

# **2021 AGM**

**Responses to shareholder questions not addressed  
during the AGM**

**May 2021**

## Contents

Demerger of the South Africa thermal coal operations .....	3
Chile .....	4
Colombia .....	12
Peru.....	14

Following the disruption to our 2020 AGM caused by social distancing measures implemented by the UK government to manage the impact of the Covid-19 pandemic, our preference had been to welcome shareholders in person to our 2021 AGM held on 5 May 2021.

However, following the guidelines announced by the UK government in February 2021, shareholders were not be able to attend the 2021 AGM. Shareholders were able to ask questions during the meeting via an online forum or to submit their questions in advance of the meeting. Shareholders raised a number of questions covering a broad range of topics that were responded to during the meeting, though a number of specific questions remained outstanding at the end of the meeting.

We committed that, in the interests of transparency for all shareholders, responses to questions not able to be addressed during the meeting would be available on our website as soon as practicable following the AGM.

## Demerger of the South Africa thermal coal operations

**(Questions asked by Phillip Adrian Clarke)**

**For most retail shareholders, the demerger will result in receipt of an immaterial number of shares in Thungela of negligible value. It will not easily be possible to sell these as dealing costs will be a high proportion of the value of the shares. Was no consideration given to provide cash consideration to smaller shareholders? Is the only way for retail shareholders to avoid being allocated Thungela shares to sell their Anglo American shares before June 4th, and then repurchase them after the record date?**

The structure of the demerger is such that it was simply not feasible to offer a cash alternative. All Anglo American shareholders with ten or more Anglo American shares will receive Thungela shares (in the proportion of one Thungela share for every ten Anglo American shares) and we would advise shareholders who wish to trade shares in Thungela to contact their broker or make use of their normal share trading facility. Alternatively, retail shareholders who don't have a broker or such a facility can contact Thungela's registrar and broker Computershare, using the following details: for those calling from within South Africa 086 11 00 933; for those calling from outside SA +27 11 370 5000 and for those calling from within the United Kingdom 0370 703 0389 (+44 370 703 0389 if calling from overseas). Retail shareholders also have the option to ask Computershare to arrange for their shares to be donated to a charity.

## Chile

### **(Questions asked by the London Mining Network)**

**The Environmental Impact Assessment of the 'Andina 244' project acknowledged that trucks and explosions produce dust and black carbon gets deposited on glaciers. How do you quantify the damage of the current operation and, if approved, how much damage do you estimate Los Bronces Integrado will generate?**

Los Bronces has no impact on white glaciers. And the Los Bronces Integrated project has shown through scientific studies that it will not impact the glaciers either. If the project is approved, we will provide full monitoring of dust on all glaciers, including those in Yerba Loca Sanctuary ('La Paloma' and 'Olivares'). Los Bronces has been monitoring these glaciers for 6 years already. Data will be available for stakeholders via a web platform.

**Water is a basic human right, but in Chile water rights are privatized and many communities such as 'El Arrayán' and 'Camino a Farellones' do not have access to drinking water. Water scarcity does not affect us all equally. Needing water to live is not the same as requiring it for industrial processes like Anglo American's mega mining. In 2020, Anglo American stated that on average 'Los Bronces' uses 780 l/s of water, which mainly comes from rivers; is this still the case? Our calculations indicate that it is at least 1,380 litres per second, that is, 119 million litres of water per day. Have you considered using sea water?**

Water is a major focus of our Sustainable Mining Plan, and one of our goals is to significantly reduce our abstraction of fresh water in water scarce areas by 2030. Freshly drawn water is 780 l/s, remembering that the vast majority (85%) of the water we use at Los Bronces is water that we recycle and re-use. A number of the technologies we are implementing are expected to further increase the proportion of water that we can recycle, thereby reducing the proportion of freshly drawn water required. Sea water desalination is also a future alternative.

**According to the information provided by the National Monument Council ('Consejo de Monumentos Nacionales'), within the Yerba Loca Nature Sanctuary there are "more than 100 archaeological sites and artefacts dating from 8,000 to 6,000 B.C. According to the information in the Technical Report on Environmental Inspection by the Superintendency of the Environment published in March 2019, "there is no certainty over whether the construction of the 'Socavón los Sulfatos' project needs to comply with the Environmental Impact Assessment System. As indicated in the Regulation of the Environmental Impact Assess System (RSEIA), the Environmental Assessment Service's (SEA) Executive Board should be consulted. Has the SEA Executive Board been consulted? If so, what was their response?**

No such sites will be affected by the Los Bronces Integrated project, as this is an underground project which will be developed at a depth of 600 meters (the height of two Eiffel Towers) below the Yerba Loca park.

***I. Communities neighboring the 'El Soldado' project, located in the municipality of Nogales, Valparaíso, Chile.***

**As your company puts it, the challenge for Chile is to revive its economy after the pandemic. It is essential to create new jobs, but our people are not the beneficiaries. Why can't our residents and surrounding communities receive a preferential job opportunity in your company? Why do we only get the negative impacts and not the opportunities?**

One of the pillars of Anglo American's Sustainable Mining Plan is Thriving Communities and included within this, our commitments to provide better health, education and levels of employment. Our goal is to be a catalyst for creating 5 jobs off-site for every job on-site by 2030. In Chile, we have developed programmes to strengthen Small Medium Enterprises (SMEs), such as our Emerge Program, and to support employability (our EmpleaT Program) amongst our host communities. We have also launched additional programmes to support local economic activity during the pandemic.

**We are in the midst of the health crisis, where family incomes have decreased due to lack of job opportunities. Despite the fact that copper is increasing in value, why did the company reduce compensation benefits to students from neighboring communities?**

We have not reduced benefits to our communities as a result of the pandemic. Since the beginning of Covid-19, we have implemented several programmes to support our communities during these difficult times and we are continuing to add to our global Covid-19 relief donations and in-kind contributions across our host jurisdictions, including in Chile.

**The report presented by Fundación Relave in April 2019, on water samples from the El Melón community, Nogales commune, 5th Region, indicates that manganese, iron and sulphates have been detected in the groundwater in concentrations above legal regulations. Will you pay for doctors to help deal with the effects of contamination in the population?**

In October 2020, El Soldado began to reduce levels of sulphates through the provision of additional water to Los Caleos water system via water trucks. This was a temporary solution and in July 2021, the permanent solution (an osmosis plant for Los Caleos water system) is expected to begin operating, permanently reducing sulphates levels and removing the requirement for water trucks. We have also been building a hydraulic barrier, which will improve the capturing of sulphates infiltrations.

**The recently approved 'Operational Continuity of the El Torito Tailings Dam at El Soldado' project involves an environmental impact mitigation measure that seeks to reduce the mobility of pollutants downstream of the dam. It also suggests injecting fresh water into the downstream aquifer of the dam sand wall, with the aim of creating a hydraulic barrier that controls the infiltration of water from the dam. This filtration and drainage system aims to mitigate water pollution. If this process is being carried out, it has not been effective due to the high levels of sulphate in the water. We request the data regarding the progress of this project, the results of the mitigation process, as well as the effectiveness rates with which they are being measured.**

We have begun the construction of the hydraulic barrier and it is expected to be operational from March 2022, after which we will have data on its effectiveness.

**Anglo American says that it has a centre in Los Caleos monitoring particulate matter emissions from blasting. However, this plant is not adequate for the community, since the population has expanded, and people currently live in the centre of town. For this reason, the plant, which is located in the rural area, does not represent the bulk of the population. Can Anglo American finance another plant that is closer to and more representative of the entire population?**

To date, Los Caleos Monitoring Station has delivered valuable information about particulate matter levels within the area. We are aware of the need to expand the air quality monitoring network to capture more information voluntarily and our El Soldado operation is working on that. This action has been socialised in the Environmental Monitoring Committee with the representatives from local organisations.

**Regarding Landslides, Anglo American has said it is developing an evacuation and emergency plan. However, initiating the plan would be linked to the company calling and decreeing a state of emergency. As Anglo American would be responsible for both a potential collapse and for initiating the emergency response plan, we believe that an external body should be responsible for initiating the plan, as people fear that the company could fail to declare an emergency in the event of one. Is it possible for Anglo American, together with local authorities and the community, to review those responsible for actioning the emergency plan?**

The Emergency Coordination Plan for El Torito has been developed with representatives of local organisations, emergency agencies and the municipality of Nogales, in a formal roundtable. This plan was reviewed and validated by the National Emergency Office (ONEMI) and authorised by the Municipality of Nogales (Dec. Mun. 186/2021), and has been incorporated as part of the Communal Emergency Plan. Currently, we are working together on the technical implementation of the Plan, which includes the definition of evacuation routes. Regarding the activation of a potential evacuation, the measure is considered in the coordination plan. Any additional initiatives, such as the involvement of a new stakeholder, should be discussed within the Emergency Coordination Plan roundtable.

**The inhabitants of El Melón filed a protection appeal demanding their right to water. An Anglo American report and a municipal report have both shown that the town's hydraulic networks do not have enough capacity to supply El Melón with water. Anglo American was providing cistern trucks for the supply. However, the failure of the protection appeal obliges the State of Chile to manage the tanker trucks, meaning it would no longer be necessary for Anglo American to provide this item. However, can Anglo American finance and commit to a fixed monthly amount (UTM, Monthly Tax Unit) for the injection of resources into the water supply.**

The municipality is applying for regional funds for the improvement of the water distribution network of El Melón. At present, all water systems within the commune have enough water to meet their average daily flow rate and so there have been no water outages. We continue working to support the strengthening of El Melon public water system, we have connected two water wells, and we provide additional supply via water trucks when needed.

**The inhabitants of El Melón are deeply concerned due to past landslides and the clear danger posed by the company's tailings. Can Anglo American finance a census to find out how many people live in El Melón? This would have the aim of finding out how many people live there and the magnitude of a possible evacuation. This would make it possible to determine the evacuation zones and the resources that should be available in the event of a possible collapse of the tailings dam.**

We have financed a census in El Melon, it was carried out between December 2020 and February 2021, aimed at capturing information to enable the authorities to better coordinate public safety policies, with the support of the private sector and for the benefit of local communities. The results of the Community Emergency Census in El Melon will be provided to the local authorities and the data will be fed into the Emergency Coordination Plan.

**Anglo American began a water desalination project between Ventana and one of its sites. The water transport lines pass through the commune of Nogales, in the La Peña sector. Could Anglo American donate some of this water to the town of El Melón and to the farmers of the La Peña sector (areas which have been declared as disaster areas due to water scarcity)?**

Anglo American does not have a project in Ventanas. We are evaluating third-party sources of water, desalinated water originating in Ventanas among them. Anglo American has contributed to the availability of water in El Melón through the delivery of water in trucks, the improvement of infrastructure and the connection of two El Soldado wells with the municipal system. We will continue to evaluate what other contributions we could make.

**In 2020, after a community takeover of one of the company's wells, Anglo American committed to providing a bypass to deliver water to the municipality. The bypass is mentioned in a business report related to a 2020 protection appeal. The municipality does not have the data of the amount of water delivered. Anglo American had committed to making this information transparent. Can Anglo American be clear about how much water it delivers by well 9 and well 4 to the municipality?**

Well 4 and Well 9 automatically open their valve when the levels of municipal ponds fall, allowing the supply of water to the public water system. Every time the levels of the municipal pond drop, we immediately coordinate with the municipality to ensure the correct contribution of our wells to the water system. It is important to note that the contribution of both wells has been decreasing in recent months because the municipality has had enough water to supply the needs of El Melón.

**In 2020, the operational continuity of Anglo American's sites was approved. By voluntary commitment and also as compensation, an area of the river has been declared as a refuge for aquatic and cryptic species. This stretch of the river was affected by the company in 2014, as it did not comply with the reforestation plans, for which it received a fine of 5299 Monthly Tax Units (UTM). Can Anglo American ensure that waste rock deposits are not affected by the current commitment? What are the details of the progress of this commitment?**

El Soldado maintains two areas under flora and fauna protection, totalling 1,290 hectares. 1,055 hectares are in the Estero El Sauce, and the other 235 hectares are in the Los Coiles ravine. Regarding the non-compliance fine from the Superintendency of the Environment (SMA, in Spanish), we have been implementing a rigorous control and monitoring plan and to date, through our reforestation plan, we have planted 459 hectares of trees.

**In the operational continuity plan, approved in 2020, Anglo American has declared an impact on cultural heritage in paleontological areas. As a voluntary commitment, Anglo American says it will conduct workshops and training for workers. Can the El Melón community openly participate in all training and workshops? Can Anglo American finance a museum to store archaeological and paleontological remains?**

Training with regard to archaeological or paleontological findings during the construction phase will be provided for workers. Chilean law requires that any archaeological findings be declared and deposited in authorised national museums.

**In 2021, the operational continuity plan was approved for phase 5 of El Soldado; a project that was drawn up without an Environmental Impact Study. To carry out the process of Phase Five El Soldado will require building a water channelling system, located at a higher elevation than the area of exploitation. As a consequence, it will divert the water, preventing its entry into the exploitation area. If you are considering diverting the area's water resources, why did this phase not go through an environmental impact assessment? How much water will be captured by this method? Can Anglo American verify that this catchment does not affect the final trajectory of these waters? Can you verify that this method will not dry out the zones and sectors downstream?**

Phase Five and other plant modifications were submitted to the Environmental Assessment Agency (EAA) in January 2021 and have not been approved yet. Any water diversions will not affect water resources availability in the basin. The project is still in evaluation by the EAA.

## ***II. Communities from Colina, Lampa and Til-Til***

**'Las Tórtolas' tailings dam currently exceeds the urban area of the municipality of Colina. By the year 2040, it is projected to reach 800m above sea level. In the areas near this sleeping giant, the tailings dust is evident on the surfaces of the houses. Why are there no monitoring zones for tailings dust in Quilapilún, Huertos Familiares, Santa Matilde, Til Til, Colina and Lampa? Could you invest in lung tests, among others, for people who live a few kilometres from the dam? Do you have any information on the increase in cancer cases and its possible relationship with tailings dust in areas like Til Til?**

The whole Las Tórtolas area is an Industrial Area, according to the Colina Zoning Plan. Particulate matter is controlled and monitored in Las Tórtolas and complies with air quality standards and results are reported directly to the communities twice a year.

**Why, last year, were we able to observe tailings runoff, of which we have evidence, without any soil protection?**

The tailings dam walls are constantly monitored and are intact, with no such run-off.

**Do you understand and/or are you interested in Bioethics? When will Anglo American stop lobbying the Chilean government to not pass a glacier protection law?**

Anglo American is not conducting any such lobbying.

## ***III. Board of Directors 'Movimiento No + Anglo'***

**On the "pioneer model": how is this monetized and/or what economic, social and environmental benefits does this model have for Anglo American?**

One of the goals in our Sustainable Mining Plan, which is aligned to the UN's Sustainable Development Goals (SDGs), is for all schools in our host communities to be within the top 20% of state schools nationally by 2030. The Pioneer Model was designed help us reach this goal, working in partnership with education related local and national organisations.

**In 2019 there was social upheaval in our country. Some people took over Well No 9, owned by Anglo American, in the community of El Melón. During this time, the company agreed to provide a water bypass, potentially delivering just 15 litres of water. Given the hydraulic conditions, Anglo American fills the area's water tanks with water brought from more than an hour away by tanker trucks. It was suggested to the Anglo American technical team that you draw water from the bypass to reduce the cost of water transfer. Why does Anglo American prefer to spend more money on moving water, instead of taking it directly from Well No 9? Why did the company abandon the Well No 9 negotiations?**

Well 4 and Well 9 automatically open their valve when the levels of municipal ponds fall, allowing the supply of water to the public water system. Every time the levels of the municipal ponds drop, we immediately coordinate with the municipality to ensure the correct contribution of our wells to the water system. It is important to note that the contribution of both wells has been decreasing in recent months because the municipality has had enough water to supply the needs of El Melón.



**What is the quantity and what are the characteristics of the dust emanating from the El Soldado site (e.g., mps, mp10, mp 2.5 or similar)? How far does this cloud of dust travel?**

According to the modelling developed by El Soldado, the area of influence of the operation shows descending gradients of concentration of PM10 and PM2.5. In the communities closest to Chamizal and Los Caleos, it falls to levels below the parameters established by the air quality standard, which means that it is better than the standard.

**Have you found fossils in the 'El Torito' and 'Los Bronces' extensions?**

No.

**How do you quantify the profit, whether in social or financial terms, of the contamination of the 'El Cobre' estuary groundwater in Nogales?**

There is no such contamination of an estuary. Participative monitoring has been agreed with communities and groundwater around the El Soldado operation is used for human and agricultural uses. Anglo American has committed to maintain ground water quality in the El Cobre basin for Agricultural and human consumption.

**What is the total expenditure on advertising in community projects in Nogales, Colina, Lampa, Til Til and Lo Barnechea?**

Engagement with our local communities is extremely important. Providing information and collecting people's feedback is a key part of this engagement. These efforts don't necessarily have an economic cost, but they are extremely valuable in helping us engage with our key stakeholders.

**How do you plan to respond to the decrease in water resources in 'Nogales' and other affected territories? In the future, water production will become more complex; how do you plan to approach this situation?**

We have also implemented a plan to strengthen all the water systems of Nogales, through the incorporation of telemetry, automation, and online monitoring. The plan also considers changing pumps, repairing pipes and incorporating new water storage ponds. Our commitment is to move towards a gradual supply of water not suitable for human consumption, reducing freshwater consumption and at the same time being able to continue supporting the supply of fresh water to the communities when needed. We are evaluating third-party sources of water and desalinated water.

**Could you please detail the implementation of the HDS project described on your website: <https://chile.angloamerican.com/operaciones/el-soldado.aspx>?**

With 75% of our assets globally located in water-constrained areas, we must reduce our dependence on water and we are working on technologies to help get us closer to full recovery recycling. Through an integrated system of technologies such as hydraulic dry stacking, we are reducing freshwater usage, moving to closed loop and ultimately dry processing in our operations, thereby eliminating the need for wet tailings and instead creating stable, dry, economically viable land. The construction of the first such facility is under way at El Soldado, in Chile, to test this engineering at scale.

**How do you mitigate the damage to human and animal health? And how will you restore the natural resources in Nogales, El Melón and Lo Barnechea?**

We do not believe there is any such impact on human or animal health. El Soldado is supporting the rural water system by providing water for human consumption and agricultural use.

**By way of transparency, please detail the projects developed in partnership with Chilean universities. We are interested in knowing a) Name of the project; b) Financing; c) Year of implementation; and d) Associated university.**

We have developed 17 programmes with various universities in Chile, including Pontificia Universidad Católica de Chile, Universidad de Chile, Universidad Católica del Norte, Universidad Adolfo Ibáñez, Universidad de Atacama, Pontificia Univ. Católica Valparaíso, Universidad Andrés Bello, Universidad de Valparaíso and Universidad San Sebastián. Our first programme began in 2015 and most of them run for between three and five years.

**What measures have you taken and how will you improve tailings dams to avoid situations that could affect nature, people and animals, considering that much of the fauna dies as a result of drinking dam water?**

For any tailings facility, Chilean legislation demands ground water infiltration systems. Anglo American's tailings facilities have control systems in place to manage infiltrations. All our tailings facilities are permanently monitored and assessed.

#### ***VI. El Torito tailings dam. Commune of Nogales, Valparaíso, Chile.***

**In 2003, during the citizen participation process for the first expansion of the El Torito tailings dam (TRET), the community noted the contamination of the underground waters that the company had caused. In the last TRET expansion project, Anglo American's 2019 Environmental Impact Assessment, committed it to carrying out mitigations in order to deliver uncontaminated water to the local communities. However, analysis from February this year shows sulphate levels above the allowed level. Anglo American has acknowledged contamination of the waters. How long should the community wait for the company to fulfil its commitments? What will the mitigations be? How will the community be compensated for this impact?**

In October 2020, El Soldado began to reduce levels of sulphates through the provision of additional water to Los Caleos water system via water trucks. This was only a temporary solution and in July 2021, the permanent solution (an osmosis plant for Los Caleos water system) is expected to begin operating, permanently reducing sulphates levels and removing the requirement for water trucks. We have also been building a hydraulic barrier, which will improve the capturing of sulphates infiltrations.

**It was also stated in the Citizen Observations on Pollution caused by particulate matter from the TRET, that: "the activity of the Anglo American company, El Soldado and its TRET would generate more pollution and PM10 and Pm2.5 in the area immediately around the project than in the rest of the province of Quillota. 15 years later, the province of Quillota has been declared a saturated area for particulate matter". What does the company think about this? How will it mitigate these terrible impacts on the community and the environment?**

We have strengthened our Particulate Material control plan at El Soldado, taking actions such as increasing the moisture of roads and loading fronts and the use of dust suppressors on main roads, reducing speed on industrial roads, and records of all actions taken are available to the community. We

have also expanded our monitoring network to three stations in the sectors of Chamizal, Nogales, and Los Caleos.

#### ***VII. Questions from Javiera Martinez of London Mining Network***

**Questions about Group of community members of El Melón “Comuneros de El Melón”:** instead of suing the community, don't they work together to achieve the common good of this area of such environmental relevance for Central Chile? Why don't they generate employment and sponsorship for the affected communities? Why better not make investments that improve the quality of life of the neighbors? Will they be able to sponsor and strengthen peasant family agriculture with irrigation and local development programs?

Since 2002 Anglo American has worked with stakeholders in its areas of influence, and through collaboration has co-built projects and developed social initiatives, with high levels of participation from local communities. Anglo American is not suing the community. We are part of a legal suit filed by some members of the community (comuneros) requesting that the authorities investigate accusations of fraud in the transfer of ownership of some plots that are part of the “bienes comunes” (land that is jointly owned by multiple landowners) and that are being used for activities that differ to the ones defined by the regulations for this type of land.

#### **Where can the criteria for the construction of dams in Chile be found?**

Sernageomin, the National Bureau of Geology and Mining, is the national authority in charge of mining safety, including tailing facilities. Criteria and much more information can be found on its website [www.sernageomin.cl](http://www.sernageomin.cl) and on the Mining Ministry website: [www.minmineria.cl](http://www.minmineria.cl).

## Colombia

### **(Questions asked by the London Mining Network)**

**If the Carbones del Cerrejón company claims to respect judicial rulings, why does it distribute advertising pieces stating that the effects on air quality and health due to the mining operation are a myth?**

Anglo American supports Cerrejón management in abiding by all judicial rulings as well Colombian environmental standards, including those linked to air quality. Cerrejón is frequently recognised for its environmental and sustainability programmes in Colombia. The information that Cerrejón shares about its performance is based on data and intended to provide transparency about the company's performance. Complaints are handled through the company's complaints and grievances mechanism established as per the UN Guiding Principles on Business and Human rights.

**Does Anglo American have any statement on the complaint filed with the OECD in January of this year for the violations associated with the coal mine in Colombia?**

In February 2021 a group of six NGOs presented complaints to the National Contact Points of the OECD in Ireland, Switzerland, Australia and the UK alleging that the shareholders of Cerrejón have contravened the OECD Guidelines for Multinational Enterprises. The OECD process linked to these complaints is still in the early stages.

**In addition to Colombia, in which other countries and mining operations in which Anglo American is involved, have there been complaints and petitions regarding health problems caused to communities near the mines? Does the company have a consolidated study on this subject?**

Cerrejón is an independently managed and operated joint venture. Anglo American seeks to avoid any detrimental health impacts on employees and local communities at its managed operations and seeks to influence the same approach at Cerrejón. An annual assessment of community health and safety impacts and appropriate avoidance, mitigation and remediation controls, including robust monitoring and evaluation, is included within Anglo American's Social Way management system. Where there may be community concerns, these are received and remedied through our complaints and grievances systems in place at our operations, as per the UN Guiding Principles on Business and Human Rights.

Anglo American also has a wider commitment to community health. In our Sustainable Mining Plan, we have set ourselves a goal of helping all of our host communities worldwide meet the community health targets in Sustainable Development Goal 3 – health. Our Sustainable Mining Plan also includes a unique commitment to have all of our mines assured against a recognised responsible mining standard, including IRMA and, for De Beers' operations, the RJC, by 2025.

**What do you have to say regarding the complaints of the lack of comprehensive reparation to the African descent community of Tabaco in La Guajira, which, according to Constitutional Court's Sentence T-329/17, has not been justified by the Carbones del Cerrejón company, despite the actions that it claims to have carried out?**

Court ruling T-329 orders the parties involved: the municipality of Hato Nuevo, the community of Tabaco and Cerrejón, to expedite compliance with the commitments reached in the 2008 Tabaco Cooperation Agreement. Under this agreement, Cerrejón was required to donate a plot of land to the Municipality so that the Municipality can build community houses, develop the layout of the plot, and build a community centre. Cerrejón has duly donated the land and developed the layout, as well as co-created the design of the community centre with the community board. Once the Municipality begins construction of the houses, the construction for the community centre can also begin. A December 2020 request that the Court clarify its ruling resulted in the Court reiterating the ruling, as described above.

**The company's economic strategy proposes the expansion of the mine. Communities affected by such expansion have claimed their rights to a clean environment, health and water. Why has Anglo American made communities feel stigmatized many of them protected by court decisions, making them seem the cause of the company's economic problems?**

Anglo American is a one third shareholder in Cerrejón, and it is Cerrejón's independent management team that have relationships with the communities in La Guajira. Anglo American supports Cerrejón in respecting the human rights of its employees as well as community members. This year, Cerrejón will be completing its third Human Rights Impact Assessment, which will include consultations with community members, socialisation of results and an action plan going forward, where this is required. Anglo American also supports Cerrejón in carrying out Prior Consultation '*Consulta Previa*' processes where required, and in establishing many other voluntary roundtable processes where community issues are discussed and addressed. All of these processes are underpinned by respect for community members.

## Peru

### (Questions asked by the London Mining Network)

**One of the main concerns regarding the Quellaveco project has to do with high water consumption and the risk of over exploitation of a natural resource. Anglo American told us in their 2020 AGM responses that the water sources for Quellaveco include the Titire River as the main source and the Vizcachas dam as an additional source. We would like to know what kind of permits you have from the authorities in Peru for the use of these waters.**

A water licence is required for the operation of a mine in Peru. Currently, Quellaveco has two phases of the water use licence approved, with the last phase due to be approved once the construction of water infrastructure is complete and has been inspected by the water authority. This forms part of the process as set out in Peruvian regulations. A water use licence is a permanent right that does not expire. The National Water Authority of Peru establishes the payment rates for water use annually, and these vary according to type of source, type of use, and availability, amongst other factors.

### **Do you have any other water sources, be it superficial or underground and how will Anglo American pay the Peruvian State and the farming communities for the use of this water?**

No, the water we need to operate is fully covered by the water coming from Titire water catchment (80%) and the Vizcachas dam (20%). Anglo American is very sensitive to how precious water is, particularly in the south of Peru. This is why water has been a key part of our engagement with the communities for many years, including in the Dialogue Table engagements in 2012. Community concerns have influenced the design of the mine. As agreed with Communities in 2012, Quellaveco has a 'zero discharge' commitment, the first of its kind in Peru. No mining contact waters will be discharged and so will not impact water bodies. Regarding payments, the National Water Authority (ANA) of Peru establishes the annual payment rates, which vary according to several factors, including the type of source (surface / underground), use (agricultural, population, mining, etc.), water availability (high, medium, low).

### **Could you provide us with the Water Management Plan of Quellaveco?**

Environmental information for a mine such as Quellaveco, including relating to water management, is publicly available information in Peru. For the Titire and Vizcachas area, water management is described in the Water Use Plan that is part of the Works Execution Authorization, approved by the National Water Authority (ANA). For the project's area of operation (mine and plant), the Surface Water Management Plan is detailed in Chapter 9 of the approved EIA. Environmental information in Peru is public information and is available to anyone that wishes to read it. All information from 2018 onwards can be found at: <https://eva.senace.gob.pe:8443/consultaCiudadano/#/>, all information prior to 2018 can be requested from the Ministry of Energy and Mines, <http://extranet.minem.gob.pe/>.

### **Anglo American said that the Vizcachas dam "will maintain water levels" in the Tambo river basin and that it will even "improve its quality". Have you considered that the construction of a dam and the diversion of a river could cause environmental impacts and affect the hydrological cycle, in one of the driest regions in Peru?**

The evaluation of any potential impact to the hydrological cycle in the Vizcachas Dam was considered extensively in the Environmental Impact Assessment for Quellaveco, which has been approved by the relevant authorities. Environmental information in Peru is public information and is available to anyone that wishes to read it. All information from 2018 onwards can be found at: <https://eva.senace.gob.pe:8443/consultaCiudadano/#/>, all information prior to 2018 can be requested from the Ministry of Energy and Mines at: <http://extranet.minem.gob.pe/>.

**Has Quellaveco established an "ecological flow" which ensures a sufficient amount of water for the correct functioning of ecosystems, the preservation of biological resources and biodiversity, the sufficient supply of nutrients, the dilution of pollutants, the minimising of the impacts caused by extreme events and the preservation of the landscape?**

Yes, the Quellaveco water scheme was considered extensively in Quellaveco's Environmental Impact Assessment, which has been approved by the relevant authorities. Environmental information in Peru is public information and is available to anyone that wishes to read it. All information from 2018 onwards can be found at: <https://eva.senace.gob.pe:8443/consultaCiudadano/#/>, all information prior to 2018 can be requested from the Ministry of Energy and Mines at: <http://extranet.minem.gob.pe/>.

**We would like to know if Quellaveco has carried out a comprehensive evaluation of the potential impact of the future extraction of water from the rivers that flow into the sea, taking into account both the social and natural needs.**

Yes, this was considered in Quellaveco's Environmental Impact Assessment, which has been approved. Environmental information in Peru is public information and is available to anyone that wishes to read it. All information from 2018 onwards can be found at: <https://eva.senace.gob.pe:8443/consultaCiudadano/#/>, all information prior to 2018 can be requested from the Ministry of Energy and Mines at: <http://extranet.minem.gob.pe/>.

**Anglo American said that the Quellaveco Project will protect the Asana River through complete isolation from their mining operations as the river has been diverted via an 8 km long tunnel and the Asana barrier. What will the impact be on the relationship between surface and groundwater as a consequence of the diversion of the Asana River?**

The diversion of the Asana river guarantees the quality and quantity of water for communities that are downstream of the Asana River basin. The management of the diversion reduces the negative impacts of extreme rainfall on downstream communities – a benefit which was experienced and recognised by communities and authorities in 2019, when the area did have extreme rainfall.

**What will happen to the springs located along the Asana river as a result of the diversion? Some research says that there are 5 lagoons in the surroundings that naturally benefit from the Asana River, and that they would inevitably be affected by the diversion.**

According to the environmental evaluations carried out as part of the project's Environmental Impact Study, no lagoons have been identified that could be impacted by the Asana River diversion.

**Could you provide us with the updated Environmental Impact Study of the Quellaveco project?**

Environmental information in Peru is publicly available. For the Titire and Vizcachas area, water management is described in the Water Use Plan that is part of the Works Execution Authorization, approved by the National Water Authority (ANA). For the project's area of operation, the Surface Water Management Plan is in Chapter 9 of the approved EIA. Environmental information in Peru is public information and is available to anyone that wishes to read it. All information from 2018 onwards can be found at: <https://eva.senace.gob.pe:8443/consultaCiudadano/#/>, all information prior to 2018 can be requested from the Ministry of Energy and Mines at: <http://extranet.minem.gob.pe/>.

**We need to know whether there will be any variations in the quality and quantity of surface and groundwater produced by the diversion of the Asana River. Can Anglo American guarantee that**

**the quality and quantity of the river water will be maintained for domestic and agricultural use by the local population?**

In order to ensure the quality and quantity of water in the Asana River, the tunnel was built to divert the river. Before, during and after executing the work, we monitored the quality of the water and the results are in accordance with the environmental baseline. The authorities have also carried out independent monitoring to determine any impact to water quality and will continue to do so throughout the life of mine. In studies carried out as part of the project's Environmental Impact Study, no impact to water was identified in the Asana River area.

**Can you guarantee that altering the nature of the river will have no long-term consequences? The 8-kilometer tunnel that has been built to divert the Asana river modifies the river channel forever and will require life-long maintenance. How does Anglo American guarantee that maintenance?**

The current design of the Quellaveco project includes restoring the Asana riverbed to its original route during the project closure stage. This process has been reviewed and approved by the competent authorities both in the Environmental Impact Study and in the project's Mine Closure Plan. Additionally, in the case of the Mine Closure Plan, national regulations establish a financial guarantee mechanism that is currently being renewed annually and this process will continue until the project is closed.



