

Social and environmental responsibility

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Introduction

Anglo American is one of the world's largest mining companies. It is UK based. It employs over 8,000 people. Most of its work is in the primary sector. This is the first stage of production. It involves, for instance, mines and quarries. There are different types of capital. These may be thought of as the inputs to a process. Anglo tries to have a good effect on each, such as:

- * social - increasing the skills and life chances of people
- * natural - using less energy; not having a bad impact on nature
- * manufactured - coping with waste; making sure it provides a network of services (this is called infrastructure.)
- * human - helping its staff to become better workers
- * financial - good returns to shareholders and a good performance all round.

Sustainable development

Anglo American promotes sustainable development. This means passing on to the future at least as much capital as we started with. It shows respect for all who share the planet. It shows thought for the future. It shows respect for nature. Anglo American tries to balance its use of raw material capital by adding to human and social capital. Its principles help it to meet targets.

In practice

When it is mining, Anglo American tries to have a good effect in three ways. These are linked to where the mine is the area around the mine and the larger region.

1. Where the mine is, it works with care. It tries to improve the life chances of local people.
2. Around the mine, it is active in improving the area.
3. In the larger region, it helps the community with finance. It also helps to set up new businesses.

Pressures

Pressures to be environmentally responsible come from both inside and outside the business. Internally, pressures come from:

- * the Board. This decides how best to work with locals and mine with the least upset.
- * shareholders. As owners, they want the business to do well. They know that for this Anglo American must be welcome in the places where it works.
- * staff. Anglo American can attract the best staff if it is seen as behaving responsibly. Externally, pressures come from:
 - * laws made to protect the environment
 - * international standards and rules
 - * customers and other bodies, like charities, seeking high standards of ethics.

Benefits

Acting responsibly gains the trust of communities. It gains respect from governments and the public. It ensures customers are loyal. It also helps the business to recruit new staff. All stakeholders gain. Anglo has created a tool (the

Socio-Economic Assessment Toolbox or SEAT). This is used to measure the impact of its activities. Results are used to improve performance.

Conclusion

Anglo American is a major mining company. It knows that it has to think about the social and environmental aspects of its work. It has built itself a strong reputation based on sustainability. Its policies are carried all the way through the company.