



Code of Conduct

GROUP CHARITABLE DONATIONS PREVENTION OF CORRUPTION PROCEDURE

Associated policies:	Group Business Integrity Policy
Valid from:	01/10/2022
Procedure owner:	Head of Ethical Business Conduct
Procedure version number:	V2

Context

This Procedure explains how making charitable donations on behalf of Anglo American, even though well-intentioned, has the potential to create the perception of impropriety. It sets out our approach to establishing the appropriateness of such contributions and managing the risks that they can create.

The Procedure:

- *Describes the company’s policy on charitable donations.*
- *Gives examples of charitable donations.*
- *Lists types of donations that are not permissible, and risk factors that proposed donations entailed a heightened corruption risk.*
- *Outlines how charitable donations must be justified, and the information that must be obtained before any payment is made.*
- *Sets out the consultation and approval processes that must be in place for charitable donations around the Group.*

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1. Does this apply to me?

The Group Business Integrity Policy and its accompanying Prevention of Corruption Procedures apply to all employees and those contractors who act on our behalf of Anglo American.

These are Group Procedures that apply to Anglo American globally, unless any aspect of their content is not permitted by local law or regulation.

2. What are Group Function and Business Unit responsibilities?

ABAS – Ethical Business Conduct Team (EBCT)

- The EBCT are responsible for maintaining and communicating the Business Integrity Policy and its accompanying Prevention of Corruption Procedures around the Group through training and support the Business Units and Corporate Functions with training and awareness-raising activities, where requested to do so.
- The EBCT are responsible for developing and sharing good-practice example approaches and/or guidance to due diligence and approval mechanisms for charitable donations and other relevant prevention of corruption materials to Corporate Functions and Business Units where requested to do so.
- The EBCT are responsible for providing advice and guidance on how to resolve unsuitable donations or on the appropriateness of a charitable donation identified by Corporate Functions and Business Units in line with the Anglo American Code of Conduct and Business Integrity Policy.
- The EBCT are responsible for monitoring the implementation and effective functioning of the Business Integrity Policy and its accompanying Prevention of Corruption Procedures.

Group Head of Responsible Business Partnerships

- The Group Head of Responsible Business Partnerships is responsible for the central review of all proposed charitable donations in excess of \$500,00 Annually or where total budget is \$1 million.

Group Legal

- Group Legal are responsible for providing a legal opinion, where requested to do so, on whether a proposed or identified donations represents a breach of any legislation to which Anglo American Group is subject.

Business Units / Corporate Functions

- All Business Units / Corporate Functions are responsible for defining which employees, contractors and third parties whose roles expose them to the risks of bribery and corruption, including charitable donations, must receive focused Business Integrity training.
- All Business Units / Corporate Functions are responsible for defining their own charitable donation approval processes and communicating which Line Managers or other designated Senior Manager(s) have the authority to adjudicate whether a

contribution below \$500,000 annually or where total budget is \$1 million or above is acceptable or not. When above these thresholds, approval must be sought from Group Head of Responsible Business Partnerships.

- All Business Units / Corporate Functions are responsible for performing due diligence before making donation to the beneficiary.
- All Business Integrity Implementation Managers, in conjunction with the Business Unit Heads and, where appropriate the EBCT, are responsible for determining who requires training in their respective Business Units / Corporate Functions and to monitor completion of training.
- All Business Units / Corporate Functions must ensure compliance with local anti-corruption laws.

3. What are charitable donations?

For the purpose of this Procedure, charitable donations include not only sums of money but also donations in kind. Examples of charitable donations in kind include:

- Provision of materials.
- Making company facilities available for charity use.
- Providing computer equipment to charities.
- Provision of staff time during employees' working hours.

Charitable donations are part of Anglo American's commitment to the societies in which we operate and reflect our values as a responsible corporate citizen.

Unfortunately, even legitimate donations can either be misused by third parties or can sometimes create the appearance of impropriety, for example, if funding is given to a charitable organisation that may in some way benefit or be closely identified with a particular party such as a public official.

Two detailed illustrative examples are provided in [Appendix 1](#) below.

4. What are my responsibilities?

We make charitable contributions and social and community investments with the objective of promoting sustainable community development, combating poverty and disease, protecting the environment and developing the capacities of people or institutions in the places where we work. Care must be taken, however, that such donations do not work primarily to the benefit of a particular government official, politician or party and controls must be put in place to ensure that they are not misused by third parties. Such donations and social investment must not be made if they either create or have the potential to create the perception of impropriety.

In our dealings with communities and their representatives we will act transparently and in good faith.

Charitable donations may not be offered, promised or paid:

- In exchange for a contract, permit or any other specific benefit.
- If they are intended to obtain an improper advantage in the conduct of business.
- If they are likely to be perceived as having this intention.

Charitable donations must not be made to “for profit” organisations or individuals, except in strictly defined and widely accepted circumstances, such as bursaries and other forms of financial support for eligible students. Wherever possible, charities receiving Anglo American donations must be properly constituted under the applicable laws governing charities of the relevant country or, for example in the case of a UK charity operating overseas, their home country. Where for practical reasons it is not realistic to expect a local organisation, whose purpose is genuinely charitable, to be formally constituted or registered, then donations may still be made in appropriate circumstances. However, particular care must be exercised in determining the merits of such donations and also ensure adherence to Social Way 3.0 SED section requirements.

Where possible, donations must not be made in cash or to private accounts.

It is mandatory that everyone attends and/or completes the relevant Business Integrity training and awareness on charitable donations.

It is everyone’s responsibility to know where to go to for further guidance (e.g. guidance on the portal) and who to speak to if necessary (e.g. the EBCT). If you are in any doubt about a situation, or require a clearer interpretation of what is appropriate, legitimate or ethical business behaviour, you must discuss this with your line manager or seek advice from the EBCT.

Justification of a donation

All donations of any kind must be transparent both internally and to regulatory and supervisory bodies and to local community representatives. It must be possible at all times for the Anglo American internal sponsor initiating the donation to justify the reasons for a donation and to be accountable for the appropriate use of those resources.

Where such justification relates to communities associated with our operations, justifications must be:

- Based upon an appropriate needs assessment.
- Prioritised in a suitable fashion.
- Recorded and monitored in accordance with the annual social management plan, as set out in the community engagement plan.

Due diligence and records management

Once the appropriateness of making a charitable donation has been established, the following information must be obtained before making, promising or paying any donation and must be retained for recording purposes:

1. The internal sponsor.
2. The recipient (name of organisation, city and country).
3. The amount of the donation.
4. The area of activity (e.g. education and science, social and humanitarian projects).
5. The purpose of the donation.

6. Documentary evidence that the charity is properly constituted.

Where necessary, relevant due diligence must be undertaken prior to promising or making a donation in order to obtain appropriate comfort concerning the governance and activities of the charity and the uses to which the donation will be put, in line with the Business Unit / Corporate Function's processes. This step is unlikely to be onerous for well-established and recognised international charities.

An accurate receipt or letter of acknowledgement must be obtained for all donations.

Donations must be recorded accurately and fairly in the books and records of the Company.

Monitoring

A process must be put in place to monitor that the donation is being used for its intended beneficiary / purpose or not otherwise being misused.

Risk Factors

Some examples of warning signs that charitable donations risk creating an appearance of impropriety and may entail a heightened corruption risk are:

- Requests or proposals for funding/participation which are not supported by a structured, transparent needs assessment process, such as set out in the Anglo American's Social Way 3.0 Toolkit.
- Donations are requested or provided as a reward for past or future actions.
- The value of the donation is disproportionate compared with the usual donations made by an Anglo American entity or to the cause being supported.
- The charity is unable to provide clear or convincing details of how the donation will be used or the beneficiary of the donation is unclear.
- A public official who is in a position to potentially influence Anglo American's operations or a customer has an interest in the charity to which the donation is made.
- The donation is made in cash or the beneficiary requests cash payments.
- There is an attempt to conceal or wrongly characterise the donation, either by the donor or the recipient.
- The request for a donation is closely related to community members or professional advisers who are undertaking an important function for Anglo American, such as being on a standing community liaison panel or participating in the governance and oversight of a resettlement project, the performance of which can have a direct and material impact on Anglo American's business.

Consultation and Approval

Operations, Business Units, corporate entities and social investment vehicles controlled by Anglo American must establish and implement appropriate procedures to ensure that:

- There is a robust process of risk assessment, due diligence and approval for all material charitable donations. Business units are reminded that all proposed donations in excess of \$500,000 annually or where total budget is \$1 million must be sent to the Group Head of Responsible Business Partnerships for central review.

- Employees consult the Ethical Business Conduct Team where they are in doubt as to the appropriateness of a charitable donation.

Adequate record keeping of the above process to be retained, as per local country, sector and contract requirements.

5. Spreading the word

Training and communication

All relevant employees and contractors must be made aware of the Group Business Integrity Policy and its accompanying Procedures in their induction.

Workshop and online training are provided to those employees, contractors and third parties whose roles expose them to the risks of bribery and corruption, including charitable donations. These 'relevant' employees will be defined by Business Integrity Implementation Managers in conjunction with their Heads of Department, and, where appropriate, the EBCT.

Communication and awareness materials are available to ensure that the Policy, the requirements of the Business Integrity Prevention of Corruption Procedures and supporting tools are regularly communicated throughout the organisation through communications, management engagement, EBCT briefings and training.

All Business Units / Corporate Functions are responsible for ensuring that their consultation, disclosure and approval processes in place in relation to charitable donations are clearly communicated to employees.

6. Keeping on track

Monitoring, reporting and assurance

Adherence to the Business Integrity Policy and implementation and evolution of its associated programme is subject to regular reporting and monitoring, and annual assurance to enable the determination any development or adaptation of Policy, Procedures, controls and training that may be required.

Consequence of breach

Employees, contractors and suppliers must report any breaches, or potential breaches of the Business Integrity Policy and this Procedure. Violations of this Procedure will lead to disciplinary action in accordance with the Group disciplinary procedures. Disciplinary actions may involve sanctions up to and including summary dismissal.

We are committed to reporting all instances of corruption and other forms of dishonesty to the relevant authorities and to facilitating criminal action against the individual(s) concerned and we will seek redress for any losses arising from such actions.

YourVoice

The YourVoice facility provides a confidential and secure means for our employees, contractors, suppliers, business partners and other external stakeholders to report and raise concerns about conduct which is contrary to our values and standards, as described in our Code of Conduct, the Business Integrity Policy and the accompanying Business Integrity Prevention of Corruption Procedures.

YourVoice provides telephone and website intake channels operated by independent companies in the regions that Anglo American operates. The facility is available 24 hours a day, seven days a week and includes translation services. A link to the YourVoice facility is provided on Eureka!. YourVoice can also be contacted via www.yourvoice.angloamerican.com.

At Anglo American we do not tolerate any form of retaliation against employees raising concerns in good faith. Allegations of retaliation against or harassment or intimidation of an employee by others as a result of a call to YourVoice will be investigated and appropriate action taken, including disciplinary action up to and including dismissal of the employee(s) responsible for reprisals.

7. Further information

Internal references

This Procedure must be read in conjunction with the following other resources:

- Group Business Integrity Policy
- All relevant Business Integrity Prevention of Corruption Procedures
- Group Whistleblowing Policy
- Anglo American Social Way 3.0 and Toolkit

Appendix

1. Illustrative examples of charitable donations

If you need any further information, contact the Ethical Business Conduct Team via EBCT@angloamerican.com

Appendix 1: Illustrative examples of charitable donations

Illustrative example 1

As part of Anglo American's commitment to combating poverty and disease, you are about to authorise a donation of \$10,000 to an HIV charity when you note that the Chair of the Trustees of the charity is the spouse of a public official. You are aware that a colleague recently commenced preliminary discussions with this same public official concerning a permit to run a pipeline across publicly owned land.

The following issues must be considered:

- Although the reasons for the donation appear entirely genuine, the manner in which it is perceived will depend on the context. In this example, there is a serious risk that the donation may be perceived as being made in exchange for favourable treatment for Anglo American because the spouse of the public official is Chair of the Trustees of the charity and the public official is in a position to influence Anglo American's operational and commercial activities.
- A donation to a charity affiliated to a public official (or the close relative of a public official) may be deemed to confer benefits on the public official even if they do not receive the money themselves.
- Among the issues to be considered are the extent to which the official's spouse's activities are closely associated in the public mind with the overall reputation of the official; and whether the charity is genuinely the best regarded entity operating in its sector.

Resolution

Although the public official is not directly involved in the charity, the context is such that the donation has the potential to create the perception of impropriety. The proposed donation must be the subject of appropriate consultation and approval.

Illustrative example 2

A well established and reputable charity for homeless people has invited Anglo American to contribute the prizes at a fundraising raffle. You are minded to accept this invitation.

The following issues must be considered:

- Who are the trustees and the major supporters/stakeholders of the charity? Do they include existing or potential customers of Anglo American or any individual or organization in a position to influence Anglo American's activities?
- Is it necessary to undertake significant due diligence on the charity?
- Are the prizes to be contributed excessive, inappropriate or likely to embarrass Anglo American or the charity in any way?

Resolution

If the responses to the above questions are satisfactory and you have consulted where appropriate, then it appears reasonable to accept the invitation, given that this is a well-established and reputable charity. To confirm that the charity is reputable and properly constituted, appropriate risk based due diligence should be carried out.

Document control

Procedure approval:

Name/job title of Policy owner:	Head of Ethical Business Conduct
Approval date by Policy owner:	23/09/2022

Frequency of Procedure review after date of issue:	Every 3 years
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If this Procedure has one or more approved waivers in place:

No.:	N/A
Waiver applies to:	N/A
Waiver in place from:	N/A
Expiration of waiver:	N/A
Date waiver approved:	N/A

The following changes have been made since this document was previously issued:

Old Procedure name:	Group Charitable Donations Prevention of Corruption Procedure
Old Procedure date:	15/05/2019
Old Procedure version number:	V1
Main changes made:	Updated the Group level review and approval limits for proposed charitable donations.

Suggested changes to the Procedure:

Any suggested changes or amendments to this Procedure document should be submitted to the procedure owner along with the reasons for suggesting them. Updates to this Procedure will, from time to time, be tabled for approval by Head of EBC team.

All suggestions will be acknowledged and if rejected, the reasons given for their rejection.

Accepted changes will be administered through the policy governance system.