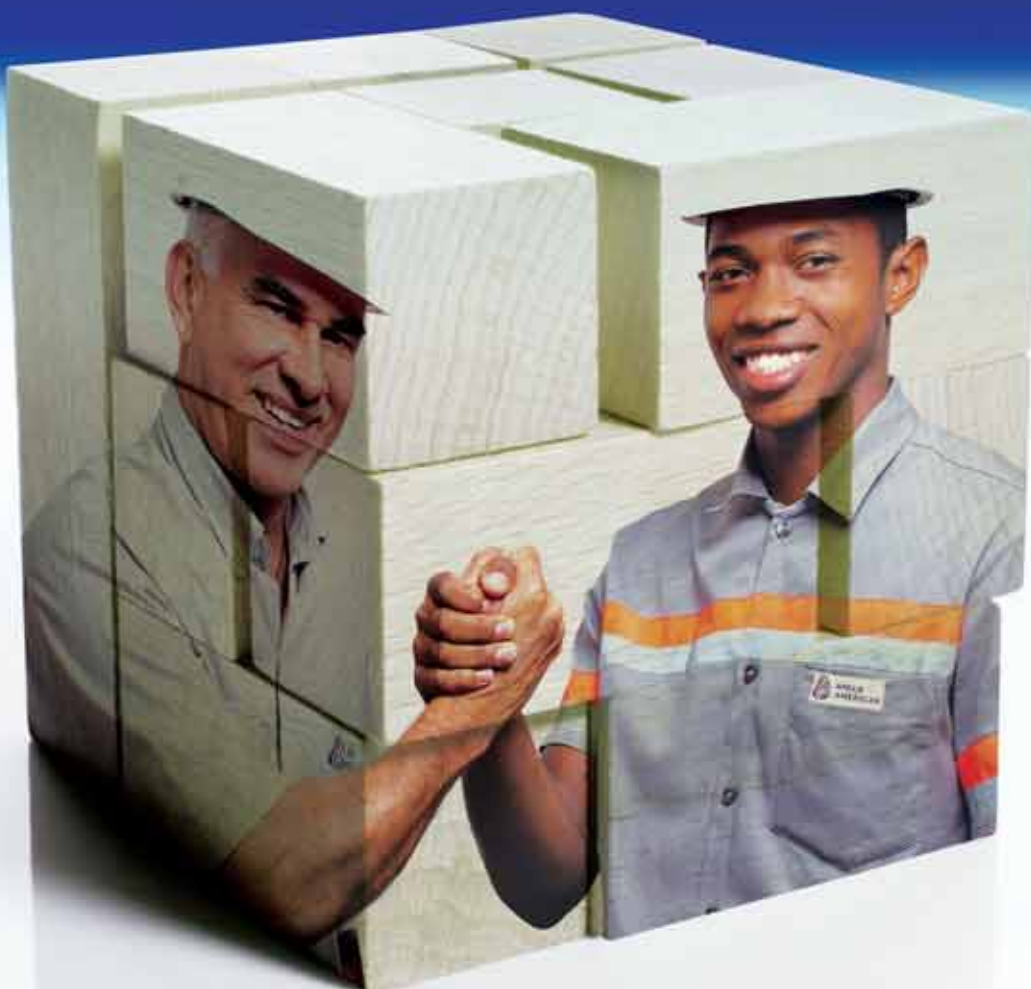


Consolidate to grow



**ANGLO
AMERICAN**

Anglo American Brasil
Sustainability Report 2006

Anglo American Brasil
Sustainability Report | 2006



Report Parameters



A document issued annually by the company, the previous edition of the Sustainability Report was published in 2006, focusing on performance in 2005. As far as its preparation is concerned, this document involved the participation of all areas involved in the company administration process, for example, Environment & Occupational Safety, Human Resources, Finance & Accounts, Marketing and top management and operational areas.

With a view to defining the fundamental points dealt with in the report, a survey was made of the main concerns of such stakeholders as shareholders, clients, employees and communities with respect to company activities. The processes employed by Anglo American Brasil in surveying issues of concern to its stakeholders are conducted by means of a variety of tools, for example: qualitative research, interviews, workshops, events and reports. For the purposes of this document, these issues were systematized and placed in order of priority by the employees responsible for managing relations with each public of concern.

initiative has resulted in implementation of corresponding actions, shown throughout this report, with clarification of activities performed by the company at its plants, hiring of local labour; measures for contributing to the economic development of the region, and social investment, which includes resources destined for education, infrastructure and health.

Besides this, the 2007 edition - relative to 2006 data - presents a further challenge: the inclusion of data associated with Copebrás which, starting this year, came to be part of the overall structure of Anglo Base Metals, in a process that integrates its operations and unites management structures¹.

The company has structured its report based on Global Reporting Initiative - GRI (version G3) guidelines, which resulted in the improvement of certain topics dealt with in the report and the manner in which data is presented. This is an ambitious objective, as this is the first time that Anglo American Brasil is presenting its report aligned with the most current version of GRI guidelines.

As far as shareholders and clients are concerned, the most important topics raised were economic performance and overall administration of the company. On the other hand, employees focused their attention on issues associated with the development of their careers (career plan, variable remuneration, benefits) and the process of integration between Anglo American Brasil and Copebrás. As far as suppliers are concerned, the main issue was that of the beginning of preparation of this group for expansion of its activities at Anglo and implementation of a scorecard system by the company. This tool is a global measurement system, used by a variety of companies to measure the degree of alignment of their strategic planning with operational performance

Trade unions are also able to find topics relative to company performance, addressed in previous workshops, such as the medical assistance and benefits that are offered, as well as preservation of the spending power of employees. With regard to community stakeholders, Anglo American has incorporated various issues in its planning, prioritized by company channels of community consultation and engagement. This

With a view to providing clarification for Anglo American stakeholders regarding the extent of its operations, the company has also included various parameters used at corporate level that are not to be found among GRI indicators. Anglo American considers the level of GRI-G3 application of this report to be "C". The company adopted content and quality principles in selecting and reporting performance information and indicators. This report shows a total of 12 GRI indicators in a complete manner, of which two are economic, five are environmental and five are social. Besides this, the company shows indicators that provide continuity to the 2005 Sustainability Report and partial data regarding a further 11 GRI indicators, in order to bring its next sustainability reports into line with application levels "B" and "C". Another company target, for 2008, is that of submitting the Sustainability Report for external validation.

Note 1: the Anglo American group is also involved in exploration activities in Brazil. During the reporting period, such activities are not included in control of the Brazilian operation, as they were under the management of company head office in London.

Table of Contents



6

Message from the Chairman



20

Economic performance



10

Anglo American and sustainability

26

Anglo American team





36

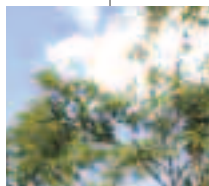
Social performance



56

Objectives and
targets for 2007

Environmental
performance



42

Appendices

60



Message from the Chairman

Consolidate to grow



Each year, presenting the public with a new edition of our sustainability report represents an important milestone regarding Anglo American activities in Brazil. More than just a report, this publication, which is in its third edition, reflects the awareness that our dialogue gains ever more strength, form and life, by means of the actions that perpetuate our business and our total commitment to and compliance with society and the environment.

This year, it is not solely by chance that our report is entitled “Consolidate to Grow”. It was this guideline that formed a basis for our actions throughout 2006, focusing on the concretisation of a solid foundation that facilitates the sustainable growth of our administration. This transformation and growth phase is present in the actual content of this document which, in this edition, also comes to include the performance of activities developed by Copebrás.

Throughout the whole year, the company implemented Project 51 - related to the integration of Copebrás in Anglo Base Metals operations. The re-structuring process also identified opportunities for job unification and reorganisation of responsibilities, focusing on definition of a new structure that is best suited to the growth targets of the group. The project was concluded with excellent results: almost 250 initiatives that totalled US\$ 104 million in cost savings to be obtained by 2009 - exceeding the total of US\$ 51 million that was initially foreseen. Following a joint effort that involved the whole team, these initiatives, which included process

optimisations and operational improvements, among others, will start to be put into practice in 2007. This set of initiatives will gain even more strength and resources based on the international standards of Anglo American, with restructuring of the area responsible for Continuous Improvement), which will report directly to Business Development and Marketing management.

A large number of our efforts were also concentrated on the alignment of human resources activities, marked by the transition to a more modern, transparent and professional administration. This process, which was initiated in 2006, made it possible for the Human Resources area to contribute even more to the growth of Anglo American Brasil in 2007. This strategic priority is based on implementation of Learning Career Management - LCM (a plan for the development of careers and skills), where those in leadership positions share responsibility with employees for directing their individual professional development.

We will also strengthen the sustainability of our human resources management, with implementation of a gradual succession plan, at various levels, for the next 15 years. Besides this, we will give continuity to the technical qualification of our team, with the implementation of new capacitation projects at duly recognized institutions. Our next step is that of long-term evolution of this measure, by means of an advanced level qualification project, with the creation of or in partnership with a teaching institution. It is our expectation that each employee feels not only motivated, but also sensitized as to the importance he or she will have in ensuring that the challenges and targets of Anglo American Brasil are duly met. In order to coordinate these transformations, the company will also profit from the experience of a new professional managing the Human Resources team. Part of this process also includes structuring the Communication area, responsible for managing and disseminating relevant company information to all stakeholders.

One clear objective for 2007 is that of maintaining the target of Zero Accidents at the company. In 2006, we lost two employees during the performance of their activities. Carlos Luis

da Silva and Ednor Dias Ferreira of the Niquelândia and Catalão facilities, respectively, worked for 2.5 and 10 years at the side of their colleagues at the two companies. Losses such as these are unacceptable for Anglo American. We have to renew commitments, pass on concepts and re-integrate all safety instructions at our company. All work should only be performed under safe conditions.

New investments: Anglo American in the heart of Brazil

In 2006, company focus on new investments also bore fruit that will bring additional benefits to the country and mean that Anglo American is able to further consolidate its position on the market. In December, we obtained approval of an investment of US\$ 1.2 billion for the Barro Alto Project, the largest ever implemented by the company in Brazil. More than 3,500 direct jobs will be created during the construction phase and more than 780 during the operational phase.

We have also concentrated our efforts on other projects in the base metals area. With a view to assuring the sustainability of nickel operations, studies performed in the states of Pará and Mato Grosso will provide support for the long-term continuity of our operations. To this end, over the next two years, stages involving the surveying of these deposits will be consolidated, with investments in the order of US\$ 15 million.

Our objectives of furthering existing knowledge regarding available reserves in Brazil and projecting the country's potential in terms of the mineral resources identified led to more emphasis being placed on the mineral exploration study in the state of Pará. From its initial planning stage, this project will have ISO 14000 certification – including application of principles regarding team awareness raising and training, as it is our belief that our employees are the basis of our business.

We are here in order to contribute to the development of a country that is not only rich in mineral resources, but also in human, social and environmental capital. At the present time, South America represents around 40% of the income of Anglo American plc, the company

Organizational
climate
survey indicated
possibilities
for professional
development



controlling all operations throughout the world, with its head office in London (plc = Public Listed Company – company listed on the London Stock Exchange).

Balance

Besides approving the biggest project in the history of its Brazilian operations, Anglo American has worked in order to ensure that its activities in the sustainability field gain even more consistency. Our community relations have been strengthened through the holding of Community “Intercâmbio” (Interchange) Forums in June and November 2006, as well as initial implementation of activities associated with the “Plano de Envolvimento com a Comunidade - PEC” (Community Engagement Plan). People living in the regions where we operate clearly experience company commitment to their needs, given that evaluations of the event have been made, resulting in both praise and suggestions. In addition, a channel of communication has been implemented for future demand, together with the monitoring of such areas as the press and indirect communication – via employees.

Our relationship with employees was also of fundamental importance in 2006. For the second

time, the company performed a “Pesquisa de Clima Organizacional” (Organisational Climate Survey), on this occasion including the Copebrás facility. There was an even greater level of participation than that seen during the 2005 survey and, among the main aspects addressed, is that of the sense of uncertainty associated with the re-structuring process and consequent process changes. On the other hand, this scenario also showed positive aspects, such as the possibility of new opportunities for development. At the end of 2006, this perception was corroborated by the aforementioned approval of the Barro Alto Project, awaited by all with a high degree of expectancy.

The company also prepared itself for the process of SA8000 certification, this being a wide-ranging standard that governs the administration of a company with respect to guaranteeing basic human rights and the responsibility assumed by the management. Our target for 2006 was that of consolidating this process, although this was not possible due to the re-structuring of jobs and areas at Anglo American and Copebrás, especially at operational facilities. The process will be re-initiated in 2007, with a view to obtaining certification in 2008.

Our targets for 2007 cannot fail to address per-

formance in the safety area. Planned measures include the inclusion of safety indicators in the “Participação em Lucros ou Resultados - PLR” (Participation in Profits or Results) of supervision personnel, and accompaniment of such indicators as inspections, Visible Felt Leadership (VFL), recording and investigation of incidents, and Lost Time Injuries (LTI), among others. One of these actions is implementation of the performance contract. By means of this contract, all those in positions of leadership undertake an annual commitment to clearly defined targets in the following key areas: sustainable development and safety, operational and financial results, people management, continuous improvement and leadership.

As far as the community is concerned, we wish to reduce purely assistential donations and come to contribute with projects that are ever more sustainable and of interest to the region. We also have the target of diversifying tax-exempt investments and, furthermore, establishing partnerships that bring long-lasting benefits to the municipalities in which Anglo American Brasil operates, for example, improvements in public health and education, as well as activities that generate income.

Transparency as a basis for sustainability

At the same time, it is our understanding that, as we make advances in our economic performance, the degree of transparency with

which we share this information with the public should also accompany such advances. Evidence of this can be seen in our adoption of Global Reporting Initiative (GRI) guidelines. All facilities installed in Brazil – Codemin, Mineração Catalão and Copebrás – have united their efforts in gathering specific data for complying with GRI guidelines, one of the main methodologies adopted for reporting performance in the sustainability area. It is the wish of Anglo American Brasil that its commitment and activities in Brazil be presented in a transparent manner for each and every reader who has access to this document.

Efforts to demonstrate the transparency of Anglo American operations and our performance in the sustainability area are also recognized throughout the world. It was not by chance that, during preparation of the 2006 report, the company had the Socio-Economic Assessment Toolbox (SEAT) elected as the best in assessing social and economic impacts by One World Trust’s 2006 Global Accountability Report.

This already gives us a significant competitive edge, as sustainability plays a strategic role in maintaining our activities. It is our hope that this edition helps you to better understand and assimilate the way in which Anglo American consolidates its sustainable activities in order to grow in Brazil.

Walter De Simoni
Chairman of Anglo American Brasil

Our focus will be on safety and environment targets in 2007





Anglo American
and sustainability

Anglo American and sustainability

The organisation

Anglo American Brasil: consolidated operation

Every year, Anglo American Brasil distinguishes its presence in Brazil. This presence can be translated into its operations, products and human capital and, even more importantly, the furtherance of its contribution to sustainable development.

In Brazil, operations include the nickel, niobium and phosphate areas. The organisation operates as a Limited Company¹ (Anglo American and Copebrás) in the states of Goiás and São Paulo via its Codemin, Mineração Catalão and Copebrás facilities, the latter originating from the Industrial Minerals Division of the group.

Since February 2006, Copebrás has been undergoing the process of integration into the Anglo American Base Metals Division in Brazil. This transition is principally characterized by unification of the administrative body, integration of operations at the Catalão facilities, and adjustments to the whole structure of jobs and responsibilities at all operational levels. Especially in Catalão, where the two facilities will be managed as if they were a single company, the formation of a single board of management was one of the principal structural changes during the year of 2006.

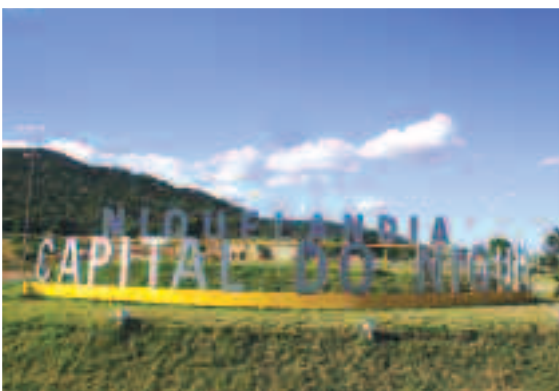
The nickel, niobium and phosphate facilities will come under a unified administration

In the towns of Niquelândia and Barro Alto, the company conducts its nickel operation – which shows consistent results and supplies a market driven by high levels of consumption of stainless steel. With growth rates of 3% to 5% per year, the sector is led by such emergent markets as China, India, Russia and Brazil itself.

These, among other factors, have led to Anglo American Brasil obtaining a green light for initiating implementation of the Barro Alto Project, which will consolidate the expansion of company nickel operations in the country. At the present time, these operations comprise ore extraction at the Barro Alto mine and its subsequent processing in Niquelândia for production of ferromnickel.

With a forecast investment of US\$ 1.2 billion during the construction phase, the Barro Alto Project will create approximately 3,500 direct jobs and 780 new vacancies to be filled in the operational phase.

Note 1: limited companies are those whose capital stock is represented by quotas. The liability of partners in the investment is limited to the total amount of capital stock invested.



Another Anglo American operation is represented by Mineração Catalão in the state of Goiás, which extracts the pyrochlore that is used to produce ferroniobium. Two mines - one in the municipality of Ouidor (“Fazenda Chapadão”) and the other in Catalão (“Fazenda Boa Vista”), are the sources of the ore which, following beneficiation and transformation into ferroniobium, will meet the demand for special steels of automotive, civil engineering, heavy industry and infrastructure sectors, as well as the marine and aerospace industries. In all, 1,031 direct employees are involved in these operations, 264 of these being in Catalão and Ouidor (state of Goiás), 501 in Niquelândia (state of Goiás), 81 in Barro Alto (state of Goiás) and 89 in São Paulo (state of São Paulo).

Copebrás

Copebrás completed 50 years of activities in 2005 and has been a company of the Anglo American plc group since 1984. With its head office at the Cubatão facility (state of São Paulo), the company also has two other sites in Catalão and Ouidor (both in the state of Goiás). Among the challenges that have distinguished company operations in 2006, and which will con-

tinue in 2007, are processes focused on the integration of its 1,300 direct employees and processes with Anglo American Brasil, by means of mutual efforts that provide evidence of strong points of the performance of both companies, especially in Catalão, where they operate at the same location. The human capital of the company is distributed throughout the country in the following manner: 500 located at the plant in Cubatão (state of São Paulo) and 800 at the Catalão and Ouidor operation (state of Goiás).

Independent in legal terms, differently from Anglo American Brasil, Copebrás has a minority stockholder (Joseph Michaan), who retains 27% of company stocks and resides abroad, in the United States. Every month, he is represented at meetings when details are presented of company performance.

The table entitled “The Operation in Numbers” shows the warming up of the Base Metals area, this being the fruit of the global demand scenario for ores marketed by Anglo American. In the case of phosphated products, production rates remain the same, providing evidence of stability in the sector.

THE OPERATION IN NUMBERS						
2004			2005		2006	
Anglo American Brasil						
	Mineração Catalão	Codemin	Mineração Catalão	Codemin	Mineração Catalão	Codemin
Characteristics	Niobium	Nickel	Niobium	Nickel	Niobium	Nickel
Start of operations	1976	1982	1976	1982	1977 ¹	1982
Production capacity	3,500 tons/yr	6,000 tons/yr	4,000 tons/yr	10,000 tons/yr	4,800 tons/yr	10,000 tons/yr
Exports	3,600 tons	1,000 tons	4,000 tons	1,200 tons	4,700 tons	1,500 tons
Metrics	product tons/yr (ferroniobium)	product tons/yr (ferronickel)	product tons/yr (ferroniobium)	product tons/yr (ferronickel)	product tons/yr (ferroniobium)	product tons/yr (ferronickel)

2004						
Copebrás						
	Cubatão			Catatão		
Characteristics	Sulphuric	Phosphoric	Phosphated	Sulphuric	Phosphoric	Phosphated
Start of operations	1966	1967	1966	2003	2003	2003
Production capacity	645,000 tons/yr	145,000 tons/yr	550,000 tons/yr	480,000 tons/yr	117,000 tons/yr	615,000 tons/yr
Metrics	product tons/yr	tons of P ₂ O ₅ /yr	product tons/yr	product tons/yr	tons of P ₂ O ₅ /yr	product tons/yr

2005						
Start of operations	1966	1967	1966	2003	2003	2003
Production capacity	645,000 tons/yr	145,000 tons/yr	550,000 tons/yr	560,000 tons/yr	140,000 tons/yr	580,000 tons/yr
Metrics	product tons/yr	tons of P ₂ O ₅ /yr	product tons/yr	product tons/yr	tons of P ₂ O ₅ /yr	product tons/yr

2006						
Start of operations	1966	1967	1966	2003	2003	2003
Production capacity	645,000 tons/yr	145,000 tons/yr	550,000 tons/yr	560,000 tons/yr	150,000 tons/yr	580,000 tons/yr
Metrics	product tons/yr	tons of P ₂ O ₅ /yr	product tons/yr	product tons/yr	tons of P ₂ O ₅ /yr	product tons/yr

Note 1: operations were initiated in 1976, with the production of concentrate and, beginning in 1977, the first ferroniobium alloy was produced.

Anglo American in practice

Anglo American
consolidates a
unified portfolio

Integrated portfolio

Ferroniobium

When one thinks of state-of-the-art technology, Anglo American automatically comes to mind. Ferroniobium, an alloy containing around 67% niobium, is used in the fabrication of special steels that show a high degree of mechanical strength and corrosion resistance, even at extreme temperatures. With growing consumption by emerging markets, particularly in the infrastructure and automotive sectors, demand for ferroniobium has been growing at an average rate of 10% per year. In 2006, it is estimated that demand for ferroniobium was that of around 20%. Improvements in Anglo American operations have allowed the group to maintain its share of the market in this industry, which is estimated as being that of approximately 10%.



Nickel

Nickel is present in the most basic of our day-to-day activities and in a wide variety of industries. This metal is principally used in the production of stainless steel, which consumes more than 65% of the total amount of nickel available on the market. Nickel is also used in the aeronautical sector and in the medical and odontological product, food, chemical and hygiene industries. Components of rechargeable batteries, personal computers and electric vehicle batteries also contain this metal.



Phosphates

The diversity of the Copebrás product portfolio makes it possible to meet the demands of various sectors of industry manufacturing such items as the following: cleaning products, cement and ceramics, paints, glass, soil stabilizers and cellulose whiteners (Sodium Tripolyphosphate – STPP), as well as base chemical and mineral fertilizer industries (Sulphuric Acid), those fabricating high concentration fertilizers (Phosphoric Acid - 54%) and low and medium concentration fertilizers (Phosphated Fertilizers), and industries involved in water treatment (fluoridisation, production of sodium and potassium fluorides), production of aluminium as flux (Fluorosilicic Acid) and animal nutrition products (Bicalcium Phosphate - Copefós).



The Anglo American trademark worldwide

A consolidated structure present in all five continents. That's Anglo American plc, one of the biggest mining and natural resources groups in the world, with a head office located in London. With its subsidiaries, joint ventures and associated companies, Anglo American has become a global leader in platinum, gold and diamonds, with a significant holdings in coal, base and ferrous metals and industrial minerals. In South America, besides its Brazilian operation, the company operates in Venezuela, in the nickel area, Chile and Peru, in the copper area and Colombia, in the coal sector.

Operating in 64 countries (www.angloamerican.co.uk/ourbusiness/thecompany/geographiclocations/), the company produces items that are present in our day-to-day lives and essential to our modern way of life. The enormous scale of its operation amounts to more than 120 thousand direct jobs. At the present time, the group concentrates approved projects that amount to resources in the order to US\$ 6.2 billion, which will come into activity by 2009. Besides this, the investment is being studied of more than US\$ 10 billion in future projects, which will guarantee the continuity of the business.







Our governance

In Brazil, Anglo American has a Steering Committee, which works on defining the directions to be taken by the company. Company structure is basically tripartite in nature, comprising a board of directors and operational and support management boards. The first is the responsibility of the company Chief Executive Officer (CEO), whereas the

other two are composed of the directors of each facility.

The Niobium and Phosphate Operations area concentrates all processes under one director. On the other hand, the Support area aggregates the following departments: Safety and Sustainable



Committees, established per discipline, will address changes



Development, Human Resources, Supply Chain, Finance, Marketing and Business Development, Legal and Mineral Rights Coordination and Communication. As a target for 2007, each one of these departments will establish specific committees in order to widen the scope of changes and implement new projects in their respective areas.

Anglo American Brasil has a group of executives responsible for administration of the three businesses that represent the group's presence in Brazil. The Management Committee meets on a monthly basis and comprises those responsible for operations and professionals responsible for the main business activities. Besides this committee, the company has a group of advisors based at the head office of the group in London (Great Britain), who are active in the financial, business, technical, human resources and corporate governance areas. In addition, the presence of Anglo American on the London Stock Exchange and the FTSE100 index is evidence that the group observes state-of-the-art corporate governance practices.

As far as its internal public is concerned and with a view to ensuring that employees are able to share ideas, doubts and criticisms, the company has various communication tools, thus guaranteeing the possibility of open dialogue within the group. Such tools include that known as "Speakup", this being a direct channel of communication with top management, through which suggestions and inquiries are treated in a quick and efficient manner. Since its implementation in 2004, Anglo American plc has invested in a specific structure in order to ensure that the expectations of employees are closely monitored and their questions and comments are dealt with in a prompt manner. The results obtained have been very positive as, at a time when company management is undergoing significant transformation, this channel of communication has been widely used by professionals of the group.

Implementation of the corporate plan and communication tools has also contributed to everyone having information concerning decisions made by the company, including those with respect to its restructuring, with the integration of operations, and next steps planned for the future. The Communication department has contributed to ensuring that Anglo American establishes an administration that is transparent, clear and objective for all its stakeholders.

Barro Alto Project, the largest Anglo American investment in nickel in Brazil



On December 7th 2006, Anglo American announced the Barro Alto Project for production of ferronickel in the municipality of Barro Alto (state of Goiás), with a forecast investment of US\$ 1.2 billion. Feasibility studies for installation of the new plant were initiated in 1998 and re-assessed in September 2006. The final project design was concluded in September 2006. Following all necessary evaluations, construction of the new plant received the approval of head office in London.

This is the largest investment that the company has made in nickel in the country and will bring immense social and economic benefits to the region. In the construction phase, 3,500 direct jobs will be created and, during the operational phase, 780 job vacancies will be filled.

The Barro Alto mine (state of Goiás) is located at a distance of around 170 km to the northwest of Brasília, 240 km to the north of Goiânia and 150 km from the Anglo American nickel operation (Codemin) in the town of Niquelândia. Deposits were discovered at the end of the 1960s and Anglo American concluded acquisition of mineral rights in 2002, at a cost of US\$ 35 million. It should be noted that the Barro Alto mine is already in operation, supplying ore to the Niquelândia facility.

All licenses necessary for the new operation – environmental, preliminary and project construction licenses, a water abstraction permit and a license for construction of a transmission line – have already been granted.

The Barro Alto plant will produce an average of 36 thousand tons/year of nickel contained in ferronickel alloy for a period of 26 years, it being the case that implementation of the project was initiated in May 2007. The company estimates that production will begin in 2010 and that the plant should attain its full capacity in 2011.

This new project will contribute to practically doubling Anglo American worldwide nickel production, reaching approximately 90 thousand tons per year in 2011. The Barro Alto Project will highlight Brazil on the international market, as production will increase from 10 thousand tons/year to 50 thousand tons/year.

We believe in sustainability

Operating as an extractivist industry is a task that requires special precautions. Throughout its existence, Anglo American has sought to implement best practices for guaranteeing the continuity of its business and, even more importantly, the well being of the communities in which it carries out its activities. The organisation maintains a solid management system that integrates quality, environment and occupational health and safety, operating under the following certifications: ISO 9001 (Quality), ISO 14001 (Environmental Management) and OHSAS 18001 (Occupational Health and Safety). Following completion of the process of integration of Anglo American and Copebrás facilities in 2007, the group established a new target for obtaining SA8000 certification, predicted for 2008.

In economic terms, the company has had good results with the Continuous Improvement process, involving the implementation of process improvements and resources management, with consequent cost reductions. Measures implemented in the past year resulted in cost savings of around US\$ 30 million at the Anglo American Codemin and Mineração Catalão facilities, a record in the history of the group in Brazil. This represents almost 5% of company revenues in the country. The results obtained at Copebrás facilities will be incorporated in the 2007 report, given that the integration process occurred in 2006. The focus of operations in 2006 was also based on the results of a survey performed at clients in 2005. Such attributes as tradition and dependability - the

Anglo enhances sustainable performance



capacity of a company to meets its clients' needs irrespective of any kind of variable - were identified as essential in our business and an integral part of client perception regarding Anglo American. As a result of this analysis, in 2006 we were able to work on a strategic plan with the objective of strengthening our qualities and perfecting other aspects of our activities.

The company also seeks alternatives as far as the management of natural resources is concerned. The main objectives are those of reducing CO2 emissions by means of environmental management, and reducing power and water consumption. A good example of environmental management, a topic that will be explored in greater depth on page 42, is that of the Copebrás facility located in Cubatão, which uses rainwater in its industrial process. In general, the company's Brazilian operations have implemented the reuse of natural resources, at all facilities, in order to avoid wasting them and ensure that they are managed in the best possible manner.

In global terms, Anglo American is the only company of its sector to use biomass in the form of eucalyptus chips as a reducing agent in ferronickel production. Implemented at its Codemin facility, this measure brings about a reduction of greenhouse gas emissions in its production process. Besides this, the adequate management maintained of its eucalyptus plantations, which also have ISO 14001 certification, removes CO2 from the environment, thus contributing to retardation of the global warming process that the planet is facing.

Contact and exchange of experiences with its stakeholders also strengthens the sustainable manner in which the company operates. Projects will be developed such as that known as "Cultura de Seringueira" (Rubber Tree Cultivation), which will make it possible for agricultural workers to obtain extra income and achieve an economically more equitable life.

This is a good example of implementation of the activities proposed in its Community Involvement Plan, developed based on 2004 application of the consultation process known as "Seat" (Socio-Economic Assessment Toolbox2). In 2006, the company allocated R\$ 5.344 million in social and infrastructure investments in the communities where it operates, with constant focus on the transformation and sustainability power of social interventions.



Note 1: Anglo American did not submit cases, projects and other activities for awards in 2006. Therefore, no reference is made to awards obtained during the reporting period.

Note 2: tool by which Anglo American assess its socio-economic impact on the communities where it operates. By means of this process, consultations are made with stakeholders and an evaluation is made of regional socio-economic demands.



Economic
performance

Economic performance

Anglo American in results

In terms of direct economic value generated, Anglo American showed growth by attaining R\$ 761.395 million, compared with R\$ 527.833 million in 2005. On the other hand, Copebrás retained R\$ 690.901 million, a lower result when compared with the 2005 figure of R\$ 792.346 million. The first case can be explained by the strong performance of the Base Metals division in its markets and the overall heating up of this market. In the second case, the observed drop can be attributed to the economic scenario, principally Brazilian agriculture, which affected the market for phosphated products.

Of the Anglo American total, R\$ 586.649 million

were allocated to operational costs, government payments, employee payroll and investments in the community. On the other hand, Copebrás allocated R\$ 169.065 million to these items. Therefore, the accrued economic value figures of Anglo American – Basic Metals division and Copebrás - amount to R\$ 174.746 and R\$ 521.836 million, respectively.

Anglo American has total assets of R\$ 975.021 million and a net worth of R\$ 780.777 million. Total debts payable amount to R\$ 194.244 million, composed of R\$ 100.251 million in short-term debts and R\$ 93.993 million in long-term debts.

OUR VALUE*						
	2004	2005	2006	2004	2005	2006
Anglo American Brasil				Copebrás		
Direct Economic Value Generated	471.001	527.833	761.395	871.215	792.346	690.901
Revenues	471.001	527.833	761.395	871.215	792.346	690.901
Economic Value Distributed	307.388	664.898	586.649	250.665	207.640	169.065
Operational costs	145.389	272.338	286.510	48.658	34.957	34.261
Employee salaries and benefits	33.406	54.883	85.546	71.197	83.112	83.745
Payments to capital providers	-	233.447	229	19.819	18.133	-
Payments to government	127.540	103.685	212.570	110.208	70.732	50.509
Investments in the community	1.053	545	4.7941	783	706	550
Economic Value Retained	163.613	-137.065	174.746	620.550	584.706	521.836

Direct Economic Value Generated - Economic Value Distributed = Economic Value Retained

* Value in million reais

Note 1: includes official recognition of donation of an area of land to Niquelândia Town Hall, at a value of R\$ 3 million.

The commitment of Anglo American to sustainable development, including economic aspects, is very clear if one analyzes company figures. There is a consistent increase in company revenues as a result of an administration that is aligned with market needs and the most up-to-date management systems. The most important aspects of this include a focus on reduction of operational costs and continuous improvement of processes, as well as permanent professional capacitation of our personnel.

Consistency and solidity

Good results are part of our track record. In 2006, the company obtained a net revenue in the order of R\$ 1.3 billion, R\$ 729 million coming from the

Anglo American Base Metals division and R\$ 615 million from Copebrás.

In 2006, Anglo American showed sales amounting to R\$ 729 million, a growth of 35% in relation to the previous year. This growth can principally be attributed to the tendency for high commodities prices, resulting in an increase in the demand shown by such emerging markets as China, India and Russia, as well as the recovery of European demand for this metal. Another factor is that imbalance in product distribution in certain consumer regions momentarily valorises the product in particular markets and regions. The market also managed to attain a certain degree of recovery in demand for fertilizers, having a positive impact on company results.

OUR FINANCES*						
Results						
	Anglo American Brasil	Copebrás	Anglo American Brasil	Copebrás	Anglo American Brasil	Copebrás
Period	2004		2005		2006	
Net sales	405	769	456	701	729	615
Operational profit	289	129	137	27	240	-12
Profit before Taxes	295	130	110	27	173	-12
Net profit	247	93	96	18	175	-14

Distribution of Added Value						
	Anglo American Brasil	Copebrás	Anglo American Brasil	Copebrás	Anglo American Brasil	Copebrás
Period	2004		2005		2006	
Payments to personnel	33	71	55	83	86	84
Taxes, Dues and Contributions	127	110	104	71	212	51
Interest and Rent	8	49	2	35	0	34
Profit	247	93	96	18	175	14
Total Added Value	427	323	257	207	473	155

Taxes and other Payments to Government						
	Anglo American Brasil	Copebrás	Anglo American Brasil	Copebrás	Anglo American Brasil	Copebrás
Period	2004		2005		2006	
Federal	90	95	61	63	150	48
State	35	14	41	7	60	2
Municipal	2	1	2	1	2	1
Total Taxes and Dues	127	110	104	71	212	51

* Values in million reais



Permanent investments in order to promote sustainable development

Investments permeated all operations in a wide variety of sectors. In 2006, R\$ 46 million in new projects highlighted company focus, followed by investment in maintenance and production capacity of R\$ 30 million. Furthermore, in 2006, Anglo American invested R\$ 16 million in the environment, with systems focusing on the control and monitoring of biodiversity.

In the case of Copebrás, resources made available were in greatest evidence in the maintenance of production capacity, totalling almost R\$ 18 million, followed by investments in the environment, comprising approximately R\$ 9 million, on a stormwater reutilisation program and biodiversity measures. The company reduced its costs to the order of R\$ 7.2 million, as a result of process optimisation and resources management.

Investment in the Community

In all our activities, we are re-affirming our commitment to the sustainable development of the economy of those communities in which we are present. This determination means that the use of financial resources for investments in technology, process improvements and training, among other items, is permanent. In 2006, Anglo American Brasil totalled R\$ 4.794 million in investments in the community, ranging from socio-economic projects to training courses. During the same period, Copebrás allocated R\$ 550 thousand for similar activities in the communities where it operates.

Salaries and benefits

Salaries and benefits currently represent 65% of the Anglo American Brasil payroll - amounting to around R\$ 55 million. Social charges were responsible for 21% of the total, whereas elective benefits comprised 14%. Together, these three factors amounted to a total of R\$ 85,546,218.

As far as internal social indicators are concerned, these are benefits additional to those prescribed by law and directly negotiated with trade unions. With respect to the data gathered in 2006, those associated with Participation in Profits and Results favour group employees, generating R\$ 8,112,138 in benefits.

OUR SALARIES AND BENEFITS*		
Período	2004	2005
	Anglo American Brasil	Anglo American Brasil
Salaries and benefits	33.0	43.0
Social payments	11.0	13.0
Elective benefits	12.0	12.0
Total	56.0	68.0

Period	2006
	Copebrás
	Cubatão, Catalão and Ovidor
Salaries and benefits	54.0
Social payments	24.0
Elective benefits	2.0
Total	80.0

Note 1: Copebrás came to be included in data from the time of its integration with Anglo American Brasil in 2006.

OUR SALARIES AND BENEFITS*					
Period	2006				
	Anglo American Brasil				
	Mineração Catalão	Codemin	São Paulo	Barro Alto	Total
Salaries and benefits	11.8	21.7	14.8	2.8	51.3
Social payments	3.3	6.4	5.8	0.5	16.3
Elective benefits	2.2	4.0	4.1	0.7	11.2
Total	17.4	32.3	24.9	4.1	78.9

Indicadores sociais internos						
Period	2005 2006					
	Anglo American Brasil					
	Anglo American Brasil	Mineração Catalão	Codemin	São Paulo	Barro Alto	Total
Contributions to private pension fund	8.0	1.0	1.7	4.7	0.2	13.8
Investments in medical assistance	3.0	0.7	1.6	0.6	0.2	7.3
Expenses involving meals	0.7	0.3	1.0	0.3	0.1	5.4
Participation in Profits & Results	3.0	1.6	2.5	2.8	0.3	11.4
Other benefits (odontological assistance, group life insurance)	0.7	0.3	0.5	0.3	-	1.8

Indicadores sociais internos	
Period	2006
	Copebrás
	Cubatão, Catalão and Ovidor
Contributions to private pension fund	6.0
Investments in medical assistance	4.0
Expenses involving meals	3.5
Participation in Profits & Results	4.0
Other benefits (odontological assistance, group life insurance)	0.5

* Values in million reais

It should be emphasized that, at all company facilities, the lowest salary is at least three times higher than the established threshold value (minimum salary established in Brazil). This index

varies between 2.55 and 7.40 times the minimum salary value practiced in the country, depending on facility and the position held by the employee.



Additional benefits have been negotiated with unions

Principles of Anglo American

The social performance of the organisation, also driven by bringing suppliers into line with our Business Principles*, showed a significant degree of growth. Anglo American not only applies these principles, but also requires that its partners be aligned with the established topics, for example: Integrity and Ethics, Employment and Workers’ Rights, Corporate Citizenship and Environmental, Health and Safety Management.

* get to know them better at www.angloamerican.com.br - Good Citizenship section (pdf file)

Strict commitment to Business Principles





The Anglo
American team

The Anglo American team

Anglo American's most important capital is of the human kind. Our operations include 2,235 direct employees, as well as 1,621 subcontracted personnel, including service providers and those performing outsourced activities. In 2006, the process

of integration with Copebrás made these teams initiate a process that is fundamental for the success of the company, namely: gain a better understanding of what each facility does, as well as how to make it more efficient, agile and consolidated.

OUR TEAM*									
2004									
	Anglo American					Copebrás			Total
	Mineração Catalão	Codemin	Barro Alto	São Paulo	Subtotal	Catalão	Cubatão	Subtotal	
Employees (company employees)	215	445	70	96	826	784	487	1,271	2,097
Subcontracted personnel (Outsourced Service Providers and Specific Project Professionals)	24	56	0	28	108	748	724	1,472	1,580
Trainees (participants on training and practical experience programs at the company)	0	6	0	4	10	4	2	6	16
2005									
Employees (company employees)	248	478	74	77	877	813	502	1,315	2,192
Subcontracted personnel (Outsourced Service Providers and Specific Project Professionals)	22	51	0	23	96	520	820	1,340	1,436
Trainees (participants on training and practical experience programs at the company)	23	61	0	4	88	1	13	14	102
2006									
Employees (company employees)	264	501	81	89	935	500	800	1,300	2,235
Subcontracted personnel (Outsourced Service Providers and Specific Project Professionals)	37	142	37	182	398	689	534	1,223	1,621
Trainees (participants on training and practical experience programs at the company)	0	0	0	2	2	18	14	32	34

* in absolute numbers

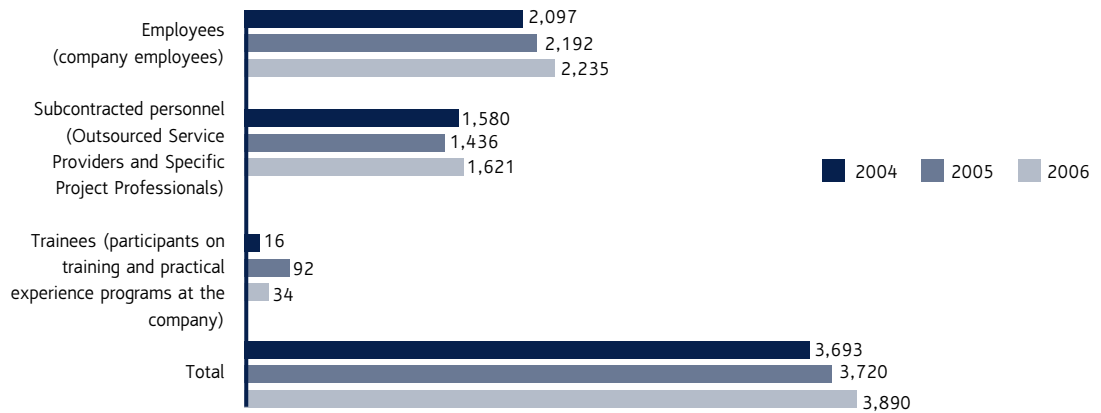
With regard to employee turnover, the company managed to maintain this rate close to zero.

TURNOVER*												
Employee movement	2005						2006					
	Mineração Catalão	Codemin	São Paulo	Barro Alto ¹	Copebrás Cubatão	Copebrás Catalão	Mineração Catalão	Codemin	São Paulo	Barro Alto ¹	Copebrás Cubatão	Copebrás Catalão
CatalãoTransfers	5	61	1	0	0	0	0	0	0	0	0	0
Dismissals	3	11	2	0	15	51	1	3	0	0	26	46
Retirements	6	9	2	0	0	0	0	1	0	0	0	0

* dismissals in absolute numbers

Note 1: The Barro alto operation was integrated with that of Niquelândia by 2005. For this reason, the data are aggregated.

Consolidated Anglo American Brasil and Copebrás Data - Hiring trends over time*



* in absolute numbers

Unite to grow

A year of transition to new policies. The year of 2006 has indeed been a year of transition for Anglo American and Copebrás employees. Integration of the companies led to a re-structuring process that modified procedures and attributed new responsibilities, as well the transfer of people from one area to another. All these measures were taken with one sole objective: unite to grow.

At a complex time for the organisation, this was an opportunity to provide a stream of information and clarification that assisted in disseminating company objectives at all levels. The year of 2006 brought about changes, although it offered an opportunity to strengthen all the positive aspects of Anglo American management, such as equal working opportunities and freedom of collective bargaining, as well as participation in trade associations, training and specialisation and accompaniment of employee expectations and perceptions by means of an Organisational Climate Survey. The latter is one of the main tools used by the company for reporting its response to and management of in-house demands. By means of this tool, it is possible to ascertain how employees evaluate company performance with respect to such issues as salaries, relationships, capacitation, etc.

In the 2006 edition of the Organisational Climate Survey, Catalão employees assessed the principal local virtues to be diversity, clarity of proposed objectives and commitment. Those results of major concern were related to reward, communication (especially feedback from team leaders) and assessment of performance. In the Niquelândia

and Barro Alto region, the most positive aspects were those regarding commitment, clarity and diversity. As far as these employees are concerned, the organisation could improve such items as reward, flexibility and communication. The survey performed in Cubatão showed the commitment of the company and the clarity of its communications in a positive light. As in the case of the Catalão team, this survey identified the same needs for improvements at the company. In São Paulo, positive points also highlight diversity and include recognition, responsibility and standard of excellence. These were countered by the same items of concern as those shown previously, with the additional mention of team effectiveness.

The results obtained made it possible for the company to develop an action plan that covers the principal issues raised. Projects that are scheduled to be implemented in 2007 include Learning Career Management (LCM), a plan for the development of careers and skills, where those in leadership positions will also be responsible for directing their individual professional development. This particular project focuses on investment in tools that allow for team growth and the establishment of clear planning defined by the employee and his or her manager.

The communication area is also the focus of investments, as a result of definition of a team dedicated exclusively to this matter, in accordance with the commitment undertaken in previous years.

Level of instruction

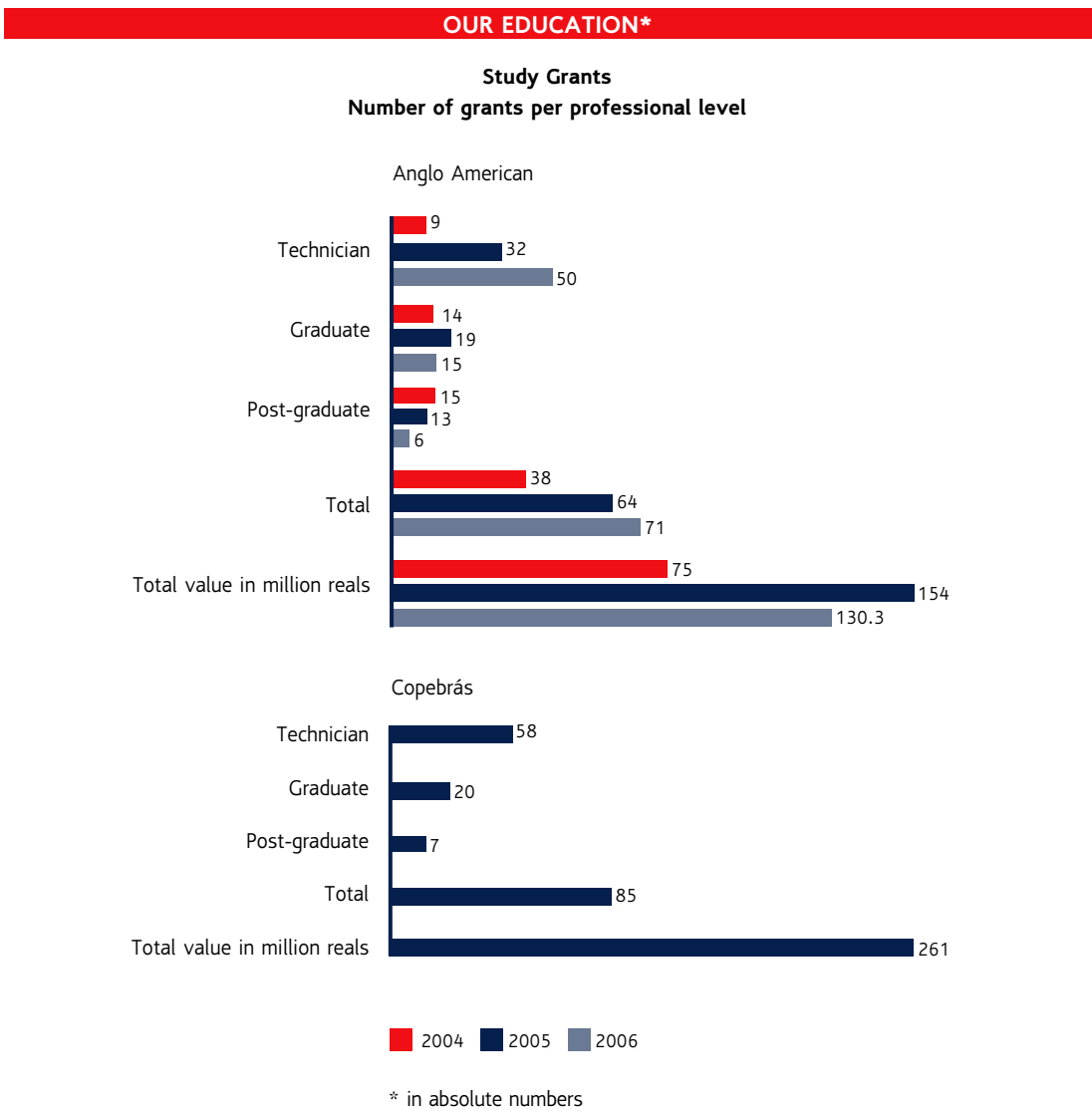
Educational profile

Knowledge is the principal asset of human beings. And Anglo American is aware of this. Particularly with respect to operations located in the state of Goiás, there has been an increase in the level of instruction of employees, with special emphasis on complete secondary education courses and complete and incomplete university-level courses. In Cubatão, the main advance was that in relation to the number of employees who have complete or incomplete university-level courses and, in São Paulo, these numbers remained relatively stable.

Award of grants Investment in capacitation

The principle area benefited in 2006 at Anglo American was that of technical capacitation with respect to the basic education of its employees. The total number of people benefited also increased in 2006, the total number of grants awarded at Anglo American being 71, to the value of R\$ 50 thousand.

In the case of Copebrás, the company principally invested in the graduation of employees, as well as the capacitation of its technical personnel, totalling R\$ 261 thousand in investments and 85 employees benefited.



Our people for ever

The Retirement Program known as “Gente Madura” (Gema) was created by Anglo American in 2002, with a view to providing support for employees in planning their retirement, as the company has found that the average time they remain at the company is 13 years - a relatively long period of service. Since its implementation, hundreds of employees have already participated in the “Gema” program, this number being more than 350 people from 2004. At the time of transition to retirement, all receive support and infor-

mation in order that they may be able to loosen their ties naturally with the company in this important phase in life. Besides this, implementation of this program consequently allows for development of job succession in a structured and planned manner. In 2006, employee participation in “Gema” showed a 3% increase (91 to 94%) in relation to the previous year. In the case of Copebrás, in its first year of implementation, 67% of eligible employees opted to participate in the program.

OUR RETIREMENT*				
Participation in GEMA	2004	2005	2006	2006
	Anglo American		Copebrás	
Shifts	4	6	7	2
Eligible employees	123	123	136	129
Participating employees	112	112	128	86
5 participation	91%	91%	94%	67%

* in absolute numbers of employees

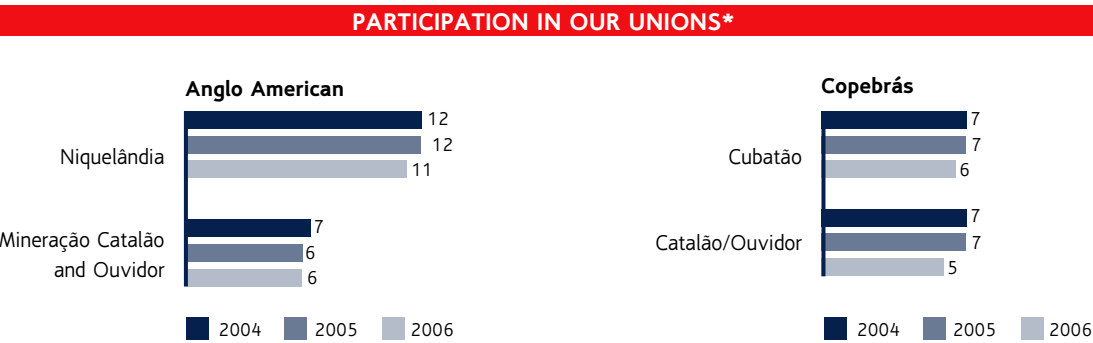
The company created Gema in order to promote employee well being and facilitate the succession plan



Trade union representation

Data obtained regarding the year of 2006 indicate 100% Anglo American employee participation in collective bargaining agreements at all company

facilities. This means that all company employees are at total liberty to discuss their basic rights.



* in absolute numbers of employees

Diversity is the basis of our business

Anglo American constitutes a diverse mix of cultures, races and creeds, and seeks the best talents in all areas. In addition, all facilities operate in such a way that they are governed by the same codes of ethical conduct and discriminatory acts, use of child or forced labour, and employee abuse are not tolerated. Anglo American values the adoption of a fair work system that offers equal opportunities, and believes in the human potential of each one of its employees.

Anglo American is committed to the inclusion of disabled people in its workforce. Brazilian legislation determines that – depending on the size of the

company – a specific percentage of disabled people should be maintained in the company workforce. In the case of Anglo American, the level attained is that of 5%. Legal compliance has become a challenge for companies, especially those that require specialized labour due to the very nature of their operations. In the case of the Copebrás plant in Cubatão, a “Termo de Ajuste de Conduta - TAC” (Terms of Conduct Agreement) has been entered into with a view to capacitating people with disabilities, thus making it possible for a greater degree of employability as far as competing for vacancies in the region is concerned. This initiative will be amplified to include Anglo American facilities.

Our health and safety

There are 12 principles governing health and safety management at Anglo American. They cover elements of the following systems: Risk Management, Change Management, Targets, Objectives and Performance Management, Training and Capacitation, Communication and Consultation, Operational and Data Control, Emergency Readiness, Subcontractor Management and Audits. Health management will also be oriented by these governing principles, which contain such current specific guidelines as Occupational Hygiene, Exposure Limits, Biological Monitoring and Medical Control.

The corporate systems of these two areas are known as Anglo Health Way and Anglo Safety Way, it being the case that they include the annual undertaking of the Anglo American group known as “Revisão de Pares” (Peer Review). This initiative is nothing more than a simple and effective idea where the health and safety principles of the company are assessed by its own employees in a cross-analysis. Six “auditors” are elected at each facility in order to endorse the results obtained. These employees undergo specific training for technical visits to the selected “pair-facility”.

X-ray of our health

With respect to this edition of the Sustainability Report, it should be remembered that, for the first time, Codemin and Mineração Catalão data are presented separately, and assessments have also been included of the Copebrás facilities in Catalão

and Cubatão. On a scale of 0 to 100, the company demonstrated a higher final average at its facilities when compared with the results obtained in 2004 and 2005, as shown in the corresponding table. These data indicate the satisfactory results of measures implemented by the company in order to ensure compliance with established standards.

12 governing principles define health and safety management at Anglo American



Topics that require special attention in order for the compliance level to increase include, in the case of Codemin: subcontractors* (90 points out of 100), management systems (93 out of 100) and occupational hygiene (94 out of 100). On the other hand, Mineração Catalão showed the following lowest levels: risk assessment (87 out of 100), emergency preparedness (88 out of 100) and subcontractors (92 out of 100).

Due to differences in processes and the alignment of procedures, the Copebrás facilities showed marks that were below the established average with respect to certain items. Nevertheless, they obtained

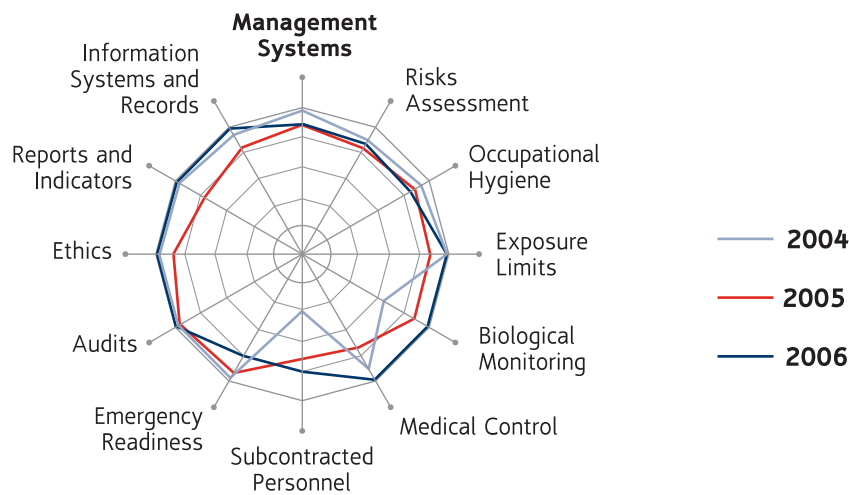
maximum points for the remainder, attaining the same final average as other company facilities. Those factors requiring most attention at the Catalão plant are as follows: emergency preparedness and occupational hygiene (both with 90 out of 100), reports and indicators (92 out of 100) and risk assessment (93 out of 100). On the other hand, at Catalão, the results obtained were the following: subcontractors (65 out of 100), risk assessment (67 out of 100) and information systems and records (75 out of 100). These aspects are the main focus of improvement measures for next year.

* participation of outsourced service employees in complying with company standards.

OUR COMPLIANCE WITH OCCUPATIONAL HEALTH GUIDELINES*						
	2004	2005	2006			
	Anglo American	Anglo American	Codemin	Mineração Catalão	Copebrás Catalão	Copebrás Cubatão
Management Systems	100	95	93	96	96	100
Risk Assessment	95	93	100	87	93	67
Occupational Hygiene	93	94	94	100	90	95
Exposure Limits	100	94	100	100	94	99
Biological Monitoring	83	95	100	100	100	100
Medical Control	95	88	100	100	100	98
Subcontracted Personnel	70	86	90	92	96	65
Emergency Readiness	100	98	96	88	90	100
Audits	100	100	100	100	100	100
Ethics	100	95	100	100	100	100
Reports and Indicators	100	89	100	100	92	100
Information Systems and Records	97	92	100	100	100	75
Average	94	93	97	97	96	96

* based on points system (0 - 100) established by Anglo American Brasil assessment criterion

Anglo American health management



Our golden rules

Working safely is the basis of our activities. It should be noted that the past year combined a review of our Golden Rules immediately following publication of the 12 principles of the Safety System and integration of the Base Metals division and Copebrás. By 2006, the Golden Rules implemented for safety numbered seven and these were reviewed by means of wide-ranging discussion throughout the Anglo American group. As a result of this re-formulation process, some basic precepts came to be rule number 1, others were re-defined and there was inclusion of care in the handling of chemical products and in working in the vicinity of water tanks.

The occurrence of two fatalities, coupled with an injury rate that exceeded the established target, also made the company rethink its review of safe-

ty standards and the way in which they are communicated. As in the case of 2005, four lost time accidents were reported. However, due to the lower number of hours worked in 2006, the Lost Time Injuries Frequency Rate (LTIFR) showed itself to be higher than that identified in the previous year. Employees are accompanied by those responsible for the management system at each facility and are assessed as to their degree of compliance with established standards. The target for 2007 is that the Golden Rules come to comprise a set of 10 safety standards, with short, clear and objective messages, denominated “Regras de Ouro de Segurança” (Golden Rules of Safety). Striving for a zero accident rate inspired the planning of an in-house campaign, with a view to going over the concepts and tools that comprise the System of 12 Basic Safety Rules and the new Golden Rules of Safety. It is foreseen that this initiative will be implemented in 2007.

OUR SAFETY MANAGEMENT													
		Codemin			Mineração Catalão			Copebrás Catalão			Copebrás Cubatão		
		Níquel			Nióbio			Fosfatos			Fosfatos		
		2004	2005	2006	2004	2005	2006	2004	2005	2006	2004	2005	2006
N° of deaths	Employees	0	0	1	1	0	1	0	0	0	0	0	0
	Subcontractors	1	0	0	0	0	0	0	1	0	0	0	0
	Total	1	0	1	1	0	1	0	1	0	0	0	0
N° of injuries	Employees	3	5	0	3	2	1	2	5	5	1	0	2
	Subcontractors	2	3	0	1	0	0	3	6	0	4	4	2
	Total	5	8	0	4	2	1	5	11	5	5	4	4
Lost working days	Employees	119	458	0	101	9	53	56	97	264	13	153	20
	Subcontractors	126	136	0	14	0	0	398	122	30	240	721	528
	Total	245	594	0	115	9	53	454	219	294	253	874	548
Occupational diseases	Employees	0	0	0	0	0	0	0	0	0	0	0	0
	Subcontractors*	ND	0	0	0	0	0	0	0	0	0	0	0
	Total	0	0	0	0	0	0	0	0	0	0	0	0
Absenteeism	Employees	0.29	0.32	0.21	1.95	1.72	1.27	2.1	1.9	3.3	1.13	0.89	1.01
	Subcontractors												
	Total												
Lost Time Injuries Frequency Rate	Employees	199	702	0	373	32	182	74	112	325	23	263	36
	Subcontractors	142	478	0	427	0	0	305	85	32	209	610	602
	Total	165	634	0	379	28	155	220	95	168	148	496	382

Note 1: the number of workers per type of contract and region is shown in the table “Our team”.

Note 2: the number of lost days is counted from the day following that on which the accident occurred.

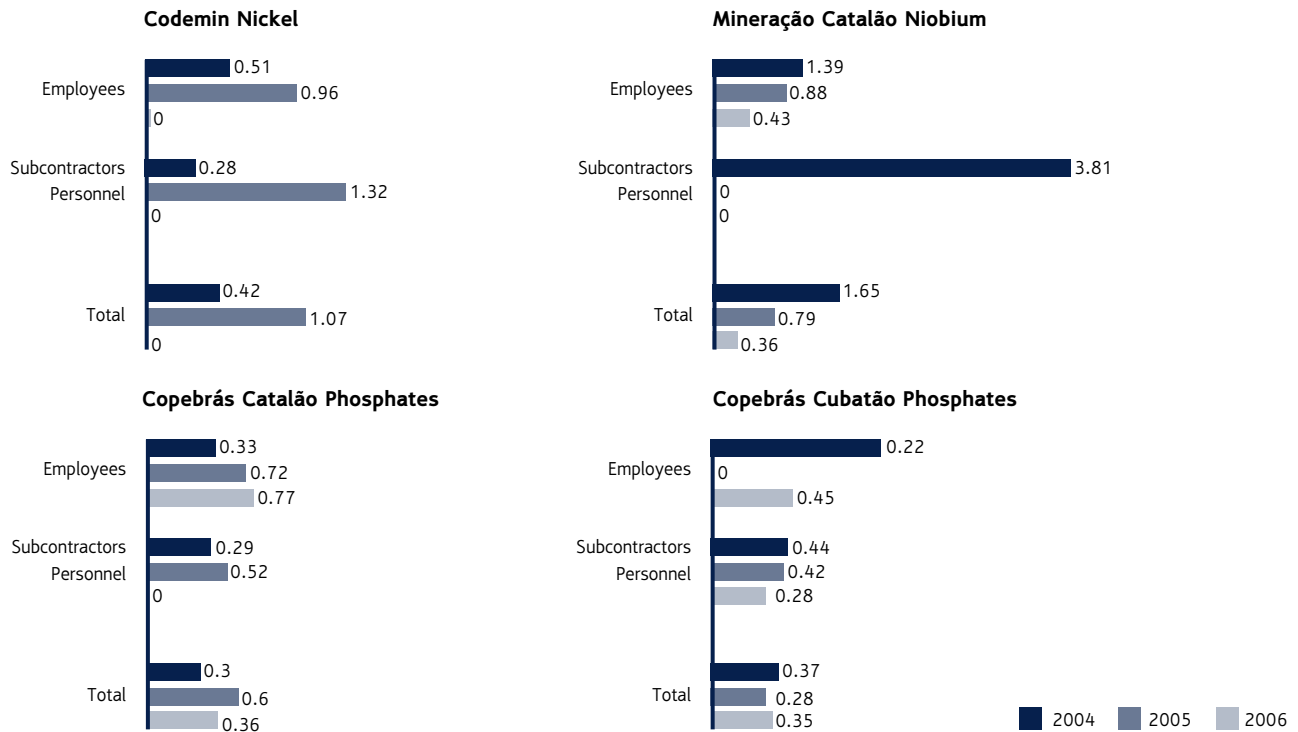
Note 3: the incident record includes accidents resulting in lost time and those only involving material damage and no injuries. The system of rules applied to records and reporting accident statistics is compatible with national legislation and in line with ILO recommendations.

Note 4: data regarding absenteeism are currently only collected for direct employees.

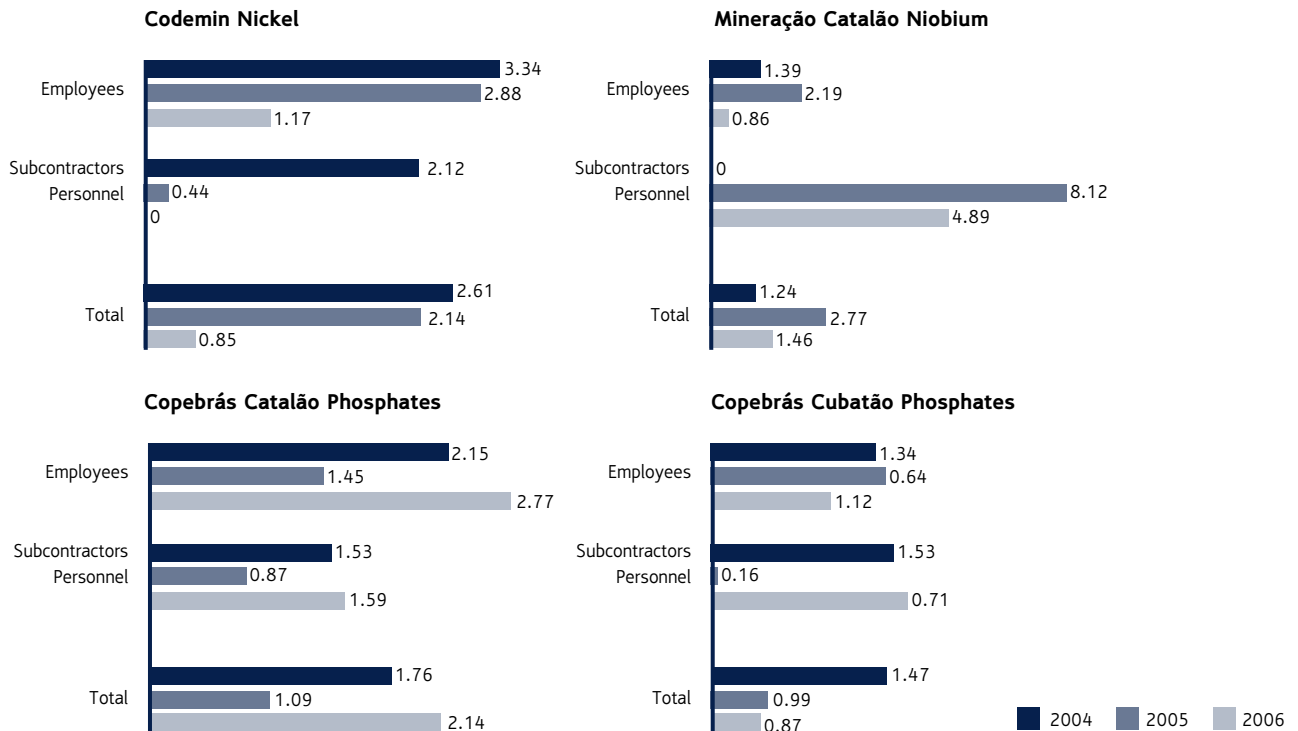
Company employees also participate on formal health and safety-related committees at all facilities. At Mineração Catalão, up to 25% of employees are represented by the “Comitê Interno de

Prevenção de Acidentes na Mineração - Cipamin” (Internal Committee for the Prevention of Mining Accidents). Codemin also shows the same percentage of employees participating on two committees, namely: “Cipamin” and the “Comitê Interno de Prevenção de Acidentes no Trabalho - CIPATR” (Internal Committee for the Prevention of Workplace Accidents), the latter being implemented at the company in 2006. In the case of Copebrás, the Catalão facility has 25% of its employees represented on the following committees: “Comitê Interno de Prevenção de Acidentes - Cipa” (Internal Accident Prevention Committee), “Cipamin” and the “Comissão de Ergonomia - Coergo” (Ergonomics Commission). This percentage of employees is also represented on “Cipa” and “Coergo” committees in Cubatão.

INJURY RATE WITH LOST TIME (FREQUENCY)



INJURY RATE WITHOUT LOST TIME (FREQUENCY)



Note 1: the Lost Time Injury Frequency Rate (LTIFR) and Non-Lost Time Injury Frequency Rate (NLTIFR) are calculated based on the number of accidents per 200,000 hours,

divided by the total number of hours worked during the period, and include all kinds of accident that have occurred during working hours.

OUR EMPLOYEES AND COMMITTEES

	Mineração Catalão			Codemin			Copebrás Catalão			Copebrás Cubatão		
	2004	2005	2006	2004	2005	2006	2004	2005	2006	2004	2005	2006
Formal Health & Safety Committees	Cipamin	Cipamin	Cipamin	Cipamin	Cipamin	Cipamin Cipatr	Cipa/ Cipamin	Cipa/ Cipamin/ Coergo	Cipa/ Cipamin/ Coergo	Cipa/Coergo		
Percentage employees represented	up to 25%	up to 25%	up to 25%	up to 25%	up to 25%	up to 25%	up to 25%	up to 25%	up to 25%	up to 25%		



Social
performance

Social performance

Anglo American society

Anglo American has designed its business in Brazil in such a way as to perform a significant role in the natural resources and mining industry scenario, besides contributing to the social and economic development of the country. This commitment is evident through the measures implemented by Anglo American in the communities where it operates. The company has amplified its social actions with a very clear focus, namely: sustainability.

In all its operations, Anglo American develops specific programs for assessing the impact of its activities on the communities in which it is present. The first step is that of a preliminary environmental assessment, performed by means of an “Estudo de Impacto Ambiental - EIA” (Environmental Impact Study). This document, technical in nature, is required by Brazilian environmental licensing legislation. Based on the Environmental Impact Study, a “Relatório de Impacto Ambiental - Rima” (Environmental Impact Report) is produced, which summarizes the main findings of the study in an accessible manner. Besides assessing social impacts, the principal objective of the Environmental Impact Report is that of presenting alternatives for minimizing damage and reducing the costs of environmental control measures. It is based on these analyses that a preliminary operating license is granted, together with preparation of a “Programa de Controle Ambiental - PCA” (Environmental Control Program), the implementation of which is incorporated into management of the undertaking.

In addition, Anglo conducts prior consultations during the process of assessing impacts and considers the results of these consultations in the preparation of project management programs. Recent examples are the Environmental Impact Study/Report of the Barro Alto Project, in 2000, in accordance with Consultation and Social Communication guidance established by International Finance Corporation (IFC) safeguard policies. This item concerns the phase I Environmental Control Program relative to the mine, in 2003, and the phase II Environmental Control Program relative to the plant, in 2006. Copebrás has also done the same with respect to the Catalão facility in 2003.

The company has and uses systematic tools for managing change planning regarding changes in its operations, including the eventual closure of its five facilities, with a view to avoiding, minimizing or compensating for environmental, social and economic impacts. The Seat (Socio-Economic Assessment Toolbox) Process includes tools for reviewing social and economic impacts associated with the closure of Anglo activities. With the objective of preparing more detailed closure planning, a new toolbox is currently being developed that considers this phase of the project in a more in-depth manner.

In 2004 and 2005, Anglo American implemented an extensive consultation program in order to identify, map and interview community stakeholders, who include employees, government authorities, health establishments, teaching, finance and religious institutions, the media, non-governmental and civil society organisations, trade associations, residents, people in areas neighbouring mines, local leaders, suppliers and companies. Interviews were held with 1,378 people and 366 entities were consulted.

Implementation of this wide-ranging community consultation program has also meant that company employees have become even more aware of the wishes and concerns of stakeholders. After all, the Anglo American team is the front line in direct contact with the community, given that both share the same daily experiences. Throughout this process, the company not only surveyed the main concerns of its target public, but also detected the need to capacitate leadership in these municipalities, irrespective of whether they are civil or governmental in nature, in order to obtain a greater understanding of the Third Sector.

Based on consultations made in previous years, the Community Involvement Plan was developed and implemented in 2006 (<http://www.angloamerican.com.br/> - section: Company, Social Responsibility and Copebrás), with a view to addressing a series of issues of significant relevance to the community. As far as all the

questions identified are concerned, a series of specific actions, with objectives and targets, is foreseen, aligned with the principles and corporate policies of the company and the Anglo American Integrate Management System - which involves quality, health, safety and environment. Stakeholders, in other words, the target public and possible partners in the implementation of these actions, were also identified, as well as the focus and theme of the actions in question. To this end, the actions were divided into four categories, with a view to optimizing and guiding the allocation of resources.

In the second stage of the process, responsibilities are structured for implementation of the plan and establishing a schedule. The availability of budgeted resources and reference documentation are guaranteed by the system. The third stage is that of verification, this being the time when performance indicators and means of monitoring are defined. Critical analysis begins in the fourth and last stage, when Community Involvement Plan follow-up is initiated during regular evaluation meetings and a review is conducted every three years, with the objective of creating further involvement measures.

The actions proposed in the Community Involvement Plan involve differing levels of participation on the part of Anglo American Brasil. For this

reason, the company has established a system that defines duties, authorities and responsibilities for the implementation of these actions.

This system is composed of the Anglo American Social Investment Committee, which is responsible for defining and disclosing criteria for implementing and maintaining contributions to society, approving and accompanying social contributions according to company values and policies, assessing performance regarding social investments made in communities, maintaining a database and bringing relevant issues to the attention of management for critical analysis.

Also part of the system are Social Investment Subcommittees, which are responsible for approving and accompanying the social contributions of their facility, in a manner aligned with criteria defined by the Corporate Committee, assessing the performance of social investments in the community, submitting information that contributes to building up the database, and putting forward relevant issues for critical analysis.

Finally, the system is supplemented by partnerships with non-governmental organisations, public, private and mixed-capital companies, public and private educational institutions, the public health network and government agencies with Executive, Legislative and Judiciary powers.

Company supports the “Programa Educacional de Resistência às Drogas e à Violência - Proerd” (Educational Program against Drugs and Violence)



Relationship with the community



On a periodic basis, Anglo American re-assesses its relationship with the community by means of the “Fórum Comunitário Intercâmbio” (Community “Interchange” Forum). Created in 2006, these provide an opportunity for the company to directly check the way in which this relationship is evolving and present the progress made regarding issues addressed during Seat and itemized in the Community Involvement Plan. These forums, which take place on a half-yearly basis, offer the possibility of constructive dialogue between the parties concerned and accompaniment of the evolution of projects submitted to the company by the community.

This approach has been very well received by all communities, which were able to see the company as having an “actions, not words” policy, and perceive that their demands had been heard. The response was so positive that several environmental education partnerships were discussed and even initiated during the forums. Specifically with respect to Barro Alto, where the forum took place prior to approval of the new company project in Brazil, this policy is opening up a pathway for a promising commitment and a fruitful partnership with most of the sectors of local society, where challenges and opportunities are associated with a larger project and will be shared with the community in striving for the sustainable development of the region.

Another important aspect is that of encouraging the development of projects of a sustainable nature. Through the “Manual de Apresentação de Projetos Sociais” (Social

Project Presentation Manual)

(<http://www.angloamerican.com.br/> - section: Company, Social Responsibility), those interested in receiving the support of Anglo American have been able to perceive the need for justifying their actions and demonstrating project sustainability, in order to ensure that they do not solely benefit one specific group, but are also part of a wider-ranging system. Based on these initiatives, the company has come to invest in the diversification of support and sponsorship measures, with a view to ensuring that cultural, social and economic projects duly benefit.

Investment is also allocated to infrastructure issues and more wide-ranging studies related to the environment and community health. All community relations and social responsibility initiatives focusing on the local population have been the result of concerns discussed by stakeholders during Seat and assessed as being of fundamental importance for Anglo American actions regarding the community. This tool has made it possible for the company to gain a better understanding of the extent and nature of the impact of its activities on neighbouring communities, strengthens ties of confidence and be more effective in building up partnerships with the leaders of these municipalities (irrespective of whether they are government or non-government in nature). Besides this, as a result of its assessment system, the company is currently able to offer a clear action plan for its employees and publics of concern, with a view to promoting the sustainable development of these communities.

Anglo invests in developing the economy in communities where it operates



Giving priority to local communities

In accordance with Anglo American policy, an assessment is made of local suppliers within a radius of 100 km of its facilities in order to ascertain whether they are able to meet company needs in terms of raw materials and services. The objective of this policy is that of strengthening the development of local communities.

Based on the results of a company survey, suppliers consider the company to always be approachable for business and contributing to their development. As a result, they feel that they are able to grow and meet new market demands.

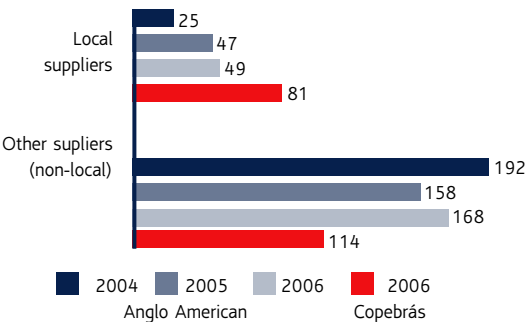
In 2006, this was the keynote of a relationship that has the objective of reducing the degree of

dependence of local suppliers, assisting in their development and making them more sustainable. As far as 2007 is concerned, as a result of the process of integration between Anglo American and Copebrás, the company is striving to formalize its assessment process and standardize methods in the supply chain, based on the fundamental international policies of the organisation regarding this area.

Throughout Anglo American facilities, there has been an increase in terms of expenses involving local suppliers to the value of R\$ 2 million. Copebrás facilities solely report figures for 2006, this being the year in which they came to use the same evaluation parameters.

OUR SUPPLIERS

Spending in million R\$



PROPORTION OF SPENDING WITH LOCAL SUPPLIERS

	2006	
	Local	Outros
Copebrás Cubatão	69.67%	30.33%
Copebrás Catalão	23.29%	76.71%
Mineração Catalão	16.11%	83.89%
Codemin	25.55%	74.45%
Barro Alto	7.41%	92.59%

Note: as a result of a different collection methodology, Copebrás is not reporting 2004 and 2005 data.

Our product and clients

Excellent results are also the fruit of the concentrated effort of the company in developing a better relationship with its clients. Last year, Anglo American was able to make use of the conclusions of its Client Survey performed in 2005. Based on such parameters as delivery availability, tradition, quality and pricing, among other variables, the company obtained high marks in requirements that set it apart from its competitors. Special mention should be made of dependability which, in simple terms, means the ability of the group to deliver a product to the client, even in emergency situations or those involving spent production capacity.

In practice, Anglo American clients know that they can count on the company in any kind of situation. In view of this overall picture, company targets for 2007 point to the specific valorisation of each of the attributes delineated in this composite. In other words, each of these qualities will be measured in order to establish the final price of the product.



Clients know that they can count on the company in any kind of situation





Environmental
performance

Environmental performance

Anglo American policy is GREEN

The environment is the basis of our business. By the very nature of its operations, Anglo American could not be in closer proximity to the most up-to-date Environmental Management Systems. Besides operating in accordance with ISO 14001 requirements, the company promotes an extensive training program. The company not only demonstrates strict compliance with environmental legislation, but also invests in the reduction of consumption of all forms of energy, encourages the reuse of natural resources and utilizes clean production processes.

In 2006, the company was successful in obtaining ISO 14001 re-certification at all of its facilities, this being a target established in the previous report. With regard to energy consumption targets, Anglo American managed to duly fulfil its global proposal of reducing such consumption by 10% during the period from 2003 to 2008.

According to the energy consumption table (page 45), the company has increased its level of renewable energy consumption year by year. In 2004, this level was 37%, in the following year, 38% and, in 2006, it reached 40%. Anglo American has also assessed the need for amplifying and modifying current measurement mechanisms for improved control and monitoring.

Facilities located in Catalão have also initiated new projects for the reuse of water and have extended the scope of their solid waste management by starting a niobium recovery study, based on wastes generated by phosphate operations.

Besides this, the company has defined a new strategy for registration of its Clean Development Mechanism (CDM) project regarding the removal of carbon from the atmosphere by the area planted with forest. On comparing the methodology put forward by Anglo American with another currently in the process of being approved by the United Nations Executive Committee for Climate Change, there were found to be significant similarities between them. It was therefore decided to await approval of this other methodology, which occurred at the end of 2006. With this approval, the Anglo American CDM will be able to be reviewed and formalized.

Another initiative is that of involvement of the company in an incentive taken in order to ensure that its transport service providers come to adhere to renewable fuel programs and maintaining part of their own fleet of vehicles powered by biodiesel, it being the case that, in Barro Alto, this process has already been initiated.



Anglo promotes the re-use of natural resources and utilizes clean production processes



EHS policy
provides guidance
for active
biodiversity
management



The effectiveness of company Environmental Management has translated into good performance and improvements regarding the question of fines in the sector. In 2006, Anglo American did not receive any notifications of infractions at its Codemin-Niquelândia, Copebrás-Catalão and Copebrás-Cubatão facilities. On the other hand, Mineração Catalão made a payment of R\$ 80,000 (equivalent to US\$ 24,000) as a result of the issue of an Infraction Notice by Ibama. This document refers to the fact that the company did not inform the environmental agency regarding a water leak from the side wall of the tailings dam that occurred in 2004. It was the understanding of Anglo American that, as here one was dealing with a reversible isolated incident, of limited impact (according to its own classification system), it would not be characterized as needing to be reported. For this reason, the company appealed against the fine imposed.

In non-monetary terms, the company entered into three “Termos de Ajustamento de Conduta - TACs” (Terms of Conduct Agreements) regarding environmental issues at the Copebrás facility in Catalão. Although closure has not been formally achieved, Anglo American has already implemented the agreed measures.

Two of these “TACs” were signed in 2003. The first is related to the installation of air emissions control equipment and has already been filed by determination of the Public Prosecutor’s Office. The second concerns the performance of environmental studies and holding public meetings associated with facility expansion. In 2004, the company also signed a “TAC”, rectified in the following year, which governs actions implemented in order to correct problems that occurred regarding the watercourse known as “Ribeirão Taquara”. The situation arose from a leak in the stormwater containment basin. Not only did the company comply with all the agreed action, but it also effected the recovery of 22 natural springs on the land of third parties as a compensatory measure. Other activities are still in progress, for example, ichthyofauna studies and the recovery of areas destined for permanent conservation outside properties or areas under the direct influence of the company.

The Environment and Occupational Health and Safety (EHS) policy established by Anglo American guides and leads operations towards active administration of biodiversity in all phases of its activities. It also leads to judicious and prudent use of environmental resources and the pre-

vention and minimisation of adverse environmental impacts that may arise as a result of its activities. In addition, the company focuses its attention on risk assessment and taking action to minimize negative effects and maximize direct positive effects through the implementation of operational strategies.

In this way, Anglo American is in accordance with the traditional hierarchy of environmental manage-

ment mitigation, in other words, an attempt is initially made to avoid any damage to biodiversity to the maximum possible extent. Following this stage, an attempt is made to minimize any damage that its activities might or will cause. As far as locations of high biodiversity value are concerned, an attempt is made to compensate for residual or inevitable damage to biodiversity through the implementation of conservation measures.

The driving force of our operations^{1,2 and 3}

In order to produce, energy is of fundamental importance. Adequate consumption of this resource attests to the environmental commitment of a company. Anglo American has been making every effort to meliorate its energy consumption, with a view to compensating for consumption of non-renewable energy sources by the use of biomass, whenever possible. With the objective of reducing their use of electrical power and oil, Copebrás and Codemin have increased the use of natural gas as a fuel in boilers in their production processes.

Liquefied petroleum gas (LPG) at Codemin came to be consumed to a significant extent beginning in 2006, specifically as a result of its use in the heating of refining pans. In previous years (2004 and 2005), this type of energy source was only used in the laboratory and restaurant, its rate of consumption being considered insignificant.

Alternatives studies by the company include wood chips produced by the facilities themselves. In the case of the Codemin facility, this material is used for ore reduction, with the indirect result of energy generation. At the Copebrás facility in Catalão, the use of wood chips involves burning wood for energy production. It should also be noted that, following the replacement of charcoal by wood chips, Codemin used its stock of vegetable charcoal during periods in 2004 and 2006, in such emergency situations as process improvements and shut-downs for maintenance, among others. As a result, besides meeting the specific needs of the operation, the consumable would not be wasted.

In terms of consumption of non-renewable energy, the group shows an increase in consumption, particularly as a result of increased production. Nevertheless, it is important to note that the calculations are made based on the use of primary energy and not total energy.

OUR ENERGY CONSUMPTION*			
Primary Non-Renewable Energy (10 ⁶ Gj)	2004	2005	2006
Mineração Catalão	0.06	0.08	0.08
Codemin	1.14	1.42	1.44
Copebrás Catalão	0.21	0.22	0.25
Copebrás Cubatão	0.96	0.84	0.67
Sub-total	2.37	2.57	2.44
Primary Renewable Energy (10 ⁶ Gj)	2004	2005	2006
Codemin	0.93	1.03	1.03
Copebrás Catalão	0.50	0.49	0.59
Sub-total	1.43	1.52	1.63
Total	3.79	4.09	4.07

Note 1: consumption of LPG at Copebrás plants could not be measured. Therefore, it was considered to be zero.

Note 2: data used for energy conversion are in accordance with the Anglo American corporate criterion implemented for its entire database (SHE Database – December 2005).

Note 3: with respect to the years of 2004 and 2005, Mineração Catalão did not include consideration of the

diesel used in transporting niobium ore from the Boa Vista Mine to the processing plant. The same occurs in relation to diesel consumption at the Codemin facility, which did not include the use of this fuel in transporting nickel ore from the Barro Alto Mine for beneficiation.

Note 4: transformation factor considered to be division of total Gj by 10⁶ or 1,000,000.

Climate change: risks and opportunities

Anglo American global Climate Change policy determines that any significant project should undergo analysis of risks and opportunities. The company duly manages its air emissions, even though Brazil is a non-Annex 1 country, in other words, without reduction targets in accordance with the Kyoto Protocol. The objective of Anglo American is that of minimizing the risk of potential limitations after the year of 2012 and also evaluating management opportunities on using cleaner sources of energy. A good example is that of the Niquelândia plant, where the use of wood chips already represents 2/3 of renewable energy consumption.

The company makes a quantitative assessment of the cost of carbon in new projects and has developed local studies in order to define future action strategies. Among actions already taken, beginning in 2004, Anglo American drew up a Clean Development Mechanism (CDM) project for the Niquelândia facility, focusing on forests. This initiative was prepared following validation of its methodology and baseline by Bureau Veritas Quality International (BVQI), an international group dedicated to the provision of legal compliance assessment services in such areas as Quality, Occupational Health and Safety, Environment and Social Responsibility.

In 2006, an analysis was finalized of the eligibility of planted areas as far as criteria established by the Kyoto Protocol are concerned, based on the interpretation of satellite images. In the same year, improvements were made to methods used in making the forest inventory, in order to determine such parameters as volumetric yield, density and carbon fixed in biomass. This measure was taken with a view to meeting requirements established by the United Nations Framework Convention for Climate Change (UNFCCC).

Another measure taken by Anglo American during the reporting period was that of assessing opportunities associated with the ferronickel production process for obtaining CDM credits. This study was performed based on possibilities regarding energy efficiency or reduction of greenhouse gas emissions in Niquelândia. On the other hand, in Barro Alto, efforts are concentrated on assessments of opportunities and an energy efficiency and CDM project. As far as the year of 2007 is concerned, company objectives include finalisation of the Greenhouse Gas Emissions Inventory at all its facilities.

It should also be mentioned that, at international forums promoted by the company, discussions are held with respect to modelling the environmental future, it being the case that such discussions will help in gaining a better understanding of what this scenario will be like at the most critical locations. Anglo American plc also participates in discussions on new laws, or the improvement of existing laws, throughout the world. Such participation also occurs in Brazil, at state and federal level, at the Climate Change Forum.

Based on available data, it is possible to see that there has not been any significant variation in indirect CO₂ emissions. Direct emissions showed an increase, especially at Codemin. In 2006, the plant implemented alterations to its processes due to increased production. On processing ore with a higher humidity content, it is necessary to use more energy. The Copebrás Catalão facility also shows a higher level of emissions as a result of increased production. In the case of the Cubatão plant, Copebrás reduced its emissions as a result of adjusting its production to a more stagnant market in the previous year.

OUR CO ₂ EMISSIONS			
Direct Emissions (tCO ₂)	2004	2005	2006
Codemin	82,877.87	103,146.28	103,750.88
Mineração Catalão	4,357.36	5,332.22	5,745.19
Copebrás Catalão	42,668.08	44,932.21	49,280.53
Copebrás Cubatão	60,298.97	62,535.67	52,261.20
Sub-total 1	190,202.28	215,946.38	211,037.81
Indirect Emissions (tCO ₂)	2004	2005	2006
Codemin	41,807.36	43,682.10	45,196.48
Mineração Catalão	3,723.44	4,307.52	4,410.42
Copebrás Catalão	15,416.24	16,305.80	17,556.14
Copebrás Cubatão	82,870.52	82,081.98	73,401.90
Sub-total 2	143,817.56	146,377.40	140,564.94
Total (Sub-total 1 + Sub-total 2)	334,019.84	362,323.78	351,602.75

Note: the Codemin plant figures also include Barro Alto Mine emissions.



Anglo American maintains its air emissions under strict control

Air quality and emissions

One of the main objectives of Anglo American with respect to the environment is that of ensuring that communities in the vicinity are not affected by company operations. Continuous monitoring items include air quality and atmospheric emissions and, by means of modern control systems, the company is able to assess any change in air quality at the plant itself and in surrounding areas. All air emissions from fixed sources are controlled by means of exhaust ventilation and filters. In addition, diesel motors and vehicles undergo regular assessment.

Fugitive emissions are managed and minimized via humidification techniques. Dust dispersion on on-site roadways – generated by mines and vehicle traffic – is duly controlled and there is constant maintenance of the paving of such roadways.

According to that reported by control systems, there was a slight increase in emissions in 2006 - principally as a result of increased production at the Codemin and Mineração Catalão plants. Nevertheless, the figures shown continue to demonstrate adequate air quality in those communities in which the company operates.

At the Copebrás facility in Cubatão, the principal emissions are those of particulate materials, sulphur oxides and fluorides, which are managed through the use of control equipment, measures for the reduction of sulphuric acid emissions at the plant and permanent monitoring. Implementation of these measures has meant that, in 2006, the facility showed lower emissions rates than those

recorded in the previous year. Year 2007 planning establishes the implementation of measures for reduction of overall emissions of the aforementioned parameters.

The main air emissions of the Copebrás plant in Catalão include particulate materials, fluorides, ammonia and sulphur oxides. The industrial facilities are equipped with such air emissions control systems as venturis, sleeve filters, gas scrubbers and sulphur trioxide double absorption towers, in the sulphuric acid plant.

With a view to verifying their efficiency, all these items of equipment are regularly monitored by stack sampling. Besides this, preventive maintenance is performed on all these items of control equipment. At the sulphuric acid plant, there is also 24-hour in-line monitoring of sulphur dioxide emissions.

The results obtained for 2006 continue to be within legal limits regarding fixed source emissions. With respect to the year of 2007, the main measure to be taken in this area will be that of replacement of gas scrubber systems present at granulation facilities by equipment of greater effectiveness.

Other monitoring activities include accompaniment of air quality in the area surrounding the Catalão industrial complex, by means of making regular measurements of airborne particulate material concentrations using a HI-VOL (high-volume) sampler. Fugitive emissions are controlled by wetting mine roadways and the use of a mechanical sweeping system for cleaning roads.

OUR AIR QUALITY								
	Particulate Materials	2000	2001	2002	2003	2004	2005	2006
Mineração Catalão	Total airborne solids (ug/m³)	92.0	61.3	35.1	34.3	35.0	33.8	37.0
Codemin	Total airborne solids (ug/m³)	49.9	33.8	35.3	33.4	33.3	30.0	31.4

Note 1: at the Copebrás facility in Cubatão, measurement of air emissions is performed by Cetesb. The Catalão plant will initiate the implementation of measurement systems in

2008. Facilities operated by the Anglo American group are in possession of impact assessment mechanisms due to their commitment to good environmental performance.



The company invests in programs for reducing water consumption

Planet water

In all Anglo American operations, water consumption was below the stipulated target, thus reinforcing the responsible use of this natural resource in its activities. In Catalão, water consumption amounted to 7.12 m3 per ton of supplied ore and, in Niquelândia, this consumption was 4.61 m3 per ton of supplied ore. In the case of Copebrás which, up to then, was not part of corporate water consumption reduction targets, the reported data only refer to use by facilities, as there was no established reduction limit.

It should be remembered that the company reuses 80% of the water consumed in ferronickel production and 60% of that consumed in ferroniobium

production. Reuse occurs via a closed circuit system in the following manner: in the first case, water obtained from the Serra da Mesa Hydroelectric Plant Reservoir is principally used for cooling purposes during slag granulation and the wetting of access roads to the mine. Following use, this water is directed to the process wastewater impoundment, subsequently returning to the industrial process. On the other hand, in ferroniobium production, new water is abstracted from wells fed by the infiltration of water draining through geological faults in mining areas. Besides this, part is separated from solids in the thickeners and returned to the industrial process.

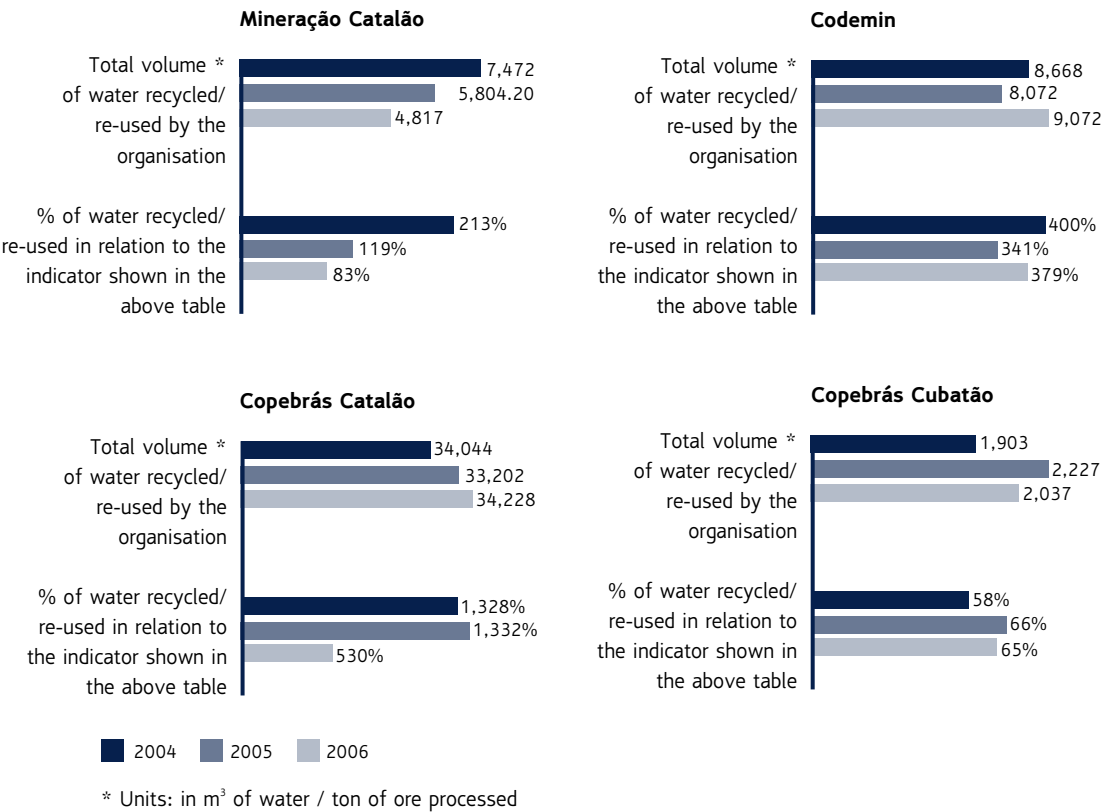
OUR WATER CONSUMPTION*												
2005					2006				2005		2006	
Mineração Catalão		Codemin			Mineração Catalão		Codemin		Copebrás Catalão	Copebrás Cubatão	Copebrás Catalão	Copebrás Cubatão
	Real	Target	Real	Target	Real	Target	Real	Target	Real	Real	Real	Real
Water consumption	7.301	9.336	4.548	6.368	7.115	7.281	4.612	5.955	0.49	5.91	1.2	6.2

* Units: in m³ of water / ton of ore processed

With regard to the volume of water used versus the reutilisation or recycling of this resource, Anglo American shows an increase at two facilities. As far as the company is concerned, management of water use is one of its priority targets. In addition, boards of management are assessed according to this type of indicator and the establishment of

plans for improving consumption efficiency and reducing the intensity of water use. Reduction targets were stipulated based on the highest consumption of group companies. Such reduction in consumption needs to reach the level of 10% in 2008 and 15% in 2013, when compared with 2003 figures.

OUR VOLUME OF WATER



Company directors are also evaluated based on improvements in water consumption efficiency



Anglo American and solid waste management

As all companies of the Anglo American group have ISO 14001-certified Environmental Management Systems, procedures are adopted with a view to ensuring that the disposal of all solid wastes occurs in an adequate manner.

The nickel and niobium operations increased the total volume of solid wastes generated and the transport of these materials to controlled landfills. Nevertheless, the company recorded good levels

of segregation (selective collection) and re-use, it being the case that in the ferronickel operation, this level was higher than that achieved in 2005. In the case of niobium operations, there was a considerable increase in the degree of recovery of waste materials. Another indicator of good management was that of maintaining the volume of dust stored in the tailings dam as a result of recovery and recycling of this material in the industrial process.

OUR SOLID WASTE MANAGEMENT												
Process wastes sent for final disposal*												
Mineração Catalão						Codemin						
	2004	2005	2006			2004	2005	2006				
Tailings Dam	4.52	482.4	713.9			-	6.4			5.5		
Controlled Slag Storage Area	5.28	9.9	11.9			418	416			394		
Total accumulated process wastes*												
Codemin				Mineração Catalão			Copebrás Catalão			Copebrás Cubatão		
	2004	2005	2006	2004	2005	2006	2004	2005	2006	2004	2005	2006
Tailings dam	622	6201	620	14.511	14.993	15.707	44.7942	44.794	52.497	0	0	0
Controlled Slag Storage Area	9,468	9,884	10,278	154	163.9	201.6	0	0	0	0	0	0

* Units: in thousand tons

Note 1: the amount maintained in the dam for temporary dust storage in the nickel operation in 2005 is less than that recorded in 2004, due to the fact that the dust in the dam is being removed and recycled in the industrial process.

In the case of the Copebrás plant in Catalão, all hazardous and non-inert wastes are sent for treatment at specialized companies that are duly licensed by environmental agencies. These hazardous wastes include such materials as the following: lubricating oils, lamps containing mercury vapour, sludge from oil/water separation tanks, solvents, paints, batteries and accumulators, roofing material containing asbestos and waste catalyst containing vanadium pentoxide.

The main technologies used for treatment of these wastes include co-processing, physical-chemical treatment, incineration, recycling and disposal at licensed landfills. All non-hazardous solid wastes, such as paper, cardboard, plastics, glass and scrap metal, are sent to accredited recycling companies.

Note 2: at Copebrás, data measurement according to Anglo American global standards was initiated in 2006, from the time of the integration process. Therefore, no data is available regarding previous years for comparison purposes.

At the Cubatão plant, the main solid wastes generated are as follows: sulphur slurry, sludge generated by the WWTP and waste catalyst containing vanadium pentoxide. The facility monitors its solid wastes, performs the selective collection of these wastes and ensures that their disposal is effected in the correct manner.

Copebrás also manages its gypsum waste, stored at the production plants, through control of particulate material emissions, wetting of waste piles and groundwater monitoring activities. At the Cubatão facility, management includes compliance with the requirements of a “Plano de Remediação de Área Contaminada - Prac” (Contaminated Site Remediation Plan).

Planet Earth

In 2006, the Anglo American group maintained its focus on the process of recovery of degraded areas, making technological improvements and establishing future sustainable conditions of use for mined areas. In Niquelândia, it was not possible to meet the target of recovering 16 hectares, only achieving a total of 7.75 hectares - the remainder is still to be found in the recuperation phase.

In Catalão, the mine is still under environmental control, although there is still material in the pit that can be mined in the future. Therefore, the process of recovery of the area will be performed in full at the time of termination of exploration

activities. This item is also applicable to Copebrás, which has a pit in use. All facilities where mining activities are still being performed have erosion control systems involving grading of the terrain and stormwater drainage. As far as the niobium operation is concerned, re-vegetation activities have been performed on the slopes of the already mined pit.

In 2007, it is foreseen that rehabilitation processes and methodologies will undergo re-assessment. To this end, the Anglo American group will have the assistance of research institutions and specialized consultancies.

Company strives to ensure the future sustainable use of its sites



Study of biodiversity of the “Serra do Mar” region

Despite its incredible diversity, very little is known regarding Brazilian fauna as far as its full potential is concerned. Over the last two years, Copebrás, in conjunction with Ambiens (a company specializing in the development and implementation of environmental projects), has developed studies of the flora and fauna of areas in which Anglo American Brasil is situated, by means of its Biodiversity Monitoring Program. Results generated a report on the current status of the Atlantic Rain Forest, with particular focus on areas at the “Serra do Mar” State Park, which provides the scientific community with previously unpublished information. The study also benefits the public in general, as more than 70% of the Brazilian population lives in areas of the Atlantic Rain Forest region - the forest that is closest to the most important urban centres and with one of the richest ecosystems on the planet. At the present time, only 7% of the original territory of this biome has survived and a large part of this portion lies in highly industrialized regions. Nevertheless, the “Serra do Mar” range comprises areas of difficult access, where the flora and fauna of the Atlantic Rain Forest still remain intact.

Installed in Cubatão, one of the most important industrial complexes in the country, Copebrás is part of a joint effort by private initiatives, government agencies and NGOs for the environmental recovery of the municipality. Besides the first-time study and implementation of practical measures for monitoring and protecting the Atlantic Rain Forest in the “Serra do Mar” region, the company also gives due recognition to the actions of other partners in the fight for preservation of the environment. As a result, the “Prêmio Copebrás de Meio Ambiente” (Copebrás Environment Award) was launched which, in 2006, completed three years and recognized the activities of one of the most respected NGOs in the world: “Fundação SOS Mata Atlântica”.

Chosen for its projects and actions - for example, environmental and waste resource education, monitoring of Atlantic Rain Forest coverage through use of satellite images, improvements to environmental legislation, accusations against those responsible for harming the environment, among others -, a tribute was made to the “Fundação SOS Mata Atlântica”, directed to its president, Roberto Klabin, during a ceremony at the Copebrás Training Centre.

During the award giving ceremony, the organisation launched its “Programa para Conservação das Zonas Costeiras e Marinhas” (Coastal and Marine Zone Conservation Program), a completely new initiative in Brazil that has the objective of assessing the current status of the Brazilian coast, from the Parnaíba Delta (state of Piauí) to Arroio Chuí (state of Rio Grande do Sul), regions that have suffered a high degree of degradation as a result of human interventions. At this time, a new partnership came into being between “Fundação SOS Mata Atlântica” and Copebrás. The company donated R\$ 1 million in order to ensure the feasibility of the initial actions of this program over the next five years.



Biodiversity Monitoring Program: previously unpublished information regarding the Serra do Mar area

OUR MINED AREAS*			
Evolution of process of recovery of already mined areas			
Mineração Catalão	2004	2005	2006
Totally recovered area	0	0	0
Area in process of recovery	1511	151	151
Area to be recovered	52	66	66
Codemin	2004	2005	2006
Totally recovered area	0	88.78	88.78
Area in process of recovery	171.57 ¹	101.8	109.5
Area to be recovered	86.55	77.32	69.58

* Units: in hectares (ha)
 Note 1: according to the criterion applicable in 2004.

Flora and fauna monitoring is one of principal tools by which it is possible for the company to contribute to the conservation of local environmental features. The Anglo American group exhibits a solid corporate biodiversity policy, of which Brazil is also a part. In the “Cerrado” region, a hot spot* in Brazil, Anglo American has been active in monitoring fauna in the municipality of Barro Alto since 1999. Over the last two years (2004-2006), a further program of this kind has been implemented for preparation of a future management plan. The same process has occurred at the Codemin facility in 2005 and 2006, and at Mineração Catalão during the period from 2004 to 2006. The Atlantic Rain Forest, the second hot spot in Brazil, is also the focus of attention of Copebrás which, over the last two years, has invested in measures for the conservation of local flora and fauna.

Through studies focusing on local fauna, Anglo American has managed to document the existence of 264 species in the “Cerrado” region and 56 in the Atlantic Rain Forest. Of those species found in the “Cerrado” region, one is currently classified as “endangered”, eight are “near threatened” and 255 are categorized as “least concern”. In the Atlantic Rain Forest biome, only one species is classified as “near threatened” and 55 fall under the category of “least concern”. The results obtained indicate that group activities do not have any significant impacts within the areas of influence of operations situated in these two Brazilian hot spots. Next steps include definition of further target species for monitoring and protection measures, and identification of control areas and studies for the re-population of affected areas, beginning in 2007.

* *hot spots*: critical areas or points where a high degree of biodiversity occurs that is considered to be at risk due to the influence of impacts generated by anthropic activities.

OUR SPECIES IN HOT SPOTS*			
Species found in habitats already affected, or yet to be affected, by company operations			
Status	Hot Spots		
	Cerrado Catalão / Ouvidor	Cerrado Niquelândia / Barro Alto	Mata Atlântica Cubatão
Critically endangered	0	0	0
Threatened	0	1	0
Vulnerable	0	0	0
Near threatened	2	6	1
Least concern	70	185	55

* Relative to fauna monitoring.

Note: these species appear on the IUCN Red List of Threatened Species and on national conservation lists with habitats in areas affected by operations, discriminated by level of risk of extinction.

Environmental diversity in the “Cerrado” region



Another concern of the Anglo American group is the conservation of one of the most beautiful landscapes in Brazil. The rich region of the central part of South America has a visual appearance that basically comprises meadows, savannahs and forests. As in any part of the world, human progress and interference also prejudice the environment, resulting in an accelerated degradation process. Recent studies have shown that around 50% of the native vegetation has been destroyed and that less than 5% of its total area is protected in the form of conservation units.

At the present time, the “Cerrado” is one of the 25 areas of the planet with rich biodiversity, although threatened with extinction. Both the flora and fauna of this region have been decimated and progressively included in environmental risk lists. In the state of Goiás, specifically in the regions where it operates (Catalão, Ouvidor, Barro Alto and Niquelândia), Anglo American has initiated an important biodiversity study. The result of this has been the implementation of flora and fauna monitoring programs by the company, with the objective of assessing the ecological importance of managed areas and developing initiatives for the preservation of catalogued animal and plant species.

In 2006, Anglo American concentrated its efforts on partnerships for strengthening the scope of its projects with the Federal University of Goiás, which has engaged graduate and post-graduate students in the protection of the region. A total of 16 professionals, including both teaching staff and students are responsible for activities on company properties in Niquelândia, especially in mining areas. This is a soil rich in lateritic and saprolitic nickel deposits, characterized by high concentrations of nickel, magnesium and iron and low concentrations of nutrients essential for local flora, such as calcium, phosphorus and potassium.

Typical local vegetation associated with this soil includes various endemic species with a marked capacity for the selective accumulation of nickel. As an incentive for scientific research and by way of contributing to future conserva-

tion measures, Anglo American authorized Embrapa to perform studies within its areas. Given this scenario, Codemin, the group industrial facility located in Niquelândia, has obtained a high degree of success in continuing its mining activities and, at the same time, administering the maintenance and preservation of the local ecosystem.

On the other hand, actions at Barro Alto started to be taken in 1999, with the initial Environmental Impact studies performed for assessing the feasibility of installing a new plant in the municipality. In all phases of the Barro Alto Project, Anglo American foresaw and proposed monitoring systems for minimizing any and all impacts caused by its activities. The monitoring programs include mammals, birds, reptiles, amphibians and fish. In 2006, the company finalized its “Relatório Consolidado das Quatro Campanhas do Programa de Monitoramento Faunístico” (Consolidated Report on Four Rounds of Fauna Monitoring) (2004 to 2006).

In general, the activities performed during this period opened up the way for further steps to be taken with respect to protection of the “Cerrado” region. Actions foreseen for the next few years include the following:

- education for road users: in order to prevent accidents involving vehicles and wild species on local highways;
- special focus on the banks of rivers, as well as monitoring of fishing activities;
- observation and collection of venomous snakes. Greater attention will be paid to this group of animals with a view to preventing accidents;
- performance of further flora studies;
- prohibition and prevention of the entry of hunters and dogs in conservation areas;
- promotion of educational campaigns in order to provide guidance for and raise the awareness of people neighbouring Anglo American properties regarding the importance of these studies for conservation of the biodiversity of the “Cerrado” region.



Objectives
and targets

Objectives and targets for 2007

Our Future

Our Future is consolidation.
Our Future is growth.
Our Future is continuity.
Our Future is sustainable.

In the near future, Anglo American expects, year after year, to intensify its activities favouring sustainability and meet the challenges of this process.



OS NOSSOS OBJETIVOS E METAS

Focus	Targets planned for 2006	Anglo American performance in 2006	Copebrás performance in 2006	Justification regarding success or failure	2007 and Future Objectives
Economic-Financial					
Investments in Project Feasibility Studies	Obtain approval of Barro Alto Project	Project approved			Invest in further studies
Investments in locations where Anglo American operates	Perfect policies and criteria for social investment in communities	Seat/Pec	Seat/Pec	The company considers that there is evolution, transparency, growing participation in forums and consistency. Investments in sustainable projects are still slow due to the need to develop entities.	Develop institutions, optimize investments and partnerships, with a target of 70% becoming self-sustainable
Safety					
Certification	OHSAS 18001/99 re-certification	Ok	Safety audits and campaigns. Certification maintained	Top management and employee commitment	Maintaining certification
Certification	No fatalities	Two fatalities	Zero	There still needs to be strengthening of basic safety principles, it being clear that risks should be assessed prior to each task and that high-risk tasks should not be performed without protection. The company also wishes to enhance the reporting of non-conformities or unsafe conditions and "near misses"	Zero: implement Vehicle Management Plan (VMP)
Lost time accidents	Reduce to Zero	One lost time incident	Nine lost time incidents		Zero: improve reporting of all kinds of incidents and investigation of causes
Golden Rules	Simplify and reinforce Golden Rules at all facilities (corporate target). Attain 100% conformity	Various campaigns for disseminating culture throughout company and in loco training in Environmental, Health and Safety (EHS) Policy and Golden Rules. Review of Golden Rules issued in December			Communicate new version of Golden Rules, as part of wide-ranging safety campaign, going over basic concepts and principles of "Anglo Safety Way"
Safety Culture - Visible Felt Leadership	Increase number of inspection hours for identifying unsafe acts	Increase inspection frequency and participation of leaders	Task audit: performed with management for checking application of Golden Rules, encouraging safe practices for achieving Zero Accidents, and inclusion of item in employee targets	Constant discussion, credibility and involvement of leadership increased over year	Detail VFL schedule, including associated targets in Participation in Profits and Results. Improve quality of process
Health					
Certification	OHSAS 18001/99 re-certification	Ok	Certification maintained	Top management and employee commitment	Unify and maintain certification
Anglo Occupational Health Guidelines	Promote peer audits. Strive for 100% compliance	Audits performed, 97% compliance	Audits performed, 97% compliance	Criteria and audits changed from 2005 to 2006	Bring peer audit protocol into line with new "Anglo Health Way" system
Promotion of health	Consider partnerships with the health areas of municipalities in order to amplify programs		In progress	Company seeks sustainable projects in this area	Proceed with projects for capacitating local health structures
Organizational Climate					
Organizational Climate	Capacitate employees for administering the Learning Career Management (LCM) Plan	Project postponed	Not applicable in 2006	Project postponed by company for better consolidation in 2007	Implementation resumed
Communication	Finalize and implement Communication Plan	Ok	Start of Anglo American / Copebrás integration	High point was implementation of Communication Plan with announcement of investment in Barro Alto Project	Consolidate and integrate with Copebrás
Good Citizenship and Business Principles					
Stakeholders / Community	Conclude and implement Community Involvement Plan. Create participative forums		Ok		Fulfill and report Community Involvement Plan actions
	Improve report to society on sustainability	Ok	Not applicable in 2006	Improvements made to document, but behind schedule	Compliance with GRI guidelines
Environment					
Certification	ISO 14001:2004 re-certification	Ok	Certification maintained		Certification maintained

OS NOSSOS OBJETIVOS E METAS

Focus	Targets planned for 2006	Anglo American performance in 2006	Copebrás performance in 2006	Justification regarding success or failure	2007 and Future Objectives
Environment					
Use of Natural Resources	Continued reduction of specific energy consumption (10% by 2008) in relation to 2003	Not attained	Not attained	Codemin and Copebrás Catalão process altered: measurement system needs to be amplified for better control and monitoring	Re-define specific targets per process, as well as putting forward an investment plan for improving the measurement system
	Become associated with watershed committees	Not attained	Not applicable in 2006	Watershed committees still not formalized	Accompany consolidation of watershed committees and become associated
	Strive for alignment with State of Goiás water resources management plan	Ok	Not applicable in 2006	Copebrás Cubatão started work on implementing a system for re-using rainwater	Compliance with corporate specific consumption reduction targets (10% in 2008 in relation to year of 2003)
Climate Change	Adapt methodology for registering CDM carbon removal project Implement energy efficiency projects	Not attained	Not applicable	Methodology only approved in December 2006	Finalization f CDM project: preparation of CO ₂ inventory at facilities; study for identifying opportunities and basic strategies regarding carbon emission reduction projects
Solid waste management	Maintain good performance. Improve solid waste management by recovering Copebrás waste niobium	Ok, "Tailings Project" initiated for recovering niobium	Construction completed of Temporary waste Storage Warehouse, in accordance with specific technical standards. Selective waste collected system also implemented		Formalize plans and areas. Complete and implement the Tailings Project. At Copebrás, implement the Program for Maximizing the Re-use and Recycling of Solid Wastes
Biodiversity	Develop a formal Biodiversity Action Plan. Improve partnerships, expand activities for Catalão	Ok	Ok	Biodiversity monitoring reports submitted at the end of 2006, covering the biodiversity situation at sites owned by the company	Consolidate Biodiversity Action Plans. Definition of new target species for monitoring, protection measures, identification of control areas, and studies for re-populating affected areas
	Review and amplify environmental reserve areas	Ok	Not applicable in 2006		Formalize management plan for these areas
	Improve monitoring program, define biological indicators	Partial	Not applicable in 2006	The target is more extensive than just a period of 1 year. It is the continuity of studies that will determine opportunities for the development of new indicators	Define the continuity of monitoring campaigns. Institute continuous assessment of the evolution of improvement measures that are implemented
Soil use	Effective management of the recovery of degraded areas, planting native vegetation	Partial	Not applicable in 2006	Recovery below target level at Codemin. Inspections and procedures implemented, but are still not in compliance with Anglo American sustainable development principles. Prepared and filed at CETESB by Copebrás, the Degraded Site Recovery Plan has a schedule of actions to be completed in 10 years	Initiate activities with research institutes and strive for compliance with the action schedule of the Degraded Site Recovery Plan; start implement the Plan
	Amplify environmental reserve areas	Ok	Not applicable in 2006	The target is more extensive than the period of 1 year	Continue studies at Codemin. Integrate plans in Catalão, as applicable
Other International Standards					
Other management standards	Re-initiate implementation of SA 8000	Not attained	Not applicable in 2006	Awaiting the traceability of international standards performed by Anglo American plc and Catalão awaits definitions regarding laboratory and refurbishment activities	Amplify target for implementation of SA 8000 and NBR 16001
	Certify Niquelândia laboratory and prepare process in Catalão	Not attained	Not applicable in 2006		Complete implementation of laboratory management at Codemin and strive for certification in accordance with the NBR 17025 standard



Appendices

Summary of GRI Content

WHAT'S?	ITEM	STATUS	PAGES
1. Strategy and Analysis	1.1	r	7 - 9
	1.2	pr	7 - 9; 11 - 12; 18 - 19; 2; 58 - 59
2. Organisational Profile	2.1	r	cover; back cover
	2.2	r	11 - 15
	2.3	r	11 - 12
	2.4	r	back cover
	2.5	r	14 - 15
	2.6	r	11
	2.7	r	13
	2.8	r	11 - 15; 21 - 23
	2.9	r	11 - 15
	2.10	r	19
3. Parameters for Report	Report Profile		
	3.1	r	back cover
	3.2	r	2
	3.3	r	2
	3.4	r	back cover
	Scope and Limit of Report		
	3.5	r	back cover; 2
	3.6	r	back cover
	3.7	r	back cover
	3.8	r	2; 11 - 12
	3.9	r	2 - 59
	3.10	r	back cover
	3.11	r	back cover
	Summary of GRI Content		
	3.12	r	this table
	Verification		
	3.13	pr	2
4. Governance, Commitments and Engagement	Governance		
	4.1	r	16 - 17
	4.2	r	16 - 17
	4.3	r	16 - 17
	4.4	r	16 - 17
	4.5	nr	
	4.6	nr	
	4.7	nr	
	4.8	r	25
	4.9	pr	25
	4.10	pr	58 - 59
	External Initiative Commitments		
	4.11	nr	
	4.12	nr	
	4.13	nr	
	Stakeholder Engagement		
	4.14	r	2; 37 - 39
	4.15	r	2; 18 - 19; 37 - 39
	4.16	pr	2; 37 - 39
	4.17	r	2

Legend:
r: report
pr: partially reported
nr: not reported
na: not attained

ECONOMIC PERFORMANCE		
ASPECT: ECONOMIC PERFORMANCE		
DESCRIPTION	STATUS	PAGE
EC1 Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings and payments to capital providers and governments.	r	21
EC2 Financial implications and other risks and opportunities for the activities of the organisation due to climate change.	pr	46
EC3 Coverage of the organisation's defined benefit plan obligations.	nr	
EC4 Significant financial assistance received from government.	nr	
ASPECT: MARKET PRESENCE		
DESCRIPTION	STATUS	PAGE
EC5 Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.	pr	24
EC6 Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	r	40
EC7 Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	nr	
ASPECT: INDIRECT ECONOMIC IMPACTS		
DESCRIPTION	STATUS	PAGE
EC8 Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	nr	
EC9 Understanding and describing significant indirect economic impacts, including the extent of impacts.	nr	

ENVIRONMENTAL PERFORMANCE		
ASPECT: MATERIALS		
DESCRIPTION	STATUS	PAGE
EN1 Materials used by weight or volume.	nr	
EN2 Percentage of materials used that are recycled input materials.	nr	
ASPECT: ENERGY		
DESCRIPTION	STATUS	PAGE
EN3 Direct energy consumption by primary energy source.	r	45
EN4 Indirect energy consumption by primary source.	nr	
EN5 Energy saved due to conservation and efficiency improvements.	nr	
EN6 Initiatives to provide energy-efficient or renewable energy-based products and services, and reductions in energy requirements as a result of these initiatives.	nr	
EN7 Initiatives to reduce indirect energy consumption and reductions achieved.	nr	
ASPECT: WATER		
DESCRIPTION	STATUS	PAGE
EN8 Total water withdrawal by source.	r	49
EN9 Water sources significantly affected by withdrawal of water.	nr	
EN10 Percentage and total volume of water recycled and reused.	pr	
ASPECT: BIODIVERSITY		
DESCRIPTION	STATUS	PAGE
EN11 Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	nr	
EN12 Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	nr	
EN13 Habitats protected or restored.	nr	
EN14 Strategies, current actions, and future plans for managing impacts on biodiversity.	pr	52 - 55
EN15 Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	r	54

ASPECT: EMISSIONS, EFFLUENTS AND WASTES		
DESCRIPTION	STATUS	PAGE
EN16 Total direct and indirect greenhouse gas emissions by weight.	r	46 - 47
EN17 Other relevant indirect greenhouse gas emissions by weight.	nr	
EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved.	nr	
EN19 Emissions of ozone-depleting substances by weight.	nr	
EN20 NOx, SOx, and other significant air emissions by type and weight.	nr	
EN21 Total water discharge by quality and destination.	nr	
EN22 Total weight of waste by type and disposal method.	pr	51
EN23 Total number and volume of significant spills.	nr	
EN24 Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	nr	
EN25 Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	nr	
ASPECT: PRODUCTS AND SERVICES		
DESCRIPTION	STATUS	PAGE
EN26 Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	nr	
EN27 Percentage of products sold and their packaging materials that are reclaimed by category.	nr	
ASPECT: COMPLIANCE		
DESCRIPTION	STATUS	PAGE
EN28 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	r	44
ASPECT: TRANSPORT		
DESCRIPTION	STATUS	PAGE
EN29 Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	nr	
ASPECT: OVERALL		
DESCRIPTION	STATUS	PAGE
EN30 Total environmental protection expenditures and investments by type.	pr	23

SOCIAL PERFORMANCE			
ASPECT: EMPLOYMENT			
DESCRIPTION		STATUS	PAGE
LA1	Total workforce by employment type, employment contract, and region.	r	27
LA2	Total number and rate of employee turnover by age group, gender, and region.	pr	27
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	nr	
ASPECT: LABOUR / MANAGEMENT RELATION			
DESCRIPTION		STATUS	PAGE
LA4	Percentage of employees covered by collective bargaining agreements.	r	31
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	nr	
ASPECT: OCCUPATIONAL HEALTH AND SAFETY			
DESCRIPTION		STATUS	PAGE
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	r	35
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities by region.	r	32 - 35
ASPECT: TRAINING AND EDUCATION			
DESCRIPTION		STATUS	PAGE
LA8	Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	nr	
LA9	Health and safety topics covered in formal agreements with trade unions. Health and safety topics covered in formal agreements with trade unions.	nr	
LA10	Average hours of training per year per employee by employee category.	nr	
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	pr	29 - 30
LA12	Percentage of employees receiving regular performance and career development reviews.	nr	
ASPECT: DIVERSITY AND EQUAL OPPORTUNITY			
DESCRIPTION		STATUS	PAGE
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	nr	
LA14	Ratio of basic salary of men to women by employee category.	nr	

HUMAN RIGHTS			
ASPECT: INVESTMENT AND PROCUREMENT PRACTICES			
DESCRIPTION		STATUS	PAGE
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	pr	25
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	pr	25
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	nr	
ASPECT: NON-DISCRIMINATION			
DESCRIPTION		STATUS	PAGE
HR4	Total number of incidents of discrimination and actions taken.	nr	
ASPECT: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING			
DESCRIPTION		STATUS	PAGE
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	na	
ASPECT: CHILD LABOUR			
DESCRIPTION		STATUS	PAGE
HR6	Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour.	nr	
ASPECT: FORCED AND COMPULSORY LABOUR			
DESCRIPTION		STATUS	PAGE
HR7	Operations identified as having significant risk for incidents of forced or compulsory labour, and measures taken to contribute to the elimination of forced or compulsory labour.	nr	
ASPECT: SECURITY PRACTICES			
DESCRIPTION		STATUS	PAGE
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	na	
ASPECT: INDIGENOUS RIGHTS			
DESCRIPTION		STATUS	PAGE
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.		

SOCIETY		
ASPECT: COMMUNITY		
DESCRIPTION	STATUS	PAGE
SO1 Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	r	37 - 39
ASPECT: CORRUPTION		
DESCRIPTION	STATUS	PAGE
SO2 Percentage and total number of business units analyzed for risks related to corruption.	nr	
SO3 Percentage of employees trained in organization's anti-corruption policies and procedures.	nr	
SO4 Actions taken in response to incidents of corruption.	nr	
ASPECT: PUBLIC POLICY		
DESCRIPTION	STATUS	PAGE
SO5 Public policy positions and participation in public policy development and lobbying.	nr	
SO6 Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	nr	
ASPECT: ANTI-COMPETITIVE BEHAVIOUR		
DESCRIPTION	STATUS	PAGE
SO7 Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes.	nr	
ASPECT: COMPLIANCE		
DESCRIPTION	STATUS	PAGE
SO8 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	nr	

PRODUCT RESPONSIBILITY		
ASPECT: CUSTOMER HEALTH AND SAFETY		
DESCRIPTION	STATUS	PAGE
PR1 Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	nr	
PR2 Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services, by type of outcomes.	nr	
ASPECT: PRODUCT AND SERVICE LABELLING		
DESCRIPTION	STATUS	PAGE
PR3 Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	nr	
PR4 Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes.	nr	
PR5 Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	nr	
ASPECT: MARKETING COMMUNICATIONS		
DESCRIPTION	STATUS	PAGE
PR6 Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	nr	
PR7 Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes.	nr	
ASPECT: CUSTOMER PRIVACY		
DESCRIPTION	STATUS	PAGE
PR8 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	nr	
ASPECT: COMPLIANCE		
DESCRIPTION	STATUS	PAGE
PR9 Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	nr	

Note 1: Brazilian legislation establishes the rights of freedom of association and collective bargaining. Anglo American fulfils the legal requirements applicable in Brazil and maintains a constant relationship with its employees and their representative trade unions.

Note 2: Anglo American Brasil operations are not to be found with- in the area of influence of indigenous communities.



We wish to thank all employees, associates and partners of Anglo American Brasil, as well as those participating in the projects mentioned herein, for their respective contributions.