

**GOOD CITIZENSHIP:
BUSINESS PRINCIPLES**

LIVING OUR VALUES

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**SAFETY AND SUSTAINABLE
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AND HUMAN RIGHTS**



**ANGLO
AMERICAN**



GOOD CITIZENSHIP: BUSINESS PRINCIPLES

The Anglo American Group has a proven record of making a positive difference to the countries and communities where we work. We are ambitious and committed to being a leader in the mining industry and to achieving excellence in all that we do. We believe that our objective of providing superior returns to our investors is best achieved through operating our businesses in a socially and environmentally responsible way.

Our six core values – safety, care and respect, integrity, accountability, collaboration and innovation – underpin this statement and apply to how we conduct our operations and to our dealings with external stakeholders. Earning and deserving trust is fundamental to the success of our business.

The safety and health of our workforce are of paramount importance and we are relentless in pursuit of our goal of zero harm. We promote diversity and inclusion so as to ensure that employees from all backgrounds are able to progress fairly and according to their abilities.

We are committed to supporting the sustainable development of the societies where we work. We recognise that some people are concerned by the perceived power of major corporations and believe that this is best addressed through transparency and accountability.

The nature and extent of our impacts carry with them obligations of respect for human rights, good environmental stewardship and ethical behaviour. We endorse the ten principles of the United Nations Global Compact.

The resources which we develop are, generally, owned by governments, in trust for their citizens. This creates a legitimate expectation that our businesses will generate opportunities for a range of stakeholders. Our products contribute to improving the living standards of people across the world and, we believe, responsible mining can and should contribute to wider development including the realisation of the Millennium Development Goals.

Our ‘Good Citizenship’ Principles set out the standards which guide the conduct of our businesses. Whilst we operate in many countries and in widely differing conditions, our values and principles have universal application. They apply to every business we manage, to everything we do and to every part of the world in which we operate or procure from. We will ensure that they are properly understood and observed and will review them periodically in the light of experience.

Sir John Parker Chairman

Cynthia Carroll Chief Executive



OUR STAKEHOLDERS

We improve our understanding of society, and of our place within it, through active engagement with those around us. We recognise the value of partnerships in building capacities, improving governance and promoting sustainable development.

Our principal accountability 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 and through a reputation for acting with integrity.

Investors

We will ensure full compliance with relevant laws and rules. We will observe high standards of corporate governance and are committed to transparency and fair dealing.

Employees

We are committed to the safety of our employees and to treating them with care and respect. We will invest in their development and ensuring that their careers are not constrained by discrimination or other arbitrary barriers to advancement. We recognise the importance of family life and of allowing our employees to achieve a satisfactory work-life balance. We will deal honestly, and maintain regular two-way communication, with our workforce.

Governmental Bodies

We will comply with the laws of our host countries whilst observing, across our activities, the best practice standards developed by the leading inter-governmental organisations. We aim to be an investor and partner of choice.

Communities

We aim to create and maintain strong and respectful relationships with the communities of which we are a part. We will seek regular engagement about issues that may affect them. We aim to contribute to the creation of more prosperous, empowered and adaptable communities. We will regularly assess our operations' impact upon local social and economic development and report upon it. We will provide local mechanisms for the consideration and resolution of complaints and grievances in a fair, timely and accessible manner.

Business Partners

We seek mutually beneficial relationships with our customers, contractors, suppliers and other business partners, based on fair and ethical practices, including prompt payment within the negotiated terms. We require our supply chain to strive to meet the standards set out in these principles.

Non-governmental Organisations

Civil society can play a crucial role in promoting pluralistic and more adaptable societies. We aim for constructive relations with relevant non-governmental organisations. Their input may improve our understanding of society and of host communities.



BUSINESS INTEGRITY

We are implacably opposed to corruption. We will not allow our employees, or those acting on our behalf, to offer, solicit, pay or accept bribes.

We support free enterprise as the system best able to contribute to the economic welfare of society and to promote individual empowerment and liberty.

Without profits and a strong financial foundation it would not be possible to fulfil our responsibilities to shareholders, employees, governments and communities and to those with whom we do business. Our investment criteria reflect economic, social, environmental and political factors.

Employees must perform their duties conscientiously, honestly and with due regard for the avoidance of conflicts between any personal financial interests and their responsibilities to their employer. In giving or receiving gifts and hospitality, employees must abide by our policies and procedures, act in a transparent manner and ensure that they do not seek any improper advantage in the conduct of business or in their dealings with public officials.

We will not make donations to politicians or political parties.

We support the Extractive Industries Transparency Initiative and will report annually on our tax and royalty payments made in our significant countries of operation.

We will not condone anti-competitive practices and will not tolerate any such activity by our employees.

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

We will maintain high standards of business assurance in order to: identify and monitor material risks; safeguard our assets; and prevent or detect fraud and corruption.

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

We expect employees to take personal responsibility for ensuring that our conduct complies with these principles and encourage all stakeholders to raise concerns about potential breaches or any other legal or ethical issues with management. We will provide and promote a widely accessible 'whistle-blowing' facility. No one will suffer as a result of raising concerns in good faith through this route or directly with management.



SAFETY AND SUSTAINABLE DEVELOPMENT

We believe that robust processes for the management of safety, health, environmental and social issues are a fundamental element of good management practice and a source of competitive advantage.

Safety and Health

Our vision is zero harm to those who work within our operations and to those around us. We believe that all injuries and occupational illnesses are preventable. We will ensure that safety standards are consistently applied across our operations, we will be rigorous in learning from incidents and in preventing recurrences.

Environment

Our vision for the environment recognises the centrality of good stewardship in minimising the impact of our activities from exploration through to mine closure. We will plan mines from the outset with a view to managing the environmental and social impacts of decommissioning and closure.

We will conserve and protect the environment through: the efficient use of natural resources, including energy and water, and minimising waste. We recognise the importance of using land and water with proper consideration for the needs of others. We will demonstrate active stewardship of land, freshwater systems and biodiversity.

We recognise the challenge posed by climate change at both a global and local level. We are committed to improving the efficiency of our energy use and to seeking to reduce our greenhouse gas emissions. We will participate in research and development programmes

to address climate change and explore opportunities for using market-based emission reduction mechanisms.

HIV/AIDS

We recognise the tragedy caused by the HIV/AIDS epidemic, particularly in sub-Saharan Africa. We have a clear policy for addressing HIV/AIDS and related diseases, such as TB. We are committed to eliminating all forms of prejudice, particularly stigma and discrimination on the basis of real or perceived HIV status. We strive to promote gender equity as part of our response to the disease. In our workplaces we will operate a comprehensive prevention strategy, linked to programmes of voluntary counselling and testing; and will provide treatment for employees with HIV or AIDS. We are committed to extending access to treatment to the dependents of our employees and to working with partners to strengthen health systems in communities associated with our operations.

We expect our supply chain to strive to achieve best practice in protecting the safety and health of their workforce and in their environmental and social performance and materials' stewardship.

We will keep safety and sustainable development issues at the forefront of workplace concerns and will report on progress against our policies and objectives.



EMPLOYMENT AND LABOUR RIGHTS

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

We will promote diversity and will not tolerate unfair discrimination or the inhumane treatment of employees including through any form of forced labour, physical punishment or other abuse. Our workforce has the right to work in an environment free from harassment or intimidation.

We aim to create a working environment which encourages innovation and collaboration across our businesses and geographies. To encourage accountability, a performance culture and the monitoring of individual development needs, an increasing proportion of employees, either individually or as members of a team, will have performance targets which will be regularly reviewed.

Labour Rights

We prohibit child labour in our operations. Should we encounter cases in our supply chain we will develop a responsible approach to ending it that ensures the welfare of the children.

We recognise the right of our employees to freedom of association and to collective bargaining. Our remuneration practices will be determined according to local market conditions and we will strive to ensure that we pay wages that are, as a minimum, adequate to satisfy the basic needs of our employees and their families.

We expect our supply chain to strive to adhere to all of the above employment and labour rights principles.





COMMUNITY DEVELOPMENT AND HUMAN RIGHTS

We respect human dignity and the rights of individuals and of the communities associated with our operations.

When considering the development of a project, we will proceed on the basis of a full assessment of potential impacts and through free, prior and informed consultation. These may lead us to conclude that we should not develop a project even if it is legally permitted and potentially profitable. We seek to contribute to the economic and social well-being of communities, including through enterprise development, local procurement and providing opportunities for people from disadvantaged backgrounds.

Indigenous Peoples

We recognise the strong cultural and spiritual affinity felt by indigenous peoples for land and the natural environment and the sensitivities created by many indigenous groups' negative experience of mining. We, therefore, commit to handling our relations with indigenous communities in a spirit of respect and dialogue and to facilitating their participation in the opportunities created by mining.

Resettlement

Where it becomes necessary to consider community resettlement we will act in accordance with international best practice. We will proceed on the basis of: seeking to avoid resettlement; freely-conducted negotiation; continuing consultation with credible community

representatives; fair compensation; provision for resolving grievances; a presumption of collective resettlement; and, as a minimum, restitution of livelihoods.

Conflict

We recognise that our activities may affect the dynamics and power structures of communities. We are committed to understanding and minimising our potential to trigger conflict in local communities, and to working with others to manage the indirect impacts of our activities.

Human Rights

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

We support the principles set out in the Universal Declaration of Human Rights. Whilst the primary responsibility for the protection of human rights lies with governments we recognise the responsibility of business to respect human rights. Where it is within our power to do so, we will seek to promote the observance of human rights in the countries where we work.

GROUP POLICIES

This statement should be read in conjunction with more detailed Group policies and frameworks which may be adopted from time to time including those covering:

- The Anglo American Safety Way
- The Anglo American Occupational Health Way
- The Anglo American Environmental Way
- The Anglo American Social Way
- Sustainable Development in the Anglo American Supply Chain
- Anglo American Supplier Sustainable Development Code
- Anglo American Group Human Resources Principles and Policies
- Anglo American Human Rights Policy
- Anglo American Group HIV/AIDS Policy
- Anglo American Business Integrity Policy and Prevention of Corruption Performance Standards

SPEAKUP

The SpeakUp facility provides a confidential and secure means for our employees, contractors, suppliers, business partners and other external stakeholders to report and raise concerns about conduct which is contrary to our values and standards, as described in our Business Principles.

Visit www.anglospeakup.com or email anglocorporate@anglospeakup.com



We welcome comments on our Business Principles. For further information, please contact:

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