



Voluntary Principles **2010**  
Plenary Report



## **AngloGold Ashanti**

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

**17 February 2011**

AngloGold Ashanti subscribes to the Voluntary Principles on Security and Human Rights – a set of non-binding principles developed in 2000 to address the issue of balancing safety needs against respect for human rights and fundamental freedoms. The Voluntary Principles fill a critical gap for companies seeking guidance about managing their potential exposure to security and human rights practices, especially in countries that are often associated with conflict or supposed abuses. The Principles also provide guidance for companies on identifying human rights and security risks, and engaging and collaborating with state and private security forces. The Principles were developed through multi-stakeholder participation between governments, extractive industry members and non-governmental organisations (NGOs).

#### **A. Commitment**

##### *1. Statement of commitment or endorsement of the Voluntary Principles*

In its management of security and in terms of its recognition of human rights, AngloGold Ashanti is committed to implementing the Voluntary Principles on Security and Human Rights. It applies the Principles to the management of those functions at all its operations.

In making decisions on, and addressing, any human rights, security and community issues, the company takes an interdisciplinary approach. The Voluntary Principles have been central to determining the current and future management and structure of the security discipline within the group.

#### **B. Policies, Procedures and Related Activities**

##### *2. Relevant policies, procedures, and/or guidelines to implement the Voluntary Principles*

Community- and security-related matters are addressed at board level by the Safety, Health and Sustainable Development Committee. The committee's ambit covers oversight of AngloGold Ashanti's compliance with its commitment 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, in addition to offering guidance and establishing procedures to foster operational conformity 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 Environment and Community Affairs team, and both departments fall under the leadership of the Executive Vice President of Sustainability.

Implementation of the new Global Security Framework, which began early in 2009, has progressed according to schedule and is having a positive impact on the group's commitment to the Voluntary Principles. The aim is to ensure full implementation of the framework by the end of 2011.

The framework consists of 10 major elements with the Voluntary Principles process receiving top priority, since it is regarded as central to the way in which security is handled at AngloGold Ashanti. Procedures, standards and best practices have been reviewed and refined to ensure full compliance. Standards and procedures have been revised, in particular to include rules of engagement, the use of force, the application of less lethal force, and transparency in security agreements and contracts. Following self-audits in 2009, formal audits were conducted during 2010. These have indicated good progress in establishing full compliance at all the group's operations. The formal audits have also highlighted gaps, which will receive corrective attention in 2011 in order to establish the Voluntary Principles as the main driver for good practice in security across the company.

To assist the group in achieving full compliance with the Voluntary Principles, the company is in the process of contracting NGOs to perform external audits in 2011.

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

To ensure the appropriate level of protection, AngloGold Ashanti uses its own security employees as well as outside providers of private and public security services. At the same time it manages security in such a way 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 threats as high enough to require the inclusion of state military units (public security forces) on a near-permanent basis.

In addition, almost all the group's active operations incorporate private security forces. As with public security, the decision to use private security is made after formal risk and threat assessments. These assessments help determine the correct number and composition of security personnel as well as their roles, and whether or not they should carry arms. Carrying firearms is only permitted when risk assessment determines that it is entirely justified and that it complies with national 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*

The use of standardised reporting templates and procedures was adopted in 2010 in order to report on any potential violations of the Voluntary Principles. This has had a positive effect on compliance and awareness throughout the company. In addition, a web-based system has been developed and implemented for reporting events, allegations and incidents. This will enhance the integrity and archiving of data relating to the Voluntary Principles.

A country-by-country summary of the security incidents that occurred during 2009 and 2010 can be found in Section C.9 of this report. The company's reporting on Voluntary Principles provides further details with respect to three categories — significant incidents, self-reported incidents and injuries to AngloGold Ashanti staff — as defined in Annexures A, B, and C.

*5. Company procedure to consider the Voluntary Principles when entering into relations with private/public security providers*

As reported in (3) above, security considerations in a number of countries necessitate reliance on special support from private and public security services.

AngloGold Ashanti seeks to ensure that all private/public security personnel are trained in, and familiar with, the provisions of the Voluntary Principles. In line with the company's commitment to those Principles, minimum force is advocated at all times. Alleged violations committed by outside providers are dealt with in accordance with AngloGold Ashanti's own investigative 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 at any of AngloGold Ashanti's sites is reported and investigated, and appropriate remedial action taken. The company maintains records of all incidents.

In 2010, there were six allegations of potential violations. Investigations determined that AngloGold Ashanti had not committed any violations. There were, however, two further reported incidents involving members of the company's military contingent in Guinea that were judged to be violations. These matters were resolved at community, operational and military levels.

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

The Voluntary Principles checklist was used to measure compliance when assessments were carried out for the implementation of AngloGold Ashanti's Security Framework. The use of the checklist allowed security managers and managers in related fields to gain a greater understanding of the Voluntary Principles. The intention is to reach a wider audience throughout the company in 2011.

In addition, a process is under way to ensure conformity with the recently released Ruggie Framework on Human Rights. In late 2010 AngloGold Ashanti agreed to support, and participate in, an initiative to engage the government of the DRC with a view to implementing the Voluntary Principles in that country. The first meeting has been held.

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

AngloGold Ashanti is open about its commitment to advancing the Voluntary Principles, and, when appropriate, uses its involvement in international forums, such as the Responsible Jewellery Council, International Council on Mining and Metals (ICMM), and the United Nations Global Compact (UNGC), to promote the Principles.

*The company's Voluntary Principles Report is published on its website at [www.anglogoldashanti.com](http://www.anglogoldashanti.com).*

## **C. Country Implementation**

## 9. Overview of country operations selected for reporting

In this section, AngloGold Ashanti reports on community- and security-related incidents in the following operations and exploration sites:

- Colombia (exploration activities)
- Siguiiri, Guinea
- Obuasi, Ghana
- Iduapriem, Ghana
- Geita, Tanzania
- DRC (exploration activities)
- Sadiola, Mali
- South Africa Region

At all these operations and exploration sites, with the exception of Sadiola in Mali, Geita in Tanzania and the operations in the South Africa Region, AngloGold Ashanti's Security Department acts in concert with state security forces on an active and continuous basis in order to safeguard its people and assets.

Data are reported for the calendar year ended 31 December 2010, with data for the same period in 2009 supplied for comparative purposes.

**Table 1: Summary of injuries or fatalities of third parties involved in illegal activity at AngloGold Ashanti operations in 2010 and their causes**

Incident	2010		2009	
	Fatalities	Injuries	Fatalities	Injuries
<b>Operation</b>				
Siguiiri	3 (fall of ground)	-	7 (fall of ground)	-
Obuasi	1 (police operation – theft of explosives)	1 (police operation – theft of explosives) 1 (fall of ground)	4 (fall of ground)	1 (fall of ground)
Geita	-		1 (fatal fall)	-
DRC	2 (fall of ground)	-	-	-
<b>Total</b>	<b>6</b>	<b>2</b>	<b>12</b>	<b>1</b>

**Table 2: Summary of injuries and fatalities as a result of security interventions at AngloGold Ashanti operations in 2010**

Incident  Operation	2010				2009			
	Community members		AngloGold Ashanti security personnel		Community members		AngloGold Ashanti security personnel	
	Fatalities	Injuries	Fatalities	Injuries	Fatalities	Injuries	Fatalities	Injuries
SA Region	-	1	-	-	-	-	-	-
Siguiri	-	3*	-	5	-	1*	-	3
Obuasi	-	-	-	29	-	-	-	2
Geita	-	1	-	8	2*	2*	-	6
Sadiola	-	-	-	2	-	-	-	-
<b>Total</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>44</b>	<b>2</b>	<b>3</b>	<b>0</b>	<b>11</b>

\* Incidents involving discharge of firearms

**Table 3: Summary of community protest actions at AngloGold Ashanti operations during 2010**

Operation/exploration site	Number of protest actions	
	2010	2009
Colombia (exploration)	1	-
Siguiri	4	2
Obuasi	3	1
Iduapriem	-	2
Geita	1	-
Sadiola	1	-
DRC (exploration)	2	1
<b>Total</b>	<b>12</b>	<b>6</b>

#### 10. Engagements with stakeholders on country implementation

AngloGold Ashanti engages extensively with a variety of stakeholders — social and business partners that have an interest in, or are affected by, the company's activities. During 2010 AngloGold Ashanti continued its move towards a more structured approach to stakeholder engagement through the development and review of company-wide management standards.

It is recognised that as a new discipline, proactive and planned government engagement must be factored into business decisions through continuous internal consultation and education. AngloGold Ashanti has recently established a government relations function in order to give greater focus to public policy strategy as it affects the business. It has developed an engagement strategy for government which is currently being piloted in South Africa. Roll-out in at least two more jurisdictions is planned for 2011.

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

As reported above, AngloGold Ashanti frequently relies on governments or government agencies to provide security at its operations. The company has set itself the objective of developing a common set of principles for government security contracts through a process, currently under way, of reviewing and assessing existing contracts with governmental agencies. Once finalised, these principles will be applied throughout the group.

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 Principles before deployment. Significant progress has been made with the roll-out of procedures, best practices and training of AngloGold Ashanti employees and private and public security service providers at all operations. This is evident from Tables 1 and 2 above.

A full review of all contracts with private and public security agencies at operations/exploration sites worldwide is in progress, with the aim of standardising contract requirements. Target date for completion is the end of 2011.

*12. 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)*

Efforts will continue at all sites to achieve further improvements by extending, where appropriate, Voluntary Principles training to stakeholders outside the security function: that is, to employees working in other disciplines and to community groups and civil societies. The aim is to create better understanding of the company's objective of eliminating all allegations of violations of the Voluntary Principles, and all community- and security-related incidents.

AngloGold Ashanti's management of the Voluntary Principles is generally included in discussions with stakeholders. The training of security personnel has had a particularly noteworthy impact by reducing the frequency of discharging firearms in conflict situations (see Table 2 above). By discouraging the use of firearms, the company has reduced both risk and the likelihood of personal injury. This has been achieved in spite of an increase in the number of attacks on company staff.

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

The development of community-focused management standards has progressed well over the last couple of years and refining of the standards is currently in progress. New environmental, community and security incident classification criteria have also been adopted. In addition, a company Voluntary Principles checklist has been developed, which forms part of all self-audits and company audits to measure compliance and progress. Lastly, a corporate review panel was established in 2010, to guide the implementation of AngloGold Ashanti's incident reporting and management standards. One of its main aims is to review the quality and timeliness of reporting on all high, major and extreme incidents in the environment, community and security disciplines.

## **D. Lessons and Issues**

### *14. Lessons or issues from this reporting year, as well as plans or opportunities to advance the Voluntary Principles for the organisation*

A more structured approach to training over the past two years has brought with it a better understanding of, and commitment to, Voluntary Principles compliance requirements, in particular concerning the use of minimum force and rules of engagement on the part of security service providers. In this regard, the data in Table 2 demonstrate a noticeable improvement, with a considerable decrease in the number of shooting incidents in which harm is caused to community members.

In spite of significant progress, company assessments in 2010 have highlighted gaps which need to be addressed to achieve full compliance, and these will receive priority in 2011.

## Annexure A

### Significant security incidents in 2010

In 2010 several incidents occurred in which force was used by AngloGold Ashanti security staff, contracted private security services or public protection services. Details are provided below. Minimum force is advocated at AngloGold Ashanti's operations and exploration sites at all times, in line with the company's commitment to the Voluntary Principles.

Date	Location	Persons involved	Detail
Shooting Incidents reported for 2010.			
2010	Siguiri mine, Guinea	Military and community members	Three members of the community, who were passengers on a truck, sustained minor injuries when a soldier opened fire in an attempt to stop the vehicle. The soldier was posted at the main entrance of the mine area to assist with access control and the searching of vehicles. To avoid a search of the truck, the driver was deliberately trying to exit the mine area without going through control procedures. This regrettable incident is being fully investigated by the relevant local and governmental authorities, with the full support of mine management.

Incidents involving death or injuries to the public			
2010	Siguiri mine, Guinea	Illegal miners	A total of three illegal miners died in two separate incidents when holes they had dug at the company's open-pit mining operations collapsed. Although comprehensive security measures are taken to prevent illegal miners entering workings and putting their lives at risk, some still evade the controls. Every effort is being made to prevent these incidents by finding a workable solution, in consultation with the communities.
2010	Obuasi mine, Ghana	Armed robbers/ illegal miners	An armed robber, who was trying to steal explosives, died after being shot by police at the AEL explosives depot on company property. Another armed robber was wounded in an ensuing shoot-out between police and suspects.  In another incident, an illegal miner severed one of his toes while involved in illegal mining activities underground.
2010	Mongbwalu,	Illegal	Two people died in two separate incidents as a result

	DRC	miners	of falls of ground during illegal mining activities at old mine workings on concession land. Through continual liaison with the community and relevant authorities, people are being educated about the dangers inherent in these activities.
2010	Geita mine, Tanzania	Illegal miner	While trying to escape arrest, an illegal miner fell and sustained an extensive head wound when he hit a rock.
2010	SA Region, South Africa	Trespasser	A trespasser searching for scrap/gold-bearing material on a rock dump near No. 1 Shaft at Vaal River was bitten on the arm by a security dog on patrol with its handler, and sustained a minor injury.

Labour and community unrest incidents			
2010	AngloGold Ashanti offices, Bogota, Colombia	NGOs	Three members of the Peace Maker Christian Team approached the AngloGold Ashanti offices in Bogota, requesting a meeting with the general manager. No appointment had been made so no meeting took place, but the group used the opportunity to deliver a letter which accused the company of having worked with paramilitary groups to displace the artisanal miners of the <i>Federacion de Agromineros del Sur de Bolivar</i> (FEDEAGROMISBOL). The team displayed banners and protested in front of the building for 30 minutes before dispersing.
2010	Siguiri mine, Guinea	Siguiri community	In three separate incidents, members from one of the communities on mine property sabotaged the tailings pipe and staged protests about electricity supply and jobs.  In another incident, members from a community blocked roads to the mine to protest about outstanding compensation for their farms.  All four protests were handled in a non-confrontational manner by management and the authorities and the protests ended peacefully.
2010	Sadiola mine, Mali	Communities	Youngsters from 43 communities barricaded all the access roads to both mines to express their grievance about what they perceived to be unfair mine recruitment practices. Gendarmes intervened to control and disperse the crowd when demonstrators started stoning AngloGold Ashanti and public security staff members. One AngloGold Ashanti security employee and one gendarme sustained minor injuries. No members of the public were injured. The crowd dispersed on the same day, and a plan of action was subsequently put in

			place to resolve the issues in the medium term.
2010	Obuasi mine, Ghana	Illegal miners	In three separate incidents, illegal miners blocked roads, stopped mine vehicles and manhandled AngloGold Ashanti staff. In the process, vehicles were damaged. The protesters had grievances relating to their not being granted permission to mine on mine property and alleged dust problems in the communities. Mine management and the relevant authorities (Municipal Assembly, community leaders and the police) dealt with the protests as they occurred and addressed the issues raised by the protesters.
2010	Mongbwalu exploration project, DRC	Ex-workers and community members	On two separate occasions a group of ex-Kilo Moto Mining International (Kimin)* workers and community members held a peaceful march to the camp of Ashanti Goldfields Kilo** and protested outside, demanding compensation, alleged to be unpaid, for retrenchment in the past.
2010	SA Region, South Africa	AngloGold Ashanti employees/contractors	Nine episodes of legal industrial action and employee protest action were monitored by security staff. All these events took place without serious incident.
2010	Geita mine, Tanzania	Community	The road to Nungwe Bay was blocked by community members in protest at being refused permission to collect rocks on the waste dumps. Mine staff explained the risks involved and pointed out that the community members did not have the mining licence required to conduct such activities. The crowd dispersed peacefully.

\* Prior to 1996, Kimin, a joint venture between Luxembourg-based Mindev & Associates and DRC state-owned company Okimo, held an exploration and mining lease over Concession 40 in the Ituri Region in the north-east of the DRC. Ashanti Goldfields purchased half of Mindev's stake in the joint venture in 1996 and the remainder in 1998. Following Ashanti's business combination with AngloGold in 2004, the property became part of the assets of AngloGold Ashanti.

\*\* AngloGold Ashanti's subsidiary in the DRC, which is in a joint venture with Okimo.

## Annexure B

### Details of Voluntary Principles Security Self-reported Violations in 2010

Date	Location	Units involved	Detail
25/8/2010	Siguiro mine, Guinea	Military	In this incident a soldier, who was part of the military contingent on the mine and assisted in preventing artisanal miners from entering the company's active pits, attempted to rape one of the community members in the vicinity of the pits. The incident was confirmed and the soldier apprehended and sent to the regional military barracks, where he was subsequently charged and sentenced according to military protocol. Mine management and the local authorities resolved the issue with the local community and the family of the victim.
31/12/2010	Siguiro mine, Guinea	Military/ community members	Three members of the community, who were passengers on a truck, sustained minor injuries on 31 December, when a soldier opened fire in an attempt to stop the vehicle. The soldier was posted at the main entrance to the mine area to assist with access control and the searching of vehicles. To avoid a search of the truck, the driver was deliberately trying to exit the mine area without going through control procedures. This regrettable incident is being fully investigated by the relevant local and governmental authorities, with the full support of mine management.

## Annexure C

### Incidents where AngloGold Ashanti security/employees were injured in 2010

Date	Location	Units Involved	Detail
2010	Geita mine, Tanzania	AngloGold Ashanti security /private security	In six separate incidents, seven security guards were attacked and injured, sustaining machete and knife wounds. In one case a guard sustained a serious head injury and his shotgun was taken. This was later recovered by police. Two warning shots were fired during these incidents.
2010	Siguiiri Mine, Guinea	AngloGold Ashanti security/ military	In four separate incidents, three AngloGold Ashanti security members and one soldier sustained injuries while in the process of arresting illegal miners.
2010	Obuasi mine, Ghana	AngloGold Ashanti security /employees/ private security / police	<p>In 18 separate incidents, eight AngloGold Ashanti security members, two policemen, four employees and 15 private security guards were attacked and injured.</p> <p>In most cases the unarmed company and private security members sustained machete wounds or were injured by rocks thrown at them by illegal miners. In some cases guards were overpowered, beaten and tied up by groups of equipment thieves.</p> <p>The four employees were beaten and manhandled when their vehicles were stopped by illegal miners. The vehicles were also damaged.</p> <p>The two armed policemen sustained minor injuries when arresting illegal miners.</p>
2010	Sadiola mine, Mali	AngloGold Ashanti security/ police	During a community protest on the mine, an AngloGold Ashanti security member and a policeman sustained minor injuries when trying to control the protesters.

## ***Definitions used in this report***

**Artisanal and small-scale mining (ASM):** ASM includes any mining and/or processing activities undertaken by an individual or individuals, who may have formed a collective or co-operative. Large collectives may comprise hundreds or even thousands of people working an area. Regardless of the number of people involved, a common characteristic is a low level of mechanisation. Although it might appear informal, such activity is often well co-ordinated. ASM activity is sometimes regulated by local legislation, but more often is unregulated. It may be legal or illegal. Colloquially, ASM goes under many different terms, including *galamsey* (in Ghana), *orpailleurs* (in the DRC) and *garimpeiros* (in Brazil).

**Criminal activity:** Such activity is defined by appropriate legal statute and 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:** National legislation will in most cases determine the legality or otherwise of any mining activity. Artisanal and small-scale mining may be legal, depending on local regulation of the industry.

**Illegal mining:** AngloGold Ashanti defines illegal mining as artisanal and small-scale mining undertaken in contravention of law. Notwithstanding that artisanal and small-scale mining in a given country is generally legal, it may still be illegal when encroachment takes place on areas legally designated for large-scale mining.

**Trespassing:** Trespassing is deemed to occur when any individual enters a restricted area or private property without permission. This includes persons intending to mine or engage in any activities which may include criminal acts such as theft of mine property. Restricted areas, for example, active mining areas, must be demarcated and those in the vicinity must be notified. As mining concessions are large and often have many communities living on them, 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 demarcate restricted areas clearly and to communicate with communities in the surrounding areas.