MANAGEMENT STANDARD

COMMUNITY COMPLAINTS AND GRIEVANCES

POLICY CUSTODIAN

Corporate Office Environment and Community Affairs Department

AUTHORISED BY

AngloGold Ashanti Executive Committee

DATE: 19 OCTOBER 2011

Revision: 0
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1. INTRODUCTION
Complaints from communities can be expected to arise for any company whose activities have an impact on its stakeholders. For this reason, AngloGold Ashanti requires every site to develop and implement a mechanism to resolve complaints and grievances received from local communities. The Complaints and Grievances mechanism (the “mechanism”) provides local communities with a means to raise complaints and grievances against an AngloGold Ashanti site and for the site to respond and resolve those issues where reasonable and feasible. An effective mechanism should help the site to reduce opportunities for complaints and grievances to escalate into incidents. Although some might assume that stakeholder engagement and economic opportunities attributable to site are sufficient to deal with grievances, the reality shows they are not.

2. OBJECTIVE
The objective of this management standard is to ensure that each site implements a locally and culturally appropriate mechanism. The implementation of this standard further supports AngloGold Ashanti’s values to “uphold and promote fundamental human rights where we do business” and “...contribute to building productive, respectful and mutually beneficial partnerships in the communities in which we operate.”

3. NORMATIVE REFERENCES
3.1 The following documents shall be referred to and utilised as part of the community complaints and grievances management system:
3.1.2 AGA Group Risk Management Standard
3.1.3 AGA: Group Risk Management Policy Statement
3.1.4 Group Risk Management Guidelines and Risk Assessment and Reporting Matrix
3.1.5 AngloGold Ashanti Management Standard on Incident Classification and Reporting

4. DEFINITIONS
4.1 Complaints: refers to concerns, negative comments, expressions of displeasure or discontent, which are relatively minor and either brought to the attention of or raised (for example in the media) about the site with regard to its activities or impacts.
4.2 Grievance: refers to serious concerns, resentment, and allegations, which are made against a site regarding its activities or impacts. These are complaints or issues that are classified as high, major, extreme by a site.
4.3 Mechanism: the interrelated elements that support implementation of the Complaints and Grievance Management Standard. It consists of activities, responsibilities, timelines, procedures and processes. The key processes within a mechanism are lodging and receipt of a grievance or complaint, acknowledgement, methods of investigation, findings, resolution, communication, sign-off and closure, escalation and grievance prevention.
5. ACCOUNTABILITY AND RESPONSIBILITY

5.1 Ultimate accountability for implementing this standard lies with the manager in control of the site.

5.2 Implementation accountabilities can be delegated to a designated person(s) who must clearly understand his/her role(s)’ accountabilities and authorities.

5.3 Responsibility for the development, structuring and implementation of the mechanism should preferably lie with the community affairs department.

5.4 Execution of the mechanism should be overseen by an internal party which is independent of the grievance, understands the roles and responsibilities associated with the assignment and is suitably qualified to undertake the task (for example Internal Audit department).

5.5 Each site must ensure that it has adequate and appropriately experienced resources, including human resources, to implement the mechanism.

5.6 The action plan to resolve a grievance or complaint must be approved by the manager of the site or a member of senior staff who is suitably qualified to assess the effectiveness of the proposed response and/or intervention.

6. SCOPE

6.1 This standard only applies to community related complaints and grievances and is not applicable to labour related grievances.

6.2 The requirements of this Management Standard shall apply to all wholly-owned AngloGold Ashanti sites.

6.3 In the case of a non-managed joint venture (JV), AngloGold Ashanti shall ensure that the standards applied by the joint venture comply with those that are acceptable to AngloGold Ashanti and the third party. Where a standard is not in place or available, the parties must adopt a standard which accords with internationally accepted good mining practice.

6.4 When entering into a non-managed JV, AngloGold Ashanti must consider whether acceptable standards will be adopted by the third party. If acceptable standards are unlikely to be agreed with the third party, AngloGold Ashanti would not enter into the Joint Venture. Where AngloGold Ashanti participates in a non-managed JV and the third party does not operate in accordance with acceptable standards, this would be grounds for AngloGold Ashanti exiting the partnership.

6.5 Any grievance arising from actions of onsite contractors and subcontractors must be dealt with through the site’s grievance mechanism. Where or if applicable, the contractor’s complaints and grievance mechanism should be incorporated into the site mechanism such that there is one co-ordinated mechanism for the site.

6.6 This standard applies to instances of all verbal or written complaints expressed by an individual or a group against a site, its employees, contractors or service providers ¹

6.7 The site is responsible for developing a threshold beyond which issues that are brought to its attention are characterised as complaints and grievances.

¹ This includes anyone undertaking work for the company.
6.8 This standard applies regardless of the stage in the project lifecycle and nature of the complaints and grievances, that is, all complaints and grievances must be subject to the process outlined in the section on requirements.

6.9 This standard applies only to complaints and grievances expressed at site level before they have escalated to judicial processes.

7. REQUIREMENTS

7.1 Given that complaints or grievances can occur from the start of any project, a site must develop a mechanism before any complaints are received. This can be done by conducting a baseline study and and other project assessment activities which would identify potential issues that could give rise to community complaints.

7.2 The size, current and future impact of the site, historical relationships with the community must be borne in mind when designing the mechanism, such that the design is relevant to the local context.

7.3 Where there are legal or regulatory frameworks or requirements for handling community complaints and grievances, the site must first comply with those.

7.4 While the site is responsible for ensuring that the mechanism is developed and implemented, input from and involvement of its social partners and stakeholders is required, to enhance awareness of and trust in the mechanism.

7.5 The existence of the mechanism and the process for lodging complaints must be publicised as early as possible and also be easily accessible and understandable to all affected members of the community.

7.6 All relevant employees should know this standard and the course of action to be followed in the event that community complaints are communicated through them.

7.7 In the event of a complaint being registered, the site’s complaint resolution process and the complainant’s rights must be explained to them.

7.8 Complaints must be classified as minor, moderate, high, major or extreme in line with the Company’s Incident Classification and Reporting management standard.

7.9 Complaints classified as high, major and extreme, are considered grievances and must be reported to corporate office in line with the requirements for reportable incidents in the Company’s Incident Classification and Reporting management standard.

7.10 The mechanism must be appropriate to the local culture and context, while recognising AngloGold Ashanti’s values. Dispute resolution methods must take into consideration special needs of Indigenous Peoples and disadvantaged minorities, where applicable.

7.11 The procedure for receiving, addressing, and recording complaints should clearly indicate: the date and nature of the complaint; responsibilities for addressing the complaint; a reasonable timeframe within which the complainant(s) can expect complaints to be addressed; follow up actions required to avoid delays; the final or current decision on the

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2 A site should always take steps to prevent complaints and grievances.
3 Refer to the standard on Engagement.
4 Site management should use their discretion to determine which employees should be inducted in the mechanism based on their level of interaction with communities.
5 Such as the right to seek alternative dispute resolution avenues or right to follow-up with the site on the matter.
complaint; the most culturally appropriate feedback mechanism and the management actions required to prevent recurrence.

7.12 Employees who are accountable and responsible for the mechanism should be appropriately trained.

7.13 A timeframe must be indicated within which the complainant(s) can expect the complaint to be addressed, and where possible, resolved or a milestone reached. In instances where the agreed deadline cannot be met for good reasons, for example, where further investigations are required, an update must be provided, including the reasons for the delay and the revised date for resolution of the complaint.

7.14 The action taken to resolve the complaint must be approved by the manager of the site or a member of senior staff who is suitably qualified to assess the effectiveness of the proposed response and/or intervention.

7.15 Feedback on outcome must be provided to all concerned with the outcome.

7.16 In the event that a grievance cannot be resolved, it may, with the agreement of the relevant community, be referred to third parties for mediation and/or arbitration.

7.17 The mechanism must be monitored and reviewed at least annually.

8. REPORTING
Periodic reporting must be in accordance with regulatory and AngloGold Ashanti corporate office reporting requirements such as the Global Reporting Initiative, Board reports and governance reporting requirements.

9. GLOSSARY
9.1 Company: refers to AngloGold Ashanti
9.2 Operation: refers to a producing mine.
9.3 Project: refers to an exploration project or a new mine expansion.
9.4 Site: is used when referring collectively to producing operations and to exploration and expansion projects.
9.5 Stakeholders: refers to persons or groups that are directly or indirectly affected by a project as well as those that may have interests in a project and/or the ability to influence its outcome either positively or negatively. Stakeholders include locally affected communities and individuals and their formal and informal representatives, government, politicians, religious leaders, civic organisations, and other groups with special interests, the academic community, employees, their families and employee representatives, other businesses, shareholders and joint venture partners.

10. REFERENCES
The following documents may be consulted for more information:

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7 Shareholder engagement would normally be undertaken in conjunction with the Corporate Investor Relations function.
8 A full breakdown of stakeholder component is found in the standard on Engagement.
10.1 Center for Social Responsibility in Mining. April 2009. Mining industry perspectives on handling community grievances: <<http://commdev.org/content/document/detail/2457/>>


