

S·E·A·T

Socio-Economic Assessment Toolbox





AN INTRODUCTION TO THE ANGLO AMERICAN SOCIO-ECONOMIC ASSESSMENT TOOLBOX (SEAT)

Improving the management of the social and economic impacts of significant mining and industrial operations has become an increasingly important public policy issue in recent years. It is a critical element in the sustainable development agenda. For any company in the natural resources business, with potentially high local impacts and long investment horizons, it is also an important risk management issue.

Where our operations deplete a natural resource we aim to balance this consumption with an enhancement of the human and social capital of the places in which we work. This is not an exact science. Much of this enhancement will occur through the normal process of job creation and of paying taxes. Much is dependent upon the role of our host governments. But, especially in our work in developing countries, we are learning more about approaches that improve the development opportunities that flow from our operations. These include: seeking to maximise local job opportunities through appropriate training programmes; capacity building; catalysing community partnerships; creative use of procurement; and small business development as well as more traditional social investment activities.

When we open a new operation, or carry out a major expansion we routinely assess our social and environment impacts. But many of our operations have anticipated lives

of 30 years or more and some pre-date such social assessments becoming routine. This is where the SEAT process comes in. It equips an operation better to understand the dynamics of its impacts and, having measured them, to manage them creatively. It is also a valuable aid in the task of developing a social dimension to long-term mine closure planning. It reflects the way we aim to do business; by seeking to meet the reasonable expectations of our key stakeholders.

Our 'Good Citizenship' Business Principles state that 'we seek to make a contribution to the economic, social and educational well-being of the communities associated with our operations'. SEAT is a significant investment by Anglo American in helping our operations to live up to that goal. It also has the capacity to enrich the Community Engagement Plans which we are putting in place at all our major operations and which are based on the importance of a regular dialogue with our neighbours.

The SEAT process will not be relevant to all operations. Some tools will have greater salience than others, depending upon the local context. But we recognise the business and the ethical case for working to minimise any adverse impacts from our operations and for seeking to ensure that our investment helps to improve the condition of the communities associated with our businesses.

A handwritten signature in blue ink, appearing to read 'Tony Trahar'. The signature is fluid and cursive, written on a white background.

Tony Trahar
Chief Executive

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OVERVIEW OF THE ANGLO AMERICAN SOCIO-ECONOMIC ASSESSMENT TOOLBOX (SEAT)

1.1 OBJECTIVES

This manual provides a process designed to assist Anglo American (Anglo) operations to identify and manage their social and economic impacts (both positive and negative). It also provides guidance on how to improve overall social performance where this is necessary.

The process is aimed at existing operations and has been developed as part of a range of initiatives to improve social performance and to embed sustainable development concepts into core business strategies. These initiatives are a response to growing expectations of improved social performance within the natural resources and extractive industries, as reflected in the Global Mining Initiative, the 2002 World Summit on Sustainable Development and increased investor interest in social and ethical issues.

It is intended, through the implementation of the SEAT process, that the long-term economic and social sustainability of the communities around Anglo's operations will be enhanced, and the basis for more sustainable partnerships established.

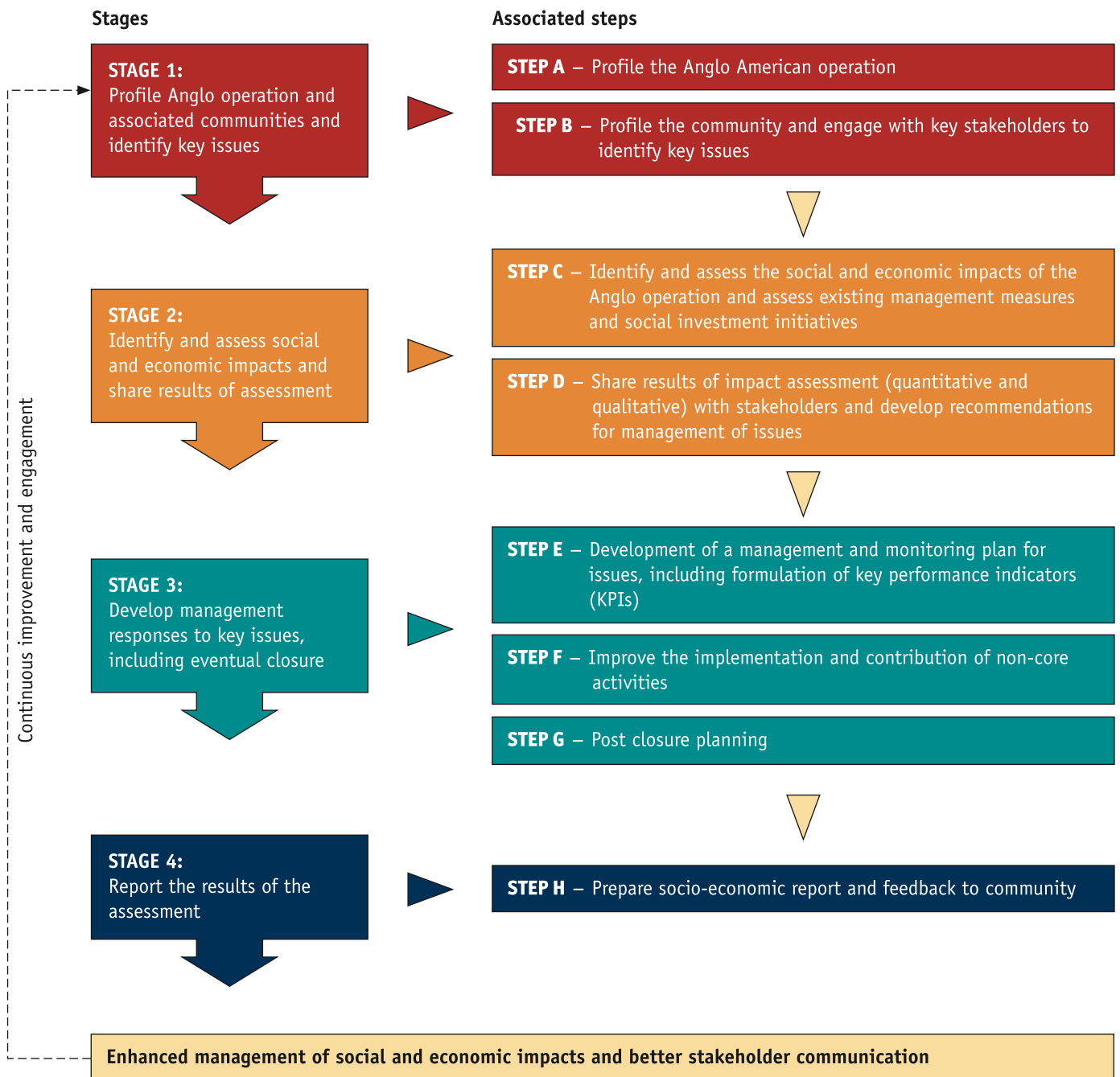
Stakeholder engagement is a vital part of the SEAT process and, as such, features in many of the tools that have been developed. These tools have been designed to work independently of each other and as a result distinct stakeholder engagement activities have been developed for the majority of tools. In reality, when a comprehensive assessment is being pursued, stakeholder engagement activities from many of these tools can effectively be merged. How this is done is best left to local discretion so as to ensure an efficient process for the operation and to avoid stakeholder fatigue.

The SEAT process will also assist operations to meet the objectives of Anglo's 'Good Citizenship' Business Principles, as they relate to community development.

Box 1.1 The Objectives of the SEAT Process

- To identify the key social and economic impacts and issues which need to be managed.
- To assess existing initiatives, provide feedback on their success and suitability, and identify where improvements might be made.
- To be a useful resource in developing a Community Engagement Plan (see section 1.7.2).
- To provide an analytical framework to assist operations to assess their overall sustainability, especially in balancing the extraction of natural resources with an enhancement of social and human capital.
- To ensure that "best practice" is captured and shared within Anglo.
- To provide a planning tool for managing an operation or plant's social and economic impacts, including social investment and mine closure.
- To gather and collate data for corporate social reporting purposes, as well as development of indicators that are relevant to local conditions.

Figure 1.1 Key Stages and Steps in the SEAT Process



1.2 STATUS OF THIS DOCUMENT

Implementing the SEAT process is not mandatory. It should be used as a tool for improved social performance, and for bringing operations in line with best practice in this field. Not all operations will need to adopt the toolbox in its entirety: some will already be undertaking elements of the process and not all tasks are relevant to all social contexts. The assessment process has been designed to address social and economic issues in developed and developing countries, and to span the full range of Anglo activities. However, the relevance of some of the tools will vary, depending on the local context. Not all need to be deployed when implementing the SEAT process.

During 2002, the SEAT process was piloted at three Anglo operations in Australia, Brazil and South Africa. In each case, the unit concerned found the process to be valuable. The assessment process has drawn extensively upon existing 'best practice' within the Group.

1.3 KEY STAGES IN THE ASSESSMENT AND MANAGEMENT PROCESS

The SEAT process is divided into four key stages, as summarised below, each comprised of a number of steps and associated tools. These tools, or guidance notes, have been developed to guide operations through the process.

- Stage 1: Profiling the Anglo operation and associated communities and identify key issues (positive and negative).
- Stage 2: Identifying and assessing socio-economic impacts and sharing results with stakeholders. This process should include impacts that can be measured in both quantitative and qualitative terms.
- Stage 3: Developing management responses to key issues, including planning for eventual closure.
- Stage 4: Reporting the results of the assessment.

The key stages and associated steps are presented in *Figure 1.1*.

A summary of the tools supporting each stage is presented in *1.9* at the end of this document. These tools have been developed after extensive consultation within Anglo American

1.4 WHO IS THE SEAT PROCESS DESIGNED FOR?

The SEAT process has been designed for use by Anglo staff with support, where required, from local experts such as academics or local consultants. The focus has been on ensuring that the tools are easy to understand and to apply. Even with experienced in-house resources, there may be instances where it is appropriate to draw on external expertise to assist in meeting the objectives of a specific tool. External input may also be useful in validating the objectivity of the approach and findings, building bridges with specific stakeholder groups and in contributing perspective and expertise.

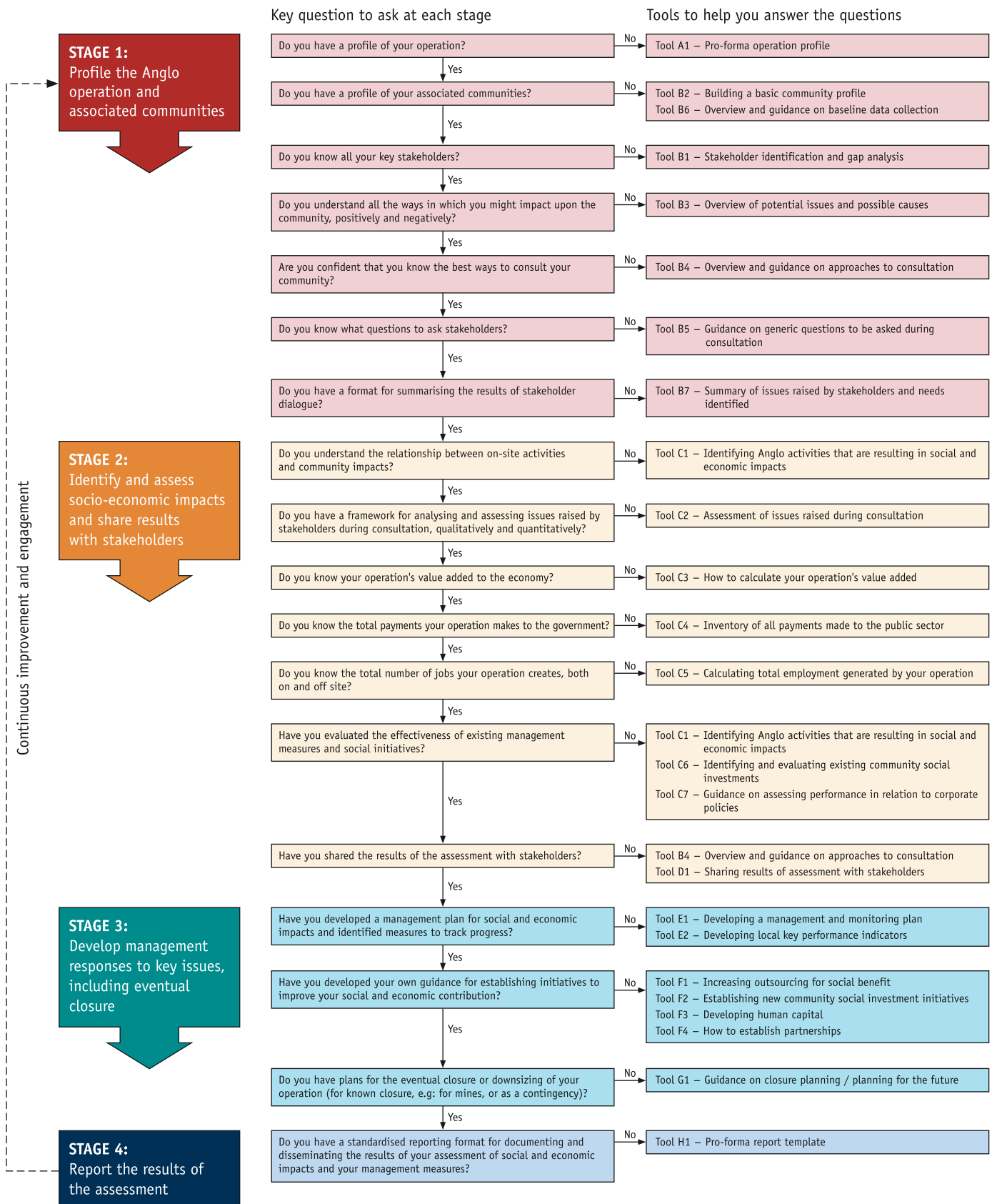
1.5 TIME COMMITMENT

The SEAT process is designed to provide a snap shot of local social and economic issues related to any Anglo operation. As a 'snap shot', the time commitment for this process will be significantly less than for a full Social Impact Assessment (SIA).

The pilot studies carried out to test the assessment process required the equivalent of eight weeks of a person's time over a three month period, indicating that when the process is rolled out, requirements on local management should not be excessive.

It is suggested that operations may wish to carry out such an assessment on average every three years, but may wish to update some data annually.

Figure 1.2 Summary of the SEAT Process and Supporting Tools



1.6 PROCESS STATEMENT

1.6.1 Process Flow Diagram

Figure 1.2 summarises the stages, steps and tools contained within the assessment process.

1.6.2 Stage 1: Profile the Anglo Operation and Associated Communities and Identify Key Issues

Stage 1 of a robust assessment process involves developing a profile of an operation and of its neighbouring communities. This includes identifying stakeholders and their key concerns.

For the purposes of this process, Stage 1 has been divided into two steps:

- **Step A:** Profile the Anglo American operation.
- **Step B:** Profile the community and commence dialogue with key stakeholders to identify key issues.

Developing a Profile (Step A)

The nature of the interactions between an operation and the surrounding environment is what results in impacts, both positive and negative. The information generated through the profiling exercise can also be used to help external stakeholders understand more about an operation and the contribution it makes to local development. The type of information required includes:

- **For an operation:** numbers of people employed (Anglo and Contractors), skills of employees, main activities undertaken on site, annual output and turnover, taxes paid (where appropriate), certification systems etc.
- **For the neighbouring communities:** total population, age and gender ratios, extent of social and economic infrastructure, forms of livelihood, wealth distribution, levels of education and training etc.

If good profiles of the operation and neighbouring communities do not already exist, Steps A and B provide tools to create them (see Box 1.2). In instances where an operation already has such profiles, then the information requirements suggested in this assessment process can be used as a check for completeness.

Box 1.2 Supporting Tools For Developing a Profile⁽¹⁾

The following tools will assist in developing a profile of an operation and its neighbouring communities:

- Tool A1: Pro-forma operation profile
- Tool B2: Building a basic community profile
- Tool B5: Overview and guidance on baseline data collection

Some operations will have carried out an SIA as part of their initial licensing procedures. SIAs are likely to cover the information requirements suggested in this assessment process, but in much greater detail. However, some of the information gathered may be out of date and may require updating. It may also be helpful to extract the essential socio-economic data from the SIA and transfer it into a more user-friendly format for updating and ongoing use.

Dialogue With Key Stakeholders (Step B)

Identifying who an operation's stakeholders are and their issues of concern, helps develop an understanding of the positive and negative impacts of an operation, and how these impacts may affect stakeholders differently. This includes issues that are linked to the operation, as well as those that stakeholders perceive to be linked to it. Knowledge of these issues enables them to be addressed and managed, thereby helping to minimise risk.

It is important that the stakeholders involved in the process are representative of the full range of affected people within a community, and that the techniques used to facilitate their involvement are appropriate to the local context.

Most significant Anglo operations already have detailed stakeholder dialogue arrangements (for example, Community Engagement Plans). However, to assist operations further, this assessment process contains a number of tools (see Box 1.3) designed to deliver on these objectives. These tools will also provide the information required to complete

(1) Note: Step B tools provide guidance on both community profiling and consultation. For the sake of clarification, this summary document discusses profiling first, followed by consultation. However, for efficiency reasons, the assessment process would generally combine these activities to minimise the number of times that formal stakeholder dialogue is required.

various aspects of the Community Engagement Plan (CEP). The consultation process outlined in this process will also generate preliminary information on community needs (as will the Community Profile). This information can be used to carry out an initial assessment of the effectiveness of social investment initiatives (see Step C).

Box 1.3 Supporting Tools for Engaging Stakeholders

- Tool B1: Stakeholder identification and gap analysis
- Tool B3: Overview of potential issues and possible causes
- Tool B4: Guidance on potential approaches to consultation
- Tool B6: Summary of issues raised by stakeholders and needs identified

1.6.3 Stage 2: Identify and Assess Social and Economic Impacts and Share Results of the Assessment

The key objective of Stage 2 is to identify and assess the impacts of an operation (both positive and negative) and to assess the effectiveness of existing management measures and other initiatives (eg social investments).

Stage 2 is divided into two steps.

- **Step C:** Identify and assess the social and economic impacts of the operation, and assess existing management measures and social investment initiatives.
- **Step D:** Share results of the impact assessment with stakeholders and obtain recommendations for management of impacts.

Identifying and Assessing Impacts (Step C)

This aspect of the assessment process, Step C, is designed to provide operations with an understanding of:

- Activities that result in positive and negative impacts on associated communities. The structure of the tool used to identify these impacts is broadly consistent with the ISO14001 management systems approach.

Box 1.4 Supporting Tools for Identifying Impacts

- Tool C1: Identifying Anglo activities that are resulting in social and economic impacts
- Tool C2: Assessment of issues raised during consultation
- Tool C3: How to calculate an operation's value added
- Tool C4: Inventory of all payments made to the public sector
- Tool C5: Calculating total employment generated

- The significance to stakeholders of these impacts and of other issues raised during consultation. This is defined in terms of the risks and opportunities posed to the operation as a result of the impacts.
- Calculating the total economic benefit of the operation, including value added, taxes paid and total employment (direct and indirect).

Many operations already have some of the information required. A number of tools have been developed to help verify methodologies and fill gaps. These are outlined in *Box 1.4*.

Assessing the Effectiveness of Existing Management Measures and Initiatives (Step C)

To improve social and economic performance it is also important to assess the effectiveness of existing management measures and other initiatives, such as social investment. It is therefore important periodically to review whether management measures adequately address the identified impacts of the operation, and the extent to which social investment initiatives are meeting community needs, or other objectives.

It is also important to review performance against Anglo's corporate policies and principles relating to social and economic impacts, namely:

- the Anglo American 'Good Citizenship' Business Principles; and
- the SHE Policy and Management Principles.

Box 1.5

Supporting Tools for Assessing Management Measures

- Tool C1: Identifying Anglo activities that have social and economic impacts
- Tool C6: Identifying and evaluating existing community social investments
- Tool C7: Guidance on assessing performance in relation to corporate level policies

Box 1.6 Supporting Tools for Sharing Results

- Tool B4: Guidance on potential approaches to consultation
- Tool B6: Summary of issues raised by stakeholders and needs identified
- Tool D1: Sharing results of SEAT process with stakeholders

Specific elements within each of these are assessed during the SEAT process. It is against these that each operation is requested to assess and report on its performance. The benefit of doing this is that it provides a clear indication of the level at which the operation is currently performing, and any steps needed to achieve compliance with aspects of the policies/principles.

If operations are not already undertaking such reviews, or if they wish to check the scope of their reviews against good practice, a number of tools have been developed. These are outlined in Box 1.5.

Disclosing Results of the Assessment and Getting Input on Management Measures (Step D)

Step D of the SEAT process concerns the sharing of the results of the assessment with stakeholders and allows for stakeholder input to the findings. This includes findings on impacts and on the effectiveness of existing initiatives.

Operations may already have systems in place for disclosing and discussing findings with stakeholders. Step D outlines the importance of involving stakeholders in this feedback step, and provides guidance on how to plan feedback sessions. Such involvement is also important to the success of Community Engagement Plans. Many of the consultation tools mentioned in Step B are relevant to this stage of the assessment process (see Box 1.6).

Sharing the results at different stages of the assessment can have a number of benefits, including:

- providing an opportunity to discuss and test the robustness and validity of the results;
- allowing stakeholders to develop a shared understanding of all the issues and providing an opportunity to participate in the development of potential solutions, sometimes resulting in innovative suggestions; and
- generating stakeholder ownership of the issues and management responses, and therefore leading to the development of a positive relationship between the operation and its stakeholders.

1.6.4 Stage 3: Develop Management Responses to Key Issues, Including Planning for Closure

The main objective of Stage 3 is to develop appropriate management responses to the issues identified in the preceding steps. This includes measures relating to the core activities of the operation (eg management of priority impacts and planning for closure), and measures that bring benefits over and above core activities (eg social investment projects). For both, the objective is to improve performance through improved management interventions.

Stage 3 is divided into three steps:

- **Step E:** Development of a management and monitoring plan for key issues, including formulation of local key performance indicators (KPIs).
- **Step F:** Improving the implementation and contribution of non-core activities, including:
 - assessing whether procurement practices can be changed to secure additional local benefits;
 - working with communities to establish new social investments and community projects; and
 - helping to develop human capital in local businesses;
- **Step G:** Planning for the closure of an operation, where relevant.

Steps E and G relate to issues linked to core activities, whereas Step F is more concerned with initiatives that add additional value over and above an operation's core functions. *Box 1.7* lists the tools available to support operations undertaking these activities.

Development of a Management and Monitoring Plan and KPIs (Step E)

Having identified the key issues associated with the operation, the next step is to develop management measures to address them. Most operations will already have a management plan in place that addresses at least some impacts. Therefore, the key step is to ensure that all the identified issues are adequately addressed. An assessment of the effectiveness of an operation's management measures is outlined in Stage 2, Step C. The objective of Step E is to develop new, or improve inadequate, management measures. The extent to which an operation manages issues will be shaped in part by legislative and permitting requirements and by the level of risk (to both Anglo and the stakeholders).

In some instances, there may be new issues that are identified during the assessment – ones that were not predicted during the SIA - or that existing monitoring plans and consultation exercises have not yet picked up. For these issues, new management measures will need to be developed. For each management measure, a corresponding monitoring measure should be established. This ensures that the effectiveness of an operation's management measures is reviewed and, where necessary, improvements are made.

The effectiveness of an operation's management measures is critical to good relations with stakeholders. It is evidence of our commitment to being responsible neighbours. Consultation around issues of concern and potential solutions will create expectations among stakeholders that issues will be addressed. Doing so in an effective manner will enhance community relations and lay the foundations for trust. Inadequate management measures are likely to do the opposite, and will erode any gains made during the consultation process.

Box 1.7 Supporting Tools for Responding to Key Issues

Step E:

- Tool E1: Developing a management and monitoring plan
- Tool E2: Developing local key performance indicators

Step F:

- Tool F1: Increasing local procurement and outsourcing to support local business development
- Tool F2: Establishing new community social investment initiatives
- Tool F3: Developing human capital
- Tool F4: How to set up partnerships

Step G:

- Tool G1: Guidance on closure planning/planning for the future

Tool E1: Developing a management and monitoring plan, provides guidance on the key components of a management and monitoring plan. The different components take the user through the list of actions and responsibilities necessary for issues to be adequately managed. This includes setting management and monitoring objectives, assigning responsibility for the measures, setting performance targets, and establishing KPIs.

Improving the Implementation and Contribution of Non-Core Activities (Step F)

Many Anglo operations will already have programmes that are aimed at maximising the local socio-economic benefits of their operations. Whilst some of these are linked to core activities (eg employment programmes and outsourcing), others are part of a broader commitment to bring additional benefits to the communities of which they are a part.

The tools provided in Step F are aimed at maximising the effectiveness of these non-core activities. This is done via a series of guidance notes that reflect current best practice on a number of topics: outsourcing, social investment, developing human capital, and setting up partnerships.

If an operation already has well developed initiatives within the above focus areas, and does not require the guidance provided. Their examples of best practice should be captured and shared within the Group. Where relevant, this internal learning should be used to update the tools in Step F. For other operations, the tools developed to support this assessment process will provide useful instruction on how to implement value-adding initiatives.

Planning for Closure (Step G)

Stakeholder expectations are increasingly that closure planning will address not only environmental remediation but also the economic and social consequences of closure. These social issues should, ideally, begin to be addressed many years before the anticipated end of the life of the operation. The objective of Step G is to begin to address key issues relating to downsizing or closure, such as:

- What will happen to employees once the operation is downsized or closed?
- What will happen to local business partners?
- What will be the impacts on neighbouring communities?
- Is the community viable in the absence of the operation (particularly pertinent in the case of purpose-built mining towns)?
- Who should Anglo work with to plan for the future?

The specific issues relating to post closure planning will vary from location to location. For example, some mining operations may be located in communities that are wholly dependent upon Anglo (and may in fact have been created by the Company, either in a planned way or by acting as a 'pole of attraction'), whilst others are a small part of a more diverse local economy. It is not possible to be prescriptive about how these should be managed or about the appropriate level of priority. Therefore, the objective of Step G is to provide a series of actions that Anglo operations can implement as a first step in planning for the future.

1.6.5 Stage 4: Reporting the Assessment Results

Stage 4, Step H is the culmination of the preceding stages and steps within the assessment process. It involves the preparation of a report summarising the findings of the assessment, and the feedback of results to stakeholders.

To aid this process, a template has been provided for writing up the findings of the SEAT process. The headings within the template provide guidance on the report structure and on the required information.

Feeding back the results of the SEAT process is an essential step in the overall process. Involving stakeholders in this final feedback loop keeps the lines of communication open for on-going identification and management of issues, and helps to build long term, constructive relationships with stakeholders. Feedback is recognised as a key step in the assessment process. The guidance in Step D is also relevant to this task, and hence is not repeated here.

1.7 RELATIONSHIP WITH OTHER ANGLo AMERICAN GUIDANCE AND REQUIREMENTS

1.7.1 A Full Social Impact Assessment

The Anglo Technical Department has developed guidelines outlining the key steps within a full Social Impact Assessment (SIA). These are directed at new operations or major expansions, and are available on the Anglo intranet or from ATD. A full SIA will need to be carried out when assessing the potential impacts of proposed new developments, as is commonly required by national legislation. The SEAT process should not be used as a substitute in these circumstances. Instead, it provides a practical assessment process for helping existing operations to understand what their impacts are, and how best to improve their social performance.

The SEAT process mirrors the basic structure of a full SIA. The key difference lies in the level of detail undertaken for each stage within this basic process. This relationship is illustrated in *Figure 1.3*.

1.7.2 Community Engagement Plans

The assessment process outlined in this manual covers a number of key focus areas (and associated outputs) required to create a Community Engagement Plan (CEP). These include: (a) identification of stakeholder groups and the structures through which they are engaged and consulted; (b) the identification and analysis of stakeholder issues and their associated business risks; (c) the identification of key management objectives, accountabilities and resource requirements; (d) an evaluation of existing community projects and plans; (e) an audit of the social and economic footprint of the operation on its surrounding area; and (f) planning for eventual closure.

Thus, by rolling out the assessment process, an operation will be able to generate information that is required for its CEP. The assessment process (or components thereof) can also be used repeatedly, to provide up dated information for the CEPs in subsequent years.

1.7.3 Corporate Key Performance Indicators

Anglo’s operations generate benefits for a wide range of stakeholders. These include direct impacts (such as employment, taxes paid and value added to national economies) and indirect impacts (for example, employment within contractors and suppliers).

It is increasingly important that Anglo can communicate these benefits to stakeholders. The Company will progressively be seeking to provide a comprehensive overview of its social and economic impacts to complement the information provided on safety, health and environmental performance. To measure these impacts, a set of key performance indicators (KPIs) has been developed. These are illustrated in *Table 1.1*.

Figure 1.3 The SEAT Process in the Context of a Detailed Socio-Economic Assessment

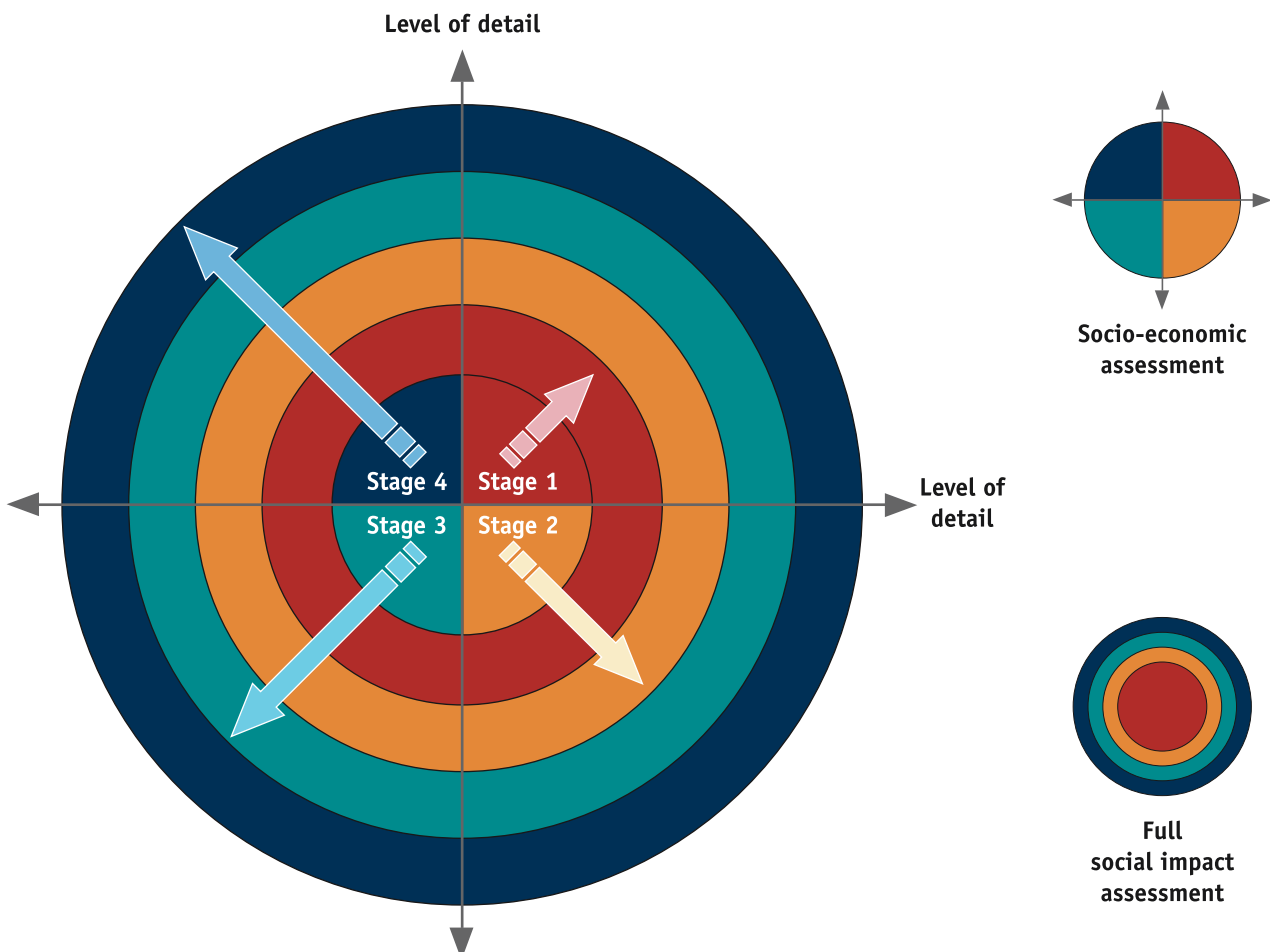


Table 1. Key Performance Indicators⁽¹⁾

Indicators	Total Value (US\$ per year)	Beneficiaries (Number)	
		AA Employees	Other Stakeholders
(a) Added value generated by Anglo(2)			
(b) Taxes and royalties paid by Anglo(3)			
(c) Direct Anglo employment(4)			
(d) Indirect contractor and supplier employment plus induced employment(4)			
(e) Spend on social and community programmes(5)			
(f) Employment through social investments(4)			
(g) Recipients of basic healthcare(5)			
(h) Recipients of company provided or subsidised education(5)			
(i) Recipients of company provided or subsidised training(5)			
(j) Capital expenditure(5)			
(k) Total numbers dependent upon Anglo for their livelihood(5)			
(l) Pension payments(5)			

Notes: (1) Shaded boxes need not be completed – information not required

(2) See Tool C3

(3) See Tool C4

(4) Tool C5

(5) Use Tool A1.

Many of these indicators may ultimately feed into reporting at the corporate level. The target audience for the corporate KPIs is principally the Company's international stakeholders, including shareholders, governments and international organisations. However, the indicators will also be useful at a more local level, for example, for a particular country or region.

Operations may also find it useful to develop a set of key indicators that address local concerns. The development of these indicators should take account of the local operation's objectives, along with the views of local stakeholders (*see Tool E2*). Where possible, these local indicators should be accompanied by information on more qualitative issues, such as the quality of stakeholder dialogue. Although they cannot easily be measured, qualitative issues are often very important and they should be reported on, for example with a brief commentary or a rating of performance (for example marks out of ten).

South Africa's Broad Based Socio-Economic Empowerment Charter Scorecard

South Africa's Broad Based Socio-Economic Empowerment Charter (BBSEE) for the Mining and Minerals Industry was launched in 2003⁽¹⁾. The vision for the BBSEE is to *"create an industry that will proudly reflect the promise of a non-racial South Africa"*. A scorecard has been developed in order to give effect to the provisions contained within the BBSEE, the results of which will be used by South Africa's Ministry of Minerals and Energy to assess the progress of companies against: (a) the specific targets set in the Charter; and (b) those that are set internally by the companies concerned.

Although the SEAT process does not cover all aspects of the Scorecard, it provides basic guidance on meeting the requirements of various components of the Scorecard. *Annex I* highlights where guidance is provided within the SEAT process for the different components of the Scorecard. Whilst this is South Africa specific, the table may be of use to Anglo operations in other countries that are seeking to assist disadvantaged communities.

1.8 CONTINUOUS IMPROVEMENT

The SEAT process has been developed and field-tested through three pilot studies with Mondi Forests (South Africa), Capcoal (Australia) and Mineração Catalão (Brazil). Valuable additional inputs were provided by a number of other Anglo operations during the review phase. However, the SEAT process will best serve its purpose if it is subject to on-going scrutiny and improvement. Feedback is needed from Anglo staff who have actually used the tools to conduct the SEAT process. We would therefore like to encourage you to share your thoughts on the effectiveness of the assessment process and accompanying tools.

If you have any feedback that you would like to share, please contact Edward Bickham, Executive Vice President, External Affairs (ebickham@angloamerican.co.uk), Dr. John Groom, Senior Vice President, Safety, Health and Environment (jgroom@angloamerican.co.uk), or your divisional specialists in communities or sustainable development, your social and community managers, or local business development officers.

(1) For further information go to <http://www.polity.org.za/html/govdocs/misc/mining-charter.htm>

1.9 INDEX OF ALL TOOLS USED FOR THE SEAT PROCESS

Stage / Step	Associated Tools
Stage 1 – Profile the Anglo Operation and Associated Communities & Identify Key Issues	
Step A. Profile the Anglo American Operation:	<ul style="list-style-type: none"> • A1 Pro-forma operation profile
Step B. Profile the community and dialogue with key stakeholders to identify key issues:	<ul style="list-style-type: none"> • B1 Stakeholder identification and gap analysis • B2 Building a basic community profile • B3 Overview of potential issues and possible causes • B4 Guidance on potential approaches to consultation • B5 Overview and guidance on baseline data collection • B6 Summary of issues raised by stakeholders and needs identified
Stage 2 – Identify & Assess Social & Economic Impacts & Share Results of the Assessment	
Step C. Identify and assess the social and economic impacts of the Anglo operation, and assess existing management measures and social investment initiatives:	<ul style="list-style-type: none"> • C1 Identifying Anglo activities that are resulting in social and economic impacts • C2 Assessment of issues raised during consultation • C3 How to calculate an operation’s value added • C4 Inventory of all payments made to the public sector • C5 Calculating total employment generated by an operation • C6 Identifying and evaluating existing community social investments • C7 Guidance on assessing performance in relation to corporate level policies
Step D. Share results of impact assessment with stakeholders and get recommendations for management of issues:	<ul style="list-style-type: none"> • D1 Sharing results of SEAT process with stakeholders

Stage / Step	Associated Tools
Stage 3 – Develop Management Responses to Kry Issues, including Planning for Eventual Closure	
Step E. Development of a management and monitoring plan for key issues, including formulation of key performance indicators (KPIs):	<ul style="list-style-type: none"> • E1 Developing a management and monitoring plan • E2 Developing local key performance indicators
Step F. Improve the implementation and contribution of non-core activities:	<ul style="list-style-type: none"> • F1 Increasing local procurement and outsourcing to support local business development • F2 Establishing new community social investment initiatives • F3 Developing human capital • F4 How to set up partnerships
Step G. Post closure planning	<ul style="list-style-type: none"> • G1 Guidance on closure planning/ planning for the future
Stage 4 – Report the Results of the Assessment	
Step H. Prepare SEAT report and feedback to community:	<ul style="list-style-type: none"> • H1 Pro forma report template • Feedback results to community - refer to Tool D1 - Sharing results of SEAT process with stakeholders

Acknowledgement

The Socio-Economic Assessment Toolbox (SEAT) has been developed through a collaboration between Anglo American plc and consultants, Environmental Resources Management (ERM).

Anglo American's corporate team led the project, with support from several business units and operations. In particular, Mondi Forests (South Africa), Capcoal (Australia) and Mineração Catalão (Brazil) provided invaluable assistance by providing inputs into the development of the SEAT process and hosting pilot studies (the results of which have been detailed in separate reports).

ERM's core team in London comprised Alison McCallum (alison.mccallum@erm.com) and Jonathan Samuel (jonathan.samuel@erm.com). They were supported by Libby Hirshon in London and Keryn James in Perth, Australia. Contact details are provided below:

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S·E·A·T **Socio-Economic
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