

# OUR WORLD, OUR ROLE

Together, we create sustainable  
value that makes a real difference

Real Mining. Real People. Real Difference.



Our approach

Our role in society

Caring for people

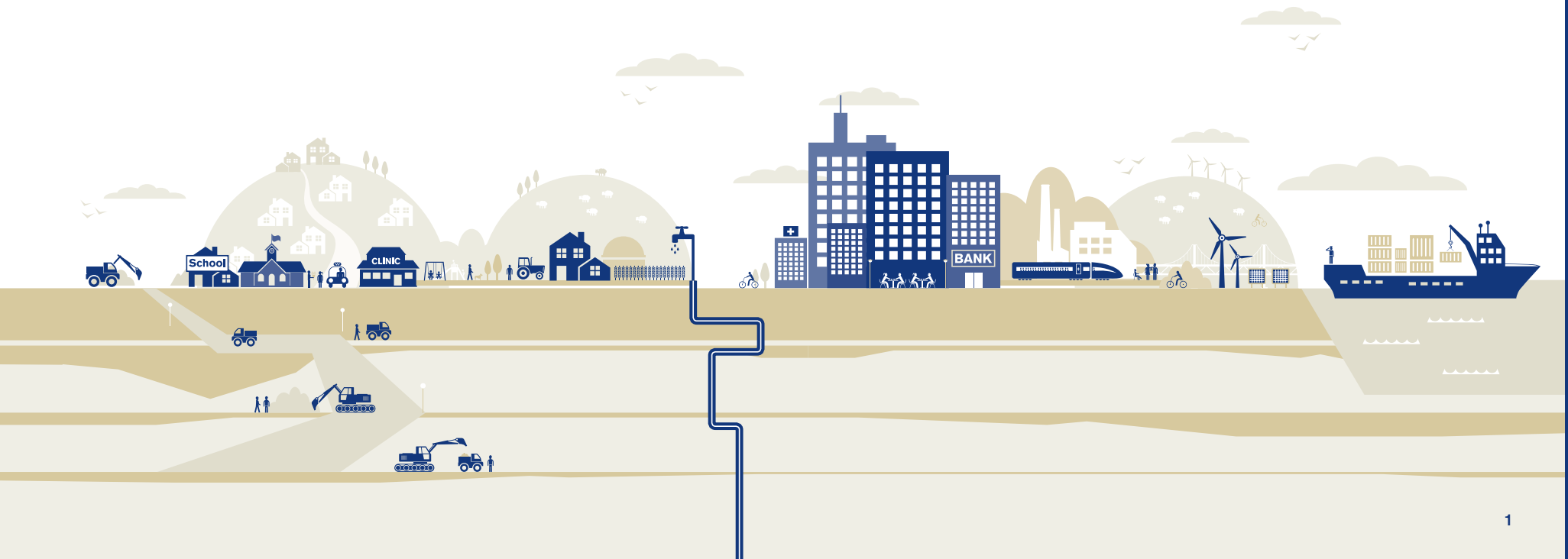
Environmental stewardship

## OUR WORLD, OUR ROLE

Mining plays a vital part in the prosperity of the world today and our need for mining products continues to grow. For almost a hundred years, the wide variety of products Anglo American mines has improved people's lives. From iron ore and coal to make steel, copper for electronic technology, phosphates for fertilisers, and precious metals for catalytic converters, our minerals and metals help the modern world function. Every day we learn of more uses for metals and minerals in our daily lives.

The planet's population is seven billion and rising fast, with more people living in cities than ever before. Mining isn't simply about the resources we extract from the ground. Mining supports a higher standard of living: it creates employment, electricity and electronics, piped water, buildings, roads, telecommunications, as well as new skills, education and improved healthcare for host communities. In 2013, more than three quarters of what we spent on suppliers, employees, taxes and government royalties, we spent in developing countries.

We will continue to improve how we mine and play a positive role in the changing world by focusing on creating sustainable value that makes a real difference, both during and after the life of each mine. We'll also work hard to protect scarce resources like land and water, and ensure a lasting legacy for the ecosystems and communities around our mines. We will continue to always look for the best ways to deliver the resources the world needs.





## OUR STRATEGY FOR A SUSTAINABLE FUTURE

We recognize that we must continually adapt and improve if we are to achieve our ambition to become the investment, partner and employer of choice. This means we need to deliver our promised returns to shareholders, as well as work with our stakeholders to find mutually beneficial solutions to our shared challenges.



## A MESSAGE FROM MARK CUTIFANI, CHIEF EXECUTIVE

### Together, we create sustainable value that makes a real difference

Anglo American has long had a reputation for being a sustainability leader – this was one of the things which drew me to the company. Major mining companies can and should be considered development partners while at the same time continue to be successful businesses.

Successful sustainable businesses are those that are highly attuned to the needs of society – that look to address society's challenges and work with their employees and partners to shape a better future. My ambition is for all our host communities, and our wider stakeholder base, to feel their lives are better for Anglo American's presence.

We recognise that at every one of our operations sustainability has to be at the heart of how we run our business. We plan ahead, supporting enterprise development, training young people, investing in health services or helping the establishment of new industries so that communities are able to stand on their own feet long after the mine gates finally close. We seek to operate to the highest possible standards of safety, health, environment and community development practices.

As custodians of much of the world's mineral resources, the mining industry has responsibility to ensure that the benefits of mining can be seen and felt by the countries in which we operate and, in particular, by our host communities.

It's about creating 'shared value' and how, together, we create sustainable value that makes a real difference.



# OUR ROLE IN SOCIETY



We want to create and maintain mutually beneficial relationships with host countries and communities wherever we operate. To do this effectively, we must understand the influence we have on societies and communities – whether that's their health, economy or infrastructure, or local labour force and skills. The needs and concerns of all our stakeholders inform and guide our approach to doing business.

Mining is a key driver of economic growth and can play a significant role in socio-economic development. It is through our core business activities – employing people, paying taxes to governments and procuring from host communities and countries – that we make our most significant positive contribution to economies.



Our **Social Way** policy defines the social performance standards at all our managed operations and ensures the management systems foundations for sound community relations are in place. It helps us consider host countries, communities and societies' interests at every stage of our planning and operation.

## OUR GOALS

### BEST PRACTICE SOCIAL PERFORMANCE

Our social strategy is an extension of our own values and business principles, and is designed to help us deal effectively with social, political and economic issues – to our hosts' benefit as well as our own. We aim to increase the effectiveness and efficiency of our social programmes through spreading best practice across sites and drawing on the expertise of our NGO partners.

### CREATING VALUE FOR HOST COUNTRIES

Mining brings many benefits to host countries and we aim to help people share the socio-economic benefits Anglo American can create – through taxation, supplier agreements and getting involved in policymaking, among many others. We want to seize opportunities to create mutually beneficial relationships at a national level.

### CREATING VALUE FOR HOST COMMUNITIES

In the developing countries in particular, Anglo American aims to contribute to host communities' prosperity and wellbeing. A large part of this involves supporting human rights initiatives, managing social risks, helping with infrastructure and supporting local suppliers, as well as providing people with valuable training and skills.





## CREATING VALUE FOR HOST COUNTRIES

### OUR GOAL

Our core business activities can make a significant positive contribution to both national and local economies. We aim to establish constructive dialogue and relationships, founded on trust and a commitment to listening to our stakeholders' concerns and views, to maintain dependable long-term partnerships in our host countries.

### OUR APPROACH

To achieve our goal of safe, responsible mining that contributes to sustainable development, we must engage with governments to help shape the public policy that frames, not only our industry, but also the broader public policy issues that are relevant to our business and stakeholders. Our Government Relations Way outlines the parameters government engagement and serves as the governance document for the Group.

### OUR PRINCIPLES AND COMMITMENTS

- Anglo American Guiding Values
- Good Citizenship Business Principles
- Business Integrity Policy
- Anglo American Ways
- United Nations Declaration on Human Rights
- United Nations Global Compact
- United Nations Guiding Principles on Business and Human Rights
- ICMM principles
- Voluntary Principles on Security and Human Rights
- Extractive Industries Transparency Initiative



### ECONOMIC VALUE ADDED

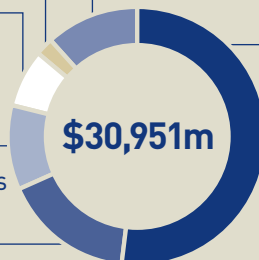
The value distributed directly by Anglo American in 2013 amounted to \$30,951m. This figure includes:

\$720m  
TO PROVIDERS  
OF CAPITAL

\$2,237m  
PAID TO  
ANGLO AMERICAN  
AND OUTSIDE  
SHAREHOLDERS

\$3,232m  
IN TAXES AND ROYALTIES  
TO GOVERNMENTS

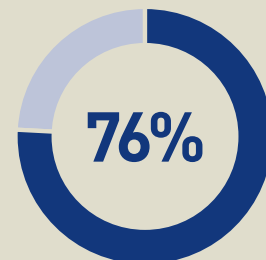
\$5,078m  
TO OUR EMPLOYEES  
THROUGH WAGES AND  
RELATED EXPENDITURE



\$3,547m  
RE-INVESTED  
IN THE GROUP

\$16,137m  
PAID TO  
SUPPLIERS

APPROXIMATELY 76%  
OF OUR TOTAL SUPPLIER,  
EMPLOYEE AND TAX  
EXPENDITURE WAS IN  
DEVELOPING COUNTRIES



### WORKING IN PARTNERSHIP WITH GOVERNMENT

In 2014 we partnered with South Africa's Department of Economic Development, the Small Enterprise Finance Agency and Transnet to establish the Godisa Supplier Development fund. The R165 million fund will offer both financial and business development support to qualifying beneficiaries, and will be managed by Anglo American's long-established and internationally recognised Zimele enterprise development initiative.



A Zimele beneficiary displays her handmade clothing and accessories





## CREATING VALUE FOR HOST COMMUNITIES

# 2.6m

WE ESTIMATE THAT, IN 2013, COMMUNITY DEVELOPMENT PROJECTS DELIVERED BENEFITS TO MORE THAN 2.6 MILLION COMMUNITY MEMBERS AND THAT OUR ACTIVITIES IMPROVED THE LIVELIHOODS OF ABOUT 260,000 PEOPLE

## OUR GOAL

We want to build lasting positive relationships with the communities where we operate using our activities to deliver developmental benefits and opportunities to them. We place considerable emphasis on integrating social considerations into each stage of the mining life cycle with all our operations following social and community improvement plans.

## OUR APPROACH

Our approach to community development is based on understanding local contexts and using our core business to promote development. These activities typically involve local procurement and supplier development, building local capacity, providing infrastructure for healthcare, housing and sanitation, and investing in enterprise and skills development. Many of these programmes are undertaken in partnership with NGOs, communities, and local governments. We estimate that, in 2013, community development projects delivered benefits to more than 2.6 million community members and that our activities improved the livelihoods of about 260,000 people.



### BUILDING LOCAL CAPACITY

Our capacity development activities focus on strengthening the skills, competencies and abilities of employees and community members to promote robust, self-sufficient local economies long after our mines have closed.

# 4,188

NUMBER OF EMPLOYEES PROVIDED WITH TRAINING IN SKILLS OUTSIDE THE MINING SECTOR, SUCH AS ELECTRICAL SERVICES, PLUMBING AND CARPENTRY IN 2013

# 1,337

NUMBER OF EMPLOYEES AND COMMUNITY MEMBERS PROVIDED WITH ADULT BASIC EDUCATION BY OUR OPERATIONS IN SOUTH AFRICA

### LOCAL PROCUREMENT AND SUPPLIER DEVELOPMENT

Our local procurement initiatives are a principal value driver for Anglo American and for communities around our operations. They are designed to optimise opportunities to integrate local businesses into our global supply chain. In doing so, we believe we can make a significant socio-economic contribution to our host communities, as well as improve efficiencies in our supply chain by lowering logistics costs and securing access to critical goods and services.

# \$1.63bn

EXPENDITURE OF SUPPLIERS BASED IN THE COMMUNITIES CLOSE TO OUR OPERATIONS IN 2013. REPRESENTING 12.3% OF OUR TOTAL SUPPLIER EXPENDITURE



## PARTNERING FOR INFRASTRUCTURE DEVELOPMENT

Our mines are often situated in areas that are underdeveloped and remote, where we can share infrastructure – such as roads, health facilities and water – with local communities.

- At our Minas-Rio iron ore project in Brazil we are partnering with the government to construct or improve the conditions of three critical roads that provide access to the project.
- In South Africa, we have partnered with government and business to construct a 600km water-supply pipeline to our platinum mines in Limpopo province providing 1.9 million people with access to reliable potable water for the first time.
- In partnership with local and provincial government, we are helping to alleviate the dire shortage of affordable housing in South Africa. We have committed to build more than 23,000 houses by 2014.
- Anglo American and the Development Bank of Southern Africa entered into an agreement in March 2011 to collaborate on capacity building in selected municipalities within South Africa.

# 23,000

NUMBER OF HOUSES WE HAVE COMMITTED TO BUILD IN SOUTH AFRICA BY 2014



## GETTING LOCAL ENTERPRISE UP AND RUNNING

Enterprise development is one of the most effective means of ensuring that the benefits for host communities arising from our mining activities will be sustainable. Anglo American is recognised internationally for our leading enterprise development programmes and over the past five years our programmes in South Africa and Chile have supported more than 76,000 jobs. In 2013, we launched new programmes in Botswana and Brazil, and in early 2014 another in Peru.

# 76,000

OVER THE PAST FIVE YEARS OUR PROGRAMMES IN SOUTH AFRICA AND CHILE HAVE SUPPORTED MORE THAN 76,000 JOBS

# 48,111

TOTAL NUMBER OF BUSINESSES SUPPORTED

# 76,543

JOBS CREATED/SUSTAINED THROUGH ENTERPRISE DEVELOPMENT INITIATIVES

# 2,697,933

BENEFICIARIES OF EDUCATION PROJECTS

### INTERNATIONAL ALERT

We continually engage with our strategic partner, International Alert, to help us strengthen our implementation of Voluntary Principles on Security and Human Rights.

### PEER-REVIEW PROCESS

Our community development peer-review process is undertaken at up to four operations annually and involves Anglo American community development specialists and expertise from our strategic partners CARE International.



# CARING FOR PEOPLE



Assets alone do not generate value. It is our people that make the real difference. By promoting healthier lifestyles and working practices, as well as supporting the health and wellbeing of our host communities, we enhance productivity, protect people and encourage healthier, happier lives.

Managing the health and safety risks of mining remains a challenge. Our main priority is to prevent injury or loss of life, by creating safe and healthy work environments.

Our goal is for people to apply their skills, knowledge and expertise to ensure we operate successfully and responsibly. It is our people who develop trusting and respectful relationships with communities, governments, suppliers, partners and peers to ensure that we keep to our promises. Promoting diversity within our workforce is also very important to us.

**Our Safety Way** details the mandatory roles and responsibilities, safety principles and standards that apply throughout our operations.

Similarly, **Occupational Health Way** guides our approach to wellbeing among employees, their families and our host communities. Our vision is to achieve zero harm and a healthy and productive workforce through the effective management of occupational health risks in all our managed operations.

**Our health and safety principles are:**

- No repeats
- Zero mindset
- Simple non-negotiable standards

## OUR GOALS

### HEALTH

We want to do what we can to protect our people, their families, and the communities where we live and work. This can range from advice and education, to providing training and healthcare, being mindful of local customs and considerations.

### SAFETY

Mining activity carries inherent risks, but by assessing and tackling the associated risks to people's health and safety at work, we can work effectively to reduce – and wherever possible, eliminate – illness, injuries and loss of life at our operations. Our vision is to achieve Zero Harm through effective management of safety risks in all our managed operations.

### OUR WORKFORCE

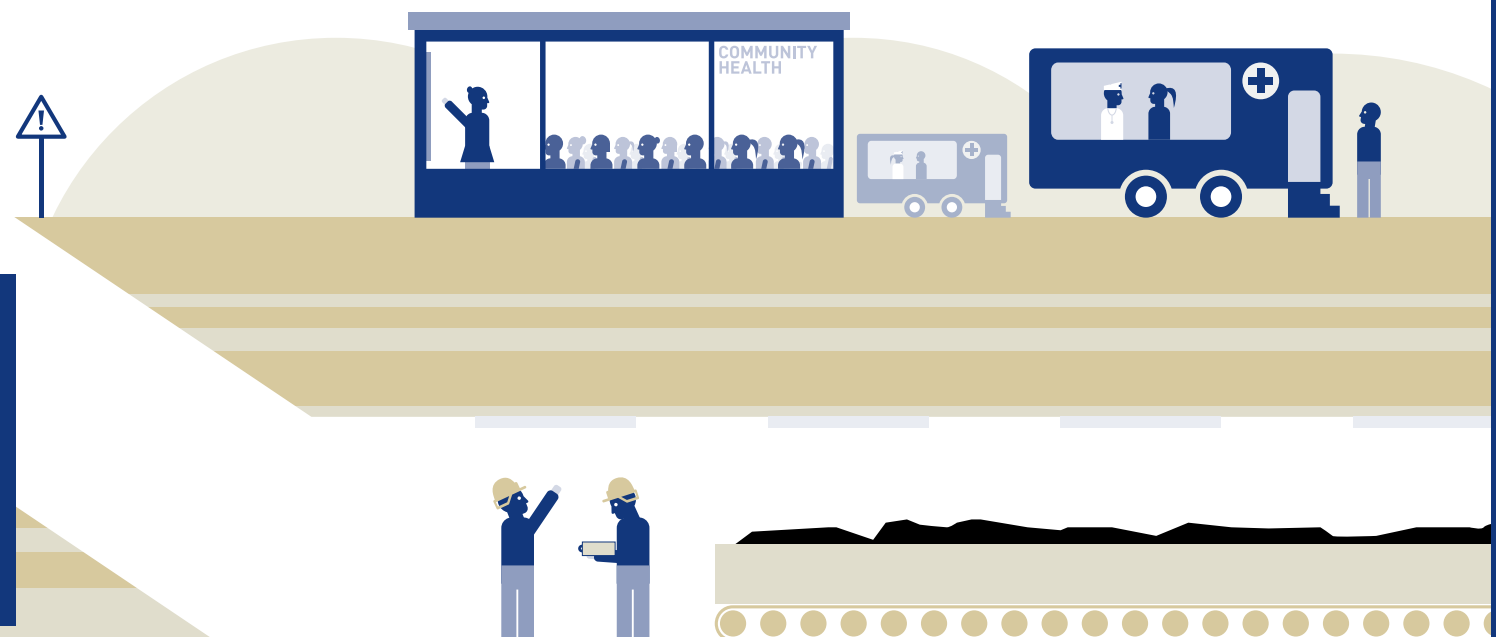
We aim for workforce diversity and to enhance skills in our host communities. We look to extend opportunities for women across the Group and provide opportunities for disabled employees. We are also playing our part in building safe and healthy communities by working with public authorities and others to reduce, and eventually eliminate, informal settlements.

**3,000**

DURING 2013 WE SUPPORTED ALMOST 3,000 GRADUATES, BURSARS, APPRENTICES AND OTHER TRAINEES

**23%**

23% OF MANAGERS ARE WOMEN AND APPROXIMATELY 16% OF OUR OVERALL WORKFORCE IS FEMALE





# SUPPORTING HEALTHIER WORKPLACES, LIFESTYLES AND COMMUNITIES

## OUR GOAL

We have a duty to look after our people, but also to help them look after themselves. So we want to do more than provide basic treatment – we aim to give employees useful advice, information and support they can use to avoid ill health and pass on to their peers and families. That way, our people can be happier and more productive, and we can make a positive difference for our host communities.

## OUR APPROACH

We follow best-practice standards, guidelines and assurance processes, and apply them through two disciplines – occupational hygiene and occupational medicine. In addition we have an employee health and wellness programme, which includes a strong focus on tackling HIV/AIDS and tuberculosis among workers and their families. We also focus on strengthening healthcare systems in under-served rural areas and improving access to good quality healthcare.



### GLOBAL STANDARDS IN OCCUPATIONAL HEALTH

As well as a meticulous monitoring and reporting system that helps us understand and respond more effectively to health risks at work, we have non-negotiable standards that address our main health risks at work. These relate to noise, inhalable hazards (gases, fumes and dust), musculoskeletal strains and fatigue. What's more, we continually reinforce safe working practices and educate people so they can avoid such risks. For example, we measure and apply strict standards to occupational exposure limits (OELs), so no one is exposed to excessive risk without personal protection equipment.



### PREVENTING AND TREATING ILLNESS

Our world-leading health and wellness programmes provide treatment and care for HIV/AIDS and tuberculosis, plus education and support in tackling obesity and substance abuse, as well as lifestyle related diseases, women's, men's and family health. The programme includes a wide range of initiatives to encourage healthier, happier lifestyles. We're seen as leaders in tackling HIV/AIDS and tuberculosis. We still face big challenges – particularly with tuberculosis, which is difficult to diagnose and highly infectious.

We are proud to have established the first free workplace HIV/AIDS treatment programme in the world, available to employees, their dependents and our contracted workforce. It is the largest programme of its kind in the world.



### PROMOTING HEALTHCARE IN OUR HOST COMMUNITIES

Our internal health drive will have limited effect if communities' health systems are weak. Our activities to promote healthcare in the broader community include investing in health systems and activities aimed at supporting healthcare in developing countries more broadly. We led the industry in supporting the Global Fund for the prevention of HIV, TB and Malaria, and the Global Alliance for Vaccines and Immunisation (GAVI) – and in 2013 were recognised by the Global Business Coalition for Health as a leader in the business response to global health issues.

In South Africa, we work with the provincial health departments in the Eastern Cape, Mpumalanga, Northern Cape and North West provinces to improve health services. In Brazil we're partners with Reprolatina, an NGO that provides community sexual and reproductive health counselling.



### WHEN PEOPLE CAN'T GET TO HOSPITAL...

Kumba Iron Ore is making a vital contribution to improving access to healthcare in South Africa's Northern Cape province via its Batho Pele mobile health units. The mobile units bring health services directly to disadvantaged communities in the remote John Taolo Gaetsewe district, an area with high rates of infant mortality and HIV/AIDS infection. This life-saving initiative is the first of its kind in the country. Kumba worked in close collaboration with government health professionals and consulted tribal leaders on how and where best to locate the units.





## SEXUAL EDUCATION HAS A POSITIVE IMPACT

At our Barro Alto nickel operation we're working with Reprolatina, a specialist in sexual and reproductive health education, to help adolescents in the Goiás region of Brazil reduce their vulnerability to unwanted pregnancies, infections, violence and sexual exploitation. As a result, adolescent pregnancies in the area decreased from 40% of total pregnancies in 2010, to 16% in 2012. In all, approximately 18,000 people have benefited from the scheme's educational activities.

# 18,000

18,000 PEOPLE HAVE BENEFITED FROM THE REPROLATINA SCHEME'S EDUCATIONAL ACTIVITIES

## HEALTH AND WELLNESS

We know our health and wellness programmes are effective. Our Thermal Coal business has reduced its TB incidence rate from 937 per 100,000 population in 2006 to 340 per 100,000 in 2013 through the effective management and treatment of this highly-contagious disease.

# 75%

75% OF HIV-POSITIVE EMPLOYEES ARE ENROLLED ON OUR TREATMENT PROGRAMME

# 93,000

IN 2013 WE TESTED AND COUNSELLLED ALMOST 93,000 EMPLOYEES AND CONTRACTORS IN SOUTHERN AFRICA

## A FINGER ON BETTER HEALTH RECORDS

"What you can't measure, you can't manage" is a saying anyone working in medicine understands. To provide effective healthcare, it's essential to have good health records. At our Thermal Coal operation the workforce is highly mobile and formal methods of identification are hard to come by, so keeping track of employees' medical history has always been a big challenge. We developed, a groundbreaking electronic system called 'theHealthSource', which has transformed healthcare at Thermal Coal and is being introduced at our other businesses. With theHealthSource fingerprint scanning, it's now possible to monitor the health of mine workers throughout their careers, and track the progression of illnesses with more accuracy than ever before. This is especially important in the fight against HIV/AIDS and TB, where the ability to measure the rate of new infections is key to controlling the disease.



## ACHIEVING UNAIDS' THREE ZEROS

Our New Vaal Colliery in South Africa has achieved UNAIDS' Three Zeros: zero AIDS-related deaths, zero discrimination and zero conversions – a remarkable feat for an operation with a workforce of more than 1,180 employees.

## IMPROVING SAFETY ACROSS OUR OPERATIONS

### OUR GOAL

Mining carries inherent risks, but it's up to us to understand and monitor these and prevent loss of life and serious injury. Our safety strategy and management approach focus on improving our ability to anticipate and prevent harm to our people. Our biggest safety risks involve transportation, rock falls and dangers of handling equipment. We want a safer, healthier workplace for everyone and we understand that achieving this will help increase productivity and efficiency across our business. In other words, safety comes first – the rest will follow.

### OUR APPROACH

Our approach is based on identifying, understanding and reducing risk, and applying a safety strategy with three key principles – a mindset of 'zero harm'; learning from incidents so they don't happen again; and applying simple, strict safety standards to everything we do. The Anglo American Safety Way is our framework of roles and responsibilities, and helps us apply these mandatory principles and safety standards across the business. Our award-winning SHE risk management programme offers training on effective risk management with nearly 7,800 employees being trained since 2007.



## ALL IN IT TOGETHER...

The 'all in it together' mind-set at Kolomela mine has enabled the team to accomplish the remarkable achievement of 9 million injury-free hours and 31.4million fatality-free shifts – and cut costs at the same time. People working at Kolomela have a better understanding of the effects their actions in one area of the mine can have on its other areas. This 'all in it together' approach has opened channels of communication throughout all levels of the workforce.



# 16%

IN 2013 WE ACHIEVED A 16% YEAR ON YEAR REDUCTION IN OUR LOST TIME INJURY FREQUENCY RATE

# 7,800

7,800 EMPLOYEES THROUGH OUR AWARD-WINNING SHE RISK MANAGEMENT TRAINING SINCE 2007

# 40%

OUR TOTAL RECORDABLE CASE FREQUENCY RATE HAS IMPROVED BY 40% SINCE 2009

# ENVIRONMENTAL STEWARDSHIP

More at  
[angloamerican.com/  
development](https://angloamerican.com/development)

Extracting and processing minerals is fundamental to the global economy, yet it can disturb land, consume significant energy and resources, and generate waste and pollutants. We want to go about our work in a way that improves things for everyone involved, so it's our responsibility to recognise, understand and tackle the challenges we face and create. Our aim is to leave communities with a self-sustaining legacy that will create a future where life is better after the mine has closed than if it had never been there at all.

## OUR GOALS

### WATER

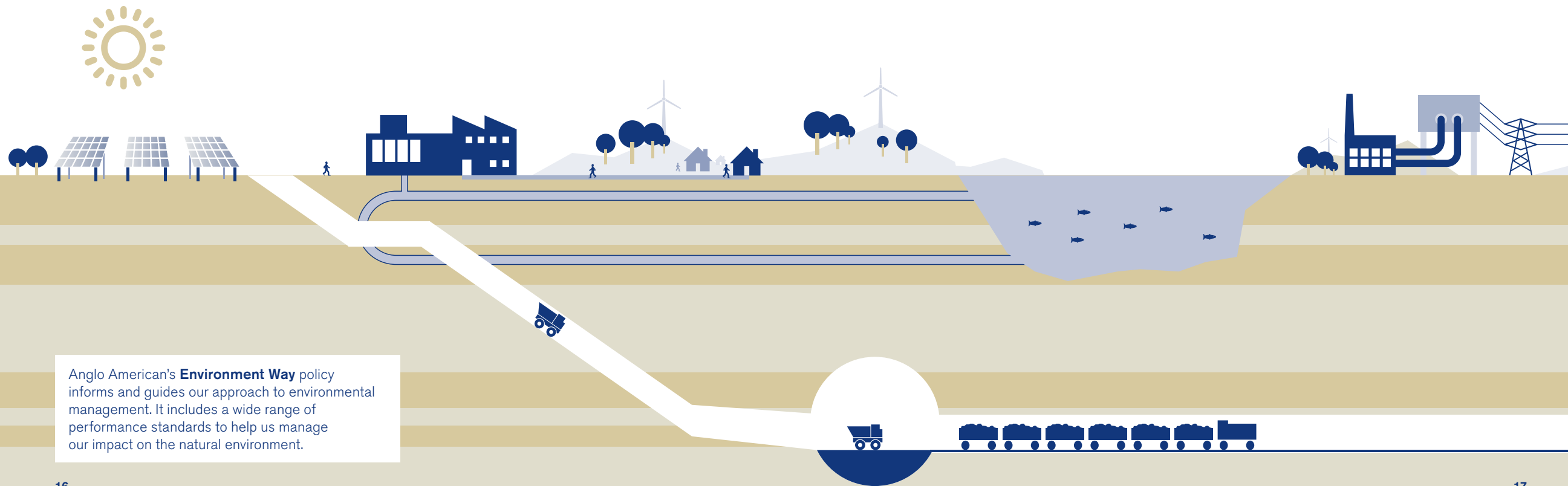
We aim to maximise the value from water resources while seeking to achieve no long-term net harm. To achieve this, we will secure water without compromising others, ensure we do not create risk and liability now and in the future, and engage proactively to find collective solutions and mutually beneficial outcomes.

### CLIMATE CHANGE

In playing our part to protect the environment, we must manage rising energy costs and comply with ever-stricter regulation, while reducing greenhouse gas emissions across our operations.

### LAND STEWARDSHIP AND BIODIVERSITY

Land stewardship is the process of understanding and managing past, present and potential future uses of the land we manage, its ecological and social value as well as community expectations. We take responsibility for the land we own and manage very seriously. This includes protecting natural habitats, tackling emissions and pollution, forging new partnerships to help manage biodiversity and creating opportunities on the land for local communities and stakeholders.



Anglo American's **Environment Way** policy informs and guides our approach to environmental management. It includes a wide range of performance standards to help us manage our impact on the natural environment.



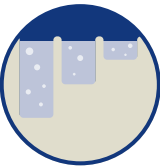
WATER

OUR GOAL

Water plays a fundamental role in all that we do and our responsibility as a water steward to protect quality – and security of access – is especially significant in the ‘water-stressed’ areas in which we predominantly operate. We’re always looking for better ways to reduce how much water we use, protect quality, maintain other users’ access rights, add value to the business and ensure sustainability.

67%

OF OUR WATER CONSUMPTION IN 2013 WAS FROM RECYCLED OR REUSED WATER



USING WATER MORE EFFICIENTLY ACROSS OUR OPERATIONS

Our water-efficiency target tool (WETT) sets tough but realistic targets for using less water at each operation. This helped us reduce water consumption by 22% in 2013 against our projected demand, thanks to a number of recycling and efficiency initiatives. Five of our sites now recycle more than 90% of their water and as a Group we recycle an average of almost 70% of the water we use. We aim to maintain an average recycling rate of approximately 80%.

OUR APPROACH

In 2010 we launched a three-stage, ten-year strategy to tackle our water challenges. We take a hierarchical ‘avoid, minimise, mitigate’ approach to help us reduce water use, switch water sources to avoid competition with local communities and ensure access to quality water supply for our operations and host communities.



MAINTAINING OR IMPROVING WATER QUALITY WHEREVER WE WORK

We want to minimise the contamination of water wherever we mine, use the right quality of water for the right purpose and do what we can to improve its quality before it reaches other users. We are focused on strengthening our water quality management programme. Our eMalahleni water reclamation plant has led the industry in demonstrating this approach for more than eight years by treating contaminated mine water and providing water to meet the municipality’s daily water needs. The plant has enabled more than 80,000 people in the surrounding communities to access clean drinking water.



TAKING STEPS TO REDUCE WATER-RELATED ENVIRONMENTAL RISK

We re-assess the risk exposure of all our operations annually and this process includes water risk. In addition, our Operational Risk Management programme also focuses on water through detailed risk mapping around priority events such as uncontrolled releases of water. We track water-related incidents across our operations using a five-tier system, where Level 1 is relatively minor and Levels 4 and 5 are very serious. Wherever water risks are significantly higher, we always develop appropriate controls to deal with them on that site. These approaches, among others, ensured no significant or material incidents in 2013.

OUR TEN-YEAR WATER STRATEGY:

1 BE DISCIPLINED

– getting the basics right and meeting compliance requirements.

2 BE PROACTIVE

– aiming to go beyond legal requirements and seeking to lead the way.

3 BUILD RESILIENCE

– being part of a wider commitment to water quality and supply, and demonstrate true water stewardship.



FROM BAD WATER TO GOOD

We created the eMalahleni water reclamation plant in partnership with BHP Billiton and the local city council in 2007. It purifies contaminated mine water from four mines, and pumps it into the local municipality’s reservoirs. In doing so it meets approximately 12% of the growing local community’s daily water needs, as well as supplying our operations with drinking and process water.



RECIRCULATING WATER AT LOS BRONCES

To minimise fresh water use and secure business expansion at our Los Bronces copper mine in Chile, we invested over US\$180m in a water recirculation system that pumps water through a 53km pipeline. It has reduced water consumption at the mine by 28%, which preserves this precious resource for other local users and prepares the mine for future supply limitations.



WORKING IN PARTNERSHIP

By talking openly with governments, business, local authorities, communities, NGOs, and suppliers, we are creating better ways of working to benefit our host communities. For example, in Australia we’re part of a business and government partnership monitoring water quality in Queensland’s Fitzroy River basin. Near our El Soldado mine in Chile, we’ve connected around 250 families in the Los Caleos community to clean running water. And in Limpopo, South Africa, we’re behind a project that gives local communities access to water whilst enhancing the economic development of the area and employment.



THE ROLE OF TECHNOLOGY

Identifying and investing in the right technology is crucial in helping us address our water-related environmental challenges and will play a significant role in our ambition to become ‘water-neutral’ by 2030. So we work closely with technology development companies, universities, research institutions and suppliers to find out how technology can help. We completed a study with the University of Queensland to help shape how we can achieve a water-neutral status and this, along with our business risk and growth demands, is already directing our investment in new projects and water interventions.

22%

WE HAVE ACHIEVED A 22% REDUCTION AGAINST PROJECTED WATER CONSUMPTION IN 2013

2030

BY 2030 WE AIM TO CREATE WATER NEUTRAL MINES



CLIMATE CHANGE

OUR GOAL

For Anglo American, tackling climate change is a challenge that represents both a responsibility and an opportunity. We must adapt our plans for the longer-term physical impact of climate change affects, including alignment with the host communities where we work.

With this in mind, we've aimed to reduce total greenhouse gas emissions by 19% and energy consumption by 7%, against projected 2015 plan.

OUR APPROACH

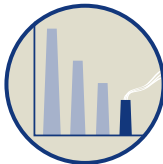
Anglo American's ten-year climate change strategy began in 2010 and has three key components – operational excellence, investment in technology, and developing partnerships with those who share an interest in what we do and the impact it can have on the environment. ECO2MAN is our energy and carbon management programme which helps us measure our energy and carbon performance and standardise how we report.

4.3m GJ

ENERGY SAVINGS THROUGH OUR ECO2MAN ENERGY AND CARBON MANAGEMENT PROGRAMME

3.5 Mt CO<sub>2</sub>e

GREENHOUSE GAS EMISSIONS AVOIDED IN 2013 THROUGH OUR ECO2MAN PROGRAMME



KEEPING HARMFUL EMISSIONS TO A MINIMUM

Waste coal mine methane emissions and our significant energy consumption are the primary source of our direct and indirect greenhouse gas (GHG) emissions. We see cutting our GHG footprint as a major responsibility and we remain focused on improving our performance. In 2013 our avoided GHG emissions amounted to 3.5Mt and we are well on track to reach our 2015 target.



BEING MORE EFFICIENT WITH ENERGY

In 2013, our operations consumed 106 million GJs of energy. Implementing energy and carbon saving projects is the cornerstone of our energy and carbon performance program and, as result of 260 projects, we have achieved a 5% saving in energy use for our on-going business. We aim to reduce total energy emissions by 7% against Projected use by 2015.



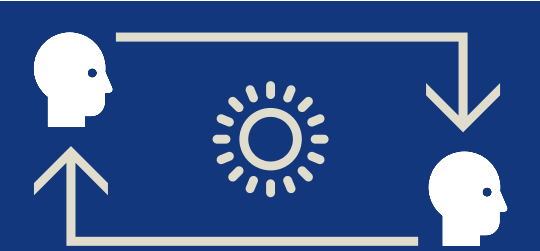
GREENER LOCOS

Technological innovation and tackling climate change go hand in hand. We recently unveiled trials on underground locomotives powered by platinum-based hydrogen fuel cell. Our research in this area has the potential to make a significant contribution to environmentally friendly energy and transport systems.



ENERGY FROM THE SUN

In South Africa, our Thermal Coal business is building four solar farms to provide electricity to its collieries and the nearby Anglo American Highveld Hospital. As well as helping us reduce CO<sub>2</sub> emissions, the solar farms also help raise awareness of the importance of saving energy and highlight our investment in alternative energy sources.



WORKING IN PARTNERSHIP

We work with governments, fellow mining companies and others to develop more efficient, effective and fair climate change policies. For example, we are engaged with the National Business Initiative (NBI) in South Africa which is working with the UK government to support countrywide energy efficiency improvements in the private sector over the next two years. Meanwhile, our Zimele Green Fund, which invests in projects that help communities around our operations access clean energy and benefit from the green economy, is investing R10 million in a solar park facility near Kumba's Sishen iron ore mine in the Northern Cape.



A fog cannon sprays water to prevent dust at the New Vaal colliery

THE ROLE OF TECHNOLOGY

We're focused on technology that can help us recover energy; improve our consumption efficiencies and make use of alternate energy sources which reduces carbon emissions. Our Coal business in South Africa has commissioned three small scale photovoltaic farms, together producing approximately 0.5MW of power. These initiatives allow us to examine the performance of PV systems and how they alter our GHG emission.



# LAND STEWARDSHIP AND BIODIVERSITY

Protecting and enhancing natural habitats

## OUR GOAL

Owning large areas of land across the world brings big responsibilities and often our sites can be located in environmentally sensitive regions. Turning these responsibilities into opportunities is a welcome challenge – if we do things right we will remain welcome in our host countries and the benefits of mining will be shared amongst our stakeholders.

## OUR APPROACH

Our approach is to minimise harm to the environment and take advantage of opportunities that deliver long term benefits to our stakeholders by designing, operating and closing all of our operations in an environmentally responsible manner.

By applying our rehabilitation performance and biodiversity management standards, we can use and manage land in ways that protect ecosystems and natural resources, and support biodiversity. All our operations undergo strict biodiversity risk assessments, developed in partnership with Fauna and Flora International.



## THE ROLE OF TECHNOLOGY

Our biodiversity tool overlays biodiversity data from the World Database on Protected Areas (WDPA) with our own data, which helps us identify, prioritise and share our main biodiversity risks and opportunities across our sites. We have developed a Biodiversity Overlap Assessment Tool which connects to the UNEP-WCMC database on protected areas and overlays it with our sites to determine if there are any biodiversity risks and how are we mitigating them.



## WORKING IN PARTNERSHIP

In 2013 we extended our partnership with Fauna and Flora International, so together we can keep finding better ways to deal with biodiversity issues. For example, they're helping us with biodiversity performance requirements and guidelines for preparing Biodiversity Action Plans. Also in 2013, we became members of the Land Rehabilitation Society of Southern Africa (LaRSSA).



## LOOKING AFTER THE LAND ONCE MINING FINISHES

The De Beers Diamond Route links ten environmental conservation and heritage tourism sites created at closed mines across South Africa. Launched in 2010, and covering a total of 250,000 hectares, they not only provide sanctuary for 500 bird and 50 mammal species, including the white rhino, they also support local economies and community development.



## SUSTAINABLE COMMUNITY FARMING

We're supporting sustainable living around our mining operations at Mogalakwena, in Limpopo Province, South Africa. Working with local residents, we've started the Groenfontein community farm, where students selected locally learn to farm and can also take cookery courses. Farm workers are also recruited from the surrounding villages to grow fruit and vegetables for the community and to sell to markets, stores and restaurants.

# THE FUTURE

As the global economy recovers from its long downturn, there is renewed pressure on mining’s ability to supply the commodities an expanding world population needs. There are also growing expectations as to what big business can, and should, be contributing to the wider society.

In the mining industry, we must look at what long-term strategies we need to put in place so can we mine and process natural resources in a sustainable and responsible way for the planet.

At Anglo American, as you can see in this booklet, we have been looking afresh at the ways in which we can, together, create sustainable value that makes a real difference for our stakeholders. Our long-term ambition is to lead fundamental change throughout the mining industry.

Find out more at [angloamerican.com/development](http://angloamerican.com/development)

# OUR BUSINESS AROUND THE WORLD

Anglo American's portfolio of mining businesses meets our stakeholders' changing needs and spans: **bulk commodities** – iron ore and manganese, metallurgical coal and thermal coal; **base metals and minerals** – copper, nickel, niobium and phosphates; and **precious metals and minerals** – in which we are a global leader in both platinum and diamonds.



## NORTH AMERICA

Employees and contractors<sup>(1)</sup>  
**1,600**  
Employee wages<sup>(2)</sup>  
**\$130 m**  
Supplier expenditure  
**\$758 m**  
Taxation<sup>(3)</sup>  
**\$82 m**

## BRAZIL

Employees and contractors<sup>(1)</sup>  
**23,600**  
Employee wages<sup>(2)</sup>  
**\$244 m**  
Supplier expenditure  
**\$2,897 m**  
Taxation<sup>(3)</sup>  
**\$384 m**

## EUROPE

Employees and contractors<sup>(1)</sup>  
**2,100**  
Employee wages<sup>(2)</sup>  
**\$567 m**  
Supplier expenditure  
**\$11 m**  
Taxation<sup>(3)</sup>  
**\$205 m**

## AUSTRALIA/ASIA

Employees and contractors<sup>(1)</sup>  
**6,800**  
Employee wages<sup>(2)</sup>  
**\$740 m**  
Supplier expenditure  
**\$2,956 m**  
Taxation<sup>(3)</sup>  
**\$541 m**

## CHILE

Employees and contractors<sup>(1)</sup>  
**10,800**  
Employee wages<sup>(2)</sup>  
**\$498 m**  
Supplier expenditure  
**\$2,018 m**  
Taxation<sup>(3)</sup>  
**\$1,056 m**

## OTHER SOUTH AMERICA

Employees and contractors<sup>(1)</sup>  
**1,400**  
Employee wages<sup>(2)</sup>  
**\$1.6 m**  
Taxation<sup>(3)</sup>  
**\$8 m**

## SOUTH AFRICA

Employees and contractors<sup>(1)</sup>  
**99,500**  
Employee wages<sup>(2)</sup>  
**\$2,470 m**  
Supplier expenditure  
**\$6,323 m**  
Taxation<sup>(3)</sup>  
**\$1,953 m**

## OTHER AFRICA

Employees and contractors<sup>(1)</sup>  
**13,100**  
Employee wages<sup>(2)</sup>  
**\$429 m**  
Supplier expenditure  
**\$1,174 m**  
Taxation<sup>(3)</sup>  
**\$298 m**

<sup>(1)</sup> Average number of employees and contractors excluding employees and contractors from non-managed operations.  
<sup>(2)</sup> Employee wages include amounts paid through the payroll to full-time and part-time employees. The figure excludes contractors.  
<sup>(3)</sup> Taxes paid relates to payments to government, borne and collected by Anglo American-managed entities, and are included in various places within the consolidated income statement in the Annual Report.





For more information, visit:  
[www.angloamerican.com](http://www.angloamerican.com)



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