

Company Responded to Facing Finance regarding allegations	No
Significant concerns	Brazil: intimidation of community members. Tailings dam safety. Involvement in controversial deep-sea mining. Failure to compensate sick mineworkers.
Potential Norm Violations	UN Convention on the Law of the Sea, ICCPR. This includes: the right to effective remedy, freedom of expression and to respect the rights of indigenous people. Inflicting environmental damage
Company ranking on CHRB	40–49% (OK)
Voluntary Commitments	UN Global Compact, Voluntary Principles on Security and Human Rights, ICMM, EITI
Facing Finance Category	Undermined: Bad all-rounders

Anglo American Plc

Digging for Justice: Progress on previously reported cases

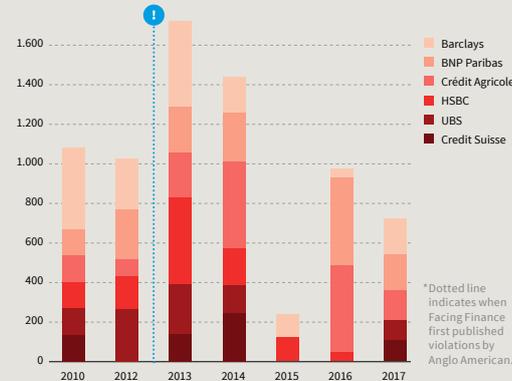
Anglo American has been covered in three previous editions of the Dirty Profits report, beginning in 2012 with the first Dirty Profits report. Issues of concern have included cases in Chile, South Africa, Colombia, Peru and Brazil. Anglo American is one of three shareholders in the Cerrejón coal mine in Colombia, which has faced concerns around the resettlement of communities since 2001 (more on this mine is covered under BHP Billiton, an equal shareholder in the project). Anglo American is currently going through a substantial boom time with record profits and dividends.²⁰

In South Africa, Anglo American’s subsidiary Amplats runs the Mogalakwena mine. Studies on this mine have shown that the communities around it have suffered from the impacts of mining for at least a decade, in relation to access to water and land, the impacts of air pollution and damage to houses and communal areas.²¹ In addition previous Dirty Profits reports covered the class action lawsuit in South Africa, in which Anglo American in 2016 settled a case brought forward by former mine workers suffering with silicosis and TB.²² A further case is pending against the company, with Anglo American in August 2017 setting aside 101 million USD to compensate former mine workers. This litigation has taken nearly a decade to progress and is still not finalised, it affects as many as 100,000 former workers.²³

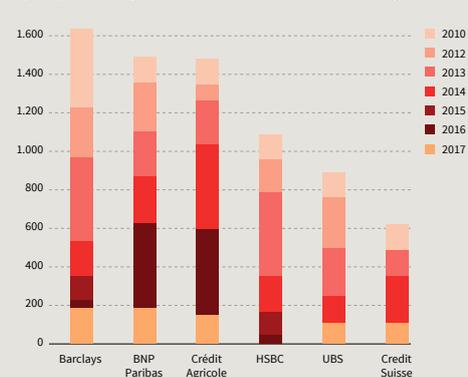
Anglo American has faced criticism in relation to its stake in the risky new venture of deep sea mining, through its involvement in the Solwara 1 project, which we reported on in Dirty Profits 4. This project continues to face opposition from communities in Papua New Guinea, due to concerns around environmental and social impacts.²⁴ The operating company Nautilus continues to move forward with the project despite its project violating the UN Convention on the Law of the Sea (“to achieve healthy and productive oceans”).²⁵

Anglo American has committed to the UN Global Compact and the ICMM and has engaged in the past with Facing Finance. In addition, the company has focused on developing policies on environment and human rights as well as its SEAT engagement tool.²⁶ However, the policies are not sufficient to score well when compared to its peers in the Corporate Human Rights Benchmark²⁷, nor have the policies been converted into strong action. The lack of action on previous cases, as well as the concerted effort to push forward mining without the consent of communities including putting environmental defenders at risk becomes obvious at Anglo American’s Minas Rio mine in Brazil. This, in addition to their lack of response to Facing Finance, has resulted in a categorisation of Anglo American as “Undermined: Bad all-rounder”.

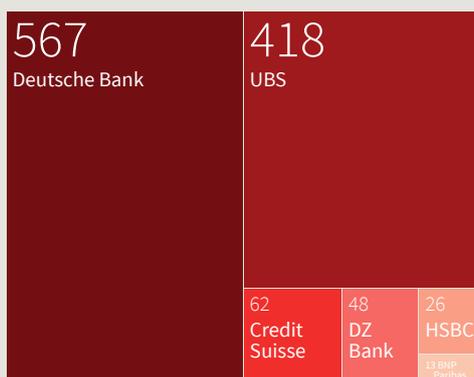
Capital provision by year – all loans and bond underwritings (€ Million)



Capital provision by bank – all loans and bond underwritings (€ Million)



Management of shares and bonds by top banks (in € Million):





◀ Aerial view of the vast expanse of the Minas Rio mine, Conceição do Mato Dentro, Minas Gerais, Brazil. Image from google earth.

Anglo American's Minas Rio Iron ore mine and Açú Port project, Brazil: Death Threats to community members and deadly tailings storage.

Anglo American's Minas Rio iron ore project is a 12 km long open pit mine on the borders of two important ecosystems, crossing the states of Minas Gerais and Rio de Janeiro, Brazil. Energy is provided to the mine via a transmission line running through rare Atlantic forest.²⁸ The mine is connected to the Açú Port by a 525 km pipeline which also runs through an area of high environmental vulnerability.²⁹ The envisaged expansion of the mine as a whole and the tailings dam in particular is a source of anxiety for communities. The expansion of Minas Rio includes increasing the height of the tailings dam, which is already seven times larger than that of the Samarço tailings dam (the cause of immeasurable devastation in 2015). Some communities below the dam are considered to be in a defined "self-rescue" zone as emergency authorities would not have time to reach them in the event of an incident. Naturally communities living below the tailings dam are fearful of the consequences of a tailings dam break. However, the company has not offered to relocate or compensate communities under threat.³⁰

Expansion of the mine has also reignited community opposition and resulted in divisions between community members, including concerns that Anglo American has pushed forward projects without providing communities with the required environmental impact assessments.³¹ This is of particular concern to community members, as incidents of environmental pollution have reportedly occurred in the past³² and

the mine and port are located in very sensitive environmental areas³³. This, together with the tailings concerns, potentially violate the communities Right to Information enshrined in Art. 19, 25 of the ICCPR³⁴. Environmental hearings have also been held in the presence of armed police which is intimidating to those in opposition to the mine. Despite the company being signatory to the Voluntary Principles on Security and Human Rights, the Federal Public Prosecutors office in Brazil has expressed concern about militarisation around peaceful mine demonstrations at the site,³⁵ which would be in violation of the Guiding Principles on Business and Human Rights and the Voluntary Principles on Security and Human Rights. Concerns by community members have been validated, when in March 2018 the pipeline broke and dumped an ore pulp into the spring supplying municipal water and the Santo Antonia River (part of the Rio Doce basin). Communities are now reliant on water trucks due to the pollution of the spring.³⁶

Anglo American had to suspend a recent public hearing due to a Court injunction, as it had not provided the environmental studies required or given enough notice for communities. After the suspension of the public hearing, community representatives who signed the injunction began to be

physically threatened, including death threats. A criminal complaint was filed at the State Prosecutors Office in this regard.³⁷

In addition, water use at the mine has left six communities dependent on pumped water and some are left without water for days due to aquifers drying up. Heavy use of freshwater in the transportation of the ore has reduced the availability for communities, for example for agriculture etc. Anglo American claims that their water extraction does not affect any other water consumption in the area and they are operating with the appropriate licences.³⁸ However, just to

transport the ore the company uses enough water to supply 400,000 people a day with basic necessities. The lack of access to water potentially infringes of the rights of communities including for example Article 14 of Convention on the Elimination of All Forms of Discrimination against

Women (CEDAW) and the Convention on the Rights of the Child (CRC).³⁹

Anglo American has now received the expected licenses for the expansion of the operation which will allow the company to continue operating in the region for at least another 15 years.⁴⁰

"Public meetings to deal with Anglo American activities have been marked by the presence of heavily armed police and other forms of pressure."

Roderigo Peret, from Brazil affected by the company's Minas-Rio Project⁴¹

→ Facing Finance with information provided by Churches and Mining Network via London Mining Network.