

ANGLO AMERICAN: LOCAL PROCUREMENT

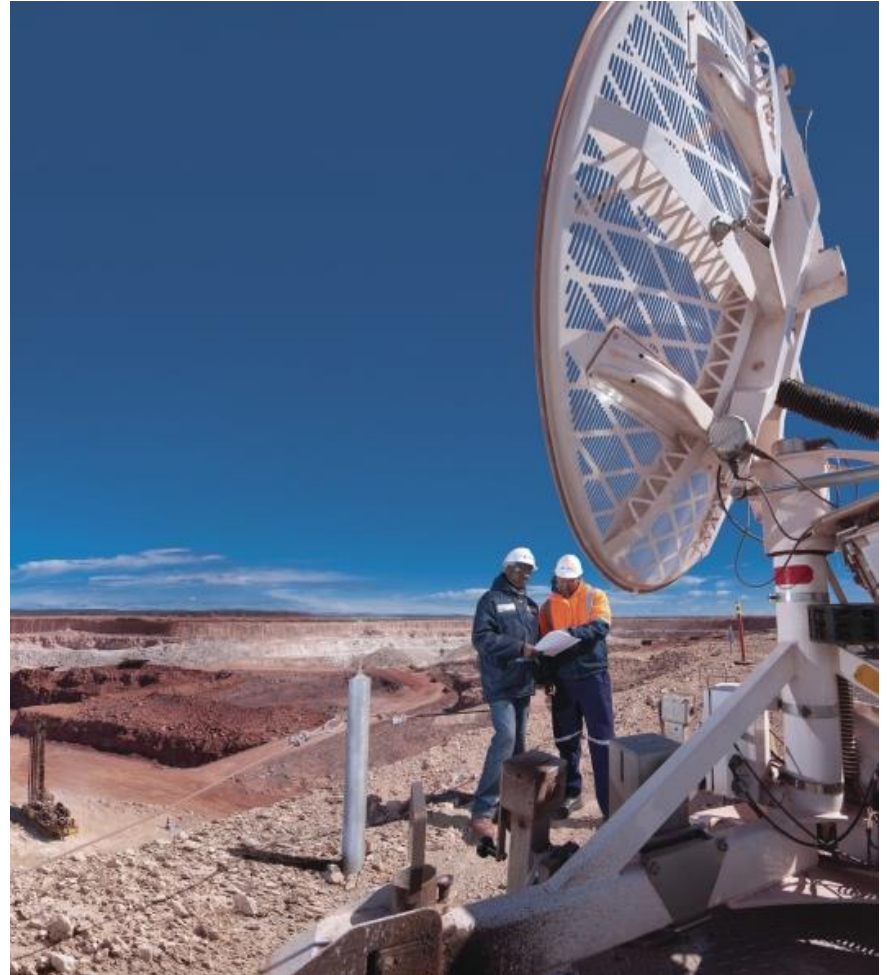
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WHO WE ARE AT A GLANCE

Anglo American is a globally diversified mining business

- 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	
Total	17,772		

Taxes borne and collected: developed vs. developing

	\$ million	%	
Developing	2,750	78	
Developed	788	22	
Total	3,538		



LOCAL PROCUREMENT

POLICY AND PRACTICE

- 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