

**CDP Submission**  
**2009**



## Risks and Opportunities

### 1. Regulatory Risks: (CDP6 1(a)(i))

#### 1.1 Is your company exposed to regulatory risks related to climate change?

AngloGold Ashanti operates mines in ten countries and has advanced exploration in a further two countries. Of these, only one (Australia) is an Annex I signatory to the Kyoto Protocol. There is not currently climate change-related legislation in any of the countries in which the company operates, but carbon taxes and/or cap-and-trade regimes are being considered in Australia, South Africa and the USA. Of these, Australia is the most advanced, and the government is developing an emissions trading scheme. The timing is currently unclear. In Brazil, despite no formal regulation on GHG emissions, there is an initiative from the State Environmental Agencies requiring companies to develop their emission budget. This initiative will be part of a strategy for future requirements for environmental licensing renewal.

In an internal white paper and in the company's 2007 Report to Society (<http://www.anglogold.co.za/subwebs/InformationForInvestors/Reports07/ReportToSociety07/climate-change.htm>) the following risks were identified:

Increased expectations from host governments for corporate involvement in managing the challenges of adaptation to climate change.  
Higher energy costs resulting from carbon taxes imposed by local, state/ provincial or national agencies, as well as increasing fossil fuel and grid electricity costs.  
Reduced production due to imposed emission caps.

A major project was carried out during 2008/9 to identify and, where possible, quantify, all of the company's climate change-related risks, including regulatory risks. It identified the following additional risks:

Increased management effort to achieve compliance or to reduce compliance risks.  
Reduced international competitiveness.

Political changes in the USA have increased the likelihood of regulatory risks increasing. More details on changes in Australia and South Africa have emerged. Thus, the likelihood of regulatory measures being taken has risen and the details of those measures are clearer too.

Increased efforts are being made at the corporate and national levels into engaging with government authorities at the relevant levels, both directly, and through industry associations, to understand government policies as they develop, and to communicate to regulators the company's views on climate change policy. The company has attempted in several instances to recommend a proactive industry approach.

The company's risk management system's focus is to ensure that the requirements of the South African King Code and the US Sarbanes-Oxley Act are met. In conducting its annual review of the effectiveness of risk management, the board considers the key findings from the ongoing monitoring and reporting process, management assertions and independent assurance reports. The board also takes account of material changes and trends in the risk profile, and considers whether the control system, including reporting, adequately supports the board in achieving its risk management objectives. The board furthermore receives assurance from the Audit and Corporate Governance Committee, which derives its information, in part, from regular internal and external audit reports and, where considered necessary, from other reports on risk and internal control throughout the group.

All eight key components of the 'Enterprise Risk Management – Integrated Framework' issued by the Committee of Sponsoring Organisations of the Treadway Commission (COSO) have been incorporated into the group's process to comply with Sarbanes-Oxley Act section 404 dealing with the group's internal control system.

Full reviews of the risk control and disclosure processes are undertaken regularly.

In light of the current global financial crisis as well as management restructuring, AngloGold Ashanti has initiated an enhanced focus upon risk management to benefit from opportunities and cope with uncertainty.

### 2. Physical Risks: (CDP6 1(a)(ii))

#### 2.1 Is your company exposed to physical risks from climate change?

Mines are long term investments, with the result that mine planning, operation, and closure already by necessity incorporate management of extreme climate events. Mine infrastructure, employees and surrounding communities could all be impacted by changing climatic conditions and extreme weather events. Different parts of the world will also be affected to varying degrees, leaving certain operations more exposed than others.

AngloGold Ashanti's operations are observed to be exposed to a number of direct physical risks from climate change. The most significant risks are those related to increased rainfall, reduced water availability, higher temperatures and extreme weather events. Increased rainfall can lead to flooding and disruption of mining and transport operations, amongst other consequences, whereas sufficient water is vital for a variety of mining related activities.

Increased temperatures can hinder rehabilitation efforts and result in a number of health and safety risks, whilst extreme weather events, and related events such as wild fires, have the potential to cause significant damage to livelihoods and property. Many of AngloGold Ashanti's existing operations are located in harsh environments characterised by existing water stress, high temperatures and flood and landslide risk, with these conditions set to be exacerbated in a warming world.

The impact of climate change on communities in close proximity to AngloGold Ashanti's operations constitutes not only human distress affecting these populations, but can have an important bearing on the company, especially in developing countries and particularly the poorest countries in which AngloGold Ashanti operates.

Risk exposure due to increased disease prevalence in communities is not necessarily limited to a specific population, and has the potential to have a direct bearing on the wellbeing of company workforce, site staff and their families.

A major project was carried out during 2008/9 to identify and, where possible, quantify, all of the company's climate change-related risks, including physical risks. Although all operations have some degree of physical risks, those in Africa, Australia and Latin America were identified as being most at risk. The project report has been distributed to all operations to explain the physical risks they face and to equip them to adapt to the likely changes.

Views on risks in this area are unchanged, but the company has a much better understanding of the risks it faces and their potential impact.

### **3. Other Risks: (CDP6 1(a)(iii))**

#### **3.1 Is your company exposed to other risks as a result of climate change?**

Although it is unlikely that it will affect the availability of finance, there are clear indications that investors, lenders, banks and insurance companies will place increasing pressure on companies, such as AngloGold Ashanti, to ensure that they minimise their carbon liabilities and develop plans to adapt to the diverse effects of climate change. This pressure will be exerted within the global context of a world that shows many signs of increasingly raising the standards of performance expected by companies in the climate change arena.

The link between company valuations and those aspects of climate change that can affect these valuations lies in a number of factors. In the short term these are not controllable by individual organisations, however there are strong indications that positive impacts can be created in the medium to long term. It is necessary to focus on the increase in operating costs from legal compliance and the potential reduction in revenue through lost production as a result of the physical impacts of climate change. There is also the potential for a competitive edge that can be gained from anticipating regulation, prior to the need for regulations.

A major project was carried out during 2008/9 to identify and, where possible, quantify, all of the company's climate change-related risks, including financial and investment risks. Three key categories were assessed: markets, banks and insurers. Although none of them has yet claimed to have changed their view of the company owing to climate change, each of these sectors is changing its approach, and individual companies within each are certainly changing. The project referred to has helped the company to understand the risks it faces, as well as the opportunities it has, and these are now being communicated to investors as the opportunity arises. Increasingly detailed footprint data is being published in the interests of transparency and to demonstrate that the company has a good understanding of its contribution to global climate change.

### **4. Regulatory Opportunities: (CDP6 1(b)(i))**

#### **4.1 Do regulatory requirements on climate change present opportunities for your company?**

Carbon trading presents a particular opportunity to the company. Eighty percent of the company's gold production comes from developing countries. Pending regulatory requirements for carbon trading in Australia, and existing requirements in Europe present opportunities for carbon trading both internally and externally. It will be cheaper (by avoiding intermediaries and their costs) to trade verified credits within the company. In addition, there are opportunities to sell credits to companies based in Europe and elsewhere.

In the study referred to earlier, carbon trading opportunities were assessed on seven parameters:

1. Availability of information opportunity information;
  2. Capital cost required for the implementation of the project;
  3. Return on investment;
  4. Payback periods;
  5. Energy consumption reductions;
  6. GHG emission reductions; and
  7. Ease of implementation.
8. Projects were also assessed for their potential to obtain carbon finance and eligibility for carbon credits trading.

The project opportunities assessed included both energy-related activities and processes and non-energy related activities in the following seven categories:

1. Reduction of electricity consumption;
2. Reduction of fossil fuel consumption;
3. Reduction of direct greenhouse gas emissions;
4. Alternative and renewable energy sources;
5. Opportunities in buildings, infrastructure and the built environment;
6. Biomass, land use and forestry opportunities; and
7. Community projects.

Within the categories above, the opportunities were classified into:

- **Quantifiable opportunities:** where detailed information was available and basic financial analysis could be carried out.
- **Potential opportunities:** limited information available, high level figures calculated and further investigation required.
- **Concept opportunities:** very limited or no information available, but further investigation will probably reveal an opportunity.

The greatest opportunities were found to lie in:

1. Energy efficiency projects in South Africa:
  - a. Air compressors
  - b. Ventilation systems
  - c. Pumping
  - d. Metallurgy
  - e. Refrigeration
2. Haul truck diesel consumption at open cast mines.

The South African operations present the most promising opportunities because they are major electricity consumers and because the electricity supplier (Eskom) has a high emissions factor.

These opportunities are currently being assessed in greater detail in order to prioritise them and develop the most promising ones. Two projects are at an early stage of being taken along the CDM process.

There are also opportunities to exploit research and development tax rebates where they exist, eg in South Africa, by undertaking or supporting renewable energy and energy efficiency projects, but these have yet to be explored.

## **5. Physical Opportunities: (CDP6 1(b)(ii))**

### **5.1 Do physical changes resulting from climate change present opportunities for your company?**

Owing to the location of the company's operations, physical changes resulting from climate change are likely to increase operating costs. The only likely opportunity that has been identified is higher temperatures in Argentine Patagonia, which would reduce heating costs at the company's mine there.

## **6. Other Opportunities: (CDP6 1(b)(iii))**

### **6.1 Does climate change present other opportunities for your company?**

An opportunity alluded to earlier is the realised cost savings from energy switching and efficiency projects. Increased demand for uranium as a substitute for carbon-based electricity generation presents an opportunity. Uranium is a by-product of some of AngloGold Ashanti's South African operations. Other potential opportunities include enhanced relationships with key stakeholders as grass-roots adaptation projects are developed, and working with host governments and industry to develop wide-ranging adaptive capacities and technology changes.

## **Greenhouse Gas (GHG) Emissions Accounting, Emissions Intensity, Energy and Trading**

### **7. Reporting Year (CDP6 Q2(a)(ii))**

#### **7.1 Please state the start date and end date of the year for which you are reporting GHG emissions**

Start date: 01 January 2008  
End date: 31 December 2008

## 8. Reporting Boundary: (CDP6 Q2(a)(i))

### 8.1 Please indicate the category that describes the company, entities, or group for which Scope 1 and Scope 2 GHG emissions are reported

Companies over which operational control is exercised.

### 8.2 Please state whether any parts of your business or sources of GHG emissions are excluded from your reporting boundary

The Morila Mine (Mali), and the Boddington Gold Mine project (Australia) which are not operationally controlled by AngloGold Ashanti Limited.

## 9. Methodology: (CDP6 Q2(a)(iii))

### 9.1 Please describe the process used by your company to calculate Scope 1 and Scope 2 GHG emissions including the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 GHG emissions

An external consultancy, CAMCO, was used to calculate the GHG emissions for AngloGold Ashanti for the 2008 period. The methodology used by the consultant was the reporting principles and guidelines provided by the Greenhouse Gas Protocol published by the World Business Council for Sustainable Development and the World Resources Institute (WBCSD/WRI Protocol).

In addition, the 2007 emissions were re-calculated on the same basis.

Select methodologies:

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

### 9.2 Details of any assumptions made

Assumptions were made on a site by site basis in the calculation of emissions for the reporting period of 2008 as well as the recalculated 2007 period by the consultant. These are too numerous and varied to collate here. However rigorous attempts were made to ensure that data were complete, and a conservative approach was followed when assumptions were required.

### 9.3 The names of and links to any calculation tools used

For 2008 and 2007, in-house propriety tools were used by the consultancy CAMCO in determining the emissions, based on the Greenhouse Gas Protocol of the WBCSD and WRI.

### 9.4 The global warming potentials you have applied and their origin

Kyoto gas GWPs

Carbon dioxide (CO<sub>2</sub>) = 1

Methane (CH<sub>4</sub>) = 25

Nitrous oxide (N<sub>2</sub>O) = 298

Sulphur hexafluoride (SF<sub>6</sub>) = 22,200

Perfluorocarbons (PFCs) = 4,800 – 9,200

Hydrofluorocarbons (HFCs) = 12 - 12,000

Emissions associated with refrigerant gas losses have also been calculated in the footprint. The emission factors for these GHGs were obtained from the Intergovernmental Panel on Climate Change (IPCC). For refrigerant gas loss in 2007 the GWPs were obtained from IPCC 2001. For refrigerant gas loss in 2008 the GWPs were obtained from IPCC 2007.

### 9.5 The emission factors you have applied and their origin

The majority of the emission factors used to establish the tonnes of CO<sub>2</sub> equivalent emitted from the energy & fuel consumption were provided by the IPCC. These were taken from the 2006 IPCC Guidelines for National Greenhouse Gas Inventories and other IPCC documents.

The WBCSD and the UK Defra guidelines do not provide conversion factors for non-CO2 greenhouse gases arising from fossil fuel combustion. Methane (CH<sub>4</sub>) and nitrous oxide (N<sub>2</sub>O) can make a significant contribution to total emissions depending on the fuel and the combustion technology. Emission factors for these activities are derived from the IPCC 2007 where appropriate.

Emission factors for purchased electricity were drawn from a number of sources. The majority of these were from the International Energy Agency (IEA). Where available, emission factors were obtained directly from published documents of the energy provider or national government. Additional emission factors were obtained from US Department of Energy (Energy Information Agency) and the National Greenhouse Gas Accounts Factors (Australia).

In order to calculate the CH<sub>4</sub> emissions from waste disposal, conversion factors were taken from typical UK waste data in Brown et al. (1999) and Smith et al. (2001). Conversion factors used to calculate emissions associated with refrigerant gas losses were derived from IPCC 2001 for refrigerant gas loss in 2007, while for 2008 refrigerant gas loss, IPCC 2007 conversion factors were used. The Environmental Protection Agency (EPA 2008) also provided conversion factors used to calculate emissions associated with refrigerant gas losses.

## 10. Scope 1 Direct GHG Emissions: (CDP6 Q2(b)(i))

### 10.1 Total gross global Scope 1 GHG emissions in metric tonnes of CO<sub>2</sub>-e

### 10.2 Country or region

Table 1

Reporting year Q7.1 Start date	01/01/2008	01/01/2007
Reporting year Q7.1 End date	31/12/2008	31/12/2007
10.1 Total gross global Scope 1 GHG emissions in metric tonnes CO <sub>2</sub> - e	1 414 817	1 305 059
10.2 Gross Scope 1 emissions in metric tonnes CO <sub>2</sub> -e by country or region		
Argentina	90 563	89 871
Australia	157 222	168 396
Brazil	34 044	29 420
Colombia	199	321
Ghana	87 683	123 988
Guinea	162 428	152 577
Mali	184 694	134 550
Namibia	17 962	14 258
South Africa	153 385	124 087
United Republic of Tanzania	424 808	368 586
USA	101 832	99 004

### 10.3 Business division (only data for the current reporting year requested)

Table 2

Business Divisions	Scope 1 Metric tonnes CO <sub>2</sub> -e
Total gross global Scope 1 GHG emissions in metric tonnes CO <sub>2</sub> -e - answer to question Q10.1	1 414 817

### 10.4 Facility (only data for the current reporting year requested)

Table 3

Facilities	Scope 1 Metric tonnes CO <sub>2</sub> -e
Total gross global Scope 1 GHG emissions in metric tonnes CO <sub>2</sub> -e - answer to question Q10.1	1 414 817

**10.5 Please break down your total global Scope 1 GHG emissions in metric tonnes of the gas and metric tonnes of CO<sub>2</sub>-e by GHG type. (Only data for the current reporting year requested.)**

Table 4

Scope 1 GHG Type	Unit	Quantity
CO <sub>2</sub>	Metric tonnes	1 332 883
CH <sub>4</sub>	Metric tonnes	
CH <sub>4</sub>	Metric tonnes CO <sub>2</sub> -e	
N <sub>2</sub> O	Metric tonnes	
N <sub>2</sub> O	Metric tonnes CO <sub>2</sub> -e	
HFCs	Metric tonnes	
HFCs	Metric tonnes CO <sub>2</sub> -e	81 934
PFCs	Metric tonnes	
PFCs	Metric tonnes CO <sub>2</sub> -e	
SF <sub>6</sub>	Metric tonnes	
SF <sub>6</sub>	Metric tonnes CO <sub>2</sub> -e	

**10.6 If you have not provided any information about Scope 1 emissions in response to the questions above, please explain your reasons and describe any plans you have for collecting Scope 1 GHG emissions information in future**

Further information

Although CH<sub>4</sub> and N<sub>2</sub>O emissions were calculated from Scope 1 fuel consumption and landfilling activities, these have not been provided as they are insignificant quantities.

**11. Scope 2 Indirect GHG Emissions: (CDP6 Q2(b)(i))**

**11.1 Total gross global Scope 2 GHG emissions in metric tonnes of CO<sub>2</sub>-e**

**11.2 Country or region**

Table 5

Reporting year Q7.1 Start date	01/01/2008	01/01/2007
Reporting year Q7.1 End date	31/12/2008	31/12/2007
11.1 Total gross global Scope 2 GHG emissions in metric tonnes CO <sub>2</sub> -e	3 464 083	3 667 415
11.2 Gross Scope 2 emissions in metric tonnes CO <sub>2</sub> -e by country or region		
Argentina	0	0
Australia	249	239
Brazil	4 953	2 657
Colombia	0	0
Ghana	114 454	102 490
Guinea	0	0
Mali	135	159
Namibia	1 051	1 028
South Africa	3 278 483	3 502 340
United Republic of Tanzania	0	0
USA	64 758	58 023

**11.3 Business division**

Table 6

Business Divisions	Scope 1 Metric tonnes CO <sub>2</sub> -e
Total gross global Scope 2 GHG emissions in metric tonnes CO <sub>2</sub> -e - answer to question Q11.1	3 464 083

## 11.4 Facility (only data for the current reporting year requested)

Table 7

Facilities	Scope 1 Metric tonnes CO2-e
Total gross global Scope 2 GHG emissions in metric tonnes CO2-e - answer to question Q11.1	3 464 083

**11.5 If you have not provided any information about Scope 2 emissions in response to the questions above, please explain your reasons and describe any plans you have for collecting Scope 2 GHG emissions information in future.**

Not applicable

## 12. Contractual Arrangements Supporting Particular Types of Electricity Generation: (CDP6 Q2(b)(i)-Guidance)

**12.1 If you consider that the grid average factor used to report Scope 2 emissions in question 11 does not reflect the contractual arrangements you have with electricity suppliers, (for example, because you purchase electricity using a zero or low carbon electricity tariff), you may calculate and report a contractual Scope 2 figure in response to this question, showing the origin of the alternative emission factor and information about the tariff**

Not applicable

**12.2 If you retire any certificates (eg: Renewable Energy Certificates) associated with zero or low carbon electricity, please provide details.**

Not applicable

## 13. Scope 3 Other Indirect GHG Emissions: (CDP6 Q2(c))

### 13.1 Employee business travel

Emissions in metric tonnes CO2-e.

Business travel - Flights 2007 : 3843 CO<sub>2</sub>e (t/yr)

Business travel - Flights 2008 : 5599 CO<sub>2</sub>e (t/yr)

Business travel - Hotel stays 2007: 748 CO<sub>2</sub>e (t/yr)

Business travel - Hotel stays 2008: 829 CO<sub>2</sub>e (t/yr)

State the methodology, assumptions, calculation tools, databases, emission factors (including sources) and global warming potentials (including sources) you have used for calculating emissions.

Business Flights:

Typical short-haul distance (one way) 1,108 km (Defra 2008)

Typical long-haul distance (one way) 6,482 km (Defra 2008)

Emission factors:

Average CO<sub>2</sub> emissions for short-haul flights: 0.098 kg CO<sub>2</sub>/passenger.km (Defra 2008)

CH<sub>4</sub> emissions for short-haul flights: 0.001g CH<sub>4</sub>/passenger.km (derived from IPCC 2006, Defra 2007, Carbon Trust 2006 & Boeing 2007)

N<sub>2</sub>O emissions for short-haul flights: 0.004 g N<sub>2</sub>O/passenger.km (derived from IPCC 2006, Defra 2007, Carbon Trust 2006 and Boeing 2007)

Average CO<sub>2</sub> emissions for long-haul flights: 0.111 kg CO<sub>2</sub>/passenger.km (Defra 2008)

CH<sub>4</sub> emissions for long-haul flights: 0.0001 g CH<sub>4</sub>/passenger.km (derived from IPCC 2006, Defra 2007, Carbon Trust 2006 and Boeing 2007)

N<sub>2</sub>O emissions for long-haul flights: 0.004 g N<sub>2</sub>O/passenger.km (derived from IPCC 2006, Defra 2007, Carbon Trust 2006 and Boeing 2007)

Uplift factor: 109% (Defra 2008)

Global warming potential (in CO<sub>2</sub> equivalents) of CH<sub>4</sub>: 25 (IPCC 2007)

Global warming potential (in CO<sub>2</sub> equivalents) of N<sub>2</sub>O: 298 (IPCC 2007)

Hotel Stays:

One person per room.

CO<sub>2</sub> emissions for hotel accommodation (South Africa): 44.06 kg CO<sub>2</sub>/room/night (derived from CIBSE 2004, Defra 2008 and IEA 2006)  
CO<sub>2</sub> emissions for hotel accommodation (world average): 31.95 kg CO<sub>2</sub>/room/night (derived from CIBSE 2004 and Defra 2008)

### 13.2 External distribution/logistics

Emissions in metric tonnes CO<sub>2</sub>-e.

Deliveries - Motorcycles 2007: 42 CO<sub>2</sub>e (t/yr)

Deliveries - Motorcycles 2008: 42 CO<sub>2</sub>e (t/yr)

Deliveries - Petrol vans 2007: 24 CO<sub>2</sub>e (t/yr)

Deliveries - Petrol vans 2008: 24 CO<sub>2</sub>e (t/yr)

Deliveries - Diesel vans 2007: 10 CO<sub>2</sub>e (t/yr)

Deliveries - Diesel vans 2008: 14 CO<sub>2</sub>e (t/yr)

Deliveries - Heavy goods diesel vehicles 2007: 3457 CO<sub>2</sub>e (t/yr)

Deliveries - Heavy goods diesel vehicles 2008: 3441 CO<sub>2</sub>e (t/yr)

State the methodology, assumptions, calculation tools, databases, emission factors (including sources) and global warming potentials (including sources) you have used for calculating emissions.

CO<sub>2</sub> emissions for diesel for mobile sources: 74,100 kg CO<sub>2</sub>/TJ (IPCC 2006)

CH<sub>4</sub> emissions for diesel for mobile sources: 3.9 kg CH<sub>4</sub>/km (IPCC 2006)

N<sub>2</sub>O emissions for diesel for mobile sources: 3.9 kg N<sub>2</sub>O/km (IPCC 2006)

CO<sub>2</sub> emissions for diesel for mobile sources: 2.9 kg CO<sub>2</sub>/litre (derived from above)

CH<sub>4</sub> emissions for diesel for mobile sources: 0.0002 g CH<sub>4</sub>/litre (derived from above)

N<sub>2</sub>O emissions for diesel for mobile sources: 0.0002 g N<sub>2</sub>O/litre (derived from above)

Convert TJ to kWh: 277,778 kWh/TJ

Convert litres to kWh: 10.8 kWh/litre (Carbon Trust, 2008)

Fuel efficiency for combination trucks: 2.6 litres/km (derived from DoT Highway Statistics 2005 table VM-1)

Global warming potential (in CO<sub>2</sub> equivalents) of CH<sub>4</sub>: 25(IPCC 2007)

Global warming potential (in CO<sub>2</sub> equivalents) of N<sub>2</sub>O:298(IPCC 2007)

### 13.3 Use/disposal of company's products and services

Describe the main sources of emissions

Not applicable

Emissions in metric tonnes CO<sub>2</sub>-e.

Not applicable

State the methodology, assumptions, calculation tools, databases, emission factors (including sources) and global warming potentials (including sources) you have used for calculating emissions.

Not applicable

### 13.4 Company supply chain

Describe the main sources of emissions

Not applicable

Emissions in metric tonnes CO<sub>2</sub>-e.

Not applicable

State the methodology, assumptions, calculation tools, databases, emission factors (including sources) and global warming potentials (including sources) you have used for calculating emissions.

Not applicable

### 13.5 Other

If you are reporting emissions that do not fall into the categories above, please categorise them into transferred emissions and non-transferred emissions.

Net emissions from onsite Landfill Waste disposal facilities.

Transfers

Waste disposal 2007 : 13,428 CO<sub>2</sub>e (t/yr)

Waste disposal 2008 : 10,064 CO<sub>2</sub>e (t/yr)

State the methodology, assumptions, calculation tools, databases, emission factors (including sources) and global warming potentials (including sources) you have used for calculating emissions.

Average density of waste: 98.5 kg/m<sup>3</sup> (derived from HSE 2002)

Methane generated from landfilled compactable waste: 0.072 t CH<sub>4</sub>/t waste

Methane emitted from landfilled compactable waste: 0.065 t CH<sub>4</sub>/t waste

Emissions from incineration of waste (no heat recovery): 0.415 t CO<sub>2</sub>/t waste incinerated (IPCC 2002)

Global warming potential (in CO<sub>2</sub> equivalents) of CH<sub>4</sub>: 25 (IPCC 2007)

To calculate carbon emissions from compactable waste the following parameters were used:

Degradable organic C content (DOC) of typical MSW (doc): 18% (Smith et al 2001)

Carbon content of paper and card is equivalent to DOC content:

Proportion of dissimilable DOC (di): 60% (Brown et al 1999)

Proportion of dissimilable DOC decaying to methane (dm): 50% (IPCC 2006)

Methane oxidation factor (ox): 10% (Brown et al 1999)

Notes

CH<sub>4</sub> generated (mg) = mass x doc x dm x di x 16/12

CH<sub>4</sub> emitted = mg x (1-gc) x (1-ox)

16/12 is the conversion factor carbon to CH<sub>4</sub>

44/12 is the conversion factor carbon to CO<sub>2</sub>

Non-transfers

Describe the main sources of emissions

Not applicable

Report emissions in metric tonnes of CO<sub>2</sub>-e.

Not applicable

State the methodology, assumptions, calculation tools, databases, emission factors (including sources) and global warming potentials (including sources) you have used for calculating emissions.

Not applicable

**13.6 If you have not provided information about one or more of the categories of Scope 3 GHG emissions in response to the questions above, please explain your reasons and describe any plans you have for collecting Scope 3 indirect emissions information in future**

Not applicable

## 14. Emissions Avoided Through Use Of Goods And Services (New for CDP 2009)

**14.1 If your goods and/or services enable GHG emissions to be avoided by a third party, please provide details including the estimated avoided emissions, the anticipated timescale over which the emissions are avoided and the methodology, assumptions, emission factors (including sources), and global warming potentials (including sources) used for your estimations**

Not applicable

## 15. Carbon Dioxide Emissions from Biologically Sequestered Carbon: (New for CDP 2009)

**15.1 Please provide the total global carbon dioxide emissions in metric tonnes CO<sub>2</sub> from biologically sequestered carbon**

Emissions in metric tonnes CO<sub>2</sub>

141 447

Further information

Emissions from biologically sequestered carbon are estimated from land clearing activities undertaken across the global operations.

## 16. Emissions Intensity: (CDP6 Q3(b))

### 16.1 Please supply a financial emissions intensity measurement for the reporting year for your combined Scope 1 and 2 emissions

16.1.1. Give the units.

4 878 900 Metric Tons of Scope 1 and Scope 2 CO<sub>2</sub>-e emissions per year.

3 743 000 US dollars of attributable revenue generated for the year.

16.1.2. The resulting figure.

1.3

### 16.2 Please supply an activity related intensity measurement for the reporting year for your combined Scope 1 and 2 emissions.

16.2.1. Give the units.

4,878,900 Metric Tons of Scope 1 and Scope 2 CO<sub>2</sub>-e emissions per year.

5 349 000 ounces of gold produced for the year.

16.2.2. The resulting figure.

0.91

## 17. Emissions History: (CDP6 Q2(f))

### 17.1 Do emissions for the reporting year vary significantly compared to previous years?

No

Have the emissions increased or decreased?

Decreased

#### Further information

The global operational GHG emissions for AngloGold Ashanti were 4,994,027 tonnes CO<sub>2</sub>e (carbon dioxide equivalent) for 2007 and 4,898,913 tonnes CO<sub>2</sub>e for 2008. The global emissions output decreased by 95,113 tonnes of CO<sub>2</sub>e year-on-year over the two year assessment period; equivalent to a 1.9% decrease in total emissions.

## 18. External Verification/Assurance: (CDP6 Q2(d))

### 18.1 Has any of the information reported in response to questions 10 – 15 been externally verified/assured in whole or in part?

Yes.

### 18.2 State the scope/boundary of emissions included within the verification/assurance exercise.

Scope 1 Q10.1

Scope 2 Q11.1

Scope 3 employee business travel Q13.1

Scope 3 external distribution/logistics Q13.2

Scope 3 Other Q13.5

Emissions from biologically sequestered carbon Q15.1

The operational boundary of the assessment included purchased electricity, electricity generated on-site, gas, coal and liquid fuels, land-use change, direct process emissions, detonation of explosives, waste disposal, refrigerant gas loss, including non-Kyoto gases, company owned or leased vehicles and aircraft, business travel and external deliveries.

In addition, energy, purchased electricity and refrigerant gas data was externally verified by Price Waterhouse Coopers for the 2008 AngloGold Ashanti Report to Society.

### 18.3 State what level of assurance (e.g.: reasonable or limited) has been given

The GHG emissions assessment was completed by a third party consultancy, CAMCO. It is assumed that the CAMCO GHG emissions assessment equates to reasonable assurance.

The Price Waterhouse Coopers verification equates to limited assurance.

In April 2007, Sunrise Dam Gold Mine in Australia had a verification audit by an approved government 3rd party auditor of its 2004 – 2005 Cooperative Agreement in terms of the Greenhouse Challenge Plus program. These verification audits are carried out every five years.

#### 18.4 Provide a copy of the verification/assurance statement

<http://cdp.cdproject.net/attachedfiles/Responses/54701/11300/Assurance.pdf>

<http://cdp.cdproject.net/attachedfiles/Responses/54701/11378/Camco Stds Protocol letter.pdf>

[http://cdp.cdproject.net/attachedfiles/Responses/54701/11399/Greenhouse Challenge Verification Report \(Revised\) - AngloGold Ashanti.pdf](http://cdp.cdproject.net/attachedfiles/Responses/54701/11399/Greenhouse Challenge Verification Report (Revised) - AngloGold Ashanti.pdf)

#### 18.5 Specify the standard against which the information has been verified/assured

As noted in the attached statement, PWC's assurance was in accordance with the International Standards for Assurance Engagements 3000, "Assurance Engagements other than audits or reviews of historical financial information" (ISAE 3000) issued by the International Auditing and Assurance Standards Board.

#### 18.6 If none of the information provided in response to questions 10-15 has been verified in whole or in part, please state whether you have plans for GHG emissions accounting information to be externally verified/assured in future.

### 19. Data Accuracy: (CDP6 Q2(e) – New wording for CDP 2009)

#### 19.1 What are the main sources of uncertainty in your data gathering, handling and calculations e.g.: data gaps, assumptions, extrapolation, metering/measurement inaccuracies etc?

The GHG emissions assessments are not based on direct measurement of emissions, but on estimates of material and energy consumption (principally weight or volume of fuel, but also weight or volume of waste) from which estimates of emissions can be derived, by the application of relevant conversion factors (i.e. amount of CO<sub>2</sub> produced per unit of fuel consumed). This approach is considered the most pragmatic, since the quantity of key greenhouse gases produced in most combustion and manufacturing processes is well understood. The certainty of waste emission estimates is lower, but direct measurement is rarely a realistic option.

The validity of all estimates depends on the accuracy, relevance and completeness of the data provided by the sites and on the conversion factors used. The estimate of emissions are founded on 'best evidence'. The precautionary principle was adopted. Where there was any doubt over activities undertaken, or where there is a choice of published figures available for calculating greenhouse gas emissions, a conservative 'worst case' scenario was assumed.

#### 19.2 How do these uncertainties affect the accuracy of the reported data in percentage terms or an estimated standard deviation?

It is very difficult to estimate the uncertainty because this varied from site to site. The most significant emissions, because they are large and because they are a significant cost to the company, e.g. emissions from electricity consumption, are generally very well known. In terms of the overall footprint, the uncertainty is fairly small.

#### 19.3 Does your company report GHG emissions under any mandatory or voluntary scheme (other than CDP) that requires an accuracy assessment?

No

### 20. Energy and Fuel Requirements and Costs: (New for CDP 2009)

Please provide the following information for the reporting year:

#### 20.1 The total cost of electricity, heat, steam and cooling purchased by your company.

173 831 765 United States dollars

20.1.1. Please break down the costs by individual energy type.

Table 8

Energy type	Cost	Currency
Electricity	173 831 765	United States dollar
Heat	0	United States dollar

Steam	0	United States dollar
Cooling	0	United States dollar

## 20.2 The total cost of fuel purchased by your company for mobile and stationary combustion.

288 919 540 United States dollar

20.2.1. Please breakdown the costs by individual fuel type.

Table 9

Mobile combustion fuels	Cost	Currency
Diesel	198 900 414	United States dollar
Gasoline / petrol	288 110	United States dollar

Stationary combustion fuels	Cost	Currency
Natural gas	3 083 306	United States dollar
Heavy Fuel Oil	43 751 510	United States dollar
Diesel	43 184 310	United States dollar
Anthracite coal	1 010 511	United States dollar

## 20.3 Your company's total consumption of purchased energy in MWh.

8 154 493 MWh

## 20.4 Your company's total consumption in MWh of fuels for stationary combustion only. This includes purchased fuels, as well as biomass and self-produced fuels where relevant

2 215 035 MWh

In answering this question and the one below, you will have used either Higher Heating Values (also known as Gross Calorific Values) or Lower Heating Values (also known as Net Calorific Values). Please state which you have used in calculating your answers.

Higher Heating Values

20.4.1. Please break down the total consumption of fuels reported in answer to question 20.4 by individual fuel type in MWh.

Table 10

Stationary combustion fuels	MWh
Anthracite coal	121770
Diesel	415904
Heavy Fuel Oil	622563
Natural gas	1054797

## 20.5 What is the total amount of energy generated in MWh from the fuels reported in question 20.4?

1 527 711 MWh

## 20.6 What is the total amount in MWh of renewable energy, excluding biomass, that is self-generated by your company?

134 832 MWh

## 20.7 What percentage of the energy reported in response to question 20.5 is exported/sold by your company to the grid or to third parties?

0 %

## 20.8 What percentage of the renewable energy reported in response to question 20.6 is exported/sold by your company to the grid or to third parties?

0 %

## 21. EU Emissions Trading Scheme: (CDP6 Q2(g)(i) – New wording for CDP 2009)

21.1 Does your company operate or have ownership of facilities covered by the EU Emissions Trading Scheme (EU ETS)?

No

## 22. Emissions Trading: (CDP6 Q2(g)(ii) - New wording for CDP 2009)

22.1 Please provide details of any emissions trading schemes, other than the EU ETS, in which your company already participates or is likely to participate within the next two years

The company anticipates participating in the Australian Carbon Pollution Reduction Scheme when it is launched.

22.2 What is your overall strategy for complying with any schemes in which you are required or have elected to participate, including the EU ETS?

As the details of the CPRS are still being developed, it is not possible to give a definite answer to this question. As it currently stands, the Sunrise Dam Gold Mine, with direct emissions in 2008 of 155,459 tonnes CO<sub>2</sub>, would fall into the category of large emitters.

22.3 Have you purchased any project-based carbon credits?

No.

22.4 Provide details including the type of unit, volume and vintage purchased and the standard/scheme against which the credits have been verified, issued and retired (where applicable).

22.5 Have you been involved in the origination of project-based carbon credits?

No.

22.6 Please provide details including:

22.7 Are you involved in the trading of allowances under the EU ETS and/or project-based carbon credits as a separate business activity, or in direct support of a business activity such as investment fund management or the provision of offsetting services?

No.

## Performance

### 23. Reduction plans & goals: (CDP6 Q3(a))

23.1 Does your company have a GHG emissions and/or energy reduction plan in place?

Yes.

23.2 Please explain why not.

23.3 Do you have an emissions and/or energy reduction target(s)?

Yes.

23.4 What is the baseline year for the target(s)?

2007

23.5 What is the emissions and/or energy reduction target(s)?

As was reported in the company's 2007 Report to Society (<http://www.anglogold.co.za/subwebs/InformationForInvestors/Reports07/ReportToSociety07/climatechange.htm>), in December 2007, the company's CEO set a short- to medium-term target for the company of reducing energy consumption by 15% per ounce of gold produced and a medium- to longer-term target of reducing greenhouse gas emissions (GHGs) by 30% per ounce produced.

The company committed to reduce energy consumption by 12% by 2015 in terms of the South African Energy Efficiency Accord in 2005. Former CEO, Bobby Godsell signed on behalf of AngloGold Ashanti and Business Unity South Africa. This target was achieved by 2007. Following an energy crisis in South Africa in January 2008, an additional target was set of reducing electricity consumption in South Africa by a further 4.5% by the end of 2008 (see <http://www.anglogoldashanti.co.za/subwebs/InformationForInvestors/Reports08/climate-change.htm>). In fact a 6% cut was achieved - see <http://www.anglogoldashanti.co.za/subwebs/InformationForInvestors/Reports08/power-crisis.htm> for a discussion. Given the high emissions factor of grid electricity in South Africa, such improvements have a significant impact on the company's indirect emissions.

### 23.6 What are the sources or activities to which the target(s) applies?

All scope 1 and scope 2 activities, ie those activities over which the company has management control.

### 23.7 Over what period/timescale does the target(s) extend?

"Medium term" and "longer term" have not yet been defined, but the detailed project described previously has proposed timeframes and pathways for achieving these targets. As the report was received in June 2009, its contents are still being digested.

See 23.5 for South African energy efficiency timeframes.

#### Further information

A particular challenge that the mining industry faces in achieving emissions reductions is that, as mining proceeds at a site, the ore body being accessed becomes less accessible. Thus, longer haul roads, increased lifting distances, higher rock temperatures and more distant stopes are unavoidable. Each of these results in greater consumption of electricity and fuels and thus emissions. In addition, ore bodies differ significantly from site to site, in terms of their configuration, geochemical nature, depth, etc. Though some generic approaches can be followed, emissions must be reduced on a site by site basis.

AngloGold Ashanti participated actively in 2008 in a project of the International Council on Mining and Metals to develop methods for the mining and metals sector to report the carbon intensity of their operations, taking into account the challenges described in the previous paragraph. An approach to doing so was outlined, but it was not possible to develop a generic approach for the industry, such is the nature of the challenge. AngloGold Ashanti will be reviewing the project report in order to report using an appropriate intensity metric.

The company's focus until now has been on energy efficiency rather than GHG emissions reduction per se. However, as the company is a significant consumer of electricity, and as the emissions factor in South African electricity supplies, where the company's highest consumption is found, is very high, reductions in energy consumption have a significant impact on emissions.

In Australia, the company participates in the "Greenhouse Challenge Plus" programme that requires public reporting of emissions, as well as short-term and long-term greenhouse performance goals. Also in Australia, the company was registered in March 2007 onto the Australian government's "Energy Efficiency Opportunities" programme. This programme requires corporations to report publicly on the results of their energy efficiency assessments and the opportunities that exist for projects with a financial payback of up to four years. The focus is on the energy savings opportunities identified in the assessment and the business response to those opportunities. The EEO program does not however set emissions targets.

### 23.8 What activities are you undertaking or planning to undertake to reduce your emissions/energy use?

In South Africa, improvement in energy efficiency has been achieved through, amongst others (see <http://www.anglogoldashanti.co.za/subwebs/InformationForInvestors/Reports08/power-crisis.htm>):

- Three Chamber Pipe Feeder System at Moab Khotsonq Mine – this system recovers the potential energy of water going down the mine and uses it to assist in pumping the used underground service water to the surface. On average this system will reduce the energy used by conventional water pumping methods by 70%.
- Waste heat recovery system – compressed air generation plants produce a significant amount of heat, which is released into the environment after being cooled through cooling water circuit arrangements. The aim of this project is to use this unwanted heat to heat up change house and residence hot water supply systems.
- Compressed air management system – this is a real-time control and scheduling system for different compressors to achieve optimal efficiency.
- Relocation of the VK100 compressor machine – this project entails the physical relocation of a compressor machine from Tau Lekoa Mine to Moab Khotsonq Mine, where it can service the base load requirements of the compressed air load for the Vaal River operations. The relocation will address the energy inefficiencies being experienced by some of the larger machines that are presently servicing this base load. This project is already in progress and the unit is scheduled to be brought on line during the third quarter of 2009.
- Refrigeration plant real-time control – this is a system that will control the operation of the refrigeration plants to ensure their optimal operation and only when needed.
- Main ventilation fans guide vanes control – this is a system that controls the inlet vanes of the main fans to ensure efficient performance.

- Replacing conventional incandescent lamps with energy efficient compact fluorescent lamps.
- Effective control through switching off unnecessary electrical loads – for example, installing daylight switches that will ensure lights are only switched on at night.

Some of the smaller, behaviour-based initiatives that the organisation has adopted include switching off equipment on weekends and encouraging human intervention: people in the organisation are encouraged to identify and intervene in the unnecessary use of energy at all operations.

A variety of other opportunities have been identified at operations elsewhere (see question 4), but energy security and emissions factors are not as serious as they are in South Africa. Projects in other countries were described in last year's CDP submission. The climate change project discussed elsewhere is identifying potential emissions reduction projects across the company.

### 23.9 What benchmarks or key performance indicators do you use to assess progress against the emissions/energy reduction goals you have set?

The South African targets have been met far in advance of their deadlines. New targets have yet to be set.

Benchmarks and KPIs have not yet been developed for the company's global reduction goals as the consultants' report on this subject is still being reviewed.

### 23.10 What emissions reductions, energy savings and associated cost savings have been achieved to date as a result of the plan and/or the activities described above?

Total energy saving: 1044.33 GWh – South African operations only. Using an average Eskom emissions factor over 2006-2008 of 0.98, this amounts to a saving of 1.022 Mt of CO<sub>2</sub>. The associated cost savings were R177 347 100. The data was sourced directly from the company electricity measurement server, which logs the electrical consumption profiles of all business units. The services of an independent measurement and verification (M&V) consultant were procured to establish the savings. The methodology employed by the consultant is outlined in the attached report.

### 23.11 What investment has been required to achieve the emissions reductions and energy savings targets or to carry out the activities listed in response to question 23.8 and over what period was that investment made?

Table 13

Emission reduction target/energy saving target or activity	Investment number	Investment currency	Timescale
South African operations energy efficiency activities	10 000 000	South African rand	2005-2008

#### Further information

<http://cdp.cdproject.net/attachedfiles/Responses/54701/11894/AngloGold Ashanti PCP Baseline Adjustment Report - Energy Cybernetics v1r0.docx>

### 23.12 What investment will be required to achieve the future targets set out in your reduction plan or to carry out the activities listed in response to question 23.8 above and over what period do you expect payback of that investment?

Table 14

Plan or action	Investment number	Investment currency	Payback
South African energy efficiency projects	50000000	South African rand	Up to 7 years.

### 23.13 Please estimate your company's future Scope 1 and Scope 2 emissions for the next five years for each of the main territories or regions in which you operate or provide a qualitative explanation for expected changes that could impact future GHG emissions.

As part of the company's business planning process, all business units plan their future activities in detail. As part of this process, electricity and fuel consumption are forecast into the future. Thus, it is possible to provide projected electricity and fuel consumption and the associated emissions for the next five years. However, doing so would constitute releasing a forward-looking statement, which stock exchange listing requirements prevent the company from doing. Additionally, the information is price-sensitive. Including this information in this submission would require the company not to disclose its entire CDP submission. It is preferable therefore to exclude these forecasts and make public the bulk of the CDP submission.

**23.14 Please estimate your company's future energy use for the next five years for each of the main territories or regions in which you operate or provide a qualitative explanation for expected changes that could impact future GHG emissions.**

See the answer to 23.13 for the reasons why no information is disclosed below.

**23.15 Please explain the methodology used for your estimations and any assumptions made.**

See the answer to 23.13 for the reasons why no information is disclosed.

## **24. Planning: (CDP6 Q3(c))**

**24.1 How do you factor the cost of future emissions into capital expenditures and what impact have those estimated costs had on your investment decisions?**

The carbon implications of all capital projects that require approval through AngloGold Ashanti's Investment Committee are estimated and included in the committee's decision-making process. Owing to the company's profile, these development projects are typically outside Annex B countries.

The emissions have not yet made any impacts. However, planning for a new operation being developed at a remote site in Australia have carbon emissions as a principal component in the evaluation process. Owing to the upcoming emissions trading scheme there, carbon costs are likely to be a significant component of operating costs and therefore impact technology choices.

## **Governance**

### **25. Responsibility: (CDP6 Q4(a))**

**25.1 Does a Board Committee or other executive body have overall responsibility for climate change?**

Yes.

**25.2 Please state how overall responsibility for climate change is managed and indicate the highest level within your company with responsibility for climate change.**

An Executive Vice President Business Sustainability is responsible for Environment, Community, Health, Safety and Corporate Affairs, amongst others, across the group. A Vice President Environment and Community Affairs reports to him. Both mandates include responsibility for the development and implementation of the group climate change strategy.

The company has assigned a manager at the corporate level to facilitate the development of the group's response to climate change. He is suitably qualified to address climate change mitigation and adaptation issues, with experience in the field at the national and international levels. Internal policy development is discussed at regular intervals with executive management.

Guided by an internal position paper to look at the way forward for the group, including key risks and opportunities, AngloGold Ashanti embarked on a three-part study in September 2008 to develop a group-wide response to climate change. The study was completed in June 2009. See <http://www.anglogoldashanti.co.za/subwebs/InformationForInvestors/Reports08/climate-change.htm>.

The company's environmental value statement was changed during the year to reflect the serious nature of the climate challenge. The statement now reads:

"We respect the environment.

"We are committed to continually improving our processes in order to prevent pollution, minimise waste, increase our carbon efficiency and make efficient use of natural resources. We will develop innovative solutions to mitigate environmental and climate risks."

The company's risk management processes are managed at a group level but input is provided from technical specialists in the respective management teams. The company's risk profile includes aspects related to climate change and the group climate change strategy also includes a high-level overview of the risks that may affect the company.

A Board Committee on Safety, Health and Sustainable Development has oversight of environmental policy and strategy, including climate change. The Board Audit and Corporate Governance Committee oversees risk control and disclosure.

The HSE&C Manager drives climate change activities in the Australia region. The region has a climate change/energy efficiency standard by which all operations are managed. The region has formed a management team to manage the GHG accounting and reporting activities. At an operational level, a cross functional team has been formed to manage the site energy reduction projects.

### 25.3 Which Board Committee or executive body has overall responsibility for climate change?

A Board Committee on Safety, Health and Sustainable Development has oversight of environmental policy and strategy, including climate change. The Board Audit and Corporate Governance Committee oversees risk control and disclosure.

### 25.4 What is the mechanism by which the Board or other executive body reviews the company's progress and status regarding climate change?

The Executive Vice President Business Sustainability, along with the CEO and other members of the leadership team have played an integral role in the championing and development of the company's strategy on climate change. Progress is reviewed on a regular basis at management meetings and at the quarterly meetings of the Board Committee on Safety, Health and Sustainable Development.

## 26. Individual Performance: (CDP6 Q4(b))

### 26.1 Do you provide incentives for individual management of climate change issues including attainment of GHG targets?

No.

### 26.2 Are those incentives linked to monetary rewards?

### 26.3 Who is entitled to benefit from those incentives?

Further information

The company's climate change strategy is still being developed. The company will consider providing incentive mechanisms for individual management of climate change issues in the future.

## 27. Communications: (CDP6 Q4(c))

### 27.1 Do you publish information about the risks and opportunities presented to your company by climate change, details of your emissions and plans to reduce emissions?

Yes. These aspects are reported on in the annual financial statements, US SEC 20F submission and in the annual Report to Society. Specific and more detailed issues related to risk and impact mitigation will be included in reporting as the implementation of strategy progresses. The company's latest Report to Society includes case studies on the climate change study and on energy efficiency efforts.

If so, please indicate which of the following apply and provide details and/or a link to the documents or a copy of the relevant excerpt:

### 27.2 The company's Annual Report or other mainstream filings.

The following text appears in the annual financial statements ([http://www.anglogoldashanti.co.za/subwebs/InformationForInvestors/Reports08/AnnualReport08/g/corporate\\_citizen.htm](http://www.anglogoldashanti.co.za/subwebs/InformationForInvestors/Reports08/AnnualReport08/g/corporate_citizen.htm)) and US SEC 20F submission (<http://www.anglogoldashanti.co.za/Reports/Form+20F+Note.htm>):

"In 2008, AngloGold Ashanti embarked on a process to develop a business case for responding to climate change, with 2007 used as the benchmark year. A three-part study, begun in detail in September 2008, includes:

- a group-wide assessment to determine in more precisely the greenhouse gas footprint of all AngloGold Ashanti; and
- a comprehensive assessment to determine risks to which the company is exposed as a result of climate change.

"Various risk categories (financial and investment, physical, and legal/regulatory) are being considered to reduce the company's dependence on fossil fuels. Given the group's focus on delivering value, the process aims to identify multiple and highly probable Clean Development Mechanism (CDM) projects. For AngloGold Ashanti, carbon trading presents a particular opportunity; around 84% of the company's gold production comes from developing countries, which are eligible for CDM projects."

[http://cdp.cdproject.net/attachedfiles/Responses/54701/11439/Pages from AGA\\_AFS\\_2008.pdf](http://cdp.cdproject.net/attachedfiles/Responses/54701/11439/Pages from AGA_AFS_2008.pdf)

### 27.3 Voluntary communications (other than to CDP) such as Corporate Social Responsibility reporting

The following text appears in the annual Report to Society:

"An area of concern that is being addressed at a group level and will influence future feasibility studies and the life cycle analysis is that of climate change. Climate change is having, and will continue to have, the greatest impact on impoverished communities in developing countries. The group-wide climate change study focuses on the impact of climate change on communities around AngloGold Ashanti's operations. The study aims to identify community-related climate change risks faced by the company and identifies options for adaptation

programmes." This is followed by a 2-page box on climate change science, the climate change study and potential impacts on communities - see <http://www.anglogoldashanti.co.za/subwebs/InformationForInvestors/Reports08/ReportToSociety08/p/c/review.htm> and the attachments.

The environment section of the report includes several references to climate change, including a major section on the climate change study, and GHG emissions and energy consumption - see <http://www.anglogoldashanti.co.za/subwebs/InformationForInvestors/Reports08/ReportToSociety08/p/en/review.htm> and the attachments.

The latest Report to Society also includes case studies on the climate change study (<http://www.anglogoldashanti.co.za/subwebs/InformationForInvestors/Reports08/climate-change.htm>) and on energy efficiency efforts (<http://www.anglogoldashanti.co.za/subwebs/InformationForInvestors/Reports08/power-crisis.htm>).

The company is a signatory to the Global Compact and the Report to Society is developed in accordance with the Global Reporting initiative. The company's GRI A+ status has been externally verified by PricewaterhouseCoopers.

[http://cdp.cdproject.net/attachedfiles/Responses/54701/11441/Pages from AGA\\_RTS2008.pdf](http://cdp.cdproject.net/attachedfiles/Responses/54701/11441/Pages from AGA_RTS2008.pdf)  
[http://cdp.cdproject.net/attachedfiles/Responses/54701/11442/Pages from AGA\\_RTS2008-3.pdf](http://cdp.cdproject.net/attachedfiles/Responses/54701/11442/Pages from AGA_RTS2008-3.pdf)  
[http://cdp.cdproject.net/attachedfiles/Responses/54701/11443/bcase\\_climate\\_change.pdf](http://cdp.cdproject.net/attachedfiles/Responses/54701/11443/bcase_climate_change.pdf)  
[http://cdp.cdproject.net/attachedfiles/Responses/54701/11444/response\\_power\\_crisis.pdf](http://cdp.cdproject.net/attachedfiles/Responses/54701/11444/response_power_crisis.pdf)

## **28. Public Policy: (CDP6 Q4(d))**

### **28.1 Do you engage with policymakers on possible responses to climate change including taxation, regulation and carbon trading?**

The company engages on climate change policy at public forums throughout its operations. It engages with government agencies directly and through industry associations (e.g. Minerals Council of Australia, Western Australia Chamber of Minerals and Energy, Instituto Brasileiro de Mineração, National Business Initiative (South Africa), Chamber of Mines of South Africa, Business Unity South Africa, National Mining Association (USA)) to advocate regulatory provisions that are not detrimental to business and the mining industry in particular. These associations also keep the company updated on policy and regulatory trends.

The company is actively involved in the climate change discussions and activities at the International Council on Mining and Metals (ICMM), the leading international mining industry association. ICMM has prepared guidance on GHG emissions reporting and on emissions intensity indicators for the sector. It is currently revising its 2006 climate change position statement.

Engagement in South Africa is led by the CEO and facilitated through business associations and the national government Department of Water and Environmental Affairs. The Department held a major climate change summit (the first in 5 years), in which company officials participated actively.

The Australian region has engaged in debate in national and state associations on all aspects of the government's Carbon Pollution Reduction Scheme. Australian gold mining companies are working actively to address climate change issues specific to the gold mining sector. In Australia, the company participates in the government-run "Greenhouse Challenge Plus" and "Energy Efficiency Opportunities" programmes.

The North American sub-region is a member of several organizations at the local, state, and national level that directly engage with the governmental and nongovernmental policy makers on climate change issues. These organizations include: the National Mining Association; the Colorado Mining Association; the Nevada Mining Association; Alaska Miners Association; the Northwest Mining Association; the Colorado Association of Commerce and Industry; the Rocky Mountain Mineral Law Foundation, and several organizations at the county level. Climate change issues are tracked through receipt of newsletters from industry groups such as the Western Business Roundtable. Participation in these organizations is managed at the regional and site level and involves attending meetings and presentations and providing input to the organization's interactions and communications with policymakers.

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