

Good Citizenship: Our Business Principles



Anglo American plc and its subsidiaries have an established tradition of community involvement and social investment. We have always seen the objectives of seeking to provide superior returns to our shareholders and shouldering our share of social and environmental responsibilities as complementary.

Our business success brings with it obligations of good stewardship and ethical behaviour. Our operations will perform better when the communities surrounding them are stable and prosperous. Conducting business now with an eye to the needs of the future is the essence of sustainable development.

As we enter the era of globalisation we must recognise that many people have fears about the pace of change and the perceived motivations and power of international corporations. In response, companies need to be transparent and accountable. We need to show that we use our resources and influence in society to the good.

‘Good Citizenship’ sets out the values and standards which guide us in the conduct of our businesses. Whilst we operate in many countries and in widely differing conditions, our values and principles have universal application. This document supersedes the Codes of Ethics, observed over many years, by our predecessor companies.

Our Business Principles apply to every business we manage, everything we do and to every part of the world in which we operate. We will ensure that these principles are properly understood and observed. We will modify and refine the Statement from time to time in the light of experience.



Julian Ogilvie Thompson
Chairman



Tony Trahar
Chief Executive

April 2002

Our responsibilities to our stakeholders



Our primary responsibility is to our investors. We will seek to maximise shareholder value over time. We believe that this is best achieved through an intelligent regard for the interests of other stakeholders including our employees, the communities associated with our operations, our customers and business partners. A reputation for integrity and responsible behaviour will underpin our commercial performance through motivating employees and building trust and goodwill in the wider world.

The following considerations guide our dealings with stakeholders:

Investors

We will ensure full compliance with relevant laws and rules. We are committed to good corporate governance, transparency and fair dealing.

Employees

We aim to attract and retain the services of the most appropriately skilled individuals. We are committed to treating employees at all levels with respect and consideration, to investing in their development and to ensuring that their careers are not constrained by discrimination or other arbitrary barriers to advancement. We will seek to maintain a regular two-way flow of information with employees to maximise their identification with, and ability to contribute to, our business.

Communities

We aim to promote strong relationships with, and enhance the capacities of, the communities of which we are a part. We will seek regular engagement about issues which may affect them. Our support for community projects will reflect the priorities of local people, sustainability and cost effectiveness. We will increasingly seek to assess the contribution our operations make to local social and economic development and to report upon it.

Customers and business partners

We seek mutually beneficial long term relationships with our customers, business partners, contractors and suppliers based on fair and ethical practices.

Governmental bodies

We respect the laws of host countries whilst seeking to observe, within our operations, the universal standards promulgated by leading intergovernmental organisations. We aim to be seen as socially responsible and an investor of choice.

Non-governmental organisations

We aim for constructive relations with relevant non-governmental organisations. Their input may lead to better practices and increase our understanding of our host communities.

Principles of conduct



Business integrity and ethics

We support free enterprise as the system best able to contribute to the economic welfare of society as well as to promote individual liberty. Without profits and a strong financial foundation it would not be possible to fulfil our responsibilities to shareholders, employees, society and to those with whom we do business. However, our investment criteria are not solely economic. They also take into account social, environmental and political considerations.

We will comply with all laws and regulations applicable to our businesses and to our relationships with our stakeholders.

We are implacably opposed to corruption. We will not offer, pay or accept bribes or condone anti-competitive practices in our dealings in the marketplace and will not tolerate any such activity by our employees.

We prohibit employees from trading securities illegally when in possession of unpublished price sensitive information.

We require our employees to perform their duties conscientiously, honestly and with due regard for the avoidance of conflicts between any personal financial or commercial interests and their responsibilities to their employer.

We will maintain high standards of planning and control to: identify and monitor material risks; safeguard our assets; and to detect and prevent fraud.

We will promote the application of our principles by those with whom we do business. Their willingness to accept these principles will be an important factor in our decisions to enter into, and remain in, such relationships.

We encourage employees to take personal responsibility for ensuring that our conduct complies with our principles. No one will suffer for raising with management, violations of this policy or any legal or ethical concern.

Corporate citizenship

We respect human dignity and the rights of individuals and of the communities associated with our operations. We seek to make a contribution to the economic, social and educational well-being of these communities, including through local business development and providing opportunities for workers from disadvantaged backgrounds.

We recognise the sensitivities involved in addressing issues which relate to the cultural heritage of indigenous communities. We will seek to ensure that such matters are handled in a spirit of respect, trust and dialogue.

We believe we have the right and the responsibility to make our positions known to governments on any matters which affect our employees, shareholders, customers or the communities associated with our operations.

Whilst the primary responsibility for the protection of human rights lies with governments and international organisations, where it is within our power to do so, we will seek to promote the observance of human rights in the countries where we operate. We support the principles set forth in the Universal Declaration of Human Rights.



Employment and labour rights

We are committed to the adoption of fair labour practices at our workplaces and our conditions of service will comply with applicable laws and industry standards.

We will promote workplace equality and will seek to eliminate all forms of unfair discrimination.

We will not tolerate inhumane treatment of employees including any form of forced labour, physical punishment, or other abuse.

We prohibit the use of child labour.

We recognise the right of our employees to freedom of association.

We will operate fair and appropriate means for the determination of terms of conditions of employment. We will provide appropriate procedures for the protection of workplace rights and our employees' interests.

We will provide employees with opportunities to enhance their skills and capabilities, enabling them to develop fulfilling careers and to maximise their contribution to our business.

Safety, health and environmental stewardship

We have adopted a comprehensive Safety, Health and Environment Policy and will report regularly on our SHE performance. We will continue to review and develop this policy.

We strive to prevent fatalities, work-related injuries and health impairment of employees and contractors.

We recognise the need for environmental stewardship to minimise consumption of natural resources and waste generation and to minimise the impact of our operations on the environment.

Senior executives and line management are accountable for safety, health and environmental issues and for the allocation of adequate financial and human resources within their operations to address these matters. We will work to keep health, safety and environmental matters at the forefront of workplace concerns and will report on progress against our policies and objectives.

We recognise the human tragedy caused by the HIV/AIDS epidemic, particularly in sub-Saharan Africa. We have a clear policy for addressing HIV/AIDS in the workplace and are committed to a comprehensive prevention strategy, linked to programmes of care for those with HIV/AIDS. We will strive to eliminate any stigma or unfair discrimination on the basis of real or perceived HIV status.

We are committed to the principles of sustainable development, by which we mean striking an optimal balance between economic, environmental and social development. We will strive to innovate and adopt best practice, wherever we operate, working in consultation with stakeholders.

This Statement should be read in conjunction with fuller policy statements such as our Safety, Health and Environment Policy and such other codes and guidance notes which may be issued from time to time.

We welcome comments on this Statement.
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