

Voluntary Principles 2009 Plenary Report



AngloGold Ashanti

Report to the plenary session of the Voluntary Principles on Security and Human Rights

15 February 2010

A. Commitment

1. Statement of commitment or endorsement of the Voluntary Principles

AngloGold Ashanti is committed to implementing the Voluntary Principles (on Security and Human Rights) in its approach to security management, and applies the Voluntary Principles in the management of security at all of its operations.

AngloGold Ashanti has adopted an interdisciplinary approach to decision-making and management of human rights, security and community issues. The Voluntary Principles have been a key factor in establishing the current and future management and structuring of the security discipline within the group.

B. Policies, Procedures and Related Activities

2. Relevant policies, procedures, and/or guidelines (or any changes thereof from the previous reporting year) to implement the Voluntary Principles

Within AngloGold Ashanti structures, community and security-related matters are addressed at board level by the Safety, Health and Sustainable Development Committee. Included within the committee's ambit is oversight of the group's compliance with the commitment made in terms of the Voluntary Principles. At a corporate level, an Environment and Community Affairs team develops company policy in respect of community-related issues as well as guidance and processes to assist the operations in acting in accordance with the group's business principles and policies. Stakeholder Engagement Plans and Integrated Development Plans form the backbone of community engagement efforts. The Security department works closely with the Community Affairs team within AngloGold Ashanti.

The implementation of the new Global Security Framework which was developed during 2008 started early in 2009 and good progress has been made to date. Our aim is to ensure full implementation by early 2011. The framework consists of nine key processes i.e. Voluntary Principles, Policy Standards and Compliance, Risk Management, Crisis Management, Asset Protection, Resource Management, Technology Management, Corporate Security and Training and Education. Explicit emphasis has been put on the Voluntary Principles process as a top priority for implementation. Procedures, standards and best practices are being reviewed and refined to ensure full compliance. Specific areas being addressed are: the rules of engagement, the use of force, the application of less-lethal force, transparency in security agreements and contracts. Self Audits were conducted during 2009 and formal internal and external audits are planned for 2010, with the aim of establishing full compliance by the end of 2010, thus ensuring a transparent and reliable quality control mechanism.

Artisanal mining is an important traditional subsistence activity in many of our host communities, but is increasingly associated with security concerns. During 2009, the company engaged in a process of internal consultation on its recently developed Artisanal and Small-Scale Mining (ASM) management standard, which will require all sites to develop a strategy over the next two years to promote a safer and more sustainable artisanal mining sector. This standard will be approved by the Executive Committee during 2010.

3. Company procedure to conduct security and human rights risk assessments

AngloGold Ashanti uses its own security employees as well as private and public security services providers in order to ensure the protection that it requires. It manages security in a way which ensures that the human rights of individuals and communities affected by the company's activities are safeguarded.

In all countries in which AngloGold Ashanti operates, threat and risk assessments are conducted to determine which security resources are required. In Colombia, Ghana, the Democratic Republic of Congo (DRC) and Guinea, risk assessments categorise the threats as sufficiently elevated to require the inclusion of state military units (public security forces) on a near-permanent basis.

In addition, almost all of our active operations incorporate private security forces. As with public security, the decision to use private security is made after evaluating formal risk and threat assessments. Assessments help to determine the correct quantity and mix of security personnel required as well as their roles, and whether they need to carry arms. The carrying of firearms is only permitted when a risk assessment determines that it is entirely justified and complies with country legislation.

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

In operations such as Colombia and the Democratic Republic of Congo, the company's security departments have proactively engaged in self-reporting with local authorities and communities when we have learned of a potential violation of the Voluntary Principles involving our employees, subcontractors or public security forces.

During 2010, the application of the Voluntary Principles will be further embedded in the company's security management and the use of standardised reporting templates and procedures will be adopted.

A summary of the security incidents that occurred, per country, during 2008 and 2009, is reported in Section C.9 of this report. Our Voluntary Principles reporting provides further details within three categories, as defined in Annexure A, B, and C (Significant incidents, self-reported incidents and injuries to AGA staff).

5. Company procedure to consider the Voluntary Principles in entering into relations with private security providers

As reported in 3. above, in a number of countries security considerations make it necessary to rely on special support from the police and/or military.

AngloGold Ashanti seeks to ensure that all private security personnel are trained in and familiar with the provisions of the Voluntary Principles. Minimum force is advocated at all times, in line with the company's commitment to the Voluntary Principles. Alleged violations committed by these providers are dealt with in accordance with AngloGold Ashanti's own investigation procedures and the applicable country legislation.

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

Any security incident on any of AngloGold Ashanti's sites is recorded and investigated, and the appropriate remedial action is taken. Records of all incidents are maintained, even if an allegation is found to be unsubstantiated

In 2009, there were four allegations of potential violations which were investigated and which all proved to be non-violations by the company. One incident was reported which was concluded to be a violation by a JV partner, and which was appropriately resolved. These efforts culminated in self-audits at the end of 2009, to identify gaps and mitigation strategies. A more formalized approach will be instituted in 2010, with formal internal and external audits being done to ensure consistency.

7. Examples of promoting awareness of the Voluntary Principles throughout the organization or government

During 2009, a new security framework was presented to the security managers at all operations. A new Voluntary Principles checklist was developed for use in internal audits. Policies and practices for the new security discipline were rolled out and training was undertaken among security personnel in respect of the Voluntary Principles i.e. personnel, including third parties undertaking security on behalf of the company, are trained in the company's policies and procedures concerning human rights. We are committed to "less lethal" security methods and, where appropriate, we engage with the government of the country to achieve this objective.

8. Examples of promoting and advancing implementation of the Voluntary Principles internationally

AngloGold Ashanti is publicly committed to advancing the Voluntary Principles, and are promoted wherever appropriate while engaging with international forums, such as the Responsible Jewellery Council, International Council on Mining and Metals (ICMM), and the United Nations Global Compact (UNGC).

The company's Voluntary Principles report is made public on its website at www.anglogoldashanti.com.

C. Country Implementation

9. Overview of country operations selected for reporting (include any notable changes from the previous reporting year if the same country is being reported this year)

In this section, AngloGold Ashanti reports on community and security incidents in the following operations or countries:

- Colombia (exploration activities)
- Siguiri, Guinea
- Obuasi, Ghana
- Iduapriem, Ghana
- Geita, Tanzania
- DRC (exploration activities)
- Sadiola, Mali

In all of these operations or countries, with the exception of Sadiola in Mali and Geita in Tanzania, AngloGold Ashanti security acts in concert with state security forces on an active and ongoing basis in order to safeguard its assets and people.

Data is reported for the calendar year ended 31 December 2009 and comparative data for the same period in 2008 is given.

Table 1: Summary of injuries or fatalities of third parties involved in illegal activity at AngloGold Ashanti operations in 2009 and their cause

Incident Operation	2009		2008	
	Fatalities	Injuries	Fatalities	Injuries
Siguiri	7 (fall of ground)		22 (fall of ground)	
Obuasi	4 (fall of ground)	1 (fall of ground)	5 (fall of ground)	1 (fall of ground)
Geita	1 (fatal fall)		1 (vehicle accident)	
Total	12	1	28	1

Table 2: Injuries and fatalities as a result of security interventions at AngloGold Ashanti operations in 2009

Incident Operation	2009				2008			
	Community members		AGA security personnel		Community members		AGA security personnel	
	Fatalities	Injuries	Fatalities	Injuries	Fatalities	Injuries	Fatalities	Injuries
Colombia						1		
Siguiri		1*		3				7
Obuasi				2		2*		3
Geita	2*	2*		6		1*		2
Total	2	3	0	11	0	4	0	12

* Incidents involving discharge of firearms

Table 3: Summary of protest actions at AngloGold Ashanti operations during 2009

Operation/country	Number of protest actions	
	2009	2008
Colombia exploration	-	
Siguiri	2	1
Obuasi	1	1
Iduapriem	2	1
Sadiola	-	2
DRC exploration	1	-
Total	6	5

9. Engagements with stakeholders on country implementation

AngloGold Ashanti engages extensively with a range of stakeholders, social and business partners which have an interest in or are affected by the company's activities. During 2009, AngloGold Ashanti has moved towards a more structured approach to stakeholder engagement, including through the development of a management standard relating to engagement. This standard is currently being consulted on internally will be approved by the Executive Committee in 2010 and rolled out at all of AngloGold Ashanti's operations.

It is recognised that as a new discipline, proactive and planned government engagement needs to be factored into business decisions through ongoing internal consultation and education. AngloGold Ashanti has recently established a government relations function in order to give public policy strategy a greater focus in the business. It has developed an engagement strategy for government which it is currently piloting in South Africa and plans to roll out to at least three more jurisdictions in 2010.

10. Voluntary Principles considerations in the selection of private security providers and formulation of contractual agreement with private security providers, as well as arrangement with public security forces

As reported above, AngloGold Ashanti frequently relies on governments or government agencies to provide security at its operations. In 2010, the company has set itself the objective of developing a common set of principles for government security contracts which will be applied globally. All third party suppliers are trained in the company's policies and procedures concerning human rights and the Voluntary Principles, while government security personnel are briefed on the Voluntary Principles. Significant progress has been made with the roll-out of procedures, best practices and the training of AGA, private and public security service providers at all operations.

A full review of all contracts with Private and Public Security globally is planned for 2010, with the aim of standardizing contract requirements, with third party and government service providers and enable us to further embed the Voluntary Principles in security procedures. As part of this process, we are developing a contractor vetting checklist, which includes Voluntary Principles requirements. The review process is expected to be completed by end of 2010.

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

Current efforts will be reinforced at all sites to achieve further improvement, by extending the Voluntary Principles training to stakeholders external to Security (where appropriate) i.e. employees, community groups and civil societies, to create better understanding and our goal to eliminate all Voluntary Principles allegations and incidents.

In all our dialogue with stakeholders, our management of the Voluntary Principles are included. The training that is conducted with personnel has had a particularly noticeable impact on the culture of discharging firearms (see Geita mine results in Section D. below), thereby reducing the overall risk and probability of injury.

12. Company procedure to review progress on implementing the Voluntary Principles at local facilities

An integrated system has been implemented, as planned, in 2009. In 2009 the process of incorporating community standards into the ISO14001 management system was initiated and is being implemented via the development of management standards. New environmental and community incident classification criteria have been adopted and are available at www.anglogoldashanti.com. Reviews are conducted by means of internal (self-audits) and external auditing activities (see section 6.).

D. Lessons and Issues

13. Lessons or issues from this reporting year, as well as plans or opportunities to advance the Voluntary Principles for the organization

Providing more focus and training on Voluntary Principles has created a better understanding of Voluntary Principles compliance requirements, specifically with regard to the use of minimum force and rules of engagement for our security service providers. In this regard a noticeable improvement in awareness and culture is apparent, especially at Geita Mine, where an 85% reduction in discharges of firearms was recorded in 2009. Improvements were also recorded at Obuasi Mine, where no injuries to community members were recorded in 2009 as a result of shooting incidents by public security (two such incidents were recorded in 2008)

In spite of significant progress, however, it is evident from the self audits that there is still considerable room for improvement, specifically in formalizing policy and procedures as well as reviewing the quality and applicability of training and awareness programmes.

Actions taken to ensure that security incidents are avoided include:

- Proactive processes of training and education
- Effective threat and risk assessments
- Transparent investigation of incidents when they do occur
- Continual review of lessons learned
- Taking actions to make improvements and avoid repeating mistakes; and
- Continuous inspections, self-audits and audits by the corporate office.

AngloGold Ashanti will continue its efforts to record improvements on these points during 2010.

Annexure A

Significant security incidents in 2009

Several notable incidents occurred in 2009, where force was used by AngloGold Ashanti security staff, by contracted private security services or by public protection services. These are detailed below. Minimum force is advocated at AngloGold Ashanti's operations and exploration sites all times, in line with the company's commitment to the Voluntary Principles.

Date	Location	Units Involved	Detail
Shooting incidents			
31/1/2009	Geita Mine, Airport, Tanzania	Security contractor	<p>A group of intruders cut the airport fence and gained access in an attempt to steal two solar panels. A warning shot was fired by a contractor guard on duty and the intruders fled. Later, whilst patrolling, one guard was fired upon by two armed men standing next to a vehicle. The guard returned fire, fatally wounding both of the men. It was later established that the two persons that were fatally wounded were a police officer and a government official in plain clothes driving an unmarked vehicle.</p> <p>All three guards were arrested. The criminal case is still pending.</p>
2/7/2009	Geita Mine, Nyakanga Cut 4, Tanzania	Geita Mine Guards	<p>Intruders assumed to be diesel thieves were observed entering the premises. A group of security staff attempted to arrest the intruders. They managed to arrest one, and split into two groups to search for the others.</p> <p>Whilst searching, two of the thieves ran at the guards. One had a bush knife. The guard fired one round of bird shot over the heads of the intruders in defence. One of the intruders was injured and taken to the mine clinic for treatment. It was established that he did not sustain any internal or serious injuries and he was handed over to the police.</p>
14/08/2009	Siguiiri Mine, Guinea	Local Military on site	<p>A security agent heard one gunshot. A few minutes later an illegal miner approached and reported that his friend, Abbas Camara (22), had been injured by a firearm shot, fired by a military person. The injured man and his friend were taken to Koron hospital for treatment, and then transferred to Siguiiri hospital, where he recovered fully.</p>

30/11/2009	Geita Mine, WD14, Tanzania	Geita Mine Guards	Four observation members were deployed at the bottom perimeter of the mine site, to survey for trespassers. During the late evening they observed two intruders, who were instructed to stop and surrender. One of the trespassers adhered to the instruction, but the other fled. Whilst chasing the suspect, the gun handler accidentally fired a shot while trying to put the safety catch on. The suspect was wounded on the lower right leg and foot. The suspect was taken to the mine clinic for treatment and afterwards to the police station, where he was referred for further treatment at the hospital. The suspect escaped at the hospital.
Incidents involving death or injuries to the public			
2009	Siguiri mine, Guinea	Illegal miners	During 2009, a total of seven people lost their lives in six separate incidents involving illegal mining at Siguiri mine in Guinea. Holes dug by illegal miners at AngloGold Ashanti's open-pit mining operations collapsed on them. Although comprehensive security measures are being taken to prevent illegal miners from entering workings, individuals still manage to enter and put their lives at risk. Every effort is being made to find a workable solution with the communities, to prevent these incidents.
2009	Obuasi mine, Guinea	Illegal Miners	During 2009, a total of four illegal miners lost their lives in fall of ground accidents in our operations, whilst engaged in illegal mining activities underground. Another one person was injured.
11 April 2009	Geita mine, Tanzania	Suspected diesel thief	<p>On 11 April an incidence of diesel theft took place at the mine and one individual was arrested. The area in which the incidence took place was known to be dangerous and was searched following the incident without result. On 17 April, however, mine security received a report from the community via the Police, that on the night in question, an intruder had fallen to his death. A rescue team from GGM was sent to the exact area indicated during the phone call and, after a search effort, found and recovered the body.</p> <p>Normal police procedure followed, including an autopsy and it was concluded that the individual had accidentally fallen to his death.</p>

Labour and community unrest incidents			
26/03/2009	Iduapriem Mine, Ghana	Illegal Miners	A team of Asset Protection and contract security personnel attempted to stop illegal gold mining activities on the Teberebie road on a mutually agreed date of 26 th March 2009 thereby enforcing a written agreement reached between the company and the miners. On the 25 th March 2009, the illegal miners were reminded of the impending action. During the morning, mining equipment and a dump truck arrived with waste ore to be used to fill up the pits created by illegal miners. However shortly afterwards the exercise was suspended as claims were made that the company was trying to bury the illegal miners alive. The action was suspended pending further consultation – see below.
Quarter 1	Siguiro mine, Guinea	Siguiro Community	Mining activities were interrupted due to community protests regarding the delay in recruiting unskilled workers to work in one of the mine pits and for compensation of houses which incurred cracks during to blasting activities. The issue was resolved peacefully.
17/04/2009	Iduapriem Mine, Ghana	Illegal Miners	With the consent of the District Security Council (DISCEC) and prior notice to the general public by the local FM radio stations, the pits illegally created along the Teberebie road were filled. Close supervision by company representatives, a detachment of the police force and other security agencies led to the successful closure of the pits, with was no resistance from the illegal miners.
25/04/2009	Obuasi Mine, Ghana	Illegal miners	A combined team of company security, Ghanaian police and mine officials escorted two illegal miners to the police station. It was reported that while the team was working to cover two new illegal pits, the suspects fired gunshots and threw stones which hit and damaged a security vehicle. The officer commanding the police taskforce gave warning shots to scare and disperse more illegal miners who arrived to support the suspects. No-one was wounded or injured in the conflict. The suspects were handed over to the police.

10/10/2009	Siguiri mine, Guinea	Siguiri Community	Approx 250-300 people from Siguiri came to the mine barrier to protest regarding electricity provision. The Governor of Kankan arrived to discuss electricity issues with mine management. When the barrier was opened the protesters entered and split into two groups, damaging vehicles with rocks, and attempted to enter the Heap Leach and Kolon security areas. The issue was resolved at both local and national level, and the protestors dispersed peacefully. A short, medium and long-term plan is being put in place by the mine, with other stakeholders, to resolve the underlying issues. A few other isolated incidents occurred where the community blocked roads to force the company to give attention to their own community problems.
15/09/2009	Mongbwalu exploration project, DRC	Ex-workers and community members	A group of ex-Kimin workers and community members held a peaceful march to AGK, demanding alleged outstanding unpaid compensation for previous retrenchment.
2009	South African operations	AngloGold Ashanti security staff	Thirty incidents of legal industrial action and thirteen incidents of employee protest action were monitored by Security without any serious incident.

Annexure B

Details of Voluntary Principles Security Self-reported Incidents in 2009

Date	Location	Units Involved	Detail
03/02/2009	Colombia	AGA Staff Military FARC	An exploration group of 20 belonging to the Joint Venture AGA/B2Gold were travelling by foot across the jungle on the license area, as they conducted geological activities in San Luis, Huila state. They heard several gunshots ahead, and contacted the Army troops providing security support to the team (by agreement). The security coordinator initiated evasive action and the group was evacuated successfully. No casualties were reported from the combat situation. However, the Army reported two injured guerrillas who were consequently placed under arrest.

Annexure C

Incidents where AngloGold Ashanti employees were injured in 2009

Date	Location	Units Involved	Detail
2009	Geita Mine, Tanzania	GGM and contract security	In five separate incidents, six security guards were attacked and injured, sustaining machete and knife wounds.
2009	Siguiri Mine, Guinea	AngloGold Ashanti security guards	Three attacks on guards were reported during 2009. In one incident a guard was attacked with a pickaxe and sustained a cut to his arm. In two other incidents guards sustained minor injuries when struggling with trespassers during arrests and also when stones were thrown at them.
2009	Obuasi Mine, Ghana	Employee and Security guard	In two separate attacks, where employees were shot at with firearms when on duty, a contract employee was wounded in the neck area and a security guard in the buttocks area. Both recovered from their wounds.

Definitions used in this report

Artisanal and small scale mining (ASM) includes any mining and/or processing activities undertaken by individuals who may have formed a collective or co-operative to undertake these activities. The scale of activity can range from one individual to large collectives of hundreds or even thousands of individuals working an area, with the common denominator being a low level of mechanisation. Activity is often well co-ordinated, although it may seem informal. ASM activity is sometimes regulated by local legislation, though often the activities are unregulated. Colloquially, ASM is referred to by many different names including galamsey (Ghana), orpailleurs (DRC), and garimpeiros (Brazil). ASM activity can be legal or illegal.

Criminal activity is any illegal activity as defined by the laws of the land which may include illegal mining or the theft and sabotage of company property.

Fall of Ground: The fall of rock/material from the roof of a mine into a mine opening

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

Illegal mining: Country legislation will in most cases determine the legality or otherwise of any mining activity. AngloGold Ashanti defines illegal mining as artisanal and small scale mining undertaken in contravention with the law. However, where it is legal to practice artisanal and small scale mining in a country it can still be practiced illegally when encroachment takes place on legally designated areas for large-scale mining.

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