

# ANGLO AMERICAN: LOCAL PROCUREMENT

October 2017

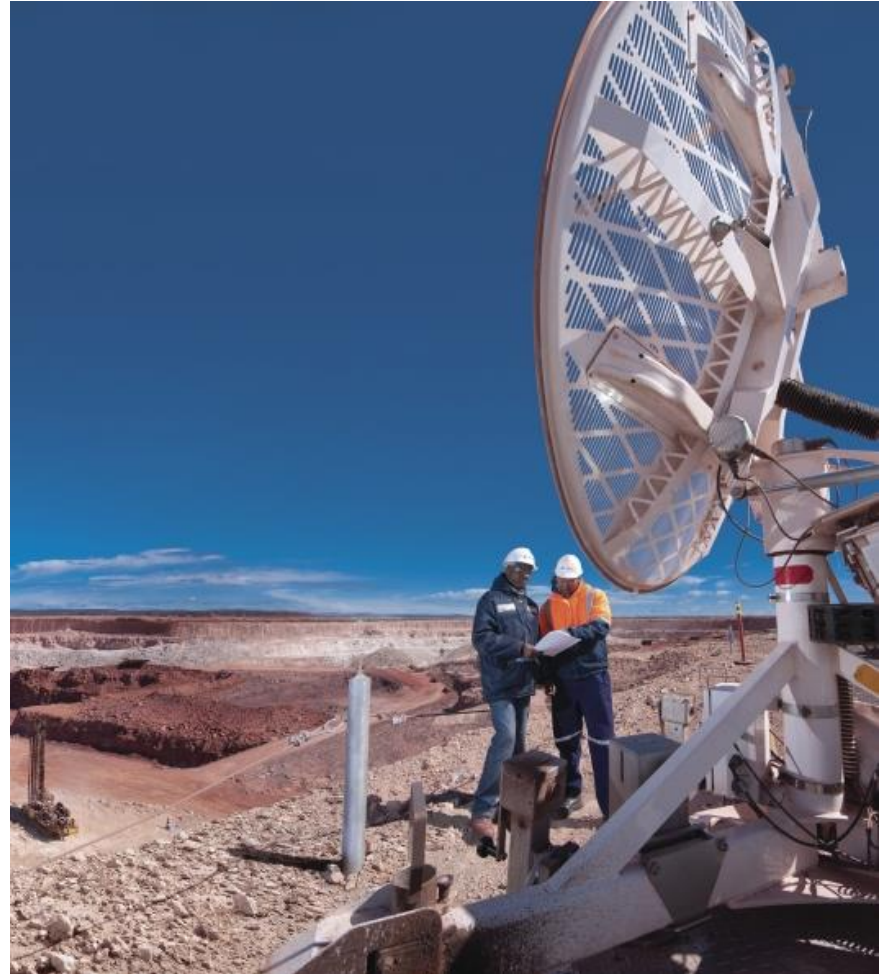


# WHO WE ARE AT A GLANCE

Anglo American is a globally diversified mining business

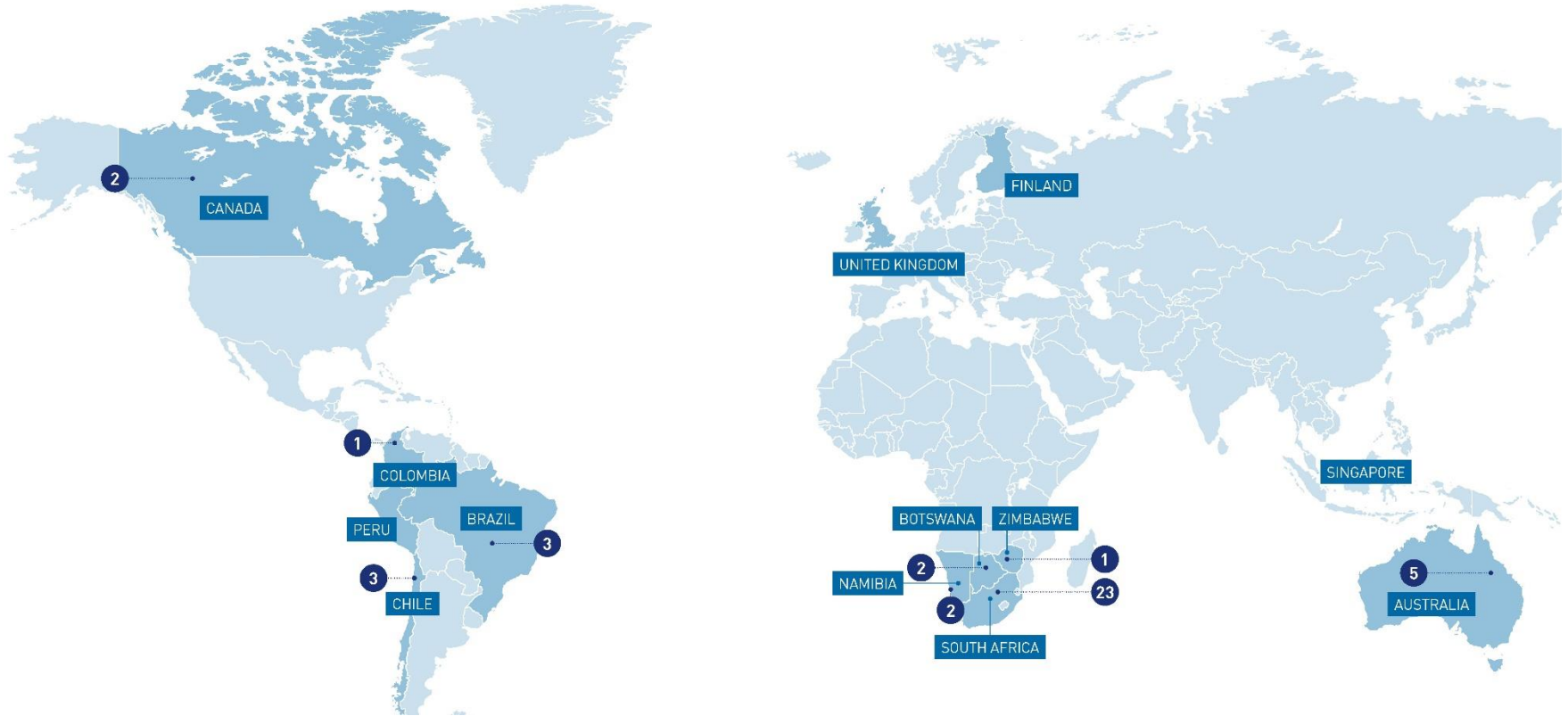
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- Our portfolio of world-class competitive mining operations and undeveloped resources provides the raw materials to meet the growing consumer-driven demands of the world's developed and maturing economies.
  - Diamonds (De Beers)
  - Platinum Group Metals (PGMs)
  - Copper
  - Iron Ore & Manganese
  - Nickel
  - Coal



# WHERE WE OPERATE

## Our operating assets



BRAZIL	
Iron Ore and Manganese	1 mine
Nickel	2 mines
Employees	5,000

CHILE	
Copper	3 mines
Employees	4,000

OTHER SOUTH AMERICA	
Coal	1 mine
Employees	200

CANADA	
De Beers	2 mines
Employees	1,000

SOUTH AFRICA	
De Beers	2 mines
Platinum	8 mines
Iron Ore and Manganese	3 mines
Coal	10 mines
Employees	61,000

OTHER AFRICA	
De Beers	4 mines
Platinum	1 mine
Employees	4,000





AUSTRALIA/ASIA	
Coal	5 mines
Employees	3,000

# GENERATING LASTING ECONOMIC BENEFITS

The needs and concerns of all our stakeholders inform and guide our approach to doing business

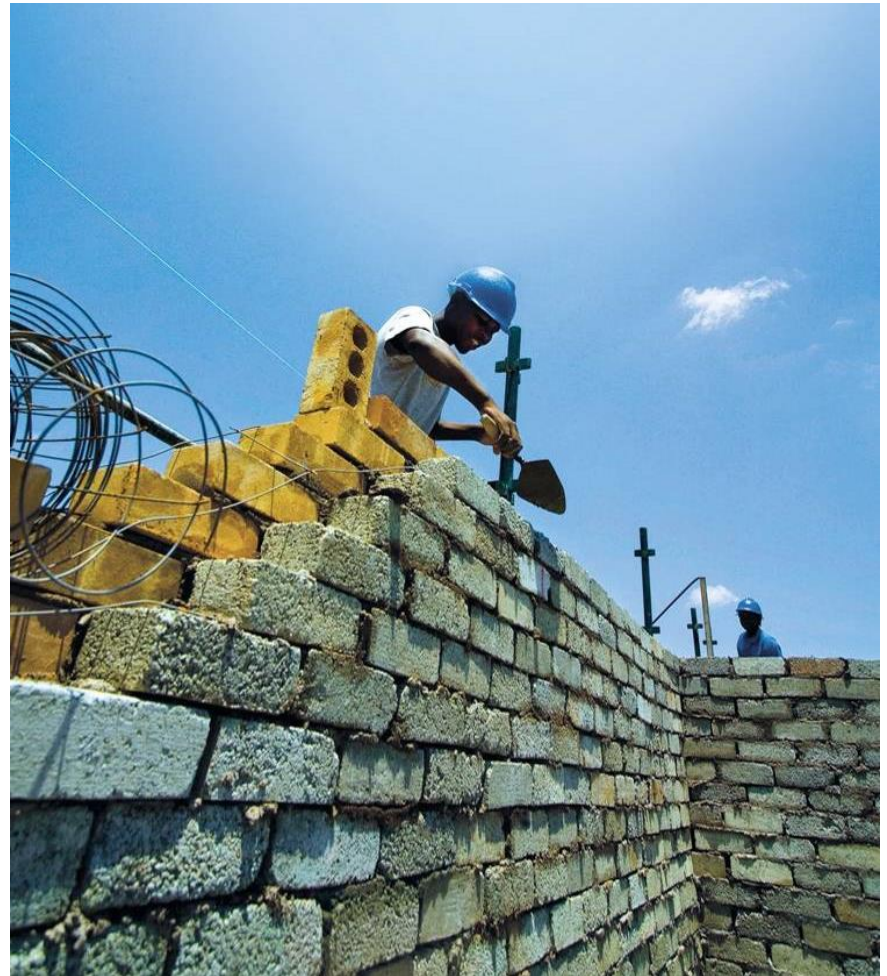
We strive to generate long term benefits everywhere we operate – to create value for shareholders as well as local communities

## Economic value distribution 2016

	\$ million	%	
Suppliers	8,800	50	
Employees	3,336	19	
Company taxes	2,584	15	
Reinvested in the Group	2,387	13	
Providers of capital	581	3	
Corporate social investment	84	0	
Dividends	0	0	
<b>Total</b>	<b>17,772</b>		

## Taxes borne and collected: developed vs. developing

	\$ million	%	
Developing	2,750	78	
Developed	788	22	
<b>Total</b>	<b>3,538</b>		



# LOCAL PROCUREMENT

## POLICY AND PRACTICE

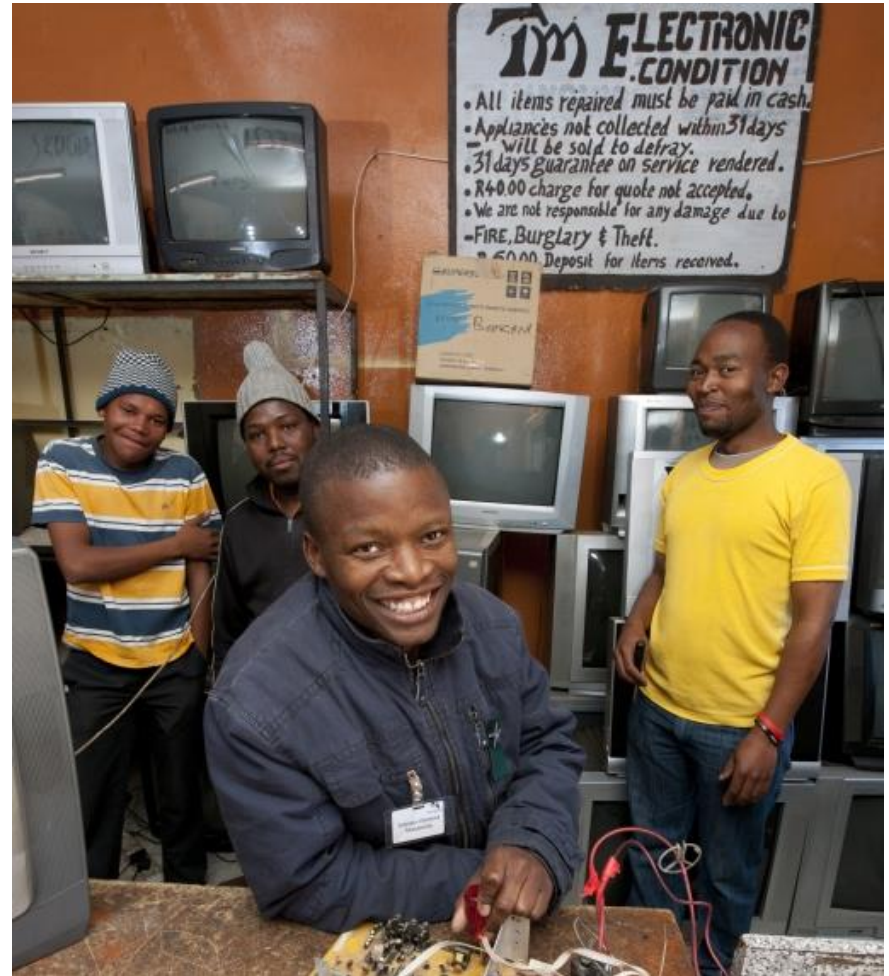
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- Policy in place since 2011 – 10 part framework/toolkit aiming to create an inclusive supply chain and sustainable economic activity
- Holistic and realistic approach: work with government to map value-chain and agree focus for local manufacture
- Business-case first, then practical steps to integrate local suppliers into large contracts
- Promote visibility of opportunities and right skills/mindset (eg Zimele)
- Not just about direct supply chain – creative solutions
- Focus on spirit of initiative not over-regulation/compliance
- Equity and ownership targets can be distractions

# DEVELOPING ENTREPRENEURS

25 years' experience in enterprise development

- Our first enterprise development programme, Zimele, was launched in South Africa in 1989
- We have since developed a best practice model and have now implemented schemes in Chile, Botswana, Brazil and Peru
- Since 2008, across all schemes, we have supported 116,298 jobs and supported 62,447 SMEs inside and outside our supply chains



**THANK YOU**