

# Responsible Commodity Sourcing Policy for Marketing

## Responsible sourcing aligned to our Purpose

The metals and minerals we source are essential to the transition to a low carbon economy and enabling a cleaner, more sustainable, world as well as meeting the growing consumer-driven demands of the world's developed and maturing economies. We are committed to ensuring an ethical value chain for all products we produce and source.

Our counterparties are a critical part of this journey in supporting our commitment to ethical and transparent business practices. We make it a priority to work with businesses and individuals who comply with all applicable laws and regulations in their jurisdiction(s), and who share our commitment to have a positive impact on people and the planet.

Our **Responsible Sourcing Standard** – the framework that guides our efforts – defines the minimum requirements and work principles that we, together with our suppliers, need to uphold, ensuring we prioritise ethical decision-making and transparency when purchasing goods and services. We have developed this Responsible Commodity Sourcing Policy for Marketing business to provide additional guidance for our commodity suppliers and intermediaries. This policy is consistent with the requirements of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and other leading best practices.

**Our approach is based on three guiding principles:**

### 1 Progressive standards and policies

Affirms our non-negotiable requirements and ambition from counterparties, which go beyond compliance.

### 2 Risk-based due diligence

Ensures that our processes and counterparty engagement approach supports the identification and management of risk.

### 3 Continuously improve practices

Acknowledges that this transformation takes time to implement. We want our counterparties to commit to continuous improvement in their ways of work.

It is a prerequisite that all Anglo American counterparties have read, understood, and acknowledged Anglo American's Responsible Sourcing Standard. We also have resources on our [website](#) that provide further detail on our responsible sourcing approach, including:

- Guidance on our requirements.
- References to various company policies, relevant governance documents and associated Standards.
- Requirements for the treatment of workers, as outlined by the International Labour Organisation and other best practice guidance from various Human Rights conventions.

COVID-19: When applying the requirements of this or any other Policy or Standard, please do so in consultation with the relevant local and national authorities to requirements advised by your Government and Health Authorities.  
To find out more about the Anglo American W&A&M programme as a community response to COVID-19 please visit our website <http://www.angloamerican.com>

#### RESPONSIBLE SOURCING STANDARD FOR SUPPLIERS 2020

Ref: 570 EXT SUP 012/20  
Effective from 01 July 2020



Aligned to our buying ambition of 'be an ongoing partner to progress people's lives', this Responsible Sourcing Standard for Suppliers Standard defines minimum, non-negotiable requirements and work principles required for suppliers to Anglo American. We, as our business, the commitment to responsible sourcing practices, ethical decision making when purchasing goods and services.

## What is expected of our counterparties?

We require our counterparties meet our standard, site requirements where applicable and other supply conditions, and to exercise effective due diligence to identify and manage supply chain-related risks for the metals and materials we source, including:

- a) Any forms of torture or cruel, inhumane, or degrading treatment of people.
- b) Widespread sexual violence, war crimes, or other serious violations of international humanitarian law.
- c) The use of child labour (including, in particular, the worst forms of child labour).
- d) All forms of forced or compulsory labour including other forms of modern slavery.
- e) Any direct or indirect support to non-state armed groups and/or public or private security forces acting illegally. This includes but is not limited to, procuring minerals from, making payments to, or otherwise providing logistical assistance or equipment to non-state armed groups or their affiliates.
- f) All forms of bribery, including bribery to misrepresent taxes, fees and royalties paid to governments for the purposes of mineral extraction, trade, handling, transport, and export.
- g) Money-laundering and the financing of terrorist activities.
- h) Fraudulent misrepresentation of the origin of the materials or deliberately impeding traceability in any way.
- i) Environmental violations that cause permanent or irreversible adverse effects to the environment such as serious discharges of hazardous substances into the air, land, or water; or damage of cultural heritage sites.
- j) Wilful or negligent acts or omissions resulting in serious work-related injuries or fatalities.
- k) All forms of illegal discrimination or non-conformance to relevant labour laws including at a minimum those expressed in the ILO's Declaration on Fundamental Principles and Rights at Work.
- l) Unlawful evicting persons from or depriving them of the use of land, forest or water when those persons are dependent on the land, forest or water for their livelihood.
- m) Illegal wage deductions and non-payment of minimum wage or legal benefits.
- n) Refusal to implement legally agreed measures for social impacts.

## Implementation

As a pre-condition of a supplier contract, we request our higher-risk counterparties (including those within a category which poses potential risk) to complete a Self-Assessment Questionnaire (SAQ); either prior to onboarding, at the renewal of an existing contract term, or as needed during the lifecycle of the business relationship. The SAQ includes questions related to sustainability screening and sourcing practices and those of their suppliers; an important step forward in supply chain transparency to drive shared sustainability outcomes.

Where sustainability risks are identified through review of an SAQ, counterparties will be assessed on a case-by-case basis, and required to develop corrective actions plans, with realistic timelines to address policy breaches, and provide feedback on progress.

If a counterparty is not able to demonstrate progress towards resolution or provide evidence of rectification, Marketing will reserve its right to review the supply relationship.

**Our Responsible Commodity Sourcing Policy is subject to review annually, or when there is a material change in the operating environment that necessitates amendments, whichever occurs soonest.**



For any questions or reporting of any suspected violations of regulations, laws and this policy, send us an [email](#) or alternatively you can anonymously communicate your concern via [YourVoice](#).

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