

## CONFLICT-FREE GOLD REPORT

AngloGold Ashanti acknowledges that our licence to operate means that we need to demonstrate that we have extracted gold in a manner that does not fuel conflict. We take this responsibility seriously and as such have adopted the World Gold Council's *Conflict-Free Gold Standard* (the Standard). This Conflict-Free Gold Report summarises how we conform to the requirements of the Standard for the year-ended 31 December 2013. The Executive Committee is responsible for implementation and it reports to the Chief Executive Officer, who has ultimate responsibility for the company's compliance.

### Reporting boundary

The reporting boundary of this Report includes all mining and processing operations over which AngloGold Ashanti has direct control. This is consistent with the non-financial reporting boundaries that we apply in our annual Sustainability Report and Annual Integrated Report.

### The Standard's requirements

The Standard comprises Parts A–E:

- Part A – Conflict Assessment
- Part B – Company Assessment
- Part C – Commodity Assessment
- Part D – External Sources of Gold Assessment, and
- Part E – Management Statement of Conformance.

Part A of the Standard requires companies to assess whether they are adhering to international sanctions and to undertake a risk assessment based upon the recognition of conflict. Applying the Standard's criteria, operations that are in an area ranked as 5 (war) or 4 (limited war) in the 2010, 2011 or 2012 editions of the *Conflict Barometer* published by the Heidelberg Institute for International Conflict Research have been classified as 'conflict-affected or high-risk'. Such operations must complete all remaining assessments in Parts B–E of the Standard. For operations not considered in a 'conflict-affected or high-risk' area and where the company does not transport gold while in its custody, the remaining assessments are of Parts D and E.

### AngloGold Ashanti's evaluation

Following our Part A – Conflict Assessment, we concluded that we did not breach any international sanctions. We concluded that we have two mines considered to be in 'conflict-affected or high-risk' areas: Sadiola and Yatela mines, located in south-western Mali **RA**. Parts of Brazil are ranked 4 in the 2012 Conflict Barometer, but these are in Rio de Janeiro and Sao Paulo, far from our operations. We therefore undertook Parts B and C assessments as set out in the Standard for Sadiola and Yatela mines.

Our conclusion for the Parts B (**RA**) and C (**LA**) assessments is that we were in conformance with all the criteria of the Standard, except for the following deviations from conformance:

- Inadequate human rights due diligence processes;
- Poor supply chain management procedures;
- Access control and minor procedural non-conformances in the Sadiola smelthouse.

Prior to the assessment, steps were already being taken to address these issues, with human rights due diligence process for the company scheduled to be piloted in 2014, and conducted at Sadiola and Yatela in 2015. It is envisaged that, by the time of the next assessment cycle, sufficient progress will have been made to demonstrate the adequacy of the human rights due diligence process adopted by the company. In 2011, we adopted a company-wide Management Standard on Community Complaints and Grievances to guide the development and adoption of formal processes through which stakeholders could raise concerns about the activities of our mines, and through which those concerns could be resolved. The assessment determined that Sadiola and Yatela mines had not fully implemented the standard, in particular, the inclusion of independent third parties in grievance resolution processes. A Remedial Action Plan was drawn up and the necessary changes implemented within three months. The matter formed part of the reports submitted to the Board and the Board is confident that mine management has dealt with the matter appropriately.

Gaps in supply chain management procedures are also being addressed. A group Code of Conduct for Suppliers and a supply chain due diligence procedure were drafted in 2013 and it is envisaged that each will be implemented in 2014.



A security technology upgrade project is under way at Sadiola to improve access control to both the main production plant and the assay laboratory. The project will be implemented in two phases between March and October 2014 and will focus on the higher risk areas and improving security surveillance in Phase 1. The procedural non-conformances have been rectified.

No other Deviations from Conformance with the Standard arose during the reporting period.

We also complied with Part D (LA) – Externally Sourced Gold Assessment as we do not source gold from third parties, and implemented the appropriate Management Statement of Conformance documentation to accompany gold being dispatched at operations as required in Part E. A summary of our methodology for preparing the Conflict-Free Gold Report in accordance with the Standard is set out in our [Responsible gold initiatives](#). The Standard includes several areas where evidence of public disclosure is required. The following information can be viewed on our website:

- [Public commitment to human rights](#)
- [Disclosure of payments to governments and government entities](#)
- [Processes in place by which local stakeholders can raise concerns.](#)

We engaged the services of our assurance provider Ernst & Young Inc., and their independent report, a combination of reasonable and limited assurance, can be viewed in the [CFGR assurance report](#).

In conclusion, AngloGold Ashanti was in conformance with the criteria set out in the *Conflict-Free Gold Standard* for the reporting year ended 31 December 2013. Feedback or queries on any aspect of this report may be submitted through any of the means outlined in [contacts and administration](#).