness, the dispensing of the granular product has been automated. A screw-feeder auger is used to dispense the product into the flow in the inlet of the settling ponds. Dosage can be regulated by adjusting the revolutions per minute of the units and each unit is calibrated on a regular basis. This dispensing system, which was developed in-house, provides a low-technology but effective solution. Flocculant is used only when needed to ensure that effluent discharged from the settling ponds meets the objectives prescribed by the regulatory permit.

This TSS management system has attracted the interest of other mines in the area due to its simplicity and effectiveness.



In South Africa, we have taken a major step forward by building a water treatment plant in the Witbank area to treat polluted mine water from three of our collieries to potable water standards.

In 2007, we modified our interpretation of "new water use for primary activities" for our South African operations in order to align the understanding of this parameter across the regions. This means that there is now consistency in reporting throughout Anglo Coal. It also means that the 2007 water consumption for South Africa can not be compared with earlier data. Consequently, 2007 data will be used as the water consumption baseline going forward.

No global target for water efficiency was set for 2007 due to the historical variation in interpreting the definitions of new water for primary use, leaving each region to set its own water-efficiency target. In 2007, our water consumption efficiency was 216 litres per saleable tonne. Approximately 38% of our water use comprises recycled/re-used water.

During 2007, a situation developed in South Africa in the Wilge river, tributary of the Olifants river, and the Loskop dam catchment areas, where pollution resulted in significant fish and crocodile deaths. Extensive investigations have identified a number of sources: acid mine drainage from defunct mines, illegal discharges, untreated sewerage plant discharges and industrial

seepage. Anglo Coal is engaged actively in the Olifant's River Forum, a non-governmental organisation that seeks to address these pollution problems and promote the health of the river.

### *Land stewardship*

We believe that good stewardship of the land is given effect through minimising our mining footprint and rehabilitating impacted land to a standard comparable with its pre-mining land capability. Anglo Coal has 198,000 ha of land under management charge. Of this, 36,000 ha have been disturbed and 8,000 ha have been fully rehabilitated.

### *Biodiversity*

Our activities and operations have the potential to impact on various components of biodiversity either directly through habitat destruction or indirectly through our impacts on land, air and water quality. As a consequence, we consider biodiversity to be a critical aspect of our environmental management systems and our business decisions.

We are committed to active stewardship of biodiversity in all phases of our activities. We commit to the wise use of environmental resources and to minimise adverse environmental impacts arising from our operations. A key element of our approach is raising awareness of the importance of biodiversity among our





**Biodiversity management in South Africa**

None of our managed operations is located within formally protected areas. However, we recognise that many of our operations are located in sensitive areas, or areas which are recognised as being under high cumulative development pressure. For example, in South Africa, all our current operations are located within the grasslands biome, 30% of which has been irreversibly transformed and of which only 1.9% is conserved. It has been identified by South Africa's National Biodiversity Strategy and Action Plan as one of the spatial priorities for conservation action.

The Grasslands Programme, managed by the South African National Biodiversity Institute (SANBI), is a bioregional programme designed to address the conservation priorities of South Africa's grasslands. The programme has five main focus areas for intervention: policy and regulatory framework, agriculture, forestry, urban areas and coal mining. The two objectives of the coal mining initiative in this programme are to develop a biodiversity off-set scheme and to ensure that biodiversity information is integrated into all future mine planning and expansion. We will follow closely the progress of this programme in order to comply with any new requirements arising from it.

Anglo Coal South Africa is already working with SANBI on a biodiversity offset project at its Isibonelo mine. The lessons learnt during this process will be used in the development of the national biodiversity off-set scheme.

management, employees and communities, and working with governmental and non-governmental partners on biodiversity initiatives and policy development.

All our operations have had biodiversity action plans in place since 2004. In 2005, an Anglo American peer review programme was initiated to share best practice in biodiversity across Anglo American's divisions and to improve the standard of the existing biodiversity action plans. To date, thirteen of our fifteen managed operations have undergone peer audits, with Dawson, Dartbrook, Kleinkopje and Greenside audits completed in 2007.

In South Africa, we have been working closely with the South African National Biodiversity Institute and Working for Wetlands on a biodiversity off-set project at Isibonelo colliery in Mpumalanga. This project will be entering a second phase of off-site rehabilitation in 2008, again in close liaison with South African National Biodiversity Institute, which is utilising lessons learnt from this project in the development of a national strategy for off-site mitigation.

**Mineral waste**

A prefeasibility study into the construction of a power generation facility in South Africa, that would operate using low-quality discard coal as fuel, has been accelerated in light of the current energy shortages that threaten severe disruption to mining and industrial activity in the country. Should the project go ahead, it could be situated close to Kleinkopje colliery, with reclaimed material being transported via overland conveyor from Greenside, Kleinkopje and Landau's discard dumps to the facility. Discard dumps, comprising an estimated 60 million tonnes of fines, are currently situated over the three mines, while a further four million tonnes of discard are produced annually by these mines.

**Non-mineral waste**

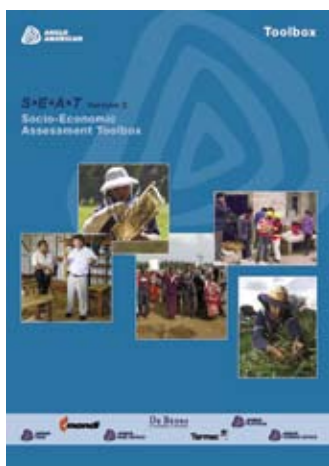
Non-hazardous waste to landfill	(tonnes)	11,144
Harzardous waste to landfill	(tonnes)	1,994
Medical waste to incineration	(tonnes)	0.1



# Community engagement

Our commitment to social stewardship is given effect through the work we undertake in our host communities. We seek to secure broad-based community support and trust throughout the life cycle of our operations, from exploration to closure. Critical factors to receiving this support include transparent, consistent and genuine engagement with our communities, and understanding and responding to their concerns. No instances of non-compliance with laws and regulations occurred in 2007.

## Socio-Economic Assessment Toolbox – effective engagement



Effective action begins with understanding. Anglo American's Socio-Economic Assessment Toolbox (SEAT) process assists mine practitioners to undertake a consistent and effective engagement process with local communities. All our operations have implemented the SEAT process and, through the use of it, have obtained an improved understanding of the dynamics of the communities within which we operate and of our impacts on these communities. As a result of the SEAT process, our operations have implemented management plans which

involve continuous communication forums with communities. The process facilitates more structured dialogue with our community stakeholders and assists in creating greater internal capacity in the management of social issues. It also promotes transparency and accountability in our interactions and allows us to respond effectively to stakeholder needs and concerns.

An upgraded version of SEAT has recently been launched by Anglo American. The revised version offers greater guidance on the internal management of the process and on managing community expectations. It streamlines a number of existing tools and adds new tools on, for example, the procedures for handling complaints, resettlement, community health and conflict identification and management.

Anglo Coal will start to implement SEAT 2 at some of its operations in 2008 and all operations will have implemented SEAT 2 within the next three years. The entire SEAT process will be repeated at each operation on a three-yearly cycle.

## Corporate social investment

We see corporate social investment (CSI) as a long-term investment in the future of our company and an integral part of our licence to

operate. By contributing to the development of the communities that surround our operations, we develop potential employees and assist in creating active members of society.

Our CSI projects and initiatives are aligned with our core business strategies and our values and principles. Ideally, projects in which we are involved provide a high social benefit while simultaneously assuring Anglo Coal's social licence to operate. Projects of this nature enhance our reputation, reduce closure liabilities, foster stable, healthy communities and provide an educated future workforce.

Our operations span a diverse range of communities. For example, in South Africa, many of the communities surrounding our operations live in extreme poverty and lack even the most basic human needs of adequate food, water and shelter. Many of these communities do not have access to good education and skills development opportunities. They must also contend with health problems such as rampant HIV/AIDS, tuberculosis and other diseases resulting from poor hygiene and limited or no access to adequate health care.

Addressing these difficult issues has been the objective of our community engagement programmes in South Africa. In particular, we have sought to develop programmes for the alleviation of poverty, job creation and general upliftment of communities. These initiatives will ensure that Anglo Coal leaves a positive enduring legacy. Our priority areas for CSI spend include the development of small, medium and micro enterprises (SMMEs) and projects which focus on agriculture, skills development, infrastructure, health, education, environmental conservation and sports, culture and heritage.

One of our strategic focus areas is building capacity in enterprises with the aim of developing these businesses to the point that, ultimately, they can exist without our support and patronage. To this end, we work extensively with Anglo Zimele, Anglo American South Africa's enterprise development and empowerment initiative, which has 17 years of experience in creating sustainable small, medium and micro enterprises.

Anglo Coal South Africa has committed to channelling 1.5% of its operating profit into CSI and, in 2007, the company formed an agreement with local governments to ensure its community development projects are aligned with the Integrated Development and Local Economic Development plans of municipalities. In 2007, our CSI programme in South Africa provided US\$3.5 million to a number of organisations and projects. Some of these included:

- ⑥ assistance with the establishment of small businesses and job creation projects including car wash facilities, garden services, farming, tuck shops, beading, baking, sewing, road and safety signage, photography and printing, carpentry and welding

- ⑥ ongoing skills training in computer literacy, arts and crafts, pottery, dress-making, food preparation and farming
- ⑥ the rollout of the *Basa njengo Magogo* project in Hlalanikahle near Witbank in the Mpumalanga province. This Department of Minerals and Energy initiative is a low-cost intervention that promotes a safer, cheaper, healthier and more environmentally-friendly lighting method for household coal fires
- ⑥ the provision of funding for the construction or upgrading of community facilities including schools, libraries and multi-purpose centres
- ⑥ in partnership with the Department of Education, the establishment of a mathematics and science centre in the Witbank region during 2008.

In Australia, community engagement and the needs of our communities differ greatly from those in South Africa. Our challenges in Australia relate more to the increasing encroachment of mining development around communities, the increasing expectations of communities and the need to tackle their concerns of sustainability issues such as climate change. To a large degree, the needs of these communities, such as a lack of adequate housing facilities, medical services, education and other such infrastructure, have been created by the expansion of new mines.

We must also demonstrate a strong commitment to developing and maintaining constructive, respectful and open relationships with our neighbouring aboriginal communities who are the traditional owners of the land on which our mines are located. Anglo Coal has identified a need for small business enterprise development, particularly within the aboriginal communities.

Anglo Coal's CSI programme in Australia has focused on infrastructure needs, health, education and development of small business enterprises. In 2007, US\$900,000 was spent on a number of organisations and projects, including:

- ⑥ involvement with the Woorabinda community through a shared responsibility agreement with the community and the federal government
- ⑥ the Queensland Community Foundation (a charitable trust to which charities can make applications for grants) with which Anglo Coal has been involved for ten years
- ⑥ the Blackwater International Coal Centre, a high standard community facility for entertainment and community activities which will assist in the education and training of local people and will provide a state-of-the-art tourist facility.

The breakdown of our CSI spend is detailed in the graphs below.

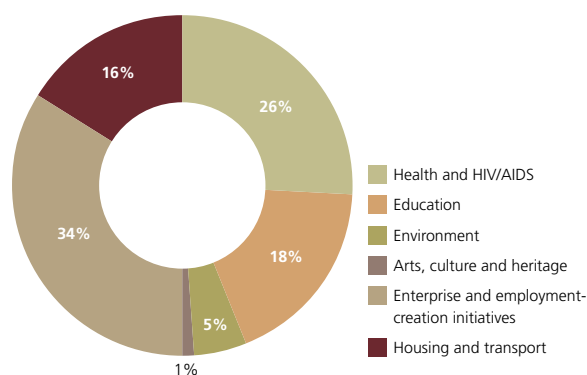
### Our value-added contribution

Our corporate social investment initiatives represent only one portion of the contribution that Anglo Coal makes to society. We must also account for socio-economic added value which includes direct and indirect impacts through employment, taxes, capital investments, exports and contributions to national gross domestic product and to the national policy domain.

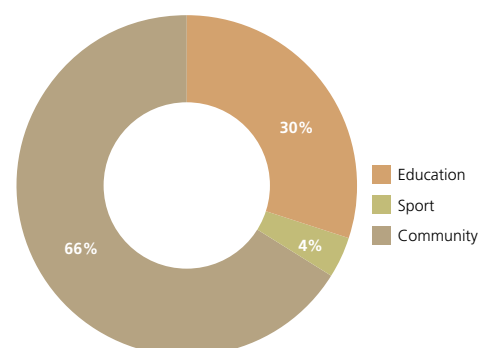
In order to assist us in the evaluation of the economic and social contribution of our operations, a study has been initiated by Anglo American using Landau colliery, one of our operations in South Africa, to investigate our wider socio-economic impacts by means of the International Council of Mining and Minerals Resource Endowment Toolkit.\* The results of this study will be available in 2008 and we expect to apply the findings to build our understanding of the cumulative impacts of our Anglo Coal operations.

\* ICMM. *Resource Endowment Toolkit. The Challenge of Mineral Wealth: using resource endowments to foster sustainable development. Assessing the socio-economic impact of mining.* April 2006. Website: <http://www.icmm.com/publications/1251REtoolkit.pdf>

**South Africa: CSI spend – US\$3.5 million**



**Australia: CSI spend – US\$900,000**





*One of over 1,600 graves  
successfully relocated at  
Maccauville West*

## Resettlement

During 2007, Anglo Coal undertook relocations at several of its operations in South Africa. New Vaal colliery relocated more than 1,600 graves at its Maccauville West reserve. New Denmark colliery resettled five families who had resided previously above its longwall section, and it is anticipated that a further 14 families will be relocated by New Denmark colliery in 2008.

Due to operational and safety requirements, Kriel and Mafube collieries are also planning to relocate communities during 2008. With Anglo Inyosi Coal coming on line, relocations necessitated by the new projects are planned for 2008. The first of these is at Zondagsfontein colliery, where one family unit will be relocated. Another 36 family units will be relocated from the Elders site and 24 family units from the New Largo site.

As with earlier resettlements (Isibonelo 2004-2005), Anglo Coal will ensure that all procedures are handled with sensitivity and that due process is followed. Anglo Coal operates on the basis of informed consent and only where there is no realistic alternative to resettlement. Where resettlement of communities is unavoidable, we observe the World Bank guidelines and IFC safeguard policies. We aim to ensure that, where resettlement occurs, the community facilities are enhanced and, as far as possible, the community's livelihoods and cultural and social context are not disturbed. We also need to ensure that other role players, such as local government, fulfil their responsibilities.

No relocations have been necessary or are foreseen at our managed operations in Australia and Canada. In Colombia, relocations took place at Carbones del Cerrejón in 2001. Further information about the relocation of Tabaco village is provided on page 35.

## Peace River Coal works with the first nations

Peace River Coal's Trend mine and coal tenure areas in Canada are located within or in close proximity to several non-aboriginal communities as well as the traditional territories of eleven aboriginal communities.

The community centres for the eleven aboriginal groups range in distance from 70 km to 442 km from the mine area. The population of these communities is approximately 3,600. Company representatives have been in regular communication with the aboriginal groups since Trend mine project planning commenced in 2004. To date, communications have exceeded 1,300 contacts including meetings, telephone conversations and electronic mail.

The company has provided employment opportunities for the aboriginal community in the form of contracting work, especially for the clearing and harvesting of trees in the project areas. Peace River Coal has provided capacity funding for the aboriginal groups to attend government regulatory meetings as well as to hire third-party technical consultants for assessing the company's regulatory applications. Additionally, the company provides opportunities for the aboriginal groups to participate in environmental and heritage field studies such as archaeology, wildlife or vegetation field work.

Peace River Coal is in discussions with the groups on co-operation agreements with a focus on human resources development and training.

The mine is located within 210 km of three non-aboriginal communities with a population of approximately 34,000. The company has donated funds to various community causes including sports and recreation leagues, fire department services, schools as well as the palaeontology museum.

Peace River Coal is committed to building productive, mutually-benefiting relationships with its aboriginal and non-aboriginal host communities.





*Carbones del Cerrejón has created direct and indirect employment for more than 10,000 people and has sponsored a number of educational and health projects benefiting neighbouring communities*



## Carbones del Cerrejón – independent review of social performance

In 2007, Cerrejón commissioned an independent panel to conduct a review of its social impacts and programmes. The panel included Salomon Kalmanovitz, a former Board member of the Colombian Central Bank and Dean of Economics and Business Administration at the Jorge Tadeo Lozano University; Elena Serrano of the Chilean Casa de La Paz Foundation; Daniel Gagnier, Chair of the International Institute for Sustainable Development, a Canadian NGO; and Nick Killick of International Alert, a UK-based NGO focused on conflict prevention.

The group was chaired by Dr John Harker, President of Canada's Cape Breton University.

Cerrejón accounts for 6% of Colombia's national exports. It pays annually about \$250 million in taxes and royalties, has created more than 10,000 direct and indirect jobs and invests millions of US dollars annually in sustainable development programmes such as health, education and HIV/AIDS projects. There is a significant indigenous population near to the mine.

In a report to Cerrejón and its shareholders – Anglo American, BHP Billiton and Xstrata – the panel found that, because the government lacks capacity, significant parts of the population look to the company to resolve issues. It says the coal mining industry does not enjoy a positive image but Cerrejón has sought to raise performance standards. The report highlights a number of areas of good practice by Cerrejón including:

- ⑥ the operation's contribution to the local and national economy
- ⑥ its commitment to contributing to the sustainable development of local communities
- ⑥ its extensive human rights training programme for employees, contractors, police and army representatives
- ⑥ its objective of raising performance standards in the mining sector.

The panel also made a number of recommendations on steps that might be taken to resolve outstanding issues relating to the relocation of the village of Tabaco in 2001. While this predates the current joint venture, the company seeks to promote reconciliation between the groups who have, on the one hand, accepted the relocation and those who have to date refused to accept compensation. The panel suggested ways of:

- ⑥ redressing the relative disadvantages of the Wayuu indigenous people
- ⑥ encouraging a wider array of civil society organisations in the region
- ⑥ promoting greater regional transparency around royalty and corporate tax flows
- ⑥ initiating a more transparent complaints procedure, including for handling security issues
- ⑥ increasing local economic development and the linkages between the operation and local communities.

# Exploration and development

To a large extent, the sustainability of our business relies on the new reserves we locate through our exploration activities in various parts of the world. In many cases, we are exploring in environmentally-sensitive areas and come into contact with local communities who have limited prior experience in dealing with mining companies. Our aim is to cause minimal negative impacts on both the environment and the local communities. Potentially, these exploration and development ventures provide us with an opportunity to improve the circumstances of host communities in the future.

## **China**

In China, Anglo Coal is involved in the Xiwan Coal Company Limited (XCC), a joint venture established between Anglo Coal and the Shaanxi Coalfield Geological Bureau. The project team is investigating the feasibility of constructing and operating the Xiwan coal mine in Shaanxi province. As part of the exploration programme, drilling is being undertaken in sensitive dune fields. In order to minimise negative environmental impacts, the exploration activities are being conducted using best practice environmental management procedures, which focus on minimising immediate impacts of the drilling and rehabilitation of the site once drilling has been completed. Access to drilling sites is another potential significant impact as viable access roads are non-existent. The project team has developed an innovative way of dealing with this challenge of driving across the sand areas by engaging with local villagers, who provide stable access routes using a base of grass and brush. This approach negates the need for importing additional gravel and makes the temporary roads easier to rehabilitate once they are no longer needed. In addition, it provides local communities with some income.

Safety represents a major concern for us in China, due to the potentially high-risk working conditions and the often isolated site locations. Two major safety training courses were provided by Anglo Coal, Shaanxi Coalfield Geological Bureau and the staff of the Chinese drilling contractor. In addition, a winter drilling risk assessment workshop and a safe driving workshop provided a proactive approach to managing high-potential risk areas associated with the working environment. Dedicated site safety personnel, responsible for routine safety inspections and audits, contributed to the safe performance of the programme. We are pleased to report that, since work commenced in 2004, a total of 437 holes comprising 61,000 metres of drilling have been completed without any lost-time injuries.

## **South Africa**

Anglo Coal is exploring for coal bed methane in the Waterberg region, in the northern part of the South African province of Limpopo, over an area of approximately 80,000 hectares. Access to the well sites is mainly by farm roads and we minimise our impacts on the natural thorn bush. Where required, the disturbed areas around the drill sites are re-seeded at the onset of the annual rains. As the area is renowned for its wildlife, it is necessary for employees to remain vigilant at all times.

Anglo Coal has introduced several innovative environmental initiatives for the coalbed methane pilot plant in the Waterberg coalfield. Reducing the environmental and visual impacts of gas wells within the bushveld at the Bulklip 5-spot pilot plant is one of these initiatives.

Following gas well construction, the immediate surrounding area is rehabilitated by removing contaminated soils and re-contouring the surface in preparation for the planting of local indigenous trees and grasses. Early phase rehabilitation is closely monitored and maintained to establish the plant life around the wells. Although it is still necessary to maintain a cleared area of a 20 metre radius as a firebreak around the wells, the environmental impact has been significantly reduced.

## **Australia**

Many of our mine sites and exploration areas in Australia are located on land areas covered by native title and all are subject to cultural heritage guidelines. Anglo Coal respects the traditions and culture of the aboriginal people and recognises their rights and special relationship with their traditional lands.

Anglo Coal Australia has entered into a number of agreements with the native title claimants over areas of our operations and projects. The agreements apply to all Anglo Coal Australia's tenures and recognise the traditional owners' role in the management of aboriginal cultural heritage. These agreements, known as Cultural Heritage Investigation and Management Agreements, provide for a cultural heritage survey to be undertaken by the traditional owners before any exploration activities commence. Generally, early-stage exploration programmes can be designed to avoid any areas of cultural significance, while more detailed exploration activities may necessitate the relocation of any artefacts. Anglo Coal Australia's policy is to leave the artefacts in place if at all practically possible in order to preserve the cultural heritage.



## South America

In Colombia, Cerrejón is a joint venture company in which Anglo Coal has a 33% interest. Environmental management within the exploration programme is an important consideration, with exploration for coal taking place in a number of natural habitats in the northern Guajira region. These habitats include dry forest which, closer to the Rancheria river, becomes a jungle containing large Saman trees, some of which are over 30 m tall. Where drilling takes place in the heavily-wooded areas, care is taken to ensure that the forest is respected. Access roads are constructed around the large trees, even if that means moving the planned drill sites.

## North America

In Canada, Anglo Coal is exploring for coking coal resources in the region of Tumbler Ridge in north-east British Columbia. This is an area characterised by steep, tree-covered terrain and access to exploration sites in the Rocky Mountains is difficult as the environment is extremely sensitive. Access routes for drill rigs have to be constructed through forest areas, using heavy equipment, primarily dozers and excavators.

In order to minimise negative impacts and facilitate rehabilitation of the disturbed sites, careful planning is required. The proposed routes are forwarded to the government and all stakeholders for prior approval. Exploration trails are of minimal width and are routed to minimise tree felling. During the construction process, a chainsaw operator cuts the trees into short lengths, which reduces the risk of bush fire. Topsoil is carefully removed by the excavator and stockpiled for use during the rehabilitation of the trails. This process ensures more rapid recovery of the landscape as original topsoil recovers more quickly than imported topsoil. Switch-backs are utilised on steep slopes and culverts are installed when crossing drainage lines in order to minimise the impact. Once drilling is complete, trails are decommissioned, rehabilitated and seeded. Utmost care is taken at sites located above the tree line, at elevations greater than 1,600 metres above sea level, where drilling only takes place during the winter months to minimise the impact on the environment.



**Top:**  
*Exploratory drilling in  
China's Shaanxi province.  
To minimise the impacts on  
sensitive dune fields, best  
practice environmental  
management procedures  
are employed*

**Above:**  
*Expansion of the open cut  
pit at Peace River Coal's  
Trend mine in Canada*



# Towards cleaner energy

*Our intention is to help make cleaner energy from coal a reality. This will require regulatory, technology and market changes to provide impetus for clean coal technology, in particular carbon capture and storage.*

The global demand for energy is rising and, according to current estimates, will increase by 55% from 2005 to 2030. The demand for electricity is projected to double from 2005 to 2030, with its share of final energy consumption rising from 17% to 22%. Higher oil and gas prices are making coal more competitive as the main energy resource for baseload generation. It is, therefore, predicted that coal will see the biggest increase in demand in absolute terms, with its share in world final energy consumption increasing from 25% in 2005 to 28% in 2030. Over 80% of the increase is driven by a booming demand in China and India.

The combustion of fossil fuels to produce energy is a major contributor to greenhouse gas emissions. As a supplier of coal to power utilities, we acknowledge our responsibility to work with our downstream customers and industry partners to reduce carbon emissions at the point of use of our product.

## Mitigating process emissions

By draining methane from coal seams, as a by-product of our underground mining operations, and using it as an energy source, we are able to manage a potential mining safety hazard at the same time as recovering useful energy and reducing greenhouse gas emissions. Methane is a powerful greenhouse gas with a global warming potential 21 times greater than that of carbon dioxide (CO<sub>2</sub>). However, its greenhouse effect is largely diminished when it is captured and used as a fuel.

Several initiatives to capture and utilise methane are under way at our coking coal mines in Australia. Coking coal deposits, such as those found in Australia, contain much more methane than thermal coal deposits and lend themselves to methane capture and utilisation developments. For example, at our Dawson mine, more than 5.5 Petajoules of energy in methane drained from coal seams is sold to pipeline customers each year. If released to the atmosphere, this annual methane production would have a global warming potential equivalent to 2.2 million tonnes of CO<sub>2</sub>.

At our Capcoal operations, in mid-2006, we inaugurated a 32-megawatt coal seam methane-fired power plant, which supplies energy to the national grid. The utilisation of this methane in the

power station reduces our greenhouse gas emissions by 1.1 million tonnes of CO<sub>2</sub> equivalent per year.

At our Moranbah North mine, methane drained from the seam ahead of mining is also currently sold to pipeline customers. In August 2007, we announced plans for the construction of a 40 MW on-site power station to run on methane drained from the mine. The power generated will be transmitted to the national grid. Construction of the power station began in late 2007 and it is expected to be operational by late 2008. The combined Moranbah North gas drainage project and power plant will reduce greenhouse gas emissions equivalent to 1.4 million tonnes of CO<sub>2</sub> per year.

## Innovation with new projects

In Australia, we have joined forces with Shell on the Monash coal-to-liquids endeavour. This project will involve the gasification of our brown coal reserves in the Latrobe valley for further conversion into clean transportation fuels, principally ultra-low sulphur synthetic diesel. The CO<sub>2</sub> which results from the process will be captured and stored permanently in underground geological formations. This project is in its initial assessment phase but, should it become operational, the forecast is that it will process approximately 72,000 tonnes of coal into approximately 60,000 barrels of ultra-clean, low-sulphur diesel every day over a project life of 50 years.

We are a member of the Co-operative Research Centre for Greenhouse Gas Technologies (CO<sub>2</sub> CRC), which is implementing the Otway pilot carbon storage project. This is Australia's first operational storage project, due in early 2008, to commence injection of 100,000 tonnes of CO<sub>2</sub> from a nearby gas well, into a depleted gas field at a depth of approximately 2 km. The project will support a major research and development programme which is designed to refine techniques for accurate forecasting and tracking of the migration of injected CO<sub>2</sub>.

In China, as part of the pre-feasibility study for the Xiwan project, processes are being studied to convert the coal on site to create higher-value products such as methanol or derivatives and synthetic fuel or chemical products, with possible CO<sub>2</sub> capture and storage.

In South Africa, Anglo Coal has been operating a pilot project at Lephalale to test the feasibility of producing energy from a significant reserve of recoverable coal seam methane. The five production wells have been running since 2004 and an expanded test project is expected to commence in 2008.

## Clean coal partnerships

We participate in a number of key international and regional activities related to addressing the challenge of climate change. These activities extend from advocacy in support of the regulatory and

incentive regimes required for the commercial deployment of clean coal technologies to the sponsorship of research, development and demonstration of clean coal technologies.

At a policy level, some of the organisations with which we are working include the World Coal Institute (WCI), the Coal Industry Advisory Board (CIAB), the Carbon Sequestration Leadership Forum (CSLF), the Global Legislators Organisation for a Balanced Environment (GLOBE), the Global Roundtable on Climate Change (GROCC) and the Australian Business Climate Group (ABCG).

At a technology research and development level, we participate in the Co-operative Research Centre for Greenhouse Gas Technologies (CO<sub>2</sub> CRC) and the International Energy Agency Clean Coal Centre (IEACCC). We are contributing a share of approximately US\$100 million to the Coal21 fund in Australia, to which coal producers are contributing a total of US\$1,000 million over ten years to support clean coal demonstration projects. This fund, so far, supports the development of the Callide Oxyfuel project, storage mapping projects and the feasibility study for the ZeroGen integrated gasification combined cycle demonstration project, all in Australia. Anglo Coal is also a partner in the FutureGen\* Industry Alliance in the United States.

In South Africa, Anglo Coal is working with the Department of Minerals and Energy, the South African National Energy Research Institute (SANERI) and industry partners to develop a South African CO<sub>2</sub> storage atlas. The atlas will illustrate the distribution and ranking of geological CO<sub>2</sub> storage reservoirs by estimating CO<sub>2</sub> storage capacities and the main emission sources. It will identify the location of industrial hubs, pipelines and other factors that may have a bearing on storage potential. It is envisaged that subsequent phases of the project will encompass more detailed geological exploration at targeted storage sites.

### Product responsibility

The impacts of coal on sustainable development aspects are identified and managed throughout the product's life cycle. The main impacts of coal on health and safety occur when it is burnt at its point of use. As we do not have direct control of this phase of our product's life, we address this issue by engaging with our customers on issues of sustainable development, clean coal technologies and the reduction of CO<sub>2</sub>, particulates, SO<sub>x</sub>, NO<sub>x</sub> and other emissions.

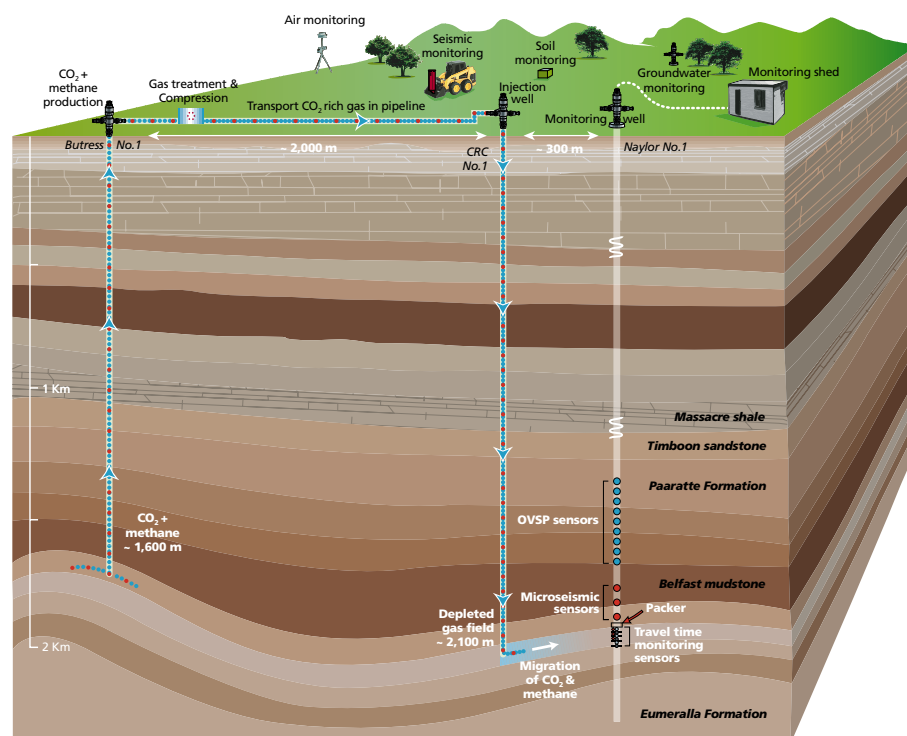
\* The US Department of Energy has announced a restructure of the FutureGen project.

### The Otway pilot carbon storage project



Top:  
Location of the Monash  
and Otway projects

Right:  
Schematic representation  
of the CO<sub>2</sub> CRC Otway  
project



Source: CO<sub>2</sub> CRC [www.co2crc.com.au](http://www.co2crc.com.au)

## Recognising excellence Awards

During 2007, we were recognised for our success in our environmental and social stewardship. We take this recognition as a sign that Anglo Coal is contributing positively to sustainable development. We trust that the visibility afforded by these awards will act as a catalyst for more of our peers to become involved in sustainable development projects and to showcase their successes. The following is a summary of our most noteworthy accomplishments in 2007. Further information on these projects, is provided in our two regional Reports to Society 2007.

### South Africa

#### **eMalahleni water reclamation plant**

The eMalahleni water reclamation plant is a water purification facility which draws polluted water from several Anglo Coal South Africa collieries as well as one of BHP Energy Coal South Africa's (BECSA's) mines, and offers an innovative solution to the environmental, productivity and safety problems posed by underground mine water. In addition to supplying some of Anglo Coal's operations with potable water, the plant supplies water to the community of Witbank. At full capacity, the plant will provide the municipality with 20 megalitres of water per day.

**Mail & Guardian Awards:** Top honours in two categories: companies with innovative environmental strategies that improve business performance and water care.

**Nedbank Capital Green Mining Awards:** Winner of sustainability category.



#### **Basa njengo Magogo project**

The *Basa njengo Magogo* method of making a coal fire is a simple, low-technology solution that reduces exposure to high levels of air pollution associated with household coal burning. Another benefit of the method is that it uses less coal and thus results in cost savings.

Anglo Coal South Africa promoted a roll-out of the methodology in informal settlement areas of Witbank in 2006 and 2007.

**Nedbank Capital Green Mining Awards:** Winner of socio-economic category.

#### **Aapiesdoorndraai mine closure project**

The Aapiesdoorndraai project involves the rehabilitation of an old magnesite mining site that became an Anglo Coal liability a number of years ago. An innovative rehabilitation model transformed the site into a residential and industrial property, a move that yielded immediate benefits for the growing community of Burgersfort in the Limpopo province. The project has been described as the catalyst that freed up the potential locked in a poverty-stricken but mineral-rich region that is now active with mining and spin-off activities.

**Mail & Guardian Awards:** Merit award in the category for companies with the most-improved environmental practices.





### Black-footed cat project

An employee of Goedehoop colliery took in a black-footed cat, which was found on the mine property, in the mistaken belief that it was a domestic kitten. However, as the feline grew older, it displayed wild and aggressive behaviour that indicated that this was no ordinary cat. After a veterinarian confirmed the animal was a rare species listed as vulnerable by the International Union for the Conservation of Nature and Natural Resources, it was taken to a nature reserve where Goedehoop colliery commissioned the construction of a large enclosure in which it could be housed. The colliery went to great lengths to find a breeding partner for the animal. Both cats will be used for research and educational purposes and it is hoped that their offspring will be released into the wild.

**Nedbank Capital Green Mining Awards:** Highly commended certificate in the environmental category.

## Australia

### Woorabinda community work

In January 2006, Anglo Coal Australia developed a shared responsibility agreement with the Woorabinda indigenous

community and the federal government. This was the first of its kind involving a private industry partnering with an indigenous community and a government. The basis of this Agreement is for Anglo Coal to provide the Woorabinda community with opportunities to become more self-sustainable. Through this partnership, Anglo Coal has helped the Woorabinda community to develop a furniture construction business, assisted with fund-raising events, provided training programmes for indigenous people and has sponsored anti-racism initiatives.

**Queensland Government's Multicultural Award:** For promoting multiculturalism in the large business category, Anglo Coal Australia achieved recognition for the community development work undertaken with the Woorabinda community, its indigenous training programmes and its strong efforts to eradicate racism.

### Capcoal coal seam methane power plant

At the Capcoal operations, a 32-megawatt coal seam methane-fired power plant supplies energy to the national grid. Utilising the methane in the power station has reduced Anglo Coal's greenhouse gas emissions by 1.1 million tonnes of CO<sub>2</sub> equivalent per year.

**The Federal Minister for the Environment:** Greenhouse gas abatement award.



*Opposite page far left:  
Displaying the two awards  
won at the Mail & Guardian  
Awards are, from left,  
Riaan van der Merwe,  
Wendy Mey (BECSA),  
Ben Magara, Peter Gunther,  
Don Turvey (BECSA) and  
Thubendran Naidu*

*Opposite page right:  
Mmathabo Mrubata, Linda  
Watson, Henk Lodewijks  
and Stan Pillay receiving  
the Nedbank Capital  
Green Mining Award in  
recognition of Anglo Coal's  
Basa njengo Magogo  
project*

*Left:  
Capcoal 32-megawatt coal  
seam methane-fired power  
plant*

# Economic contribution

In 2007, Anglo Coal's operating profit was US\$614 million, equating to 6% of Anglo American's total operating profit. This was lower than our operating profit in the previous year, due mainly to port and rail infrastructure constraints in Australia and the strengthening of the Australian currency against the US dollar. Strong export prices for both metallurgical and thermal coal are expected to boost financial performance in 2008.

If the industry is able to address global greenhouse gas emissions and the restrictions of a carbon-constrained economy, coal appears to have a strong future. As Anglo Coal meets its financial targets we can, in turn, generate economic value for our customers, shareholders, employees, governments, business partners and the communities in which we operate.

## The supply chain

The money we spend with suppliers provides a significant capital input into the economy and creates a range of business opportunities. We are aware of the potential of this spend to provide for job creation and a wider distribution of indirect benefits. Anglo Coal recognises the value to be gained from expecting our suppliers to deliver reliable, quality services and goods and to meet our high standards for safety, health, environmental and social responsibility.

At our South African operations, black economic empowerment companies are given preferred supplier status in accordance with the requirements of the South African Mining Charter. We achieved our targeted spend of US\$325 million with black economic empowerment companies in 2007, which represents a very significant increase on our US\$200 million spend in 2006. This is attributable to ongoing capital expansion projects. The purchase of consumables and services accounted for US\$271 million, while the purchase of capital items accounted for the balance. The total expenditure with black economic empowerment companies in 2007 amounted to 68% of discretionary spend.

To support our increase in black economic empowerment spend, we encourage and support small, medium and micro enterprise development with the assistance of Anglo Zimele. Further information is provided on page 32.

We are in the process of developing a procurement and supply chain sustainable development policy which will enable us to monitor more accurately our suppliers' performance on sustainability elements.

## Economic review

	2007 US\$ million	2006 US\$ million
<b>Value added</b>		
Turnover <sup>1</sup>	3,574	3,333
Cost of all goods, materials and services purchased <sup>2</sup>	1,230	1,416
Total value added	2,343	1,918
<b>Value distributed</b>		
Total payroll and benefits	627	528
Interest paid	83	42
Dividends <sup>3</sup>	515	432
Total company taxation <sup>4</sup>	62	128
Reinvestment for maintenance and expansion	1,052	782
Community projects	5	4
Total value distributed	2,343	1,918

1. Turnover excludes inter-company sales.

2. Includes profit and loss on exchange.

3. Dividends were calculated for 2007 by applying Anglo American's dividend payout ratio as per 2007 results on Anglo Coal South Africa's net profit.

4. Includes amounts paid to regional councils but excludes the deferred tax provision.

No significant financial assistance was received from governments in 2007.

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* Future energy savings      ** Not applicable to Anglo Coal Australia	
*** Partially addressed	



# Independent assurance report

## Introduction

We have been engaged by Anglo Coal to conduct an assurance engagement on selected Key Performance Indicators (KPIs) reported in Anglo Coal's Report to Society 2007, for the purpose of expressing a statement of independent assurance, for the year ended 31 December 2007. This assurance report is made solely to Anglo Coal in accordance with the terms of our engagement and applies only to the hard copy publication of the Anglo Coal Report to Society 2007 and as set out on the pages referenced below.

The following KPIs were selected for an expression of *reasonable* assurance:

- ⑥ Total CO<sub>2</sub> emissions from electricity purchased, from fossil fuels purchased and from processes (as disclosed on Pages 11 and 25)
- ⑥ Total energy used (as disclosed on Pages 11 and 28)
- ⑥ Total work-related fatal injuries (as disclosed on Pages 11 and 16)
- ⑥ Total amount of Corporate Social Investment (CSI) spend (as disclosed on Page 32-33)

The following KPIs were selected for an expression of *limited* assurance:

- ⑥ Water used for primary activities (as disclosed on Pages 4 and 28)
- ⑥ Total number of level 2 and 3 environmental incidents (as disclosed on Page 11)
- ⑥ Lost Time Injury Frequency Rate (LTIFR) (as disclosed on Page 16)
- ⑥ New cases of Noise Induced Hearing Loss (NIHL) (as disclosed on Page 18)
- ⑥ New Cases of Occupational Diseases (NCOD) (as disclosed on Page 18)
- ⑥ Estimated HIV prevalence rate (as disclosed on Page 20)
- ⑥ Number of employees participating in Voluntary Counselling and Testing (VCT) (as disclosed on Page 20)
- ⑥ Number of employees participating in Anti-retroviral Treatment (ART) (as disclosed on Page 20)
- ⑥ Conduct of socio-economic assessments using the Socio-Economic Assessment Toolbox (SEAT) (as disclosed on Page 32)
- ⑥ GRI application level (as disclosed on Page 1).

The evidence gathering procedures for *limited* assurance are more restricted than for *reasonable* assurance and therefore less assurance is obtained with *limited* assurance than for *reasonable* assurance.

## Directors' responsibility

Anglo Coal's directors are responsible for the preparation and presentation of the selected KPIs in accordance with internal corporate policies and procedures and the Global Reporting Initiative's (GRI) new generation (G3) guidelines.

## Our responsibility

Our responsibility is to express to the directors an opinion on the selected KPIs contained in Anglo Coal's Report to Society 2007, for the year ended 31 December 2007, based on our assurance engagement.

## Work performed

We conducted our engagement in accordance with the International Standards for Assurance Engagements 3000, "Assurance Engagements other than audits or reviews of historical financial information" (ISAE 3000) issued by the International Auditing and Assurance Standards Board. This standard

requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain either *reasonable* or *limited* assurance on the selected KPIs as per our terms of engagement.

Except for the self declaration of the GRI application level, Anglo Coal South Africa's internal corporate policies and procedures, as in place for the year under review and available from Anglo Coal on request, were used as the criteria to evaluate the selected KPIs. In terms of evaluating the 'B+' application level, the specific application level criteria as stipulated by the GRI's new generation (G3) guidelines have been used.

## Our work consisted of:

- ⑥ obtaining an understanding of the systems used to generate, aggregate and report data at three selected operations;
- ⑥ conducting interviews with management at the sampled operations;
- ⑥ applying the assurance criteria in evaluating the data generation and reporting processes;
- ⑥ performing a controls walkthrough for *limited* assurance, and further key controls testing for *reasonable* assurance; and
- ⑥ testing the accuracy of data reported on a sample basis for *reasonable* assurance.

## Inherent limitations

Non-financial data is subject to more inherent limitations than financial data, given both the nature and the methods used for determining, calculating, sampling or estimating such data. We have not carried out any work on data reported for prior reporting periods, nor have we performed work in respect of future projections and targets. We have not conducted any work outside of the agreed scope and therefore restrict our opinion to the agreed KPIs.

## Conclusion – Reasonable assurance

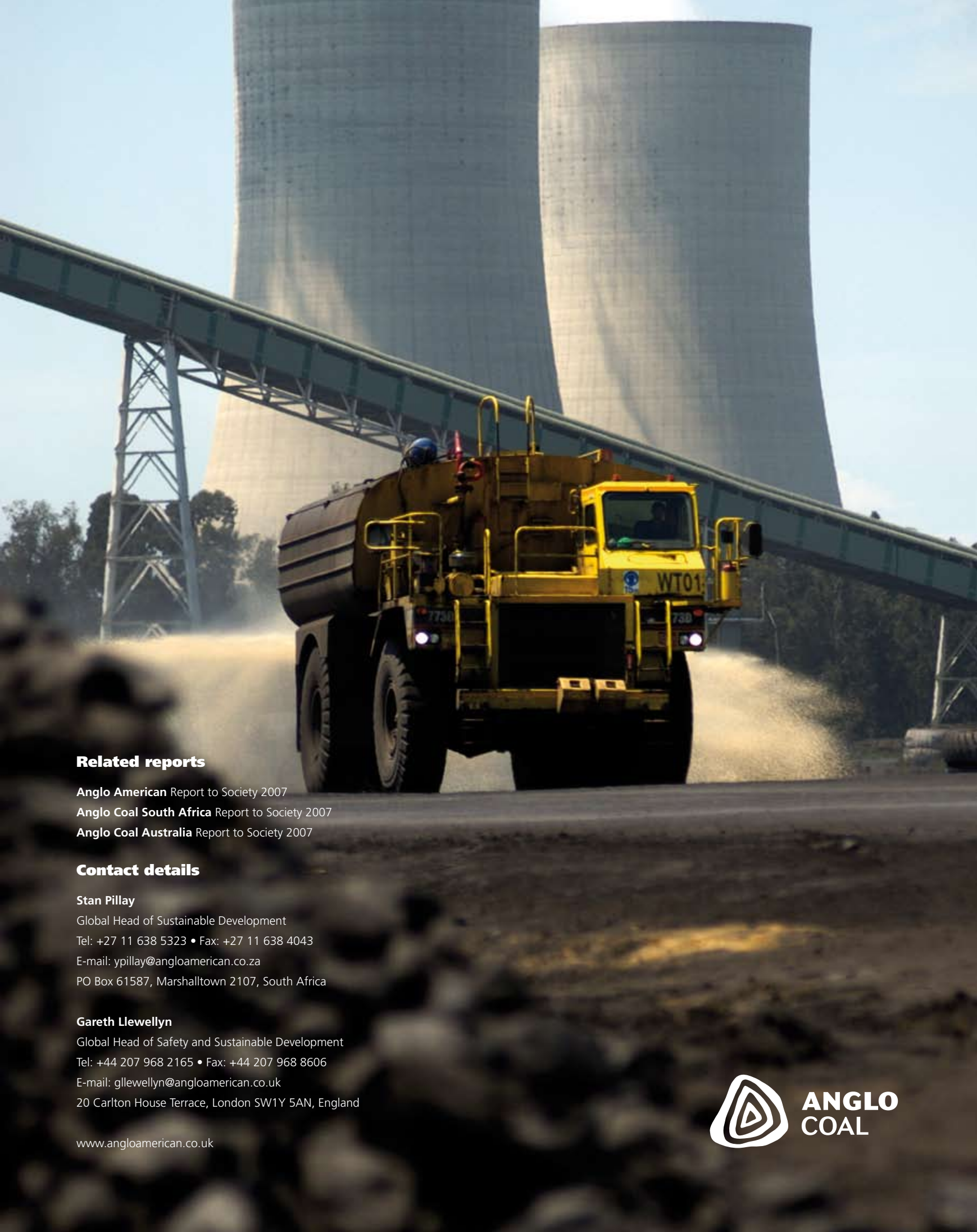
On the basis of our *reasonable* assurance procedures, the KPIs selected for *reasonable* assurance for the year ended 31 December 2007, have been compiled in accordance with corporate policies and procedures and are free from material misstatements.

## Conclusion – Limited assurance

On the basis of our *limited* assurance procedures, nothing has come to our attention to cause us to believe that the KPIs selected for *limited* assurance for the year ended 31 December 2007, have not been compiled in accordance with the corporate policies and procedures or are materially misstated.

  
PricewaterhouseCoopers Inc.

Carmen Le Grange, *Director*  
Registered Auditor, Johannesburg  
12 June 2008



## **Related reports**

**Anglo American** Report to Society 2007

**Anglo Coal South Africa** Report to Society 2007

**Anglo Coal Australia** Report to Society 2007

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