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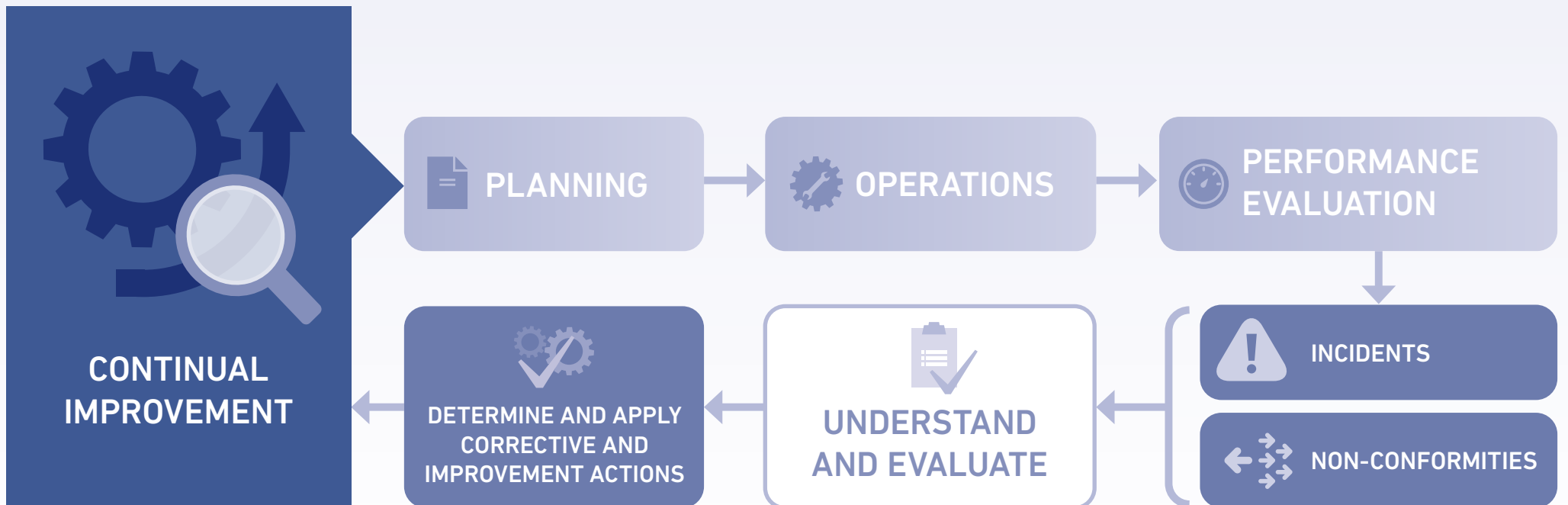


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HOW DOES  
IMPROVEMENT  
FIT INTO  
THE REST  
OF THE  
SHE WAY?



# IMPROVEMENT

We learn from what goes right, what goes wrong and what can be better. We investigate, plan and introduce improvements to deliver our FutureSmart Mining™ plan.



# INCIDENTS



## Why?

In order to identify, manage and prevent recurrence of incidents, Anglo American businesses and operations must establish, implement, and maintain formal systems in place that include reporting, managing, investigation, taking action and learning from incidents. When events occur, there must be a timely reaction.

At Anglo American we want no repeats of any incidents and it is therefore important to not only respond to any such occurrences, but to analyse them so that we can learn, reduce risk and continually improve the effectiveness of controls to prevent similar incidents (repeats) from occurring.



## How?

### MANAGING INCIDENTS

→ When incidents occur, it is critical that Anglo American businesses and operations are prepared to respond in good time and effectively to mitigate the consequence and potential impact of incidents. This will include resource considerations, organisational context and stakeholders, planning and operational requirements and impacts and other elements of the SHE management system.

→ **The LFI Field Guide** supported by the **Emergency Management Standard** provides clear guidance on the first response requirements including the documenting and testing of processes and plans in place to respond to unplanned and unwanted events.

→ The processes must include the requirements of reporting by all employees, reacting in a timely manner to take control of and correct incidents as well as managing incidents and dealing with their consequences.

### LEARNING FROM INCIDENTS

→ In Anglo American, incident management is supported by the **Learning from Incidents (LFI) process**, which aims to ensure that there is timely response to events, effectiveness of controls is continually reviewed and improved so that recurrence is prevented; and consequences are dealt with.

→ The business or operations events procedure, compliant with the **LFI Standard**, must ensure that actual and potential SHE incidents as well as High Potential Hazards are reported, recorded, analysed, investigated, contributing factors are identified, risk profiles and control strategies are updated, learnings are shared and corrective and improvement actions are implemented across the Group to create a sustainable corporate memory and effective knowledge management.

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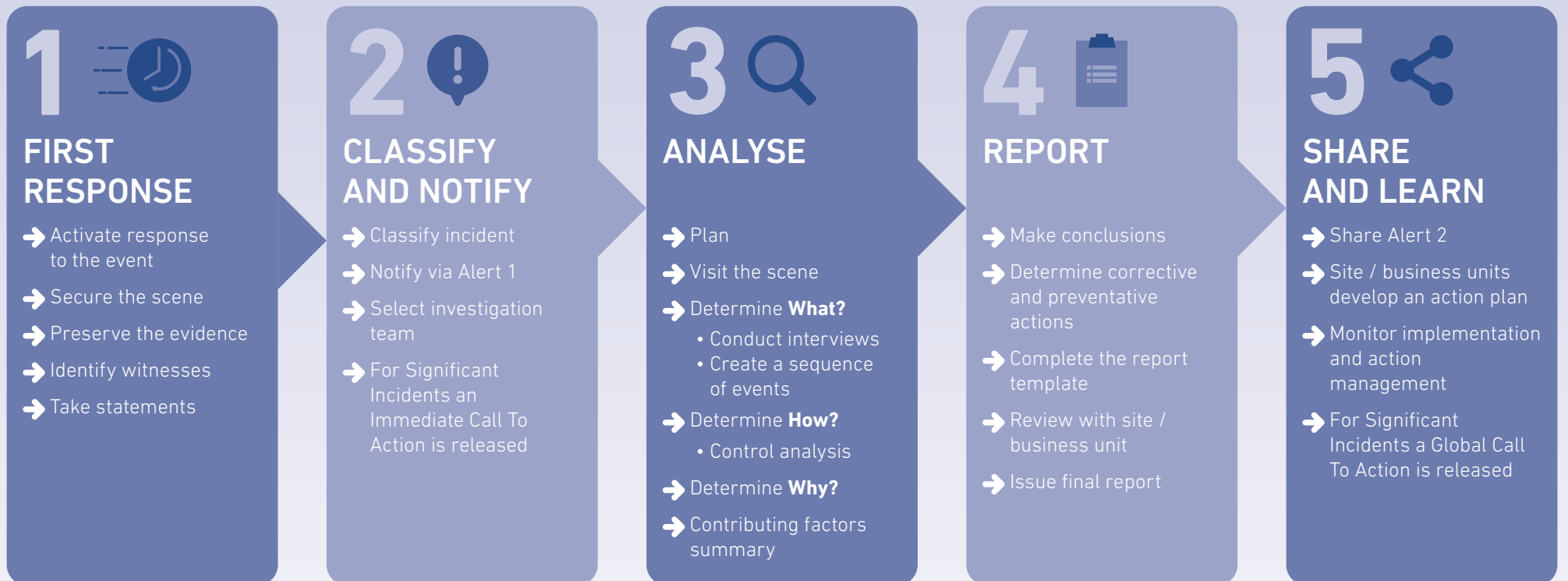


# INCIDENTS



How?

→ The **LFI** Process has five steps which apply to all Safety, Health, Environmental and Social incidents as follows:



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# INCIDENTS



→ All incidents must be captured in the Incident Module of the Isometrix and the notification (Alert 1) released from the system by the incident validator within 48 hours. Recipients for Alert 1 for Level 1 to 3 incidents must be defined by the site incident management procedure.

INCIDENT SEVERITY	ALERT 1	INCIDENT INVESTIGATION REPORT	ALERT 2
Level 1-3 incidents	Site or BU release Alert 1 within 48 hours of the time of the incident from Isometrix	Managed according to the site incident management procedure and must be captured in Isometrix Alert 2 to be released from Isometrix	
High Potential and Significant incidents	Site or BU release Alert 2 within 48 hours of the time of the incident from Isometrix	Report generated within 30 days of the last day of the investigation and submitted by the Lead of the investigation	Alert 2 released within 14 days after completion of the investigation  Group SSD or SP&E develop, approve, and release the SHE Alert and Global Call To Action

# INCIDENTS



→ When a SHE incident occurs, the concerned Anglo American business or operation must address the incident by taking action to investigate the causes and contributing factors and identify corrective actions to control them. The objectives of the incident investigation and analysis process are to:

- Gather all relevant information and evidence
- Determine what happened
- Define a sequence of events leading up to, including, and after the incident
- Determine direct, contributing factors and root causes of the incident
- Identify the control(s) that failed and resulted in the incident

- Define actions, including new controls and improvement of current controls, to prevent repeat occurrences or similar incidents from occurring in the future, including any required changes to the SHE management system and reviewing the effectiveness of the corrective actions taken; and
- Share lessons learnt to enhance organisational learning and institutionalise changes.

**NOTE:** As per the **Group Contractor Performance Management Procedure** the SHE Team shall assist contractors and business partners with managing SHE incidents and non-conformance investigations and supporting appropriate consequence management.

→ An incident investigation team must be led by an appropriate lead in line with the **LFI guidelines** dependent on the severity of the incident. The investigation team must evaluate, with the participation of workers and the involvement of other relevant interested parties, the need for corrective action to eliminate the contributing factors of the incident or non-conformity, in order that it does not recur or occur elsewhere, by:

- Investigating the incident or reviewing the non-conformity
- Determining the direct and contributing factors of the incident or non-conformity
- Determining if similar incidents have occurred, if non-conformities exist, or if they could potentially occur.

CONT ▶



# INCIDENTS



## How?

→ The full **LFI** process must be documented and tracked from initial reporting to close out of actions on Isometrix in line with the requirements of the **LFI Standard**. Incident records must be maintained and stored in suitable conditions and for periods of time, in accordance with local legal requirements and must always ensure the protection of personal information.

→ There must be an Incident Register available of all events at each business or operation. Isometrix can be used to support this and the incident record keeping requirements. Each Anglo American business or operation must use Isometrix for reporting of incidents.

→ Investigation team members need to have access to all evidence and related documents and be familiar with the process of logging of incident data, as permitted by Group Legal, into Isometrix.

→ The business or operation must all ensure that the captured information is adequately detailed and addresses both internal and external reporting requirements and compliance obligations related to event management. All incidents must be reported in line with the local legal requirements as well as the prescribed reporting process of the SHE management system. Any reporting of incidents externally, especially where a fatality has been involved, must go through the Legal and Communications teams.

→ Incident records must be maintained and stored in conditions and for periods of time, in accordance with local legal requirements and must always ensure the protection of personal information. There must be a register available of all events at each business or operation.

→ Isometrix may also support the analysis of incident data to support learning and improvements. Analysis could be in several different forms and a combination of the following:

- Departmental comparisons over year and month periods
- Performance of the entire operation over year and month periods
- Comparisons of the types of events occurring

- Comparisons of the root causes of events
- The development of a Frequency Rate of events
- Comparisons of near-hit events to actual consequence events
- Action plan tracking and close out
- Improvements made to controls as a result of investigations
- Injuries per body part etc.

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# INCIDENTS



→ Outcomes of investigations must be communicated to relevant workers, and, where they exist, workers' representatives, and other relevant interested parties.

→ It is the responsibility of Management to ensure that the Call to Action has adequately addressed the issues identified through the **LFI** investigation process.

→ The learnings and actions must deliver 'what' needs to be done/reviewed/considered to prevent a repeat loss of control, and not 'how' it is expected to be done/reviewed/considered.

→ Significant Incidents shall be shared with the Executive Directors and the Sustainability Committee by Group SSD or Group Social Performance and Engagement.

→ On completion of the investigation and on close out of the incident, the investigation team will draft a SHE Alert with key learnings and immediate action to be taken across the Group. The focus of the alert is related to the Incident, and not the specific details as in some cases the details may be legally privileged or unknown.

→ For High Potential and Significant incidents, Group SSD will develop, approve and release an Immediate Call to Action, SHE Alert and Global Call to Action (GCTA) as appropriate. The alert must be cascaded by Business Units to Sites via email and incident management systems, and will include:

- Learnings from the incident
- Specific actions required for completion
- Supporting resources to enable implementation of actions and learning.

## NOTE:

### Call to Action

Remember, that Global (and Immediate) Calls to Action apply to everyone, whether or not the incident occurred on your site.



# NON-CONFORMITIES



## Why?

We all have a responsibility to pro-actively manage non-conformities to ensure reporting, investigating, and corrective action processes are implemented and maintained.

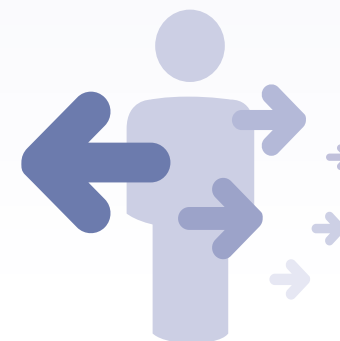
Non-conformities relate to unfulfillment of requirements which may render our SHE management system ineffective, and therefore expose Anglo American to risks, which is unacceptable.



## How?

→ Each Anglo American business or operation must define a process for employees to report, capture, categorise and, if appropriate investigate and address non-conformities with the **SHE Way requirements** in accordance with the principles of the **LFI process**. Whilst non-conformity may not be classified as an Incident, the process for identification of the root causes / contributing factors and addressing them still applies. Specifically:

- Clarify a process for categorising and prioritising non-conformities and identifying which ones require an investigation
- Complete an investigation of the non-conformity which considers all relevant information and evidence to determine direct, contributing and root causes of the non-conformity in line with the **LFI process**
- Define actions to address the non-conformity, including any required changes to the SHE management system and reviewing the effectiveness of the corrective and improvement actions taken (refer to the next section for details of the Corrective and Improvement Actions approach)
- Report on the progress and status of the non-conformity in line with the governance requirements set out in the **LFI process**
- Share lessons learnt and specifically ensure that actions are implemented to address circumstances where similar non-conformities exist or could potentially occur via the Call to Action process.



# CORRECTIVE AND IMPROVEMENT ACTIONS



## Why?

The underlying foundation of the SHE Way and SHE management system is continual improvement. The need to build robust and resilient organisation that manages our risks and opportunities in an agile and meaningful way is at the core of Anglo American's FutureSmart Mining™ Strategy.

Corrective action processes must be appropriate to the significance of the non-conformities encountered in order to ensure that SHE management system remains effective and is implemented and maintained in a timely manner.

To support our **Principles** of Zero-Mindset, No Repeats and Simple Non-negotiable Standards, everyone must share and implement learnings across the Group. We all learn from each other, as well as from the new developments in the industry, technology, science and every day operational practices and lessons. We do not tolerate anything that does not help us achieve our strategic outcomes and that is not helping us improve or enhance our performance, and in particular SHE performance, and therefore we maximise opportunities to improve,

Sharing and implementing of learnings across the Group enables the creation of a sustainable corporate memory and effective knowledge management.



## How?

➔ There are several corrective, preventative and improvement actions and associated activities that must be implemented. Some examples of these are:

- Investigation into and documenting of the contributing factors of the event, incident, non-conformity etc. identified through analysis using the **LFI investigation tools** and document the outcomes and required actions in the Isometrix
- Development of an appropriate Action or **+ ACTION PLAN** to address each of the contributing factors as well as the incident, event or non-conformity
- Identification and assessment of risks and opportunities introduced by the required action, prior to implementation, including assessing these against the hierarchy of controls
- Completion of a Management of Change (in line with the **Management of Change Standard**) check on Isometrix if required, and executing the change which may include completing Change Management activities (ass supported by the **AA Change Management Framework**)
- Capturing approved actions and action close out information on Isometrix
- Implementing identified actions, sharing learnings and collaborating with workers
- Management verification of action completion and effectiveness
- Necessary changes to the management system to ensure sustainability of the action and its effectiveness
- Sharing learnings within the business or operation and the Group at all levels as relevant via the local Worker representation forums, internal communication channels and systems.

# CORRECTIVE AND IMPROVEMENT ACTIONS



## How?

→ Management must approve and provide resourcing or instruction for some actions which will need to be fully documented. Once the **+ ACTION PLANS** have been decided, they must be captured on the Action Module of Isometrix along with:

- The responsible person and department
- Detailed description of the activities required to close out the action
- Due date for completion and where relevant, implementation plans or action plan schedules
- Associated resources that may be needed to implement the actions, including financial
- Person responsible for verification.

→ In order for the learnings and actions to be reflected in the operating procedures they need to be reflected in the SHE management and operational systems by updating:

- Risk profiles and aspects and impacts registers
- Control strategies
- Procedures, risk documentation and any other documents affected by the action or activities
- Scopes of Work and contract documentation in relation to contractors and business partners.

→ Performance Evaluation activities as well as Assurance activities will result in suggested corrective actions. Depending on the type of performance monitoring or assurance activity, the responsible person / auditor and / or investigation team must make recommendations or suggestions for action plans that would adequately address the highlighted finding or non-conformity. In this instance, it is for the auditee to assist in formulating and confirming the agreed action plan for each finding.

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# CORRECTIVE AND IMPROVEMENT ACTIONS



## How?

→ With regards to opportunities for improvement identified as part of assurance activities, it is the prerogative of SHE practitioners in conjunction with senior management whether actions will be applied depending on prioritisation. Whilst opportunities for improvement are considered recommendations, their value contributes towards Continual Improvement and must be thoroughly considered. To ensure we have no repeats and learn from incidents, the decisions on whether to implement an action must be informed by the improvement contribution it would make.

→ A regular review of the action list with low priority actions must be performed to ensure that outstanding actions do not remain listed for extended periods of time and any outstanding actions are addressed within reasonable periods of time.

→ When identifying actions to address findings, non-conformities, incident investigation outcomes and opportunities for improvement, actions must:

- Address hazards immediately based on prioritisation - the initial action plan should differ from the long-term control that is implemented via the best practice and sustainable action plan
- Be SMART (Specific, Measurable, Achievable, Realistic, and Timely)

- Be captured with sufficient detail to be read in isolation and understood
- Be designed in line with best practices to have longevity and sustainability to outlast the current issue and be fully integrated into the management system from implementation onwards
- Address future issues as well as other similar issues. One quality action must address as many contributing factors or areas of concern as possible
- Be designed to address the contributing factors (root causes) identified in the finding, incident investigation or non-conformity
- Be timeously implemented as well as have reasonable deadlines set for them.

→ Management must approve and support action implementation for actions stemming from Performance Evaluation activities as well as audit and assurance activities, through resourcing and leadership commitment and review the effectiveness of the corrective action taken. Reviewing the effectiveness of corrective actions refers to the extent to which the implemented corrective actions adequately address the revealed contributing factors.

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# CORRECTIVE AND IMPROVEMENT ACTIONS



→ Once an action has been completed and is being closed out on Isometrix, the following must be captured:

- Detailed action close-out description
- Evidence of close out: upload supporting documentation, images, correspondence etc.

→ Action close out must be verified by a member of management. The verifier may reject the action close out and require more activity from the responsible person.

→ Where non-conformities cannot be controlled or corrected, the consequences of the non-conformity must be addressed, including mitigating adverse environmental impacts.



# CONTINUAL IMPROVEMENT



## Why?

In line with the Anglo American Purpose and the FutureSmart Mining™ goals, businesses and operations must incorporate continual improvement activities into annual objectives setting and five year planning processes that drive value in SHE and overall performance. Continual improvement is necessary as the context and the environments within which we operate change and evolve, the measures within our SHE management system may become ineffective or inadequate.

Some examples of changes that may include but are not limited to: new technology; good practices, both internal and external to the organisation; suggestions and recommendations from interested parties; new knowledge and understanding of occupational health and safety-related issues; and new or improved materials. Changes in worker capabilities or competence and a need to achieve improved performance with fewer resources (i.e. simplification, streamlining, etc.) may also be issues that would warrant a review and update of the management systems to ensure that it remains effective and considers the right risks and issues.

Improvement planning is not a single but an ongoing process of understanding and learning from what went right as well as what went wrong. Improvement is an ongoing journey that require collaboration, learning from actions, including mistakes, participation of workers and ownership on behalf of each and every participant. We all have a responsibility to participate and contribute to the continual improvement at Anglo American.

With the SHE Way in place, businesses and operations can track performance against the goals and objectives to continuously improve both SHE and business performance across the entire organisation.



## How?

➔ In order to be able to improve the SHE management system performance it is essential to understand how well the system is currently performing. It is likely that some elements of SHE planning, processing and review will be working well and some, less so. Improvement planning and activities must take into account all of the outputs from the management system and provide inputs in the planning and objectives setting for the future as outlined in the **SHE Way Context and Planning Specification chapters**.

➔ In order to achieve the intended outcomes of the SHE management system, the businesses and operations must take action to address identified opportunities for improvement, including controlling and correcting non-conformities, and enhance their SHE performance through continual improvement of the suitability, adequacy and effectiveness of their SHE management systems. This is particularly relevant when considering outputs outlined in the **SHE Way Planning Specification chapter** in the form of SHE risk documentation capturing SHE opportunities.

# CONTINUAL IMPROVEMENT



## How?

→ As with the Context section of the **SHE Way Context Specification chapter**, insights can come from many sources, both internal and external. These may be supported by **+ SWOT** and **+ STEEPLE ANALYSES** or other assessments to derive learning when problems have occurred. Where these tools are used, a good starting point is a review of the prior period analysis and assessment of any changes that have occurred or likely to occur, that may require changes or may help identify necessary improvements.

→ The challenge is not in securing sufficient insight, but in determining which of the insight received is of most use in terms of driving improvement. At a minimum, businesses and operations must determine ways of improving their SHE management system, through the following inputs:

- Outcomes of monitoring, measurement, analysis and evaluation of its SHE performance and the SHE management system as a whole at regular intervals
- Compliance obligations requirements
- Outputs of the SHE management system assurance activities and audits

- Results of a full Management Review (as per the **SHE Way Performance Evaluation Specification chapter**), which is key as Leadership then have the information to approve and support improvement action suggestions
- Analysis of its incident, non-conformity and corrective actions as well as its opportunities.

→ Monitoring and measurement must be carried out at planned intervals. Resulting insight must be used to prioritise changes aimed at improving the system's ability to achieve its intended outcomes, through becoming more efficient or effective or both. The intent of continual improvement is to evaluate and improve each process both during and following its implementation. This is achieved through ongoing real time monitoring and improvement activities being built into work places and work processes.

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# CONTINUAL IMPROVEMENT

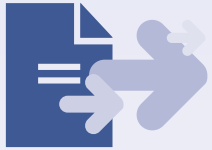


## How?

→ In line with the Anglo American Purpose and the FutureSmart Mining™ goals, businesses and operations must do the following:

- Establish, implement, and maintain processes to determine opportunities for continually improving the suitability, adequacy, and effectiveness of the SHE management system, implementing necessary actions to achieve these intended outcomes
- Incorporate continual improvement activities into annual objectives setting and five-year planning processes that drive value in SHE and overall performance - this is key in the loop back to Act and Plan in the PDCA cycle
- Promote worker participation in continual improvement by utilising the Workers' representative's forum to collect ideas and opportunities, gather and validate ideas and encourage initiative and proactive contributions to implementing solutions
- Pursue continual improvement in environmental performance issues, such as water stewardship, energy use, mine closure planning and climate change by setting stretch targets, developing and implementing plans to achieve the targets and regularly monitoring performance
- Document all activities to evidence improvements
- Communicate results of continual improvement efforts where appropriate.

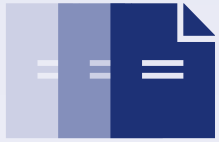




## WHAT IS THE OUTPUT OF IMPROVEMENT?

Click between the SHE  
Way sub-element tabs





## REFERENCE TO STANDARDS

In undertaking the activities in this section, the following internal and external standards are applicable (this is not an exhaustive list).

Click between the tabs:  
**INT** = Internal References and Standards  
**EXT** = External Standards



# HOW DOES IMPROVEMENT FIT INTO THE REST OF THE SHE WAY?



## LEADERSHIP

The results of continual improvement process inform any changes required to the extent of **Roles, Responsibilities and Authorities** within the SHE management system.

The process of **Consultation and participation of workers** is critical to identifying insights for **continual improvement** assessments and identification of **nonconformities**.



## SUPPORT

Corrective actions resulting from the **nonconformities or incidents identification**, as well as lessons learned resulting from the **Continual improvement** reviews impact the **Resources** required and the **Competence** expectations.

The context can inform the extent, nature, **Documented Information** standards and expectations support to the LFI and PDCA processes and are important for enabling the learnings share and transfer across the organisation.



## CONTEXT

The context informs the scope of activities that can be directly managed vs influenced in response to **Incidents, Non-conformities, Corrective and improvement actions and Continual improvement** activities may include identification of changes to the scope and stakeholder identification processes.



## PLANNING

Continual improvement process outputs inform **Planning** of the management system as a result of the PDCA activities. Incidents and Non-conformities logs analysis help strengthen the **Risks and Opportunities** identification and management of the **SHE Risks and Opportunities**.



## OPERATIONS

**Operations Planning and Control** can be used for inputs into **Performance Evaluation**.

The scope and consideration of stakeholders of and internal and external issues informs the sphere influence and boundaries with regards contractors for **Contractor Management**. The identification of stakeholders supports in identifying who must be considered in **Emergency Preparedness and Response**, the scope definition supports to quantify the extent of the response mechanisms required.



## PERFORMANCE EVALUATION

Results of **Monitoring, Measurement, Analysis and Evaluation** provide insights and lessons learned that inform continual improvement opportunities and actions.

The **SHE Way Assurance and Management Review** may identify challenges and opportunities that need to be addressed and will inform improvement actions.



## IMPROVEMENT

