

## Report to the Plenary Session of the Voluntary Principles on Security and Human Rights

2017

AngloGold Ashanti has subscribed to the Voluntary Principles on Security and Human Rights (VPs) since 2007 – a set of non-binding principles developed in 2000 to address the issue of balancing safety and security needs against respect for human rights and fundamental freedoms. The Voluntary Principles address a critical gap for companies seeking guidance on managing their potential exposure to inappropriate security and human rights practices, especially in countries that are associated with conflict and high potential for human rights abuses. The Voluntary Principles also provide guidance for companies on identifying human rights and security risks, and engaging and collaborating with state and private security forces. The Principles were developed through multi-stakeholder participation between governments, extractive industry members and non-governmental organisations (NGOs).

### A. Commitment

#### 1. *Statement of commitment or endorsement of the Voluntary Principles*

We seek alignment of our policies and practices with the **United Nations Guiding Principles for Business and Human Rights** (UN Guiding Principles,) as adopted by the United Nations Human Rights Council in June 2011. This formally commits us to complying with applicable laws and respecting internationally recognised human rights, even when national laws or their application fall short of protecting these rights.

In its management of security and in terms of its recognition of human rights, aligned to our Human Rights Policy (available publicly at [www.anglogoldashanti.com](http://www.anglogoldashanti.com)), AngloGold Ashanti is committed to implementing the Voluntary Principles on Security and Human Rights. It applies the Principles to the management of those functions at all its operations.

In making decisions on, and addressing, any human rights, security and community issues, the company takes an interdisciplinary approach. The Voluntary Principles underpin the company's security management practices.

Our ongoing attendance of VPs Plenary meetings, participation in pillar meetings, working groups and in-country initiatives, provide a solid platform for collaboration and engagement with peers and colleagues across pillars, to ensure alignment with the intent of the VPs.

Furthermore, our performance regarding human rights and the implementation of the VPs, forms part of our annual sustainability reporting, which is publicly available.

#### 2. *Examples of promoting awareness of the Voluntary Principles throughout the organisation or government*

In addition to our Security Framework audits and assessments, which include the VPs compliance assessments, sites are required to use the VPs KPI's checklist and VPs Implementation Guidance Toolkit in formulating their site based VPs procedures.

Our Human Rights Due Diligence Standard, which considers human rights risks throughout the lifecycle of our operations, in support of our Human Rights Policy, references the VPs as a key component of our security managements practices. The implementation of the standard, is geared towards building internal awareness and understanding of where the company's activities may have the potential to intersect with or infringe upon human rights. This also included preventing or mitigating potential impacts, or remediating impacts that have occurred.

A Human Rights Working Group (HRWG) is established to implement and monitor the Human Rights framework implementation.

Human Rights Due Diligence self-assessments were completed by each mining operation in our portfolio during 2017, which served as a gap analyses and identified issues are being addressed. We also focused our efforts on human rights training, which aims to embed awareness and understanding of the UNGP's principles and the VPs. Training takes place in the form of induction, classroom, refresher or online training.

Active participation in in-country initiatives to engage home and host governments, most notably in Ghana, Tanzania, Colombia, Mali and South Africa, with a view to implementing the Voluntary Principles in the respective countries.

### *3. Examples of promoting and advancing implementation of the Voluntary Principles internationally*

AngloGold Ashanti is open about its commitment to advancing the Voluntary Principles, and, when appropriate, uses its involvement in international and forums, such as the International Council on Mining and Metals, United Nations Global Compact, the Inter-Governmental Forum on Minerals, Mining, Metals and Sustainable Development, amongst other international and national forums, to promote the Principles. The company's Voluntary Principles Annual Report is published on its website: [www.anglogoldashanti.com](http://www.anglogoldashanti.com).

## **B. Policies, Procedures and Related Activities**

### *4. Relevant policies, procedures, and/or guidelines to implement the Voluntary Principles*

We aim to foster sustainable development in host communities, as a way of working towards the value of wanting to leave communities better off for us being there. We encourage meaningful and effective community engagement throughout the life cycle of a mining operation.

We further recognise that good community relationships built on trust and where we do no harm, will have a positive impact on security and that both the complex challenges associated with illegal and artisanal mining, resulting in increased intrusions onto our operational areas, has the potential to increase the number and severity of security incidents. Effective strategies for community engagement and local economic development to create alternative livelihoods are essential in addressing human rights and security issues, and their causes.

Community and security related matters are addressed at board level by the Social, Ethics and Sustainability Committee. The committee's ambit covers oversight of AngloGold Ashanti's compliance with its commitment in terms of the Voluntary Principles. At a corporate level, the Sustainable Development team develops company policy in respect of community-related issues, in addition to offering guidance and establishing procedures to foster operational conformity with the group's values, business principles and policies. Various operational plans, including stakeholder engagement plans and integrated development plans, and mechanisms for the reporting and resolving of complaints and grievances, form the backbone of community engagement efforts.

In addition, the company's security framework and associated standards provide the base for measuring compliance for the VPs implementation progress, as the VPs is a key process of the security framework of which compliance is assessed annually.

AngloGold Ashanti further acknowledges that our licence to operate means that we need to demonstrate that we have extracted gold in a manner that does not fuel conflict. In this regard, regular security threat and risk assessments are conducted, to identify the potential for conflict and appropriate mitigation measures implemented.

We also engage public security and civil society to assist in our implementation efforts, to ensure that our security management practices are consistent with the intent of the Voluntary Principles.

*5. Company procedure to conduct security and human rights risk assessments*

To ensure the appropriate level of protection for AngloGold Ashanti's people and assets, the company uses its own security employees as well as outside providers of private and public security services. At the same time, it strives to manage security in such a way that the human rights of individuals and communities affected by the company's activities are safeguarded.

In all countries in which AngloGold Ashanti operates, threat and risk assessments are conducted to determine which security resources are required. In Colombia, Mali, Tanzania, Ghana and Guinea, risk assessments categorise threats as high and require the involvement of state police and/or military units (public security forces) on a near-permanent basis.

In addition, almost all the group's operations incorporate private security forces. As with public security, the decision to use private security is made after formal risk and threat assessments. These assessments help determine the correct number and composition of security personnel as well as their roles, and whether or not they should carry arms. Carrying firearms is only permitted when risk assessments determine that it is entirely justified and that it complies with national legislation. The use of minimum force is advocated at all times.

*6. Company procedure or mechanism to report security-related incidents with human rights implications by public/private security forces relating to the company's activities*

The use of a standardised reporting procedure was adopted in 2010 in order to report on any potential violations of the Voluntary Principles. A web-based system has been developed and implemented for reporting events, allegations and incidents. This has not only enhanced the integrity and archiving of data relating to the Principles, but has also raised awareness of AngloGold Ashanti's compliance requirements, as the system is treated as a learning tool for stakeholders across the company's operations worldwide.

A summary of the security incidents that occurred during 2016 and 2017 can be found in Section C.9 of this report. The company's reporting on the Voluntary Principles provides further details with respect to four categories:

- significant incidents resulting in third-party deaths/injuries and involving interventions by security personnel;
- significant incidents resulting in third-party deaths/injuries but without the intervention of security personnel;
- significant incidents resulting in the deaths of, or injuries to, AngloGold Ashanti staff; and
- incidents of community unrest/protests.

*7. Company procedure to consider the Voluntary Principles when entering into relations with private/public security providers*

As reported in (5) above, security considerations in a number of countries necessitate reliance on special support from private and public security services.

AngloGold Ashanti seeks to ensure that all private/public security personnel are trained in, and are familiar with, the provisions of the Voluntary Principles and specific stipulations regarding their obligations with respect to compliance are being written into contracts and memorandums of understanding (MoUs). In line with the company's commitment to these Principles, rules of engagement and the use of minimum force are advocated

at all times. Alleged violations committed by private and public security providers are dealt with in accordance with AngloGold Ashanti's own investigative procedures and the applicable national legislation.

*8. Company procedure or mechanism to address security-related incidents with human rights implications by public/private security forces relating to the company's activities*

Any security incident at any of AngloGold Ashanti's sites is reported and investigated, and appropriate remedial action taken. A multi-disciplinary approach is used to investigate and manage incidents and more importantly identify causes and appropriate remedial action. Incidents involving public security are prioritised to ensure engagement at appropriate levels, in an effort to ensure due process. The company maintains records of all incidents.

Details on incidents which occurred in 2017 are provided in the Annexure.

**C. Country Implementation**

*9. Overview of country operations selected for reporting*

In this section, AngloGold Ashanti reports on community and security-related incidents at all of its operations and exploration sites across the globe. Data is reported for the calendar year ended 31 December 2017, with data for the same period in 2016 supplied for comparative purposes.

**Table 1: Fatalities and injuries, related to interventions by security personnel, at AngloGold Ashanti operations in 2017.**

Incident  Region/ Operation/ Exploration Site	2017				2016			
	Community Members		AngloGold Ashanti Security Personnel		Community Members		AngloGold Ashanti Security Personnel	
	Fatalities	Injuries	Fatalities	Injuries	Fatalities	Injuries	Fatalities	Injuries
South Africa Region	-	2	-	-	-	-	1	9
Guinea, Siguiri	-	-	-	-	-	-	-	2
Mali, Sadiola /Yatela	-	-	-	-	-	-	-	-
Ghana, Obuasi	-	1 *1	-	8	-	-	1	2
Ghana, Iduapriem	-	-	-	-	-	-	-	2
Tanzania, Geita	1	26 *2	-	14	-	*5 31	-	20
Colombia	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1</b>	<b>32</b>	<b>-</b>	<b>22</b>	<b>-</b>	<b>36</b>	<b>2</b>	<b>35</b>

\* Incidents involving discharge of less lethal firearms.

**Table 2: Summary of fatalities among and injuries to third parties involved in illegal activities at AngloGold Ashanti operations/exploration sites in 2017, not related to security intervention.**

Incident Operation / exploration site	2017		2016	
	Fatalities	Injuries	Fatalities	Injuries
Ghana, Obuasi	3 (illegal mining)	1 (illegal mining)	-	-
Tanzania, Geita	7 (illegal mining)	8 (illegal mining)	1 (illegal mining)	5 (illegal mining)
Guinea, Siguiri	13 (illegal mining)	7 (illegal mining)	10 (illegal mining)	-
Colombia, Gramalote	3 (illegal mining)	-	-	-
South Africa Region	1 (illegal mining)	-	-	-
Mali, Yatela	6 (illegal mining)	2 (illegal mining)		
<b>Total</b>	<b>33</b>	<b>18</b>	<b>11</b>	<b>5</b>

\* Since 2010 AngloGold Ashanti has been seeking greater involvement from communities in addressing the issue of artisanal and small/scale mining (ASM). The initiative has two goals: the one is to encourage the reporting of ASM fatalities and the other is to raise awareness and to educate people about the dangers of ASM activity. It must be noted that where figures are reported to us by other sources, these numbers may carry some inaccuracies.

**Table 3: Summary of community protest actions at AngloGold Ashanti operations, during 2017.**

Operation/exploration site	Number of Protest Actions	
	2017	2016
Ghana, Obuasi	-	-
Ghana, Iduapriem	-	-
Guinea, Siguiri	6	2
Tanzania, Geita	1	-
Argentina, Cerro Vanguardia	-	1
Colombia, Gramalote	2	-
Brazil, Nova Lima	1	-
<b>Total</b>	<b>10</b>	<b>3</b>

#### *10. Engagements with stakeholders on country implementation*

AngloGold Ashanti engages extensively with a variety of stakeholders, social and business partners that have an interest in, or are affected by, the company's activities.

Our commitment to the VP's is embedded in our sustainable development and security management practices, and engagement with governmental agencies, public security forces and industry peers is prioritised and we participate in several national forums e.g. industry, government, public security and community forums, to ensure interaction and collective efforts to proactively address stability issues, including the respect for human rights.

#### *11. Voluntary Principles considerations in the selection of private security providers and formulation of contractual agreement with private security providers, as well as arrangements with public security forces*

As reported above, AngloGold Ashanti frequently relies on governments or government agencies to provide security at its operations. All contractual agreements and MoUs with private and public security service providers, must include references to the company's commitment to and obligations to the Voluntary Principles, and must spell out what AngloGold Ashanti expects from its private and public security providers.

All third-party suppliers are trained in the company's values, policies and procedures concerning human rights and the Voluntary Principles, while government security personnel are briefed on the Principles before deployment.

A periodic review of all contracts with private and public security agencies at operations/exploration sites is conducted, with the aim of ensuring compliance and standardising contract requirements.

#### *12. Examples of supporting outreach, education, and/or training of (i) relevant personnel, (ii) private security, (iii) public security, and/or (iv) civil society (e.g. local NGOs, community groups)*

The training of security personnel and engagement with Local, Regional and National authorities regarding the importance of the VPs, has had a positive effect on our capability to respond to conflict situations in an appropriate manner.

We have also continued to support outreach efforts in countries where we operate and are a proud advocate of the VPs to our industry peers who are not part of the initiative.

In Tanzania, for instance, we have in collaboration with the National Police initiated a Community Policing initiative aimed at training individuals who will assist the Police in community safety and security requirements, part of this training includes VPs and human rights related training. The initiative was officially launched in 2017 at Geita Gold Mine, with the opening of a Community Policing Centre in one of our neighbouring villages. Our aim is to replicate the success of this initiative across our global footprint.

#### *13. Company procedure to review progress on implementing the Voluntary Principles at local facilities*

A corporate review panel guides the implementation of AngloGold Ashanti's incident reporting and management standards, which includes all high, major and extreme risk rated incidents in the Environment, Community and Security disciplines. The panel is instrumental in identifying additional remedial actions and discussing their implementation with regional and operational colleagues.

Our VPs compliance is also included in our company wide combined assurance review process, facilitated by the Group Internal Audit department, and our performance forms part of our sustainability reporting.

#### D. Lessons and Issues

*14. Lessons or issues from this reporting year, as well as plans or opportunities to advance the Voluntary Principles for the organisation.*

In 2017, increased intrusions onto our tenements and operational areas, has resulted in escalating risk, specifically due to illegal mining related activities. Despite this negative trend and associated challenges, the ongoing efforts in implementing the “community enhanced security plan”, which in summary involves removing people from risk, reducing potential for conflict, interaction with public security and communities across the global portfolio, and additional focused stakeholder engagement, has generally yielded positive results.

Despite the increased confrontation and potential for conflict due to illegal mining challenges faced, specifically in South Africa, Tanzania, Guinea and Ghana, requiring the support of public security forces, only three *self-reported* human rights violations were recorded during 2017 which occurred at Geita Mine, Tanzania, as summarised below:

Two (2) of the incidents occurred at the Waste Dump 1 area and involved Public Security Officers who provide a service to us through a MoU with the Tanzanian Police. The officers ill-treated illegal miners following arrests, and the investigations revealed that despite the illegal miners not suffering any significant injury, the officers had used unjustified force in apprehending and restraining them. As part of our agreement with the Public Security forces, which stipulates zero tolerance for any form of human rights abuse, the officers were immediately relieved of their duties at the operation. In addition, a formal communication was sent to the authorities, who assured us that the offenders will receive an appropriate sanction through their internal disciplinary processes.

The third incident occurred at a security office, and involved a third-party security provider who ill-treated an illegal miner following an arrest. The incident was captured on CCTV cameras and immediately reported to Security Management. As part of our contractual agreement with all service providers, which stipulates zero tolerance for any form of human rights abuse, the guard was immediately relieved of his duties at the operation and disciplined by the service provider.

In our quest for continuous improvement, as above, every security related incident is investigated and analysed with specific focus on potential human rights violations, with self-reporting and full transparency related to human rights violations advocated, to proactively encourage corrective action in ensuring our security management practices are aligned with our values and respect for human rights.

**Annexure**

**Summary of significant security incidents in 2017**

In 2017 several incidents occurred in which force was used by AngloGold Ashanti security staff, contracted private security services or public security services. Details are provided below. Minimum force is advocated at AngloGold Ashanti's operations and exploration sites at all times, in line with the company's commitment to the Voluntary Principles.

Date	Location	Persons involved	Detail
<b>Incidents involving intervention by security personnel which resulted in deaths or injuries to members of the public on AngloGold Ashanti concession areas.</b>			
<b>Community Fatalities Related to Security Interventions 2017</b>			
2017	Tanzania, Geita	AGA Staff and intruders	<b>1 x Community Fatality</b> – Two (2) illegal miners who were attempting to steal copper cable at Nyankanga Dam pump station were confronted by Security. One of the suspects, against advice from his accomplice, tried to flee the scene and jumped into the water where after he disappeared. The body surfaced later and all relevant authorities and the family were present for the recovery process. The accomplice was subsequently arrested by the Police and confirmed the incident, and the police investigation confirmed no foul play.
<b>Community Injuries Related to Security Interventions 2017</b>			
2017	Tanzania, Geita	Security and intruders	<b>28 x Community Injuries</b> – twenty-eight (28) community members were injured in twenty-six (26) separate incidents, where 3 injuries occurred as a result of security using unjustified force (self-reported Human Rights Violations) and the rest while attempting to escape arrest.
2017	Ghana, Obuasi	Security and intruders	<b>2 x Community Injuries</b> – two (2) community members were injured in two (2) separate incidents while attempting to escape arrest.
2017	South Africa Region, West Wits	Security and intruders	<b>2 x Community Injuries</b> – two (2) community members were injured in two (2) separate incidents while attempting to escape arrest.
<b>AGA Staff Fatalities Related to Security Interventions 2017</b>			
2017	There were no AGA staff fatalities reported during 2017.		
<b>AGA Staff Injuries Related to Security Interventions 2017</b>			
2017	Tanzania, Geita	Security and intruders	<b>14 x AGA Staff injuries</b> – fourteen (14) Security staff members sustained injuries in ten (10) separate incidents when attacked by intruders / criminals whilst performing duties.
2017	Ghana, Obuasi	Security and intruders	<b>8 x AGA Staff injuries</b> – eight (8) Security staff members sustained injuries in six (6) separate incidents when attacked by intruders / criminals whilst performing duties.

Incidents, occurring on AngloGold Ashanti concession areas that resulted in deaths or injuries to members of the public, in which there was no intervention by security personnel.

**Community Fatalities – Illegal Activities 2017: No Security Intervention**

2017	Guinea, Siguiri	Artisanal/illegal miners	<b>13 x Fatalities</b> – thirteen (13) community members were fatally injured in four (4) separate incidents whilst busy with illegal mining activities.
2017	Tanzania, Geita	Artisanal/illegal miners	<b>7 x Fatalities</b> – seven (7) community members were fatally injured in seven (7) separate incidents whilst busy with illegal mining activities.
2017	Mali, Yatela	Artisanal/illegal miners	<b>6 x Fatalities</b> – six (6) community members were fatally injured in one (1) incident whilst engaged in illegal mining activities.
2017	Ghana, Obuasi	Artisanal/ illegal miners	<b>3 x Fatalities</b> – three (3) community members were fatally injured in two (2) separate incidents whilst engaged in illegal mining activities.
2017	Colombia, Gramalote	Artisanal/illegal miners	<b>3 x Fatalities</b> – three (3) community members were fatally injured in two (2) separate incidents whilst engaged in illegal mining activities.
2017	SA Region, West Wits	Artisanal/illegal miners	<b>1 x Fatality</b> – one (1) community member was fatally injured whilst engaged in illegal mining activity.

**Community Injuries – Illegal Activities 2017: No Security Intervention**

2017	Tanzania, Geita	Artisanal/ illegal miners	<b>8 x Injuries</b> – eight (8) community members were injured in seven (7) separate incidents whilst busy with illegal mining activities.
2017	Ghana, Obuasi	Artisanal/illegal miners	<b>1 x Injury</b> – one (1) community member was injured in one (1) incident whilst engaged in illegal mining activities.
2017	Guinea, Siguiri	Artisanal/illegal miners	<b>7 x Injuries</b> – seven (7) community members were injured in two (2) separate incidents whilst engaged in illegal mining activities.
2017	Mali, Yatela	Artisanal/illegal miners	<b>2 x Injuries</b> – two (2) community members were injured in one (1) incident whilst engaged in illegal mining activities.

<b>Community Unrest / Protest Incidents monitored by Security</b>			
2017	Guinea, Siguiri	Security/ community members	<ul style="list-style-type: none"> <li>• Six incidents of community protest / unrest aimed at the disrupting of mining activities reported for the year.</li> </ul>
2017	Tanzania, Geita	Security/ community members	<ul style="list-style-type: none"> <li>• One incident of community protest / unrest aimed at the disrupting of mining activities reported for the year.</li> </ul>
2017	Brazil, Mineracao	Security/ Community members	<ul style="list-style-type: none"> <li>• One incident of community protest / unrest aimed at the disrupting of mining activities reported for the year.</li> </ul>
2017	Colombia, Gramalote	Security/ Community Members	<ul style="list-style-type: none"> <li>• Two incidents of community protest / unrest aimed at the disrupting of mining activities reported for the year.</li> </ul>

### ***Definitions used in this report***

**Artisanal and small-scale mining (ASM):** broadly refers to mining practiced by individuals, groups and/or some members of the communities and may be organised or unorganised; legal or illegal and characterised by a combination of key features.

**Criminal activity:** Such activity is defined by appropriate legal statute and may include illegal mining or the theft and sabotage of company property.

**Fall of ground:** The fall of rock/material from the roof of a mine into a mine opening.

**Legal mining:** National legislation will in most cases determine the legality or otherwise of any mining activity. Artisanal and small-scale mining may be legal, depending on local regulation of the industry.

**Illegal mining:** refers to any mining activities (Artisanal, Small-scale, Medium or Large-scale) undertaken either in contravention of the laws (not licensed) of the host country or carried out in / on AngloGold Ashanti's (AGA) license area without the prior consent of the Company in the case of tributing. (In Colombia and Brazil, illegal mining activities in this category are limited to those associated with subsistence push factors to differentiate them from illegal-criminal mining activities).

**Trespassing:** Trespassing is deemed to occur when any individual enters a restricted area or private property without permission. This includes persons intending to mine or engage in any activities which may include criminal acts such as theft of mine property. Restricted areas, for example, active mining areas, must be demarcated and those in the vicinity must be notified. As mining concessions are large and often have many communities living on them, an individual cannot be considered to be trespassing by virtue of being on a mining concession *per se*. Accordingly it is the responsibility of the mine to demarcate restricted areas clearly and to communicate with communities in the surrounding areas.