

# RESPONSIBLE SOURCING

## SUPPLIER FREQUENTLY ASKED QUESTIONS [July 2020]

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The information in this document represents a collection of frequently asked questions (FAQs) received from suppliers to Anglo American and De Beers Group (De Beers) related to Responsible Sourcing, Human Rights and Modern Slavery requirements

The information within this document is provided without warranty and may not consider the unique situation of individual suppliers

If your query is not answered in this document, please contact your Supply Chain representative or email [RS@angloamerican.com](mailto:RS@angloamerican.com)



## 1. What is Responsible Sourcing?

Aligned to our burning ambition of **'re-imagining mining to improve people's lives'**, our Responsible Sourcing Standard for Suppliers defines minimum sustainability requirements and decent work principles required by suppliers to Anglo American. Within our business, the commitment to responsible sourcing prioritises ethical decision making when purchasing goods and services.

Anglo American and De Beers Group expect suppliers to meet all applicable laws – and share our commitment to improve people's lives, society and our environment. Suppliers are a critical part of our business and includes providers of goods and services to Anglo American and its subsidiaries, all agents, contractors, consultants and intermediaries.

For easier referencing, we have defined **'5 Responsible Sourcing Pillars'**, these contain important principles for any business, anywhere in the world.

1. **Protect safety and health:** Suppliers must protect the safety and health of their workforce
2. **Protect our environment:** Suppliers must demonstrate protection of the environment
3. **Respect labour and human rights:** Suppliers shall respect all labour and human rights through their value chain
4. **Contribute to thriving communities:** Suppliers shall contribute to our objectives for thriving communities
5. **Conduct business fairly and with integrity:** Suppliers must conduct business with the utmost integrity and always act in a proper manner, fairly and lawfully

## 2. Why is the Responsible Sourcing Standard important?



**At a minimum, suppliers are expected to meet all relevant legal requirements for the sector and Country where they operate.**

**In our Responsible Sourcing Standard for Suppliers ('Standard')** we have defined **'5 Responsible Sourcing Pillars'**, these contain important principles for any business, anywhere in the world. The Standard provides guidance to suppliers on sustainability requirements and should be viewed as a 'minimum requirement' in addition to all other legal requirements, Company policies, sourcing event specific requirement or site conditions.

A summary of the **'5 Responsible Sourcing Pillars'**, is included on *page 16 of this document*, a full version of the Standard for Suppliers on our corporate website: [www.angloamerican.com/suppliers/responsible-sourcing](http://www.angloamerican.com/suppliers/responsible-sourcing)

Our website also contains other policies, standards and materials to help you better understand our approach to safety, business integrity, combatting modern slavery, protecting society and the environment, including:

- a. Anglo American Responsible Sourcing Standard for Suppliers
- b. Anglo American Code of Conduct
- c. Anglo American Human Rights Policy
- d. Anglo American Social Way
- e. Anglo American Safety, Health and Environment Policy.
- f. Modern Slavery Act (MSA) Statements
- g. De Beers Best Practice Principles programme.

You may also request more information from your procurement contact at Anglo American or De Beers.

### 3. Does Anglo American provide any support to better understand Responsible Sourcing?

We are committed to working with our suppliers – and prospective suppliers - to increase the awareness of our business requirements including Responsible Sourcing.

In addition to our various Supplier Development programmes, we run a series of Responsible Sourcing awareness and capacity development programmes for our suppliers, and welcome you to contact your procurement representative or [RS@angloamerican.com](mailto:RS@angloamerican.com) for details of upcoming events or to propose specific areas you may need specific support for. In our drive to build an inclusive Supply Chain, these programmes are fully paid for by Anglo American.

### 4. What is decent work? How does this align to Responsible Sourcing?

Decent work principles apply to both the formal and informal sector, it involves opportunities for work that are productive and deliver:

- a. **Respect and protection of worker rights** – this includes fair income for employees, minimum wage, rest days, 8 hour days and voluntary employment.
- b. **Safe workspaces,**
- c. **Prospects for personal development and social integration,**
- d. **Freedom for workers to express their concerns,** organize and participate in the decisions that affect their lives,
- e. **Non-discrimination** and equality of opportunity and treatment for workers of all genders.

**Decent work principles are integrated in the Standard.**

### 5. What are my responsibilities as an employer amidst the COVID-19 pandemic?

The COVID-19 pandemic has disrupted supplier businesses and their supply chains on an unprecedented scale. Many suppliers have expressed concerns due to a combination of extraordinary factors including health impacts to employees, contamination of materials, social-distancing, restrictions on movement, logistics constraints and reduced customer demand.

Despite these challenges as an employer, you are requested to **exercise a duty of care and empathy** when engaging with your employees and your suppliers.

Where work has resumed,

- ensure that all work is conducted voluntarily and without heightened risk to your workers,
- maintain healthy workplace practices and controls,
- protect the rights of workers who raise health related concerns,
- facilitate fair dealings with your suppliers,
- work with health authorities to understand risks and your controls,
- be extra mindful of potential risks faced by your suppliers.

Additional guidance has been provided by the authorities in the Australia and the United Kingdom, you may refer to the detail using the links below:

<https://www.homeaffairs.gov.au/about-us/our-portfolios/criminal-justice/people-smuggling-human-trafficking/modern-slavery-act-coronavirus>

<https://www.gov.uk/government/publications/coronavirus-covid-19-reporting-modern-slavery-for-businesses/modern-slavery-reporting-during-the-coronavirus-covid-19-pandemic>

## 6. What types of risk with my suppliers should I be aware of amidst the COVID-19 pandemic?

As a partner to Anglo American and De Beers we share a commitment to the safety, well-being and rights of the hundreds of thousands of people that are impacted across our interdependent supply chains and through our procurement decisions.

The commitment towards responsible sourcing, the protection of people and the principles of decent work remain critical, now more than ever. Recent publications have indicated an increase in certain sustainability risks, it is therefore important for you to have visibility of your suppliers, and their suppliers in order to address risks which could include:

- **Wage and overtime violations** – including reduction in mandated entitlements,
- **Increased discrimination and harassment of vulnerable workers** - including detrimental impact for the refusal or ceasing of work,
- Increased likelihood of **Gender Based Violence**.
- **Restricted personal freedoms**, movement and increased surveillance of workers,
- **Restrictions on forums to address worker rights issues**- such as union activity and worker forums,
- **Opportunistic behaviour** which could including the demanding of sexual favours, demanding cash or other forms of ‘kickbacks’ to retain jobs or for new recruitment,
- **Increased likelihood of child labour**, undocumented workers or other forms of unethical recruitment practices,
- **Potential lack of focus on safe workplace** environments.

## 7. What other guidance should I be aware of to manage COVID-19?

We urge you to stay safe, observe necessary rules and consult your local Government and Health sources for updated guidance to manage the pandemic. To support each of us navigate through these challenging times, we have drawn from various resources to provide **5 Guiding Steps** below:

1. **Continue to exercise a duty of CARE and empathy** when engaging with your employees and your suppliers. People impacted through our operations are under significant pressure both professionally and personally. Employees may be feeling vulnerable and uncertain around their future; while supplier businesses may have experienced difficulty in meeting business obligations.
2. **Continue to protect and uphold worker rights in your business**, ensuring that all work remains voluntary, appropriately compensated and done without detriment to the safety or well-being of your workforce.
3. **Manage potential new Human Rights and other forms of Modern Slavery risk** within your supply chain.
4. **Access resources to support your initiatives** - various external resources have been made available to businesses to support the identification and management of potential Human Rights and Modern Slavery related risk amidst COVID-19. We have included some of them as an appendix at the end of with this message.

5. **Create wider awareness of worker rights and mechanisms to report abuses.** We will always encourage the ethical and acceptable treatment of the workforce, be it in your business or those of the suppliers in your supply chains.
  - a. Encourage the reporting of any suspicious, unethical or improper behaviour using whistleblowing channels.
  - b. Your employees, or those of your suppliers should also be encouraged to use YourVoice. YourVoice is a confidential channel used by Anglo American and De Beers which allows you to challenge behaviour without fear of retaliation. Any person may use the online platform, or access a comprehensive list of global telephone numbers available on [www.yourvoice.angloamerican.com](http://www.yourvoice.angloamerican.com)

You are welcome to send our Responsible Sourcing Self-Assessment Questionnaire (SAQ) to your suppliers to get an initial view of their workplace practices and discuss any potential concerns with your Anglo American or De Beers Supply Chain contact who can advise additional support steps.

## 8. Is the Responsible Sourcing requirement similar to a Supplier Code of Conduct?

Yes – our Responsible Sourcing programme is the equivalent of a **Supplier Code of Conduct** and outlines the key expectations of suppliers to our business. The **'5 Responsible Sourcing Pillars'** contain important principles for any business, anywhere in the world and highlights the minimum requirements that need to be met by our suppliers.

1. **Protect safety and health:** Suppliers must protect the safety and health of their workforce
2. **Protect our environment:** Suppliers must demonstrate protection of the environment
3. **Respect labour and human rights:** Suppliers shall respect all labour and human rights through their value chain
4. **Contribute to thriving communities:** Suppliers shall contribute to our objectives for thriving communities
5. **Conduct business fairly and with integrity:** Suppliers must conduct business with the utmost integrity and always act in a proper manner, fairly and lawfully

In many cases companies refer to their expectations in different terms including ethical sourcing requirements, sustainability requirements, Supplier Code of Conduct, etc.

These are all similar names for the same concept – as any approach which looks at labour rights (including employment practices), workplace health and safety, business integrity practices and environmental practices of suppliers can be considered within this definition. Companies tend to use different names to differentiate their approach and, in some cases, have their own name for the programme e.g. Coca Cola calls this 'Supplier Guiding Principles' or SGP.

In addition to the Responsible Sourcing requirements, Anglo American has defined their 'Code of Conduct' which applies to all of its employees, agents and intermediaries. We encourage you to download this document from our website in order to understand how we share the same expectations and governance requirements within our organisation.

## 9. What is Modern Slavery?

Modern Slavery includes cases of forced or involuntary labour and human trafficking. According to the International Labour Organization and Walk-Free Foundation, in 2017 an estimated 152 million children were connected to some form of child labour and 25 million adults and children are in some form of forced labour – including within global supply chains.

While global supply chains can generate economic growth and social development, the potential for harm increases as businesses seek to diversify sources of supply or further integrate into local economies. Risks include decent work deficits and human rights violations, such as child labour, forced labour and human trafficking.

As businesses, we are all expected to have wide visibility of our supplier network – this allows us to assess and address risks of modern slavery in their operations and supply chains. **Modern Slavery Laws** have been enacted in the UK and Australia and are designed to improve transparency across global supply chains.

## 10. What forms can Modern Slavery take?

Modern slavery is an umbrella term and includes instances where individuals are deprived of personal freedoms or workers cannot cease work due to threats, coercion or deception. Examples of Modern Slavery include:

- Human trafficking
- Servitude and Debt bondage
- Worst forms of Child Labour
- Forced labour
- Deceptive recruiting practices
- Slavery and slave like offenses
- Forced marriage

For more information on modern slavery, please see the Walk Free Foundation's quick guide below:  
<https://cdn.minderoo.com.au/content/uploads/2019/08/09141431/understanding-modern-slavery-p.pdf>



## 11. How does Responsible Sourcing support the Anglo American Sustainable Mining Plan?

Anglo American's 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 pillars of sustainability that are aligned with the UN's Sustainable Development Goals (SDGs): 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.



Globally, there is an increasing expectation of business to demonstrate accountability in ensuring responsible business conduct by all parties in corporate supply chains. One of the goals we have 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.**

To this end, we have set two major commitments:

1. *Implement a Responsible Sourcing Standard across Anglo American*
2. *Advocate for the development of a common responsible sourcing standard for the mining industry*

## 12. Is Anglo American working within the mining industry to promote Responsible Sourcing?

Aligned to our **Sustainable Mining Plan** and **Building Forever Framework**, Anglo American and De Beers are working towards the development of a common Responsible Sourcing approaches within the mining industry. Collaboration is critical for tackling responsible sourcing linked issues and building the scale to meaningfully drive positive sustainability outcomes. Peer mining companies and our suppliers have complex and diverse supply chains which often face similar risks. We seek to actively share our experiences with such suppliers and look for opportunities to co-operate on areas of mutual interest and in accordance with applicable law.

### **Our commitment to Industry Collaboration and Mutual Recognition:**

In recent years we have been participating several working groups and initiatives to set progressive standards for the mining industry. These initiatives seek to drive a consistent industry approach to promote greater supplier participation and encourage better sharing of non-competitive supplier data. This will reduce the effort and cost required by suppliers through principles of 'mutual recognition'.

We encourage you to email evidence to your Supply Chain representative should you have done any of the following within the past 36 months:

- Already completed a SAQ,
- Conducted any third party certification or accreditation on your facility such as ISO 26001 or SA 8000,
- Completed sustainability, ethical sourcing or similar assessments on behalf of another customer.

### 13. Does Responsible Sourcing support the Anglo American Human Rights strategy?

Our approach to human rights is aligned with the UN Guiding Principles on Business and Human Rights and we remain committed to implementing the UN Global Compact Principles.

Our Human Rights Policy and framework guides our approach to identifying and addressing salient human rights risk, which are integrated into the Social Way and other relevant internal documents.

Our Policy requires operation-level due diligence processes. Given that human rights are cross-cutting and touch on every discipline, function and aspect of the business, our approach to managing human rights is cross-functional, broad-based and firmly embedded into our broader risk management framework. Within Supply Chain, we are aware of reputational and operational risks, therefore selecting and working with the right suppliers helps us mitigate this risk.

Suppliers shall respect all labour and human rights through their value chain including at a minimum, those expressed in the International Bill of Human Rights and the ILO's Declaration on Fundamental Principles and Rights at work:

### 14. What is expected from suppliers?

At minimum, Responsible Sourcing requires 4 steps from all suppliers:



1. **Commit to Responsible Business Practice**

Every supplier to our business is required to comply with relevant laws and commit to Anglo American's Responsible Sourcing requirements as a precondition to supply. These requirements are also in our contract templates and purchase order conditions.



2. **Complete a Self-Assessment**

Suppliers are to complete a self-assessment questionnaire (SAQ), including making updates to the information provided. The SAQ is typically required during supplier registration, qualification, updates and sourcing events.



3. **Provide evidence of third party site assessments**

Suppliers may be required to provide evidence of previously conducted responsible sourcing assessments, or be requested to conduct a new, third party assessment. These include:

- **Full on-site assessment:** where a third party team will visit your facility to conduct an assessment which includes meeting workers and verifying records.
- **Virtual or desktop assessment:** where you will be required to provide certain records, photographs and other materials to the third party team
- **Follow-up assessment:** where you will be required to present evidence of how key sustainability risks have been addressed.



4. **Manage your risk**

Where Responsible Sourcing risk has been identified - including any breaches to the Standard - suppliers are required to inform Anglo American, develop corrective action plans with realistic timelines to address them and provide feedback on progress.



## 15. How have Responsible Sourcing requirements changed amidst the COVID-19 pandemic?

While the way we conduct business has changed - the commitment towards responsible sourcing, the protection of people and the principles of decent work remain critical, now more than ever. Some amendments to our programme include:

Requirement	Considerations
<b>Commit to Responsible Business Practice</b>	No change – all suppliers are required to commit as a condition of business
<b>Complete a Self-Assessment</b>	Extension of timeframes for SAQ completion
<b>Provide evidence of third party site assessments</b>	<b>Working within the Industry to promote ‘mutual recognition’ allowing you to share historic assessment information.</b> <b>Increased use of virtual or desktop assessment:</b> where you will be required to provide certain records, photographs and other materials to the 3 <sup>rd</sup> party team
<b>Manage your risk</b>	Where operations have ceased as a result of COVID-19 lockdown - extension of timeframes for suppliers to close out previously identified risk Investment in supplier materials to support online / distance learning and capacity development.

## 16. Where else in the sourcing process do you ask for Responsible Sourcing information?

Anglo American launched its Sustainable Development in the Supply Chain Policy and Code in 2009 and these requirements have been included as standard conditions with suppliers. Those requirements form the basis of the current Responsible Sourcing programme.

These have been embedded in several phases of our supplier management process, including:

- **When registering as a supplier to Anglo American:** Our supplier onboarding process includes the acknowledgement of responsible sourcing, Anglo American Policies and other requirements for suppliers. Agree to company policies and requirements including Responsible Sourcing and commitment to combatting Modern Slavery.
- **Checks during supplier onboarding and contracting:** These typically include regulatory and compliance-related verifications, security-related validations and third-party-provided ‘adverse media’ screenings.
- **Within Supplier Contracts:** We regularly review and update supplier contract templates and other legal instruments to include core responsible sourcing requirements that are consistent with our Standard.
- **Requirements within Purchase Order Terms and conditions**
- **Specific requirements based on sourcing events:** Responsible Sourcing requirements (which compliment Human Rights, Social impact and Contractor Management) are included when we source items which may pose likelihood of social disruption, community impact and other reputational or operational risks.
- **Individual requests for responsible sourcing based evidence:** Suppliers have been required to provide information, complete a SAQ or provide evidence of assessments as part of our due diligence.

## 17. Why have my other mining customers not asked me for Responsible Sourcing information?

Collaboration is critical for tackling modern slavery and building the scale to meaningfully drive positive sustainability outcomes. Our suppliers often have complex and diverse supply chains and face similar risks to Anglo American and peer operators within the mining sector.

We seek to actively share our experiences within our Industry and with our suppliers to identify opportunities to co-operate on areas of mutual interest and in accordance with applicable law.

Within our sector, different companies have different approaches to Responsible Sourcing, recently we have seen more growth in this area through Industry driven approaches e.g. via the ICMM, the Human Rights Working Group (Australia) and the Minerals Council of South Africa, along with an increase in efforts from peer mining companies.

*"There's a right way to make products. It starts with the rights of the people who make them."*  
www.apple.com

Other industries, e.g. apparel, electronics and fast-moving-consumer-goods have been running responsible sourcing programmes since the 1990's. Soon, Responsible Sourcing will be a standard requirement for doing business for all suppliers with every major mining company.

## 18. What are the different types of assessments?

- **Self-assessments:** these are to be completed by suppliers using a self-assessment questionnaire (SAQ), completion of the SAQ takes under 45 minutes.
- **Virtual or desktop assessment:** where you will be required to provide certain records, photographs and other materials to the third party team. The type of information will typically include Policies, safety records, compliance certificates (e.g. fire safety drill evidence).
- **Follow-up assessment:** where you will be required to present evidence of how key sustainability risks have been addressed.
- **On-site assessments:** this entails a visit to your facility by a third party auditor- this includes meeting workers and verifying records.

## 19. What is a Self-Assessment Questionnaire (SAQ)?

The Self-Assessment Questionnaire (SAQ) is practical survey questionnaire.

Most of the questions are multiple-choice and most suppliers should be able to complete the SAQ in under 45 minutes. When we designed the SAQ, we also wanted suppliers to use the tool to better understand our requirements. The SAQ is divided into various sections based on the type of goods or services you provide to Anglo American.

An 'offline' version of the SAQ is located on our website, suppliers are encouraged to download it to better understand the requirements. This may be accessed using the link below:  
[www.angloamerican.com/suppliers/responsible-sourcing](http://www.angloamerican.com/suppliers/responsible-sourcing)

Suppliers will receive a formal request to complete the SAQ from Anglo American, this would typically be at sourcing events or during registration.

## 20. How often would I have to complete a Self-Assessment Questionnaire (SAQ)?

We recommend that suppliers regularly review the SAQ and make updates if there are changes in your business.

We will require suppliers to review the SAQ at minimum every 36 months, we may however request a more frequent update should more information be required.

## 21. Why have I been selected to undertake an on-site assessment?

We use a sample and risk based approach (typically considering spend, criticality of equipment/service, type of industry, number of people employed, etc.) when identifying suppliers for an on-site assessment.

On-site assessments provide suppliers with an independent view of sustainability performance and risk– we use some of that data to better engage with suppliers to manage their risk.

Note: Suppliers who do not complete a SAQ within the requested timeframe are automatically flagged for an assessment.

## 22. I have already done an on-site assessment – will I have to do this again for Anglo American?

If you have scheduled, or already obtained independent third party audit/certification/assessment against an accepted standard\*, please forward the report to our team who will then assess and provide feedback on further requirements.

You may email this to [RS@Angloamerican.com](mailto:RS@Angloamerican.com) or your procurement contact.

We do not want suppliers to go through additional effort and cost if there are existing documents which could be used, we will evaluate these on a case by case basis.

\*Examples of accepted standards include:

- SMETA (SEDEX Members Ethical Trade Audit) ([www.sedex.org.uk](http://www.sedex.org.uk))
- ERSA (Elevate Responsible Sourcing Assessment)
- The Ethical Trading Initiative (ETI) Basecode ([www.ethicaltrade.org](http://www.ethicaltrade.org))
- Social Accountability International - SA 8000 Standard ([www.sa-intl.org](http://www.sa-intl.org))
- The Business Social Compliance Initiative (BSCI) Standard ([www.bsci-eu.org](http://www.bsci-eu.org))
- Global Social Compliance Protocol (GSCP) equivalency audit (including ISO 26000)
- Social / Ethical assessments that may have been conducted on behalf of other Mining, Petroleum or Heavy Industrial customers

## 23. Who will pay for the Responsible Sourcing on-site assessment?

**Note: On-site assessments will only be required from a sample of Anglo American suppliers, you will only be expected to plan for an assessment once you receive an official notification request.**

Costs are the responsibility of the supplier and should be considered as a normal business expense similar to an ISO / Quality / Safety or equivalent type of 3rd party assessment.

We have taken a broad view on the types of assessments which are acceptable, in order to reduce duplication of effort and have negotiated preferential rates for our suppliers with accredited auditors.

Paying and owning your own assessment ensures:

- Reduced duplication of cost and effort by allowing you to share this information with multiple customers, in multiple industries
- As the owner of the data you may use your results to market your organisation
- External reliance and credibility of the reports as these are conducted by independent auditors
- Benchmark your ethical, production and management practices against world class standards

#### **24. How could I undertake an onsite assessment given the COVID-19 restrictions?**

The safety and protection of people remains a priority for Anglo American and De Beers, there are numerous risks associated with travel for 3<sup>rd</sup> party auditors which we understand and respect. Should an on-site assessment be required through 'lockdown' or other restricted movement stages, we will seek to employ **'virtual or desktop based' assessments.**

Through this process, you will be required to provide documentation and photographic based evidence through a guided process by our 3<sup>rd</sup> party auditors.

#### **25. What if I cannot pay for cost of an on-site assessment?**

We recognise that the responsible sourcing audit cost may could pose a cash flow challenge for some of our suppliers, we have therefore set aside budget to cover the audit costs for selected Small and Medium (SMME) suppliers. This will be agreed on a case-by-case basis.

#### **26. How often would I have to conduct an on-site assessment?**

At a minimum, an assessment needs to be conducted every 3 years – these would typically be where there are no / low risk issues identified, or all your corrective actions can be easily closed out.

Where higher risk issues are identified, more regular follow-up assessments may be needed to ensure that issues are closed out.

#### **27. Where do I obtain a list of auditors for an on-site assessment?**

Anglo American has Global agreements in place with Intertek and Elevate / Partner Africa. You may however choose to use your preferred firm, at a minimum, we recommend using auditors who:

- Are members of the SEDEX Associate Auditor Group (AAG), Association of Professional Social Compliance Auditors (APSCA) or equivalent quality control body - these firms are able to meet stringent criteria and quality in their offering
  - A list of AAG members can be found on this link  
<http://www.sedexglobal.com/ethical-audits/aag/>
- Have an extensive understanding of local laws and have team members who speak local languages
- Have experience working in your industry

## **28. How do I 'prepare' for an on-site assessment?**

1. The SAQ provides an outline of all data and information that will be verified through an on-site assessment.
2. Auditors require access to records and data relating to personnel and training. In addition, management is requested to provide an A3 (or larger) scale site drawing for use during the on-site assessment. It's important that these plans show the different rooms and areas of the plant.
3. Auditors will require access to a workroom where they are able to store equipment and interview production employees.
4. It is typical during the on-site assessment to take digital photographs to assist the reporting progress. Should you have any concerns on the confidential nature of the photographs, this should be raised with the auditors prior to the assessment, or at the latest case, during the opening meeting with the auditors.
5. Finally, the management team needs to be open to the process and willing to discuss any issues identified

## **29. What information will be checked during an on-site assessment?**

The aim is to verify that legally agreed benefits are provided to employees that are considered most at risk – practically this would mean production workers, cleaning staff and any worker who is not employed in a supervisory or management position.

For these categories of workers, there are generally published and agreed sector wage rates and working hours – the assessment will review time and attendance information and validate that payment is consistent with these agreements. Employee files will be reviewed to ensure that valid contracts are maintained, identity copies of employees are maintained and all other legal obligations fulfilled.

**Please note: Employment and payment information related to Management staff, Directors and Owners is not included in the scope.**

## **30. How will the privacy of my information be maintained?**

Anglo American has signed confidentiality agreements with each of our suppliers as a condition of service. You may also request that the audit companies sign additional confidentiality clauses during your discussions with them. Our business has committed to publicly available Group-wide Data Privacy Policy which applies to the way that we work, and the expected behaviour of suppliers.

We are aware that you may be producing sensitive items for other customers, and we request that this is brought to the attention of the auditing team in advance.

## **31. What happens if I fail the SAQ or an on-site assessment?**

It is important to understand that these are not designed as "pass or fail" assessments. The purpose is to verify your practices and to assist in the remediation of any issues in a sustainable manner.

Participation in the process enables suppliers to identify and manage risk, improve management systems, update processes and policies while better understanding employee issues. These bring about sustainable, measurable improvement in business.

Should a supplier wilfully not take action towards remediating risk issues, we consider this as a 'Material Breach'. This constitutes non-compliance with the Responsible Sourcing requirements and therefore a breach of the supply agreement and may be dealt with accordingly.

### 32. I have completed the SAQ and assessment - what happens next?

Should the SAQ or assessment identify any risk areas or non-compliances, we expect suppliers to develop a remediation plan with realistic timeframes to close-out issues and communicate this to your Anglo American procurement contact.

### 33. Will I receive a feedback after completing the SAQ?

We invite you to contact us should you require more detailed feedback following completion of the SAQ on [RS@angloamerican.com](mailto:RS@angloamerican.com)

### 34. Reporting potential violations

We encourage suppliers, including their employees and their suppliers to use the independently managed 'YourVoice' facility to report any suspicious behaviour, potential or actual breach of our Standard, potential Human Rights or Modern Slavery violations, Legal requirements or inappropriate action exhibited by Anglo American or De Beers staff.

You may contact YourVoice at one of the following hotline numbers:

Australia: 1300 894 021

Botswana: 0800 7861 035

Brazil: 0800 892 0491

Canada: 1 855 303 7713

Chile: 800 914 059

China: 400 120 0372

Peru: 1 7009765

Singapore: 800 492 2387

South Africa: 087 232 5426

United Kingdom: 0800 068 8792

Alternatively, you may visit the YourVoice sites for more information:  
[www.yourvoice.angloamerican.com](http://www.yourvoice.angloamerican.com) or [www.yourvoice.debeersgroup.com](http://www.yourvoice.debeersgroup.com)



### 35. Sample on-site assessment agenda

The table below highlights the key steps and activities during a typical on-site assessment.

45 Minutes	<b>Opening Meeting</b> <ul style="list-style-type: none"> <li>Explanation of the audit scope, deliverables and process</li> <li>Review of your self-assessment information</li> <li>Review of the document request list</li> <li>Identification of documentation to be prepared for review</li> </ul>	<ul style="list-style-type: none"> <li>Site Manager</li> <li>Human Resource Manager</li> <li>Environmental Health and Safety Manager</li> </ul>
60 Minutes	<b>Site Inspection</b> <ul style="list-style-type: none"> <li>Understanding the different areas of your site</li> </ul>	<ul style="list-style-type: none"> <li>Site Manager</li> <li>Environmental Health and Safety Manager</li> </ul>
120 Minutes	<b>Document Review</b> <ul style="list-style-type: none"> <li>Review of management documentation</li> <li>Review of employee personnel files</li> <li>Review of wages and payroll related information</li> </ul>	<ul style="list-style-type: none"> <li>Human Resource Manager</li> <li>Payroll Clerk</li> <li>Environmental Health and Safety Manager</li> </ul>
180 Minutes	<b>Interviews with production employees</b>	<ul style="list-style-type: none"> <li>Production Staff only</li> </ul>
30 Minutes	<b>Secondary Site Inspection</b>	
30 Minutes	<b>Preparation of Onsite Report</b>	
60 Minutes	<b>Presentation of Onsite Report to Management</b>	<ul style="list-style-type: none"> <li>Site Manager</li> <li>Human Resource Manager</li> <li>Environmental Health and Safety Manager</li> </ul>

### 36. Summary of the 5 Responsible Sourcing Pillars?

The table below outlines key principles of the 5 Responsible Sourcing Pillars, please refer to our website and download the full version of the requirement.

<b>Suppliers must protect the safety and health of their workforce</b>	<b>Suppliers must demonstrate protection of the environment</b>	<b>Suppliers shall respect all labour and human rights through their value chain</b>	<b>Suppliers shall contribute to our objectives for thriving communities</b>	<b>Conduct business with the utmost integrity and always act in a proper manner, fairly and lawfully</b>
<ul style="list-style-type: none"> <li>• We work together to maintain a safe and healthy workplace.</li> <li>• Comply with all applicable legislation, regulations, by-laws and best practice guidelines</li> <li>• Maintain a zero tolerance approach to unsafe behaviour</li> <li>• Conduct risk assessments and manage safety risks</li> <li>• Ensure that employees are trained and issued with protective equipment</li> <li>• Offer unrestricted access to water and sanitary facilities</li> <li>• Manage infectious diseases</li> <li>• Contribute to safety innovation and performance</li> <li>• Accommodation (where provided) meets health and fire code requirements</li> </ul>	<ul style="list-style-type: none"> <li>• Comply with all applicable legislation, regulations, by-laws and any guidelines, striving towards best practice</li> <li>• Conduct risk assessments and manage environmental risks</li> <li>• Use water responsibly, reduce emissions and waste</li> <li>• Comply with all site requirements (applicable to all work conducted on Anglo American sites)</li> </ul>	<ul style="list-style-type: none"> <li>• Work towards UN Guiding Principles on Business and Human Rights</li> <li>• Not use child labour</li> <li>• Combat all forms of Modern Slavery – including the elimination of trafficked, forced, bonded and involuntary prison labour</li> <li>• Oppose unfair or inhumane treatment of the workforce, including all forms of bullying and harassment</li> <li>• Allow and respect freedom of association</li> <li>• Maintain working hours which meet legal requirements and operate shifts under 12 hours</li> <li>• Demonstrate that overtime is voluntary, within legal limits and appropriately compensated</li> <li>• Maintain fair and legal terms of employment</li> <li>• Not permit unauthorised or illegal salary deductions</li> <li>• Eliminate irregular employment</li> <li>• Eliminate illegal and unfair discrimination</li> <li>• Promote an inclusive workplace</li> </ul>	<ul style="list-style-type: none"> <li>• Respect rights of communities and individuals</li> <li>• Comply with all site-specific social performance management requirements.</li> <li>• Manage the provision of security related services</li> </ul>	<ul style="list-style-type: none"> <li>• Oppose bribery</li> <li>• Not offer gifts, entertainment and hospitality</li> <li>• Do not engage in unfair commercial practices</li> <li>• Manage conflicts of interest</li> <li>• Maintain information security</li> <li>• Comply with anti-money laundering laws, anti-terrorism financing laws tax and trade regulations</li> <li>• Encourage “whistleblowing” and speaking up against unethical behaviour</li> </ul>

### 37. External information links for Human Rights, Modern Slavery and managing COVID-19

*These are a set of useful external resources, please also refer to Government issued guidance for your country regarding COVID-19 management.*

- **World Health Organisation** – COVID-19 – includes Country and Technical advice
  - <https://www.who.int/emergencies/diseases/novel-coronavirus-2019>
- **United Nations Global Compact**
  - <https://www.unglobalcompact.org/>
  - **Action platforms**
    - <https://www.unglobalcompact.org/sdgs/action-platforms>
  - **Decent Work Toolkit**
    - [www.unglobalcompact.org/take-action/sustainableprocurement](http://www.unglobalcompact.org/take-action/sustainableprocurement)
- **The United Nations Guiding Principles for Business and Human Rights**
  - <https://www.business-humanrights.org/en/un-guiding-principles>
- **United Nations Sustainable Development Goals (SDG's)**
  - <http://www.sustainabledevelopment.un.org>
- **The World Business Council for Sustainable Development (WBCSD)**
  - <https://www.wbcsd.org/Programs/People/Social-Impact/Human-Rights/Resources/CEO-Guide-to-Human-Rights2>
- **Danish Institute Study on Human Rights**
  - <https://sdg.humanrights.dk/>
- **Impact of the UN SDGs on business**
  - <http://www.sdgs.org.au>
- **International Labour Organisation (ILO) - Decent work**
  - <http://www.ilo.org/>
  - **Decent work**
    - <https://www.ilo.org/global/topics/decent-work/lang--en/index.htm>
- **Oxfam** – impact of COVID-19
  - <https://www.oxfam.org/en/press-releases/half-billion-people-could-be-pushed-poverty-coronavirus-warns-oxfam>
- **Walk Free Foundation guide on Modern Slavery:**
  - <https://cdn.minderoo.com.au/content/uploads/2019/08/09141431/understanding-modern-slavery-p.pdf>
- **Modern Slavery Act in the United Kingdom** – includes resources to identify and support victims
  - <https://www.gov.uk/government/collections/modern-slavery>
  - **Impact of Coronavirus**
    - <https://www.gov.uk/government/publications/coronavirus-covid-19-reporting-modern-slavery-for-businesses/modern-slavery-reporting-during-the-coronavirus-covid-19-pandemic>

- **Modern Slavery Act in Australia**
  - <https://www.homeaffairs.gov.au/criminal-justice/Pages/modern-slavery.aspx>
- **Australia Department of Home Affairs - Impact of Coronavirus**
  - <https://www.homeaffairs.gov.au/about-us/our-portfolios/criminal-justice/people-smuggling-human-trafficking/modern-slavery-act-coronavirus>

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