

INTERNAL

BUSINESS INTEGRITY



**“Our policies guide us  
to do the right thing.”**

**Mark Cutifani**  
Chief Executive

# GROUP USE OF COMPANY ASSETS PREVENTION OF CORRUPTION PROCEDURE

**v.1**

Valid from: 15/05/2019

Policy owner: Head of Ethical Business Conduct



## Context

*This Procedure sets out Anglo American's approach and guidance on the use of company assets by outside parties in order to manage the risk or perceived risk of providing company assets in order to obtain an improper advantage in the conduct of the Group's business.*

*The purpose of this document is to set out the standards of conduct required at every level within Anglo American, our subsidiaries, joint ventures and associates on the part of those with which we do business and those who work on our behalf in the context of preventing misuse of company assets.*

*The Procedure:*

- *Describes employees' responsibilities towards company assets.*
- *Sets out risk factors indicative of corruption risk in the use of company assets by third parties.*
- *Details the consultation and approval procedures that must be put in place at Business Units to manage these risks.*

## Does this apply to me?

The Group Business Integrity Policy and its accompanying Prevention of Corruption Procedures apply to all employees and contractors of Anglo American. Anglo American's supplier contracts will require suppliers of goods and services to the Company to adopt this Policy and its Procedures or equivalent standards and our Board representatives will seek to secure the adoption of comparable standards in joint ventures or associate companies.

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

## 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 awareness-raising activities.
- The EBCT are responsible for providing advice and guidance on how to resolve issues involving the possible misuse of company assets that have been escalated 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 Legal*

- Group Legal are responsible for providing a legal opinion, where requested to do so, on whether an identified misuse of company assets by one or more third parties 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 establishing and implementing a robust and independent process of approval for instances where Anglo American assets are to be provided for the use of third parties.
- All Business Units / Corporate Functions are responsible for defining business roles and designating specific managers who employees are able to consult when they are in doubt as to the appropriateness of the use of Company assets by a third party.
- 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.

## **How can Company Assets be Misused?**

Corruption is not confined to the payment of cash bribes or the provision of lavish gifts and entertainment. Putting company assets at the disposal of public officials or customers for their personal use such as premises, equipment, vehicles and other means of transport is likely to represent something of value for the intended recipient.

The risk of corruption arises when the use of Anglo American assets by customers or others in a position to influence our commercial prospects may be, or may be perceived to be, offered or provided in exchange for a contract, a permit or any other specific benefit or with the intention of obtaining an improper advantage in the conduct of business.

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

## **What are my Responsibilities?**

We will not, either directly or indirectly through intermediaries and other third parties, offer, promise or provide money or anything of value or otherwise exercise improper influence in our business relationships, with the intention of obtaining a contract, permit or any other specific benefit or any improper advantage in the conduct of business. This applies both to our relationships with governmental organisations and officials and in our dealings with the private sector. We will not tolerate any such activity by our employees or business partners.

The use of Company assets, such as premises, equipment or vehicles, free of charge represents something of value for the intended recipient. Company assets must not be provided for the personal or discretionary use of customers, public officials or other third parties where there is no underlying proper business purpose or clear public benefit.

It is mandatory that everyone attends and/or completes the relevant Business Integrity training and awareness on the use of company assets.

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.

### *Appropriate and inappropriate use of Anglo American assets*

Employees have a responsibility to protect Anglo American assets against theft, loss, abuse, unauthorised access or disposal.

Employees may use Company assets only for purposes related to discharging their Anglo American job responsibilities and other such uses as are authorised (see Political Donations Group Prevention of Corruption Procedure).

The appropriateness, or otherwise, of the use of Company assets by third parties will depend on the context in which the assets are provided. The use of Company assets by third parties is generally acceptable in situations where there is a transparent and proper underlying business purpose for, or clear public benefit from, the use of the asset; for example, the use of Anglo American vehicles to transport customers or potential customers to inspect mining operations, establishing a personal relationship or providing a venue for developing complex solutions or proposals which require an intensive consensus building process.

The use of Company assets by third parties where there is no such underlying proper business purpose or public benefit, or where the assets are used entirely at the discretion of the third party, leads to a heightened corruption risk and is likely to be inappropriate and in breach of this Procedure.

Since Company assets such as vehicles are often provided in the context of corporate entertainment and hospitality, employees must ensure that they are also familiar with Group Gifts, Entertainment and Hospitality Prevention of Corruption Procedure.

### *Risk Factors*

The following are warning signs which indicate that the use of Company assets by third parties involves a corruption risk:

- The use of Anglo American assets is requested as a reward or in return for past or future actions.
- The use of the assets is extended to spouses, partners, relatives or friends of the customer or public official.

- The manner in which the assets are proposed to be used would be likely to cause embarrassment to Anglo American and/or the recipient if it became public knowledge.
- The context in which the use of the assets is provided is such that there is likely to be a perception of impropriety – for example, if the use is not transparent and the recipient is in a position to influence the outcome of a decision which will impact Anglo American's commercial prospects.
- The use of the asset is not connected to a legitimate Anglo American business purpose such as transporting an official to a facility for a meeting or with a transparent public benefit such as allowing the use of company facilities for building the skills or capacities of local officials or community members.

## 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 misuse of company assets. 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 and escalation processes in place in relation to company assets are clearly communicated to employees.

## 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](http://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.

## **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

### *Appendix*

1. Illustrative examples of use of company assets.

If you need any further information, contact the Ethical Business Conduct Team via [EBCT@angloamerican.com](mailto:EBCT@angloamerican.com).

## **Appendix 1: Illustrative Examples of Facilitation Payments**

### *Illustrative example 1*

The Company has the use of a luxurious residential facility at a resort location by the coast. You are aware that the facility is under-used and that there are no meetings scheduled to be held there in the coming weeks. In the course of a business meeting with a key customer you learn that the customer's daughter has recently married.

While neither partner has the time for a full honeymoon, they are both keen to spend a few days by the sea. You offer the use of the facility.

**The following issues must be considered:**

- Are you providing something of value?
- Is there a justifiable business purpose for use of the company's asset?
- How might this be perceived by the company or an objective third party?

*Since by providing the accommodation, you are offering something of material value to family members of an existing customer with no related business purpose there is clearly scope for the perception of impropriety. It is likely that the use of the Company's assets in this manner would cause embarrassment both to Anglo American and to the customer if it became public. While the offer may be made for entirely genuine reasons, the circumstances indicate that the use of the facility free of charge by the customer's relatives may be perceived as an attempt by Anglo American to gain or retain business through creating a sense of obligation or providing the customer's executive with a personal reward. As such, the offer must be withdrawn.*

*Illustrative example 2*

You have arrived at the destination airport on your way to attend a major mining conference at a remote mountain location. The drive from the airport is particularly arduous and the roads are in poor condition. You have arranged to have the local Anglo American car available to you, when you notice an official from the Ministry of Resources waiting for their baggage and that they are without transport. You and the official have worked closely together in the past and the official is also attending the conference. You offer them a lift to the conference with you, in the Anglo American car.

**The following issues must be considered:**

- Are you providing something of value?
- Is there a justifiable business purpose for use of the company's asset?
- How might this be perceived by the company or an objective third party?

*Use of the Company's asset in this way is extremely unlikely to cause embarrassment to either Anglo American or to the official if it became public.*

*There is a clear underlying business purpose for the use of the Company's asset by a third party and the offer to provide transportation in this situation is appropriate.*

## Document Control

### Procedure Approval:

<b>Name/job title of Policy owner:</b>	Group Director - Finance
<b>Approval date by Policy owner:</b>	19/11/2018

### Document Control

<b>Frequency of procedure review after date of issue:</b>	Every 2 years
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### *If this procedure has one or more approved waivers in place:*

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

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

<b>Old procedure name, date, and version number:</b>	<b>Group Use Of Company Assets Prevention of Corruption Procedures (Nov 2018)</b>
<b>Main changes made:</b>	<ul style="list-style-type: none"> <li>Replaced Speak Up with YourVoice as the name of the Whistleblowing service and update associated content.</li> </ul>

### Suggested changes to the Procedure:

Any suggested changes or amendments to this Procedure document should be submitted to the Policy owner along with the reasons for suggesting them. Updates to this Procedure will, from time to time, be tabled for approval at the Policy Governance Committee.

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

Accepted changes will be administered through the policy governance system.