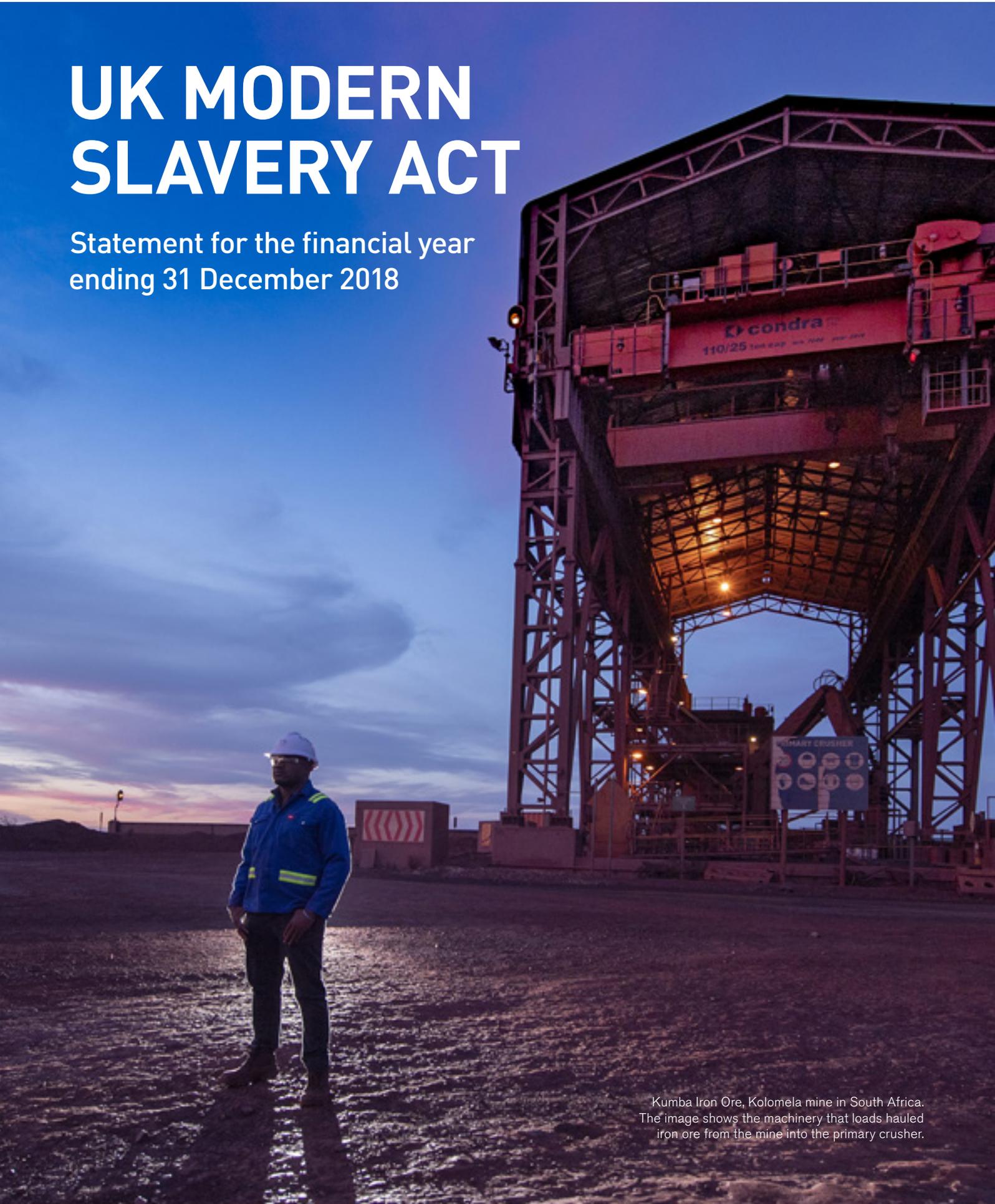


UK MODERN SLAVERY ACT

Statement for the financial year
ending 31 December 2018



Kumba Iron Ore, Kolomela mine in South Africa. The image shows the machinery that loads hauled iron ore from the mine into the primary crusher.

INTRODUCTION

This statement provides an update on Anglo American's progress on implementing the transparency requirements of the UK Modern Slavery Act of 2015 (the Act) during 2018 and our plans for further enhancements in coming years.

This statement is made by Anglo American plc, the holding company of the Anglo American group of companies and its relevant subsidiaries and managed joint ventures* in accordance with section 54 of the Act. In accordance with Government guidance, Anglo American has produced a group statement that these entities can also use to meet section 54 of the Act.

These entities are:

- Anglo American Services (UK) Ltd
- Anglo American Marketing Limited
- Anglo Platinum Marketing Limited
- Anglo American Technical & Sustainability Services Limited

Each of the entities to the left has approved this statement. In publishing this statement, we reaffirm our zero-tolerance position in respect of all forms of modern slavery in our organisation and in our supply chains. We are pleased to take this opportunity to outline our ongoing work in this important area of human rights.

*In this statement references to "Anglo American", the "Anglo American Group", the "Group", "we", "us", and "our" are used to refer to either Anglo American plc and its subsidiaries and/or those who work for them generally, or where it is not necessary to refer to a particular entity, entities or persons. The use of those generic terms herein is for convenience only, and is in no way indicative of how the Anglo American Group or any entity within it is structured, managed or controlled. The Anglo American Group is comprised of separate legal entities. "Subsidiaries" are entities over which the Anglo American Group directly or indirectly is able to exercise control, and entities over which the Anglo American Group has joint control are referred to as "joint ventures". "Managed joint ventures" are entities where the Anglo American Group has management control or an ability to direct day to day activities. This statement covers Anglo American plc, its subsidiaries and its managed joint ventures; it does not include independently managed operations nor does it cover non-managed joint ventures. A separate statement is being made by De Beers plc and its relevant subsidiaries and managed joint ventures pursuant to section 54 of the Act.



Copper, El Soldado mine in Chile. El Soldado is one of four of our copper operations in Chile producing copper concentrate, copper cathode and associated by-products such as molybdenum and silver. The image depicts a truck used in pit operations.

SUMMARY

In 2018, Anglo American launched its Sustainable Mining Plan as part of our FutureSmart Mining™ innovation programme to transform both the physical processes of mining, and the way our Group does business and contributes to society – all in line with our Purpose: *to re-imagine mining to improve people's lives*. One of the nine goals we've committed to relates to *Ethical Value Chains*. Our vision is to be part of a value chain that supports and reinforces positive human rights – a critical foundation of our Sustainable Mining Plan.

On the policy front, we have updated the Anglo American Responsible Sourcing Standard for Suppliers (the Standard) to, amongst other things, increase our emphasis on combating modern slavery and human trafficking. This standard compliments a comprehensive policy framework that includes our Group Human Rights Policy and Code of Conduct.

In terms of process, we have strengthened our risk-based approach to responsible sourcing. This supports prioritised engagement with suppliers who have a higher likelihood of sustainability related risk. We have also started the implementation of a more robust onboarding process which includes mandatory acknowledgement of responsible sourcing requirements. We have a periodic review and update process for supplier contract templates and other legal instruments to ensure relevance, which also covers core responsible sourcing requirements.

The foundation of our risk-based approach is a responsible sourcing heatmap, which enables us to classify all our suppliers into one of five responsible sourcing risk groups. We are therefore able to focus our efforts on high and medium-high risk suppliers, together with a selection of high-expenditure suppliers, to ensure balance and adequate geographic coverage in terms of risk assessment.

To support assurance, we have engaged with selected suppliers to complete self-assessment questionnaires – these provide insights into workplace practices for both suppliers and Anglo American, supports the identification of potential risk and provides high level guidance linked to legal requirements and the Standard.

To this end, during 2018, 152 supplier self-assessments were completed, focussed primarily on potential high-risk suppliers, which corresponds to approximately 23% of supplier expenditure.

In addition to the self-assessments, selected suppliers have been requested to undertake third party on-site assessments. In 2018, a total of 42 such assessments took place. Where issues, including non-compliance with legal requirements or the standard, were identified corrective action plans have been developed and agreed with suppliers. High risk findings are monitored closely until they are resolved.

Our independently managed 'YourVoice' facility is a confidential and secure means for our stakeholders, including suppliers, to report concerns about conduct that is contrary to our values or legal requirements. During 2018, 325 alerts were received. No alerts related to modern slavery or human trafficking.

In 2018 we continued supplier capability building initiatives aimed at supporting our small and medium sized (SME) suppliers to identify and manage potential responsible sourcing risks. To date, we have engaged with 114 host-community suppliers at operations in South Africa, of which 80 engagements were conducted in 2018.

Internal awareness sessions on the revised standard were also delivered across the organisation reaching more than 250 employees in 2018. In 2017, more than 3,000 senior executives and managers were trained on the Code of Conduct, which complements several elements of our responsible sourcing programme.



Platinum, Mogalakwena mine in South Africa. Mogalakwena is the world's largest open-pit platinum mine covering an area of approx. 72km². Image depicts Hendrik Lottering, Technician and Juan Pieterse, Project Manager at the Condition monitoring centre at Mogalakwena North Concentrators.

1. OUR STRUCTURE AND SUPPLY CHAIN

About Anglo American

Anglo American, headquartered in the UK, is one of the world's largest mining companies. The portfolio of world-class competitive mining operations and undeveloped resources provide the raw materials to help the growing consumer-driven demands of the world's developed and maturing economies.

Anglo American is a globally diversified mining Group with managed mining operations in Africa (South Africa and Zimbabwe), North America (Canada), South America (Brazil, Chile, Peru) and Australia, as well as exploration, sales and other business activities and joint ventures across Africa, Asia, Europe and the Americas.

We aim to fulfil our Purpose and achieve our immediate business objectives through our three strategic focus areas: Portfolio, Innovation and People.

Portfolio

The quality and long life of our mineral assets are the foundation of our global business. We focus on securing and continuously improving assets that offer the most attractive long-term value-creation potential, as measured by sustainable cash flow and returns. The scale and diversity of our portfolio allow us to leverage our financial resources, technical expertise, and supplier relationships towards delivery on our full potential and to the benefit of our customers, creating a measured risk profile and supporting strong returns, through the cycle.

Innovation

Across every aspect of our Group's business, we are thinking innovatively about how we ensure the safety of our people, enhance our sustainability performance, and deliver enduring value for all our stakeholders. From exploration to delivering our products to our customers, FutureSmart Mining™ is our innovation-led pathway to sustainable mining. Coupled with the best-in-class operational improvements being delivered from our unique Operating Model, we are fundamentally changing the way we extract, process and market our products, and will provide the next step change in operating and financial performance.

People

Our business revolves around our people. The partnerships we build locally and globally are central to maintaining our regulatory and social licences to operate and our sustained commercial success. We create inclusive and diverse working environments that encourage and support a high-performance culture and innovative thinking. Our Organisation Model ensures we have the right people in the right roles doing the right value-adding work at the right time, with clear accountabilities that minimise work duplication and increase capability and effectiveness.

Further details can be found on [the Anglo American website](#).

Sustainable Mining Plan

Our far-reaching Sustainable Mining Plan, launched in 2018 as part of FutureSmart Mining™, commits us to a series of ambitious medium and longer term goals. These relate to three major areas of sustainability aligned to the UN's Sustainable Development Goals: trusted corporate leader (advocating for the highest standards of governance to drive transparency and trust in mining and mined products); healthy environment; and thriving communities.

One of the three goals we've committed to in the trusted corporate leader pillar relates to Ethical Value Chains. Our vision is to be part of a value chain that supports and reinforces positive human rights – a critical foundation of our Sustainable Mining Plan. We aim to implement a mine certification standard across our operations and advocate for the development of a common responsible sourcing standard for the mining industry.

About our Supply Chain

Supply Chain activities at Anglo American include the provision of goods, labour and services to support the exploration, mining, transportation, aggregation, processing and technology development required for our business.

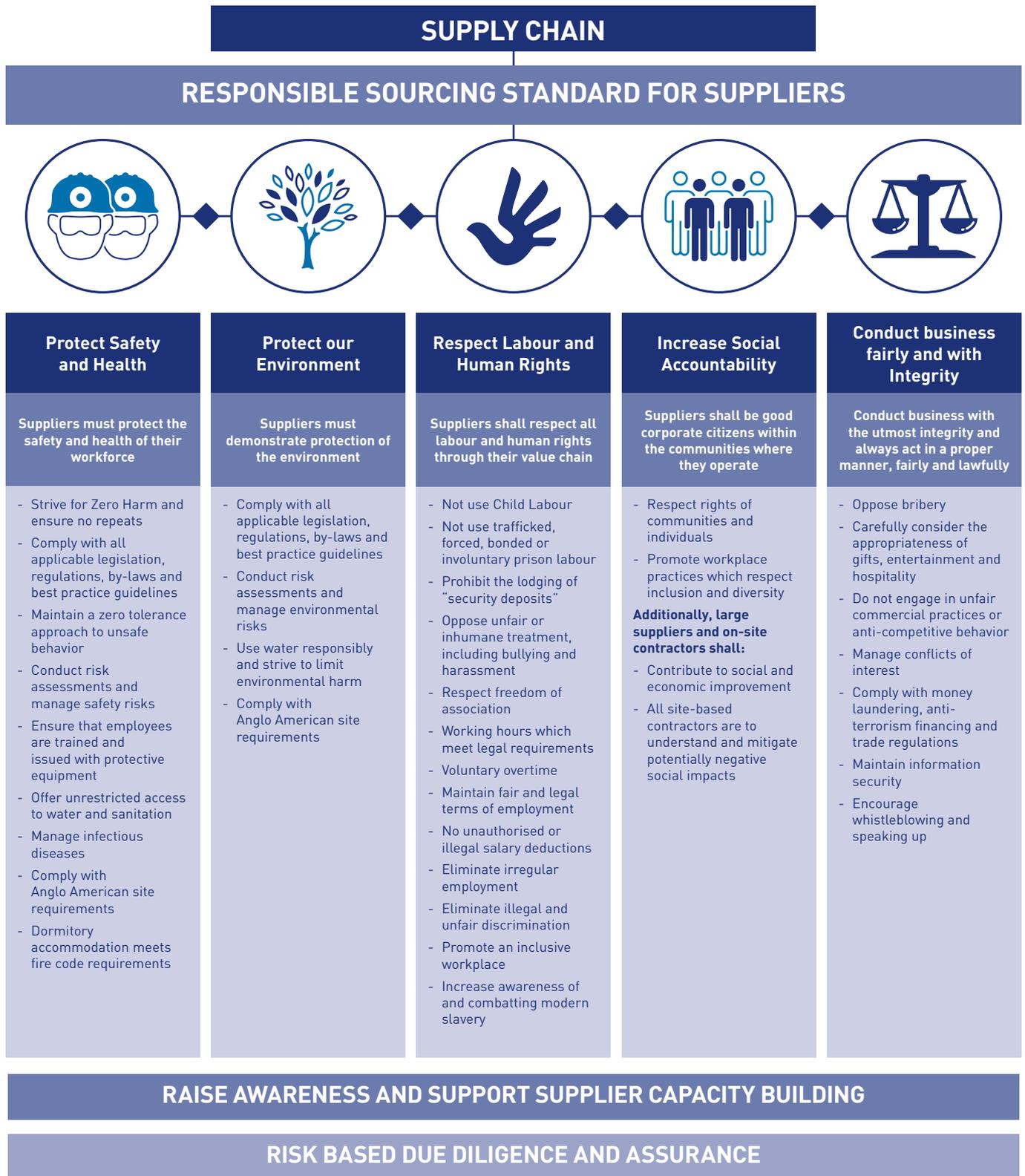
Within Anglo American, our Supply Chain Function has embarked on a three-year journey to *Innovate Supply, Responsibly* through breakthrough outcomes in safety, people, sustainability, value delivery and digitisation. Underpinning these outcomes are our supplier partnerships and in 2018, we worked with more than 22,000 suppliers, of which 540 represented approximately 80% of Anglo American's addressable procurement expenditure.

Our Supply Chain commitment to sustainability

A key focus within our sustainability breakthrough outcome is responsible sourcing. Our responsible sourcing approach provides a mechanism to prioritise ethical decision-making when purchasing goods and services.

We are committed to working with suppliers who comply with applicable laws, while striving for 'zero harm' to people, society and our environment. This commitment ensures that we work with responsible suppliers and remain committed to support suppliers to identify and address sustainability issues such as safety, human rights, modern slavery and workplace conditions.

2. STANDARDS AND POLICIES RELATED TO MODERN SLAVERY



We have several policies and standards in place that are illustrative of our approach to conducting business with integrity, our commitment to prevent modern slavery in our business and across our supply chain and towards zero harm. These policies, together with several others, are available on the [Anglo American website](#):

- Code of Conduct
- Human Rights Policy
- Business Integrity Policy
- Responsible Sourcing Standard for Suppliers
- Anglo American Social Way
- Safety, Health and Environment Policy

The Anglo American Responsible Sourcing Standard for Suppliers ('Standard')

The Standard details our expectations of existing or prospective suppliers and provides guidance on its implementation, including highlighting material breaches which all suppliers should be aware of.

The Standard consists of five 'pillars' which summarises expectations relating to:

- Protecting safety and health
- Protecting the environment
- Respecting labour and human rights (including modern slavery)
- Increasing social accountability
- Conducting business fairly and with integrity.

In 2018, we updated the Standard to strengthen performance requirements and to further align with our sustainability ambitions. Recent amendments to the Standard included closer alignment to the revised Safety, Health and Environment Policy, increased emphasis on combating modern slavery and human trafficking, in line with the Act. Other amendments involved promoting awareness and highlighting the importance of inclusion and diversity, providing guidance to large suppliers on how they may co-contribute to socio-economic development, and mitigate potential social impacts.



Kumba Iron Ore, Kolomela mine in South Africa. The name Kolomela means to dig deeper or to persevere. Khutso Tladi and Londi Langa are Work Management Planners in the mine control room.

3. OUR APPROACH

OUR SUPPLY CHAIN SUSTAINABILITY AMBITION
EMPLOYEES, COMMUNITIES AND PARTNERS HAVE TAKEN A STAND WITH US IN A SUSTAINABLE, INCLUSIVE AND PROSPEROUS FUTURE.

RESPONSIBLE SOURCING PRIORITISES ETHICAL DECISION MAKING WHEN PURCHASING GOODS AND SERVICES

RESPONSIBLE SOURCING APPROACH ELEMENTS

 <p>1. PROGRESSIVE STANDARDS AND POLICIES</p>	 <p>2. AWARENESS, TRAINING AND CAPACITY BUILDING</p>	 <p>3. RISK-BASED DUE DILIGENCE</p>	 <p>4. ADVOCATE FOR WIDER INDUSTRY ALIGNMENT</p>
<p>Affirms our non-negotiable requirements and ambition from suppliers which go beyond compliance</p>	<p>Supporting suppliers and internal teams to meet the requirements</p>	<p>Ensure that our processes and supplier engagement approach supports the identification and management of risk</p>	<p>Work within the extractives sector to reduce duplication of effort towards shared sustainability outcomes</p>

SUPPORTED THROUGH

<p>Regularly review and benchmark standards</p>	<p>Integration within supplier registration, onboarding and contracting</p>	<p>Building SMME supplier awareness and capacity (small business)</p>	<p>Collaborating with large spend suppliers</p>	<p>Internal training and awareness drives</p>
<p>Risk-based supplier engagement (heatmap and nominations)</p>	<p>Supplier SAQ (self assessment questionnaire) and 3rd party assessment</p>	<p>Risk and incident management process</p>	<p>Mutual recognition framework</p>	<p>Engagement with industry wide initiatives</p>

Our approach to responsible sourcing includes four major focus areas:

- **Progressive Standards and Policies:** this provides simplified guidance to suppliers on non-negotiable requirements which go beyond compliance.
- **Raise awareness and build capacity:** while we expect all suppliers to commit to responsible sourcing as part of their engagement with Anglo American, we recognise the need to support suppliers to identify and manage sustainability risk.
- **Risk-based due diligence:** we provide a progressive roll-out of our responsible sourcing programme by identifying suppliers who pose potential for risk, then engaging them to complete self-assessment questionnaires or participate in a third-party on-site assessment.
- **Influence wider industry alignment:** we work within the extractives sector to promote common messages and requirements to the supplier community to reduce the duplication of effort.

Prioritisation and risk management within the approach

Checks during supplier onboarding and contracting
We have updated, and will continue to update, elements of our supplier onboarding process to include mandatory acknowledgement of responsible sourcing requirements and additional checks for our suppliers. While the nature of these checks varies between regions, they typically include legal and compliance-related checks, security-related checks and third-party 'adverse media' screenings. Additionally, we continuously review and update supplier contract templates and other legal instruments to include core responsible sourcing requirements, consistent with our Standard.

Our heatmap which supports supplier-risk identification

Recognising the need for proactive supplier engagement, and to focus efforts towards suppliers who have higher potential for sustainability risk, in 2018 we established a responsible sourcing heatmap which integrates numerous factors, including categories of supply with heightened responsible sourcing risk potential (such as human rights violations), country of origin, the degree of regulation within certain industries, and the extent to which the goods or services are reliant on manual labour. The risk heatmap enables us to classify all our suppliers into one of five responsible sourcing risk groupings, with our primary focus being on high and medium-high risk suppliers.

Leveraging influence with our large spend suppliers

To supplement and balance this approach, in 2018 we also engaged high-spend suppliers. Combined with the heatmap – this hybrid approach informed a progressive and scalable roll-out of the responsible sourcing programme ensuring a wide geographic coverage and diverse selection of suppliers for engagement.

Engaging potential risk and large spend suppliers

Suppliers identified through the processes described above were requested to complete self-assessment questionnaires. The outcomes of the assessment provided both suppliers and Anglo American with insights into workplace practices, supported the identification of potential risk and guidance linked to legal requirements and the standard.

For suppliers that we have not yet engaged, we have posted a version of the self-assessment questionnaire on the Anglo American website. This document can be accessed by third parties, including prospective and current suppliers, to better understand some of the legal or responsible sourcing requirements.

As part of our commitment to the Ethical Value Chain element of the Sustainable Mining Plan, we will continue engaging suppliers who have high potential for sustainability risk and those which cover of 80% of total supplier spend for self-assessments, by the end of 2020.

Human rights due diligence

In July 2018 an eight-month independent Group-wide review of our human rights framework was completed. The purpose of the review was to determine how fit for purpose and aligned it is to good practice. The exercise included a review of our policies and procedures in place within the Group, extensive consultation with internal and external stakeholders, and an in-depth analysis of supply chain management and site-level due diligence. As a result, the Group has revisited the categorisation of salient human rights risks.



Nickel, Barro Alto open cut mine in Brazil. The image depicts the first metal tapping from Furnace II after a rebuild. Stainless steel has become iconic in high-tech design and construction. Most stainless steels contain about 8-10% nickel. Around two-thirds of all refined nickel produced is used by the stainless steel industry.

4. Measuring effectiveness – risk based due diligence

Supplier self-assessment questionnaires

Selected potential risk and high spend suppliers across our various global-procurement categories are requested to complete self-assessment questionnaires in accordance with the responsible sourcing requirements.

To this end, during 2018, 152 supplier self-assessments were completed, which corresponds to approximately 23% of spend under Supply Chain management. The 2018 sample included multi-national suppliers, onsite contractors, security service providers and host community suppliers, this approach supports our ambition to engage higher risk suppliers over a 36 month rolling period.

These supplier self-assessments confirmed that most large-spend suppliers understand responsible sourcing risk areas and have typically established practices to manage the key risks, including those related to human rights and modern slavery. Contractors, including security-services providers, based on Anglo American sites, provided evidence to demonstrate compliance with relevant legal and site requirements. Smaller suppliers, including host community-based suppliers often have difficulty in demonstrating procedures and practices linked to core legal requirements. To address this, we have intensified our focus towards supplier capacity building.

Independent third-party on-site assessments

Where we identify a higher likelihood of risk through the self-assessments, we request suppliers to undergo on-site assessments. These on-site assessments are conducted by independent, third-party service

providers. Acknowledging the cost implication of on-site assessments, especially for our host community suppliers, Anglo American has subsidised the costs related to these. To supplement this risk based approach, we also nominate some suppliers on a sample basis for on-site assessments.

In 2018, a total of 42 third-party on-site assessments of suppliers (2017: 17) were conducted, using a combination of the Ethical Trading Initiative Base Code, ELEVATE Responsible Sourcing Assessment and Sedex Members Ethical Trade Audit methodology. These on-site assessments exclude business partners that participated in the De Beers Best Practice Principles Assurance Programme (which is also independently verified by a third party). The Assurance Programme is complemented with other audits commissioned by De Beers.

Remediation and corrective action plan management

In cases where the self-assessment or on-site assessment process identify areas of risk, we expect suppliers to develop realistic corrective action plans to address this risk, then communicate details of

ANGLO AMERICAN IS COMMITTED TO WORKING WITH SUPPLIERS WHO COMPLY WITH APPLICABLE LAWS, WHILE STRIVING FOR 'ZERO HARM' TO PEOPLE, SOCIETY AND OUR ENVIRONMENT.

AT A MINIMUM, SUPPLIERS ARE EXPECTED TO COMPLY WITH ALL RELEVANT LAWS

SUPPLIERS TO ANGLO AMERICAN WILL BE REQUIRED TO:



1. COMMIT TO RESPONSIBLE SOURCING

Every supplier to Anglo American is required to comply with relevant laws and commit to responsible sourcing requirements as a pre-condition to supply.



2. COMPLETE A SELF-ASSESSMENT

Suppliers will be required to complete and regularly update a SAQ. This will include during supplier registration and sourcing events.



3. CONDUCT A 3rd PARTY ASSESSMENT

On a sample basis, suppliers may be required to provide evidence of previous responsible sourcing assessments, or be requested to conduct a new, 3rd party assessment.



4. MANAGE RISK

We expect suppliers to develop plans with realistic timelines to address the requirements of this Standard, and any issues identified during the SAQ or audit process.

remediation to Anglo American. Where high-risk issues are identified, including modern slavery related issues, we engage directly with affected suppliers to monitor the close-out of issues which may entail several additional follow-ups third party assessments.

We are continually enhancing our ability and the speed at which we can detect and respond to potential responsible sourcing incidents. This includes raising our internal awareness of responsible sourcing risk, faster mobilisation of third-party on-site assessment and response teams to conduct investigations, and reviewing our supplier engagement and escalation processes.

Refinement of this process will remain a focus for 2019 and 2020.

Whistleblowing

Our independently managed *'YourVoice'* facility is a confidential and secure means for our employees, contractors, suppliers, business partners and other

external stakeholders around the world to report concerns about conduct that is contrary to our values or legal requirements. Complaints can be submitted anonymously and are handled by an independent third party. We do not tolerate any form of retaliation against individuals raising concerns in good faith.

During 2018, 325 alerts were received, covering a broad spectrum of concerns, including ethical, legal, supplier relationship, health and safety and human resources issues. All alerts were evaluated, investigated as necessary and the proven alerts were properly addressed by management. No alerts were categorised as being related to modern slavery or human trafficking.

Formerly known as *'Speak Up'*, this platform was upgraded in May 2019 and re-branded as *'YourVoice'*.

Governance

The Anglo American plc Board of Directors oversees our strategic sustainability approach, while the Board's Sustainability Committee has dedicated standing-agenda items across the spectrum of sustainability-related issues, including safety, health, the environment and human rights.



Platinum, Mototolo mine in South Africa. The Mareesburg tailings dam project. The project demonstrates just one of the areas we are investing in the safe storage and disposal of tailings.

HELPING SMALL SUPPLIERS MEET ANGLO AMERICAN STANDARDS

Many of our small suppliers need help to meet our requirements regarding health and safety, environmental protection or respecting human rights. To address this gap, in 2016 we piloted a two-day capacity building programme with 20 small host-community businesses which provide construction, contract mining and technical services to our South African operations. They were trained in the identification of risk, then given self-assessment tools, templates and customised training to meet legal and best-practice requirements. We reached 80 small businesses in 2018, with more planned for 2019.

Anglo American sponsored the cost of third party audits for certain suppliers, allowing for an independent assessment of risk and development of customised corrective-action plans. Typical risks identified included excessive working hours, weak employment contracts, incorrect wage calculations and ineffective safety management processes. The suppliers were also mentored through the implementation of their action plans and follow-up audits conducted.

We spend upwards of \$10.2 billion annually with more than 22,000 suppliers globally, and are committed to responsible sourcing and ethical decision-making when buying goods and services. We increasingly focus on support for entrepreneurs in communities around operations, with local procurement currently accounting for around 21% of our total expenditure with suppliers.

Small suppliers, or those new to the mining sector, may need – and are then given – additional guidance to comply with Anglo American requirements, particularly as they expand. “Building an inclusive supply chain affirms the positive impact of mining,” says Ashlin Ramlochan, Group principal for sustainable and responsible supply chain.

“As part of our Code of Conduct, and doing the right thing, we recognise the benefit of training our suppliers on how to comply with our high standards and meet their legal obligations.”



Capcoal open cut mine in Queensland, Australia – Metallurgical coal is an essential ingredient in blast-furnace steel production and accounts for around 70% of global steel output. Emerging markets, particularly in the Asia-Pacific region, continue to drive demand for metallurgical coal – for infrastructure, housing and consumer goods.



Kumba Iron Ore, Sishen mine in South Africa. The image depicts the rapid response team's inspection of a step ladder - Tsanionno Trankoyoga, Cleaner; N. Nemukombame, Diesel Mechanic and Obakeng Raowi, Cleaner (l to r). Sishen is one of the largest open pit mines in the world, some 14km long, and the heart of our South African iron ore business.

5. AWARENESS AND TRAINING

Addressing capacity requirements of small and medium sized ('SME') suppliers

In line with our responsible sourcing strategy, in 2018 we continued supplier capability building initiatives aimed at supporting our SME suppliers to identify and manage potential responsible sourcing risks. Our current model which has been developed and piloted over the past two years in South Africa consists of two-day training workshop which include detailed training on legal requirements. SME participants were also provided with templates and other management tools to support compliance requirements. At the end of the workshops, respondents completed self-assessments and a sample of suppliers were selected for on-site assessments.

To date, we have engaged with 114 host-community SME suppliers at operations in South Africa, of which 80 engagements were conducted in 2018. In the same year we commissioned 42 third-party on-site assessments (2017:17) to selected suppliers to validate their progress. We plan to expand this approach globally by 2020.

Raising awareness with large-spend original equipment manufacturers ('OEMs')

Towards the end of 2018, a summary of responsible sourcing requirements, and next steps, was presented to the 10 largest OEM's within our South African business. Our engagement with large OEM's acknowledges that they may face modern slavery risks within their own complex supply chains - and, therefore, need to be aware of the forms that these may take, the risk that these pose, and the types of steps to manage such risks.

Internal awareness

Internal awareness sessions on the revised standard were also delivered across the organisation, targeting mostly supplier-facing members of the Supply Chain team. Over 250 employees were trained in 2018. The Standard encourages the use of our confidential whistleblowing facility, *YourVoice*, to report suspected infringements by both suppliers and Anglo American employees.

Code of Conduct training and awareness

In 2017, more than 3,000 senior executives and managers of the Anglo American Group were trained on the Code of Conduct, which complements several elements of our responsible sourcing programme. In 2018, we carried out several activities to further embed the Code, including assessing of Board members and 1,000 of the most senior employees to understand their views of the Code and their approach to ethical decision-making; bespoke Code of Conduct online training for more than 4,000 employees; and building in Code-related commitments and awareness activities into the employee life-cycle.

6. PARTNERSHIPS AND ENGAGEMENT

Advocacy for wider industry alignment

A collaborative approach is critical in tackling modern slavery. In addition to our afore-mentioned efforts, Anglo American participated in various external engagements in 2018.

To meet the Ethical Value Chain goals set out in our Sustainable Mining Plan, we have previously taken part in several global forums. These include the Responsible Sourcing Working Group and other initiatives of the International Council for Mining and Metals. Our work with these bodies involves the benchmarking of activities being undertaken within peer mining and extractive companies; engagement with stakeholders including community activist groups; and learning from examples of other industries, such as electronics and apparel, where common industry standards have already been established.

Anglo American is also a member of the United Nations Global Compact UK Local Network Modern Slavery Working Group and we participated in the annual peer review of Modern Slavery Act statements.

South Africa

On a more regional basis, we have engaged with the Minerals Council South Africa, which has been co-ordinating a more consistent industry approach to setting standards for suppliers and facilitating the sharing of certain non-sensitive supplier information.

Initiatives across peer mining and extractive companies will inform our future activities and highlight opportunities where Anglo American can play a leading role to influence the industry.



Kumba Iron Ore, Sishen mine in South Africa. The image shows the load out station control room with Joel Tihaole, Reggent Segoneo and Magdeline Locko (l to r) monitoring the load out process.

7. OUR PLANS FOR 2019/2020

In addition to continuing our current efforts, we plan to undertake the following activities in 2019 and 2020:

Employee training:

- Incorporate business-relevant modern slavery scenarios into the online Code-of-Conduct employee training material.
- Continue to train members of our supply chain teams and relevant business unit stakeholders on responsible sourcing.
- Continue to update internal standards and materials which support a consistent rollout of our responsible sourcing programme.

Our suppliers:

- Update and publish multi-lingual versions of our Responsible Sourcing Standard
- Increase awareness of the Responsible Sourcing Standard and its requirements within our business
- Update processes and systems to enable online completion of self-assessments – this may include enhancements to our supplier registration and onboarding processes
- Review and update contract template terms and conditions to integrate modern slavery requirements
- Publish training materials and other guidance and making these available to a broader set of suppliers to support their implementation of responsible sourcing practices.

- Continue to run and evolve our SME Responsible Sourcing Capacity Building Programme for host community suppliers.
- Subsidise the costs of independent third-party on-site assessments for selected suppliers.
- Integrate responsible sourcing-related materials into our Iron Ore Brazil Supplier Evaluation programme and with the De Beers Best Practice Principles Assurance Programme.

Ongoing implementation of the outcomes and recommended actions from the Group-level human rights due diligence process

Continued advocacy towards a common responsible sourcing strategy for the mining industry:

- Work with the Minerals Council of South Africa towards an aligned industry approach.
- Identify and work with peer mining companies in Australia towards common supplier self-assessments and due diligence approaches.
- Continue to identify appropriate industry-wide forums which support common supplier standards and alignment of on-site assessment requirements.

We recognise this process as a positive initiative that will enable us to solicit feedback and leverage off others' good practice innovations. We acknowledge that collaborative efforts with our partners and suppliers will improve transparency, due diligence and promote collective global activities against modern slavery and trafficking.



Mark Cutifani

Chief Executive, Anglo American plc

July 2018

This statement has been approved
by the Board of Anglo American plc.

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