

2015 ANNUAL REPORT

# VOLUNTARY PRINCIPLES ON SECURITY AND HUMAN RIGHTS

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# Respect for Human Rights is at the heart of Anglo American's Values. Our "Good Citizenship, Business Principles" and our Group Human Rights Policy clearly state our commitment to supporting the Voluntary Principles.

## A. COMMITMENT

### 1. Statement of commitment or endorsement of the Voluntary Principles on Security and Human Rights (VPs).

Anglo American is and remains strongly committed to implementing the VPs and applies them **in all of its relevant managed operations**. Respect for Human Rights is at the heart of **Anglo American's values** and our **"Good Citizenship, Business Principles"** as well as our **Group Human Rights Policy** clearly state our commitment to supporting the VPs, along with our support of the principles set out in the International Bill of Human Rights. Our support is also stated in our annual **Sustainable Development Report**. We recognise that in situations of actual or potential conflict, the presence of a mine or major industrial operation may become the focus for tension.

Anglo American promotes the VPs at both international and local level. Our Chairman, Sir John Parker, our Chief Executive, Mark Cutifani, and other senior executives, refer to our commitment in their public speeches.

Anglo American is a member of the International Council of Mining and Metals (ICMM) and our public reporting is aligned with the requirements of the Global Reporting Initiative (GRI). Anglo American's Sustainable Development Report is assured by an independent third party (PwC).

## B. POLICIES, PROCEDURES AND RELATED ACTIVITIES

### 1. Relevant policies, procedures, and/or guidelines (or any changes from the previous reporting year) to implement the VPs.

Anglo American's policy and implementation manual for the VPs were provided to our operations when we joined the VP's in 2005. We have – with input from International Alert with whom we have a strategic partnership - created a conflict identification and prevention tool in our Socio-Economic Assessment Toolbox (SEAT), which we reviewed and launched the third and latest version of in 2012. This is guided by the **Implementation Guidance Tool (IGT)** and mandatory for all our operations.

In addition to the above, some of the Business Units have implemented their own VPs specific policies in support of

their commitment to maintain the highest ethical standards with regard to human rights in the **applications of the security measures at our global operations**.

The VPs are also specifically referenced in the **Anglo American Social Way**, our social management framework, which defines among others the roles, responsibilities and requirements in relation to the VPs and informs our approach to minimising our negative impacts on communities. Each Business Unit is required to report on incidents or challenges of relevant nature and severity, up to corporate level. In 2015, the Business Units made continued progress on meeting these standards, which had been updated in late 2014 to reflect evolving international best practice.

Effective grievance mechanisms are a core element of our human rights approach and having a complaints and grievance procedure is mandatory across all our operations, which includes complaints related to security arrangements. There are various mechanisms in place through which security related human rights incidents are reported: ranging from incidents reported directly to the Security departments that are recorded on their electronic incident management systems to anonymous disclosure reports made via our **"Speak Up"** whistle-blowing mechanism.



## RISK MANAGEMENT

VPs risk assessment is a consideration for the Anglo Business Unit risk assessment processes, including the Safety Health Environment and Community (SHEC) Way used by the Exploration division and the issues management process and country risk profiling undertaken by Anglo Platinum. De Beers also continued to invest significant resources to enhance their VPs implementation programs through the development and implementation of a new risk assessment tool consistent with the requirements outlined in the IGT and **Anglo American SEAT Toolbox**. A number of risk assessments have been completed at site and De Beers Group level during 2015 and this work will be continued in 2016 to provide a complete assessment of our security-related human rights risks and impacts across all the De Beers operations and the value chain.

We take potential human rights related impacts into account when developing capital projects, both through the technical criteria that guide project development, and the frameworks that guide our decision making around investment.

It is also mandatory that where a substantive intervention from public security forces has been required, or where there have been instances of violence or conflict associated with our operations, a report of the incident is produced.

## TRAINING AND AWARENESS RAISING

Annual/regular training is provided for all internal security personnel and private security contractors at the operations. We are looking to strengthen this further in 2016 with the launch of a Group wide alignment of security and human rights training curriculum for all operating Business Units.

Work on improving our broader human rights performance is coordinated through a Human Rights Working Group at Group level. Individual business units have also established such working groups, eg De Beers' was formed in late 2014 to identify human rights impacts across the business,

assess risks and controls and create appropriate means of measuring performance. In 2015, the De Beers Working Group received in-depth training and undertook human rights risk and impact assessments across the full De Beers value chain.

Review of progress on implementing the VPs takes place via the annual Social Way site assessments (significant improvement demonstrated on the VPs requirement across the Group in 2015) security effectiveness reviews, **Best Practices Principles workbook assessments** and **Responsible Jewellery Council (RJC) reviews**. In 2015, we renewed our certification to the RJC for another three years after achieving full compliance against the rigorous social, ethical and environmental standards.

The **De Beers Best Practice Principles Programme** provides a key mechanism through which we support respect for human rights across the diamond value chain and industry. It also enables us to place considerable emphasis on the requirements for our suppliers and other business partners to respect human rights.

## NGO PARTNERSHIP

Since 2011, Anglo American has had a strategic partnership with the NGO **International Alert**. Continuously advancing and improving the implementation of the VPs is the core element of this partnership, along with awareness raising and training at all levels (from Board to site level) on human rights, business and conflict, as well as participation in joint working groups around the VPs and human rights more broadly. Throughout 2015 Alert continued to help our team at Quellaveco to review and improve their security and conflict management processes; Alert also dedicated a significant amount of their efforts with Anglo American to our copper operations in Chile and Peru, our platinum, diamond, coal and iron ore business units in South Africa, supporting our continued integration of the VPs into risk assessment and management processes (see more details on country implementation below).



## C. COUNTRY IMPLEMENTATION

Anglo American operates in a number of countries, but does not have a substantive presence in areas that cause the greatest concerns regarding security related human rights issues. We maintain our one-third interest in Cerrejon Coal as well as exploration work in Colombia. We have advanced exploration and project development work underway in Peru and Chile, and we have discontinued our exploration work in Liberia. In 2015, we were exploring in Angola, Papua New Guinea, Tanzania and Zambia. We have corporate representative offices in China and India, but no operations.

Unless mentioned explicitly in the individual country paragraphs below, there is a pre-employment screening process for security employees and private service providers in all listed countries. The process differs from country to country and can include submission of a criminal clearance certificate, psychological tests to ensure they never participated in any mercenary work or operated in conflict areas against legitimate governments, or have never been accused and not cleared of human rights infringements.

Unless mentioned, there were no security related human rights complaints or incidents registered through our complaints and grievance mechanisms in the countries listed below.

### ANGOLA

De Beers' Exploration division in Angola has contracted Omega Risk Solutions (Pty) Ltd to provide protection services at the office in Luanda and the Lucapa exploration site (currently placed under care and maintenance).

All Omega security officials are checked for any credible involvement in human rights abuses prior to deployment and are required to be trained in how to prevent human rights abuses as a condition of contract.

### BOTSWANA

Debswana, a 50% joint venture partnership between De Beers and the Government of Botswana, only uses in-house Security personnel to protect its assets at their mining operations located at Orapa, Letlhakane, Damtshaa (OLDM) and Jwaneng. Support from Public Security forces is only requested for product movement escorts.

Annual training is provided for all security personnel internally. There are several awareness raising programs in place at Debswana to promote the VPs, including outreach programs such as the DDA choir and Teemane Drama group that target communities.

The VPs have also been incorporated in the Security Maturity Model criteria and compliance is measured on a regular basis through quarterly reviews by local operational Security/Diamond Control Steering Committees and annual reviews by De Beers Group Security, the BPPs and the Anglo Social Way.

### BRAZIL

Iron Ore Brazil (IOB) uses private security providers at both our offices and project sites. They are unarmed and audited by the Brazilian Federal Police (in line with Federal Law 7.102/1983). They are overseen by the IOB security team, with a clause regarding human rights being incorporated in their contracts. During 2015, there were training sessions held on human rights with security guards and Anglo American IOB employees in the security function (50 people) and Anglo American IOB employees of other functions (34 people). Also, the topic of security and human rights is covered in daily / weekly briefs. Additionally, a communication plan involving IOB workforce was put in place and guidelines about human rights - ethical and legal behaviour - were distributed to security guards and Anglo American IOB employees of the corporate security function. While there is a mechanism to record and report security related incidents, there were none reported for 2015. During 2014 the contractors and third parties who work with security team participated in the process of Security Risk Assessment using the "bow tie" risk analysis tool. Although the risk profile of Corporate Security was not updated in 2015, the major risks are being regularly monitored. A detailed review of the Security Risk Assessment is expected to take place in 2016 with the support of International Alert.

Anglo American's Nickel, Niobium and Phosphates (NNP) business contracts unarmed private security providers. Security does not feature as a prominent risk in the risk assessment in the NNP business sites. The contracts contain a clause related both to our internal policies and externally subscribed standards. There is a procedure for incident reporting in place.

In 2015, NNP identified the contracts with higher potential social risk, considering criteria such as service category, number of contractors and complaints received against them. The companies that supply the services in these contracts received a questionnaire including questions on human rights, in order to identify potential risks and impacts related to this topic. The responses are being analyzed and an action plan will be defined.

In 2015, Barro Alto and Codemin's security contractors and those contractors with higher potential social risk were trained in Anglo American social performance standards, including human rights requirements; complaints and grievance channels were also emphasized.

Nickel SEAT consultations included human rights requirements, and the perceptions and risks identified were integrated into the Social Performance Plan.

### CANADA

De Beers Canada only makes use of in-house Security personnel at its two established mines, the Snap Lake Mine site (currently placed under care and maintenance) and Victor Mine in Canada. Annual training is provided for all security personnel internally.

Blockading of the winter roads leading to the mines remains the highest potential for any VPs related impacts.

There were, however, no blockading incidents reported during the period under review.

### CHILE

Anglo American in Chile has no in-house security, but use G4S, part of the UK-based G4S plc group and a subscriber to the International Code of Conduct for Private Security Providers, as their contracted private security provider. Adherence to the VPs is a contractual requirement for them, through the inclusion of our Good Citizenship Business Principles. All employees (not only security personnel) are introduced to the VPs during their induction. Security providers are given specific VPs training and provided with VPs briefing material. These security providers are present at all our sites with the exception of exploration sites, at which we do not have security providers.

In 2015, we experienced one security related incident in January, as part of the collective negotiation of one of our contractors Vecchiola, the workers blocked access roads and set fire to tires. Police was called in to resolve the situation without further escalation.

Anglo American has been in close communication in cooperation with local authorities and police to respond on time and in an adequate way to manage any potential future incidents.

During 2015, we started to work together with Alert to evaluate the context on alignment with the VPs and identify any improvement action. As result of this analysis, Alert recommended to:

- Strengthen training / awareness raising on VPs to key internal and external stakeholders
- Develop a detailed risk assessment on VPs
- Clarify the internal structure to manage security related risks

An action plan considering these recommendations was developed and we have started implementing.

The Exploration division in Chile does not contract security providers for its exploration worksites.

### COLOMBIA

Depending on the location and characteristics of each project, the Exploration division in Colombia may require the support of security personnel. When support is required, contractual agreements with the Colombian Army are signed and, as part of those contracts, a special clause about training in Human Rights is included.

Additional to this, a Specific Operational Procedure (SOP) regarding the VPs was developed and implemented. This SOP includes:

- consideration of Human Rights aspects as part of the Workplace Risk Assessment and Control (WRAC);
- a Complaints and grievances mechanism; and
- training to the troops related to our corporate social

policies and the expected behavior towards the community.

During the process of accessing new areas and socialization of the project, our community and local authority engagement and consultation includes communicating our corporate social policies and complaints and grievances mechanism.

### NAMIBIA

Namdeb, a wholly owned subsidiary of Namdeb Holdings (Proprietary) Limited which is owned in equal shares by the Government of the Republic of Namibia and De Beers, is conducting land-based alluvial mining operations in Namibia's northern and southern coastal regions, and marine-based mining in the Atlantic Ocean off the Namibian coast. Namdeb is primarily making use of in-house security personnel and recently introduced private security officers supplied by Eagle Night Watch Security (Pty) Ltd. Public Security forces are only used for product movement escorts. Formal human rights and VPs training is provided for all in-house security officials internally.

### PAPUA NEW GUINEA

The Exploration group have entered into a JV with Highlands Pacific (HIG) on the Star Mountain project in PNG, located about 25km from Ok Tedi. The project is an early stage exploration project with some drilling and is currently being managed by HIG. However, in 2015, at Anglo American's initiative, the team undertook a social baseline study for the area of influence for the project. The field team was comprised of members from the project team as well as an external consultant, representatives of the local level government and staff from the Mineral Resources Authority (MRA). While in the field the team were accompanied by a member of the police service, he was always introduced to the local communities. There were no security incidents or community issues throughout the duration of the field work. Previous to the fieldwork, potential social risks associated to the presence or a member of the public forces were assessed, as well as he was trained on the VPs, and the Anglo American social policies and specific procedures to implement it.

For the day to day management of the project, the project has no police or security services. Late in 2015 Anglo American Exploration undertook a human rights risk assessment for the project with an external consultant. The results of that work have been integrated into the overall project risk assessment and planning for 2016.

### PERU

In 2015 Anglo American returned the Michiquillay project to the government, leaving the company fully focused on developing the Quellaveco project.

In Peru, Anglo American uses unarmed security services to monitor and control the flow of people and goods in and out of company sites, as well as physical safeguarding of company personnel, sites and assets.

Since January 2012 these services have been provided by G4S Perú S.A.C., part of the UK-based G4S plc group.

Given the complex socio-political context typical of mining sites around the country, local police has been asked at times to provide complementary security services at Quellaveco. In order to formalize this relationship, an Agreement for the Provision of Extraordinary Services was subscribed on 25 November 2010, which formally ended on 25 November 2015. Simultaneously, as the year ended, Anglo American and other extractive companies requiring these services were informed by the National Police Command that all standing agreements will have to be renegotiated as part of an effort to standardise said agreements in line with Legislative Decree 1148 (Law of the National Police of Peru) enacted in December 2012. Given the delays in enacting the new rulings in the form of a Supreme Decree, the Ministry of the Interior and the National Police Command have given assurances that extractive operations and projects that have required police protection under the former schemes, will continue receiving it until the new ones are subscribed and implemented. The agreement corresponding to Quellaveco will likely be subscribed in April 2016.

The Quellaveco camp site has not experienced further cases of unlawful entry and occupation of lands and facilities as was the case in the past. However, a small number of people remained camped in the periphery of the site throughout the year.

Statistics corresponding to the grievance management system called “Anglo American Te Escucha” (“Anglo American Listens”) are as follows:

	Employees (average)	Anglo American listens (filing statistics)			Anonymous filings
		Total	Grievances	Consultations	
2015	1.521	426	259	167	81
2014	823	233	151	82	72
% change	185%	183%	172%	204%	113%

Coverage of the system was significantly expanded during the year, mainly in the cities of Moquegua and Ilo in the area of influence of Quellaveco. This factor, together with the increase in the average number of workers as shown above, likely contributed to the increase of recorded filings from 2014 to 2015. However, the increase was higher in terms of consultations (i.e. requests for information) compared to grievances, (204% and 172%, respectively), while the increase in the number of workers (185%) was roughly the same as the increase in the number of filings (183%). Additionally, the proportion of anonymous filings fell from 31% of total filings in 2014 (72 of 233) to 19% in 2015 (81 of 426). This leads us to conclude that trust in the system has increased given its greater use and by the voluntary and spontaneous identification of the users.

2015 actions completed:

- Human rights risk assessment conducted with Alert.

- Training on human rights and the VPs provided as follows:
  - o 89 Anglo American Quellaveco staff from Security, Environment, Community Relations, Human Resources, Communications, Legal, External Affairs, Sustainability, Energy, permitting, and Supply Chain (four hours on average).
  - o 165 G4S security contractor personnel (30 minutes on average).
  - o 109 police members (one hour on average).

▪ Security Management does two talks per month to local police based at camp and G4S on the VPs.

▪ New protocol developed establishing a Human Rights Management Committee and Operative Committee.

2016 actions planned:

- Further training for other contractors.
- New agreement with police to include VPs clause.
- 2016 embed new human rights & VPs management forum and develop KPIs to monitor progress.

With respect to Anglo American’s exploration activities in Peru: Exploration does not contract any security providers on its exploration worksites. Nevertheless, the topic of security and human rights is covered through the WRAC (Workplace Risk Assessment and Control), the Anglo American Exploration Way and the SHEC Way (Safety, Health, Environment and Community).

## SOUTH AFRICA

South Africa has continued to receive close attention from a security and human rights perspective during the 2015 reporting period. Many of the underlying causes for violence are deeply rooted in the overall socio-economic and socio-political circumstances of the country – a fact that Anglo American fully acknowledges and does its best to continue in contributing to address these challenges. In addition to the site and BU level implementation, Anglo American was also actively reaching out to the South African government to promote the VPs (eg in meetings with Ministers, in the run-up to a UK Government convened VPs session at the Mining Indaba in February 2015, via the SA Chamber of Mines etc).

Anglo American Platinum remains a business unit with significant security challenges, both due to the value of the product, but also the state of the industry (and in particular the risks of inter-union rivalry leading to violence), the condition of some host communities, and resulting stakeholder issues. In 2015, Platinum experienced sporadic incidents of social unrest and industrial action which had a moderate impact on some of the mining operations, i.e. Mogalakwena Platinum Mine and Twickenham Platinum Mine.

The organisational structure of Protection Services (PS) is predominately about 1.082 in-house security personnel and 724 private security employees used in

some operations. The hybrid model was extensively used during the short industrial strikes and sporadic community unrests. In all deployments, supervision and management, in-house security assumed full command and control of private security teams. Platinum security includes the protection of personnel, assets and products at project sites, operations (mines/concentrators/smelters/refineries) and offices.

The requirement of contract security varies from time to time depending on operational activities, and through following formal Anglo American Group risk assessment. No PS member exceeded 12 months without undergoing refresher training. No private security contractors on any actively managed Platinum operations use security dogs or carry lethal firearms.

Risk assessments were reviewed at operations in line with SEAT and revised **Platinum VPs Policy**.

Hiring and supervision of contract security is managed in accordance with International Code of Conduct on Private Security Companies. A Platinum group procedure entitled “Engaging and Managing Private Security Companies” including due diligence amongst others was developed and implemented to ensure consistent application and compliance with the code. The procedure has further been communicated and integrated into contract security agreements by Supply Chain to ensure continuous compliance. Crowd management on non-lethal weapons and VPs training courses were presented by mine security before deployment of private security personnel.

The VPs as well as the Platinum policy and procedures are discussed with local law enforcement agencies as part of on-going engagement. Although there is no Memorandum of Understanding (MoU) between the Group and the national SAPS, the company has an MoU with the SAPS on its operations at provincial level. Furthermore, we do not contract public security; public or state security forces will only be present, if and when public order is disturbed as required by law to maintain peace and stability; in those cases, we provide our company VPs related documentation accordingly.

The number of violent incidents recorded during the reporting period (2015) reflected a decrease of 69% to 79 cases against the corresponding period 2014, where 251 incidents were reported. The majority (57) were abusive behaviour (e.g. intimidation, victimization and assault cases in which victims normally do not proceed with criminal charges). A smaller part (20) consisted of violent crimes (eg criminal assault, kidnapping, public violence, attempted murder and murder), and there were 2 incidents of sexual crime. Seventy-two (72) suspects were identified in 58 cases. Anglo employees comprise 82% of the total number of suspects identified and contract employees 15%. 3% of the suspects were Community members. No suspects were identified in 21 cases. Sixty-eight (68) of these incidents occurred inside mine boundaries and 12 outside the mine boundaries with the incidents relating to mine employees.

2015 was marked with a number of attacks including stones thrown at PS members and intimidation incidents.

Some of the incidents suffered by PS members including contracted private security resulted in medical treatment cases due to minor injuries. There were three reported allegations of human rights infringements namely:

▪ The first allegation was against a PS member who accidentally hit a community member with a security vehicle as he ran in front of the vehicle during community unrest outside mine leased area at Twickenham Platinum Mine. The victim suffered injuries and was taken to the local hospital for a medical treatment. As part of corrective action, a written warning was issued to the PS member, and re-training course on VPs including the Rules of Engagement was conducted.

▪ The second allegation involved the South African Police Service (Public Order Policing Unit) and took place outside mine leased area at Twickenham Platinum Mine. The victim, ex-contractor employee whose employment was terminated, was allegedly shot with rubber bullets by police while participating in a legal industrial strike. The victim sustained some bodily bruises from rubber bullets while was allegedly engaged, amongst a group of 80 ex-employees in a strike obstructing traffic flow, blocking the public road and intimidating employees who were reporting to work. No medical treatment was required.

▪ The third allegation took place within mine leased area at Mogalakwena Platinum Mine during community unrest which lasted for two weeks and disrupted mining production. A group of about thirty community members invaded the open pit and set alight mine equipment (pit viper drill). Three of the community members were arrested by PS team and a case of arson and public violence was opened against them. A counter-charge of assault with grievous bodily harm was opened against the leader of PS team that arrested them. The police reported that the complainant did not suffer any visible injuries and he also failed to submit a doctors letter required when requested to do so, instead the complainant requested the mine to drop the charges against him and he will in turn drop the case against PS as well. The case against the community member continues.

The PS senior management team participated in various VP’s initiatives namely;

▪ Human Rights Due Diligence Capacity Building workshop facilitated by NGO Shift and attended by various departments where Human Rights (HR) challenges, impacts and means of embedding HR into business were discussed,

▪ A follow-up workshop by Shift and attended by various departments and where HR risks and impacts, mechanisms for integrating HR into business, tracking and monitoring of HR risks were adequately deliberated upon,

▪ Risk management workshop attended by various departments and where top event risks (industrial actions, social unrest, criminal activity and illegal land encroachment) with risk owners for Platinum were identified, analysed and prioritised. Moreover, PS bowtie analysis on violation of human rights was carried out and additional mitigation controls were implemented,



- Platinum Group Policy on VPs was reviewed and approved.
- Review of VPs training materials. Platinum worked together with De Beers in developing an operational VPs training and development strategy supported by learner and facilitator guides which was presented to AA plc for a review and endorsement.
- Materiality mapping workshop facilitated by Integrated Reporting and Assurance Services (IRAS) where most material issues were identified and prioritised; and
- Anglo Social Way annual assessments on VPSHR where most operations scored 3 out of 5 except Unki Mine in Zimbabwe which scored 4 out of 5. Improvement plans would be developed to ensure operations move from compliant (3) to proactive (4) status.

	Number of PS employees	Number of complaints (grievances)	Number of PS staff trained	Number of private security trained
2015	1 152	2	991 [86%]	955 [81%]
2014	1 082	3	1056 [97.6%]	596 [83%]
% change	6 % decrease	50% increase	11.6% increase	

Anglo American's Coal SA business has currently ~88 internal staff and ~781 contracted persons from several private security providers. Their contracts require compliance with Anglo American values and Good Practice Business Principles, including the VPs – which are part of a dedicated “Letter to Suppliers”, ie a contractual requirement for contractors. VPs are implemented and acknowledged by all these staff. Procedures for recording and reporting security related incidents are in place. Coal will work on improving its outreach into the community and its broader communication on the issue, but also make concrete contingency plans for possible strike action in the coming year. Furthermore, Coal SA underwent the implementation of a gap analysis together with Alert in 2015, and already benefitted from group wide actions resulting from the gap analysis conducted in Peru in 2012 and Anglo American Platinum and De Beers in 2013. 118 contract persons and 60 internal security staff were trained on the VP's in 2015 and Coal SA is looking at the implementation of an e-learning process.

Anglo American majority owned Kumba Iron Ore (KIO) uses in-house security personnel supported by guarding contingents supplied by private security companies. No public security providers are used even though close cooperation exists in all areas with the South African Police Services (SAPS).

All in-house and outsourced personnel received formal training in the company values (Business Principles), which include human rights, as well as the private security industry regulatory authority training courses, which include modules on legal aspects pertaining to human rights as prescribed by the Constitution of South

Africa and the Criminal Procedures Act. KIO's security training requirements apply equally to employees and contractors. Training requirements apply equally to third parties providing security services to Kumba including the guarding contract.

KIO implements Anglo American's requirements with respect to the VPs and requires security contractors to adhere to the VPs requirements.

Formal complaints and grievance mechanisms with specific categories relating to human rights are in place at all KIO operations and the corporate office.

A dedicated training course on the VPs has been developed within KIO and commenced with roll-out out in 2014 and this was extended to KIO businesses including Head Office and all operations. The course (class room intervention and e-learning modules) is mandatory to all relevant employees (commensurate with risk exposure) as well as our contractors including security related teams. During 2015 a total number of 253 security staff (including contractors) at the different Kumba BU's have been trained in a class room environment in sessions held between 01 March 2015 and 30 November 2015. A total number of 436 Kumba personnel earmarked for VP's on-line (E-learning) training have registered on the applicable website during 2015; 282 have passed the training module. Certificates have been issued by the service provider to all employees who passed the classroom and on-line examination.

An on-line reporting application has been developed and implemented at Kumba to facilitate logging and management of incidents related to human rights violations. No such incidents were reported at Kumba during 2015.

The De Beers Operations in South Africa mainly make use of in-house Security personnel and private security officers supplied by G4S Secure Solutions (SA) (Pty) Ltd, part of the Africa Division of the UK-based G4S plc group, as their contracted private security provider.

De Beers has incorporated, as a standard in all its contracts with private security service providers, that involvement in human rights abuses will be reason for immediate contract termination and that all security officials providing services must be trained on how to protect human rights in their area of work.

Formal human rights and VPs training is provided for all in-house and private security officials. The VPs have also been incorporated in the Security Maturity Model (De Beers' assessment tool covering a number of control objectives across asset classes), which is used to measure the security effectiveness of the operations; compliance is compulsory.

Illegal mining remains one of the security challenges in South Africa with the highest potential for human rights and VPs related impacts.

In 2015, De Beers experienced a number of incidents of illegal mining at the Kimberley Mines mining lease areas, which required interventions from the local law enforcement agencies. One security and human rights related complaint has been raised by a person representing the Greenpoint Township Community who alleges human rights abuse by our security staff during an intervention to combat illegal mining in the Kimberley Mining License Area 1. This matter is being investigated in collaboration with the Anglo American Legal Department and the outcome will be reported on once the investigation has been concluded.

## TANZANIA

In Tanzania, Exploration had a small intermittent presence and did not employ any private security companies. Risk assessments and intelligence gathering is focussed on Dar-es-Salaam and transit points through it. In the field, in the southern part of the country, locals are employed as part of the team to assist with security monitoring.

## ZAMBIA

In Zambia, Anglo Exploration (Zambia) Limited requires the services of unarmed security to monitor and control the movement of people, goods and equipment in and out of the company's Lusaka Country Office and the company's Exploration Base Camp in Zambezi District.

At the Lusaka Country Office, G4S Secure Solutions Zambia Limited, were chosen as the preferred service provider and there is a signed legal contract in place. The current contract is ongoing with a 30 day notice period clause. G4S provides a 24 hour security service with no armed guards. However, the night service includes a dog and a dog handler. The Country Office premises have an alarm system linked to G4S. An SMS service notifies selected management personnel each time the office is opened.

Risk Assessments are done following Observation Card reporting of possible security breaches. These assessments have resulted in installation of CCTV, Electric Fencing and additional access control during the night. These potential security breaches are communicated to and discussed with G4S personnel. The possible security incidents are discussed during Safety Meetings and are reported via Observation Cards and are managed through the close-out procedure for observations.

At the Exploration's Base Camp in Zambezi, Scorpion Security and Investigations Limited, a security company with its head office in Lusaka provides unarmed security services. At the time of starting field operations in July 2013, Scorpion had established itself as the company with local knowledge and was (and continues to) providing services to the banks in Zambezi. A renewable annual contract is in place with Scorpion.

In the project areas, security issues and incidents are managed by the Stakeholder Communication SOP and

are reported and monitored through the Community Engagement Cards. Where required the local police can be asked for assistance.

Security Risk Assessments are completed at the start of the field season, before and during political activities, before mobilization of drilling equipment and before closure of the field season.

## D. LESSONS AND ISSUES

**1. Lessons or issues from this reporting year, as well as plans or opportunities to advance the Voluntary Principles for the organization.**

Integrated into Section C Country Implementation.



<sup>1</sup>The high number (955) of contract security employees was sourced by majority of platinum operations and trained due to anticipated and subsequently, a prolonged platinum industrial action in 2014 whereas the number (596) decreased drastically in 2015. Therefore, the change in percentage should not be viewed as contradiction.