



# ANGLOGOLD ASHANTI

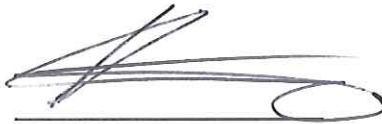
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## MANAGEMENT STANDARD

### INCIDENT CLASSIFICATION AND REPORTING

<b>POLICY CUSTODIAN</b>	Corporate Office Environment and Community Affairs Department	
<b>AUTHORISED BY</b>	AngloGold Ashanti Executive Committee	<b>DATE:</b> 9 June 2011
<b>BRIEF DESCRIPTION OF CHANGES</b>		
<b>First Revision:</b> N/A		
<b>Second Revision:</b>		
<ul style="list-style-type: none"> <li>• Table headers updated requiring incident statistics on Minor and Moderate events in addition to incident details on High, Major and extreme incidents;</li> <li>• 3 subcategories added to “Loss of Containment” type incidents;</li> <li>• New category added to environmental incident classification criteria - “Other fauna incidents”;</li> <li>• “Noise and ground vibration” type criteria moved to the community incident classification criteria.</li> </ul>		

  
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## 1. INTRODUCTION

In the course of undertaking its gold production and/or exploration activities, AngloGold Ashanti sites may bring about incidents that impact negatively on the environment and or communities, to varying levels of severity. In order to reduce the reputational, financial or legal liability associated with these incidents, the organisation requires an effective internal process for identifying, communicating and responding to these events. This management standard defines internal environmental and community incident classification and reporting criteria, which permit a coherent and prompt communication of the most serious incidents. Moreover, this communication process allows for management responses to be initiated where appropriate, and the timely preparation of responses to address external enquiries.

## 2. OBJECTIVE

The objective of this management standard is to provide operations with requirements for the classification and reporting of environmental and community incidents to the corporate office.

## 3. DEFINITIONS

See attached tables for detailed incident type and severity classifications.

## 4. ACCOUNTABILITY AND RESPONSIBILITY

Overall accountability for implementing this standard lies with the Manager of the site. Responsibility for its implementation can be delegated to a designated person(s) who should clearly understand their role(s) and responsibilities.

## 5. SCOPE

The requirements of this management standard apply to all AngloGold Ashanti's managed sites, including operating mines, closure sites and exploration projects.

## 6. REQUIREMENTS

- 6.1 All sites must maintain environment and community monitoring systems to detect and evaluate whether potentially negative environmental and community events fall into reportable incident and severity classifications, as outlined in Annexure 1.
- 6.2 Statistics on Minor and Moderate incidents are to be reported quarterly with SH&SD Board Subcommittee submissions.
- 6.3 Notification of incidents classified as High, Major or Extreme must be communicated as soon as practicable by electronic media to the Senior Vice President Sustainability, Policy and Assurance. Follow-up reports outlining event details and actions taken, must follow within a period of 14 days.



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## 7. REPORTING

Periodic reporting must be in accordance with regulatory and AGA corporate office quarterly reporting requirements.

## 8. REVISIONS

This management standard will be reviewed to assess its relevance on a periodic basis by Corporate Environment and Community Affairs personnel. It will also be updated in accordance with changes to company policy.

## 9. GLOSSARY

- 9.1 **Operation** refers to a producing mine.
- 9.2 **Project** refers to an exploration project or a new mine expansion.
- 9.3 **Site** is used when referring collectively to producing operations and to exploration and expansion projects.



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## Annexure 1



### Environmental Incident Classification Criteria

Event type	Incident Details Reported to Corporate Office <sup>1</sup>			Number of Incidents Reported to Corporate Office	
	Extreme	Major	High	Moderate	Minor
<p><b>1. Loss of containment</b></p> <p><i>Includes releases of process water, saline water, hydrocarbons, reagents, wastewater or tailings material <u>outside of designated containment areas</u>.</i></p> <p><b>Sub-categories:</b></p> <p>a) Process water spill            b) Hydrocarbon spill            c) Tailings spill            d) Other spills, e.g. reagents, saline water, sewage spill.</p> <p>Note: If a continuous discharge occurs due to the same cause, it is classed as a single event.</p>	<p>Release where the volume and concentration of contaminants result in an Extreme classification in Table 1.</p>	<p>Release:</p> <ul style="list-style-type: none"> <li>where the volume and concentration of contaminants result in a Major classification in Table 1;</li> </ul> <p><u>or</u></p> <ul style="list-style-type: none"> <li>that causes the loss of priority flora<sup>3</sup> populations;</li> </ul> <p><u>or</u></p> <ul style="list-style-type: none"> <li>becomes potentially detrimental to human health, through, for example, contamination of the human food chain;</li> </ul> <p><u>or</u></p> <ul style="list-style-type: none"> <li>that requires replacement of growth medium resources (topsoil).</li> </ul>	<p>Release:</p> <ul style="list-style-type: none"> <li>where the volume and concentration of contaminants<sup>2</sup> result in a High classification in Table 1;</li> </ul> <p><u>or</u></p> <ul style="list-style-type: none"> <li>on unsecured AGA property where supernatant water exceeds 50mg/l of WAD CN;</li> </ul> <p><u>or</u></p> <ul style="list-style-type: none"> <li>that causes the loss of native vegetation including incidental priority flora<sup>3</sup>;</li> </ul> <p><u>or</u></p> <ul style="list-style-type: none"> <li>that requires in-situ remediation of growth medium resources.</li> </ul>	<p>Release:</p> <ul style="list-style-type: none"> <li>where the volume and concentration of contaminants<sup>2</sup> result in a Moderate classification in Table 1;</li> </ul> <p><u>or</u></p> <ul style="list-style-type: none"> <li>on unsecured AGA property where supernatant water does not exceed 50mg/l of WAD CN;</li> </ul> <p><u>or</u></p> <ul style="list-style-type: none"> <li>that impacts on undisturbed soils and native vegetation but does not affect priority flora species<sup>3</sup>.</li> </ul> <p><u>or</u></p> <ul style="list-style-type: none"> <li>that causes a reversible impact on growth medium resources.</li> </ul>	<p>Release:</p> <ul style="list-style-type: none"> <li>outside of designated containment areas but inside AGA access-controlled operational area <u>and</u> where the volume is greater than 20 L;</li> </ul> <p><u>or</u></p> <ul style="list-style-type: none"> <li>where the volume and concentration of contaminants result in a Minor classification in Table 1.</li> </ul>
<p><b>2. Unauthorised land disturbance</b></p> <p><i>Includes land clearance and landslides caused by AGA activities.</i></p>	<p>Unauthorised land disturbance that has widespread ecosystem and human socio-economic impacts.</p>	<p>Unauthorised land disturbance that:</p> <ul style="list-style-type: none"> <li>leads to the loss of priority flora<sup>3</sup> threatening population survival;</li> </ul> <p><u>or</u></p> <ul style="list-style-type: none"> <li>requires replacement of growth medium resources (topsoil).</li> </ul>	<p>Unauthorised land disturbance that:</p> <ul style="list-style-type: none"> <li>leads to the loss of priority flora species<sup>3</sup>;</li> </ul> <p><u>or</u></p> <ul style="list-style-type: none"> <li>requires in-situ remediation of growth medium resources.</li> </ul>	<p>Unauthorised land disturbance that:</p> <ul style="list-style-type: none"> <li>impacts an environmentally sensitive area but does not lead to the loss of priority flora<sup>3</sup>;</li> </ul> <p><u>or</u></p> <ul style="list-style-type: none"> <li>causes a reversible impact on growth medium resources.</li> </ul>	<p>Unauthorised land disturbance that impacts native vegetation but does not impact environmentally sensitive areas.</p>

<sup>1</sup> Reportable incidents as a result of cyanide are also reportable to the ICMI via the Corporate Environmental Office.

<sup>2</sup> Excluding WAD cyanide.

<sup>3</sup> For the purposes of this standard, priority species are Critically Endangered or Endangered species on the IUCN Red List ([www.iucnredlist.org](http://www.iucnredlist.org)) or those so designated by an appropriate government agency.



Event type	Incident Details Reported to Corporate Office <sup>1</sup>			Number of Incidents Reported to Corporate Office	
	Extreme	Major	High	Moderate	Minor
<b>3. Unauthorised waste disposal</b>	Disposal of waste that has widespread human health impacts or ecosystem impacts.	Disposal of waste outside of a designated area leading to: <ul style="list-style-type: none"> <li>impacts on native vegetation with a loss of priority flora population<sup>3</sup> over an area &lt;10 hectares;</li> </ul> <u>or</u> <ul style="list-style-type: none"> <li>irreversible impacts on soil quality requiring soil replacement over an area &gt;2500m<sup>2</sup>;</li> </ul> <u>or</u> <ul style="list-style-type: none"> <li>alteration of receiving surface water or groundwater quality parameters by &gt;10%</li> </ul> <u>or</u> <ul style="list-style-type: none"> <li>human health impacts.</li> </ul>	Disposal of waste outside of a designated area leading to: <ul style="list-style-type: none"> <li>soil quality impacts requiring in-situ soil remediation;</li> </ul> <u>or</u> <ul style="list-style-type: none"> <li>impacts on native vegetation including priority flora<sup>3</sup> over an area &lt;1 hectare;</li> </ul> <u>or</u> <ul style="list-style-type: none"> <li>alteration of receiving surface water or groundwater quality parameters between 5% and 10%.</li> </ul>	Disposal of waste outside of a designated area leading to: <ul style="list-style-type: none"> <li>reversible soil contamination over an area &gt;2500m<sup>2</sup>;</li> </ul> <u>or</u> <ul style="list-style-type: none"> <li>alteration of receiving water quality parameters by &lt;5%.</li> </ul>	Disposal of waste outside of a designated area that does not impact on soil, surface water or groundwater.
<b>4. Unauthorised or unplanned air emissions (including dust and gases)</b>	Unauthorised air emission that has widespread human health impacts or ecosystem impacts.	Unauthorised air emission event that: <ul style="list-style-type: none"> <li>results in significant public complaints;</li> </ul> <u>and</u> <ul style="list-style-type: none"> <li>exceeds point source and ambient air quality regulatory standards.</li> </ul>	Unauthorised air emission event that exceeds regulatory standards for: <ul style="list-style-type: none"> <li>point sources;</li> </ul> <u>and</u> <ul style="list-style-type: none"> <li>ambient air quality.</li> </ul>	Unauthorised air emission event that exceeds point source air quality standards but not ambient air quality standards.	Unauthorised air emission event that does not exceed air quality or regulatory standards and has no potential for public health impact.
<b>5. Fauna injury and deaths</b>  Includes fauna events at tailings dams.	Extinction of priority fauna <sup>3</sup> .	AGA activities that lead to: <ul style="list-style-type: none"> <li>multiple fauna deaths over an extensive area from a single event;</li> </ul> <u>or</u> <ul style="list-style-type: none"> <li>multiple deaths of a priority species<sup>3</sup> impacting on local populations.</li> </ul>	AGA activities that lead to: <ul style="list-style-type: none"> <li>multiple fauna deaths and impact on local fauna populations;</li> </ul> <u>or</u> <ul style="list-style-type: none"> <li>incidental deaths of priority species<sup>3</sup>.</li> </ul>	AGA activities that lead to multiple fauna deaths without displacing local populations and with no loss of priority species <sup>3</sup> .	AGA activities that lead to isolated injuries or death of fauna that are incidental to local populations.
<b>6. Incident remediation cost</b>	Greater than US\$50 million.	Greater than US\$10 million but less than US\$50 million.	Greater than US\$1 million but less than US\$10 million.	Greater than US\$100,000 but less than US\$1 million.	Greater than US\$10,000 but less than US\$100,000.



Event type	Incident Details Reported to Corporate Office <sup>1</sup>			Number of Incidents Reported to Corporate Office	
	Extreme	Major	High	Moderate	Minor
<b>7. Legal and regulatory compliance</b>  Includes exceedance and violation of permit conditions.	The operation's regulatory licence to operate is suspended or revoked.	An incident that results in an injunction against continuing operations.	<ul style="list-style-type: none"> <li>Incident of non-compliance to regulatory or licence conditions resulting in written threat of action against the operation by regulatory bodies;</li> </ul> <u>or</u> <ul style="list-style-type: none"> <li>a fine of US\$100,000 or more.</li> </ul>	<ul style="list-style-type: none"> <li>Incident of non-compliance which must be reported to the regulatory authorities;</li> </ul> <u>or</u> <ul style="list-style-type: none"> <li>a fine greater than US\$50,000.</li> </ul>	A fine greater than US\$10,000.





**Table 1. Release Classification Matrix**

Concentration					
Greater than 10x Limit	High	Major	Extreme	Extreme	Extreme
Between 5x and 10x Limit	High	Major	Major	Major	Extreme
Between 1x and 5x Limit	High	High	High	High	Major
Between ¾ x and 1X Limit	Moderate	Moderate	Moderate	Moderate	High
Between ½ and ¾ of Limit	Minor	Minor	Minor	Moderate	Moderate
Less than ½ of Limit	Minor	Minor	Minor	Minor	Minor
	0.2 m <sup>3</sup> < Vol ≤ 500m <sup>3</sup>	500m <sup>3</sup> < Vol ≤ 1000m <sup>3</sup>	1000m <sup>3</sup> < Vol ≤ 5000m <sup>3</sup>	5000m <sup>3</sup> < Vol ≤ 10,000m <sup>3</sup>	Vol > 10,000m <sup>3</sup>

Note: Use the applicable regulatory concentration limit for contaminants of concern. Where regulatory limits are not available, use the IFC effluent guideline value provided in Table 2. Where multiple contaminants of concern are present, use the highest classification obtained.

**Table 2. Selected IFC Effluent Guidelines<sup>4</sup>**

Pollutant	Units	Guideline Value
Total Suspended Solids	mg/L	50
COD	mg/L	150
BOD <sub>5</sub>	mg/L	50
Oil and Grease	mg/L	10
Arsenic	mg/L	0.1
Cadmium	mg/L	0.05
Chromium (VI)	mg/L	0.1
Copper	mg/L	0.3
Cyanide Free	mg/L	0.1
Iron (total)	mg/L	2.0
Lead	mg/L	0.2
Nickel	mg/L	0.5
Zinc	mg/L	0.5

Note: Metals concentrations represent total metals.

<sup>4</sup> International Finance Corporation, Environmental, Health and Safety Guidelines: Mining, 2007, p26.





## Community Incident Classification Criteria

Incident Type	Number of Incidents Reported to Corporate Office		Incident Details Reported to Corporate Office		
	Minor	Moderate	High	Major	Extreme
<b>Active community opposition</b>	Minor opposition from community stakeholders for example, raised noise levels from increased production, haulage or construction.	Claim that the host community does not support the project or operation including in the local/regional media or through other interested stakeholders such as NGOs.	Repeated claim of opposition from significant sections of the host community. Breaches of legal rights of the community including failure to follow processes to gain regulatory approval.	Repeated claims of opposition from significant sections of the host community supported by NGO activists. Commencement of legal action by the significant sections of the community or the whole community against the company.	Widespread community outrage that results in the Group's regulatory licence to operate being suspended or revoked by the regulatory authorities.
<b>Indigenous or traditional cultural heritage disturbance/ rights infringements</b>	Accidental damage or disturbance to cultural heritage, including Indigenous sites, but in a way which is consistent with any management plans agreed with affected parties (during exploration, construction, development, operation or closure).	Disturbance or damage to cultural heritage or traditional rights in a way which is inconsistent with management plans agreed with the local community or the Indigenous traditional owners. Damage may result in non-compliance with legislation; and/or result in concern from the community or traditional owners.	Disturbance or damage to particularly significant cultural heritage or traditional rights in a way which is inconsistent with management plans agreed with the local community or Indigenous traditional owners. Damage results in non-compliance with legislation and/or results in serious concern from the community or traditional owners.	Damage to particularly significant cultural heritage, or traditional rights that breach regulatory operating conditions, and results in an injunction against continuing the operation/activities and/or protest.	Disturbance or damage to particularly significant cultural heritage and traditional rights that results in the Company's regulatory licence to operate being suspended or revoked by the regulatory authorities and/or widespread protest.
<b>Human rights</b>	Low level concern linking the operation to minor human rights incidents in the community, for example, single short-term incident where access to basic necessities had been restricted.	Allegation or report linking the operation to human rights incident in the community, for example, interference with personal freedoms, inadequate compensation, or poor resettlement practices.	Credible or verified report linking the operation to human rights incidents in the community that breach our international undertakings or national legislation.	Numerous credible reports linking the operation to serious human rights incidents in the community. A formal investigation by an international NGO, ombudsman or government / institutional body provides evidence the company is in breach of, or complicit in, human rights violations.	Human rights related issues have led to government interventions that result in the Company's regulatory licence to operate being suspended or revoked by the regulatory authorities.



Incident Type	Number of Incidents Reported to Corporate Office		Incident Details Reported to Corporate Office		
	Minor	Moderate	High	Major	Extreme
<b>Structural damage to public or private property</b>	Minor subsidence damage to community infrastructure or property from company activities, for example road causing vehicle damage, dust on vehicles, blasting activities.	Minor unauthorised/unplanned damage to community property; or <ul style="list-style-type: none"> <li>disturbance to a community amenity resulting in non-compliance with management plans agreed with the local community e.g. serious and protracted dust issues with compensation required; or</li> <li>community complaints from non-compliance with management plans and operating procedures.</li> <li>damage results in a non-compliance with legislation.</li> </ul>	Moderate irreparable community property damage directly caused by the company's activities, for example, irreversible damage to private vehicles, dwellings.	Major disturbance or damage to public property that represents a serious breach of agreed management plans. Damage represents a breach of regulatory operating conditions and results in an injunction against continuing the operation/activities.	Widespread disturbance or irreparable damage to public property that results in the Group's regulatory licence to operate being suspended or revoked by the regulatory authorities.
<b>Noise and ground vibration</b>	Minor noise / vibration event that: <ul style="list-style-type: none"> <li>results in public complaints; and</li> <li>does not exceed regulatory standards.</li> </ul>	Noise / vibration event that: <ul style="list-style-type: none"> <li>results in public complaints; and</li> <li>exceeds regulatory standards.</li> </ul>	Noise / vibration events that: <ul style="list-style-type: none"> <li>result in significant public complaints; and</li> <li>exceed regulatory standards on multiple occasions.</li> </ul>	Noise / vibration events that: <ul style="list-style-type: none"> <li>result in significant public complaints; and</li> <li>continually exceed regulatory standards.</li> </ul>	Noise / vibration events that result in the operation's regulatory licence to operate being suspended or revoked.
<b>Reputation – government, media, community, NGO</b>	Local public concern. No or low level interest from local media and regulator.	Adverse local/regional media attention. Widespread awareness of the issue within the community and reputation adversely affected with a small number of people. Heightened scrutiny and attention from regulator.	Adverse regional/national media attention. High awareness of the issue in the region, significant community concern and criticism from NGOs. Hardship from regulator and some difficulties in gaining approvals. Sustainability credentials moderately affected.	Escalating adverse and protracted national/international media attention. Damaging NGO campaign and significant public outcry. Commencement of legal action. Government intervention – may lose licence to operate or not gain approvals. Sustainability credentials are significantly tarnished.	Damaging NGO campaign and serious public outcry reported widely in International media. Government intervention - regulatory licence to operate suspended or revoked or forfeiture of tenements or project. Reputation severely tarnished. Share price may be affected.