



VOLUNTARY
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PLENARY REPORT

SUSTAINABLE GOLD

AngloGold Ashanti

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

2011

AngloGold Ashanti has subscribed to the Voluntary Principles on Security and Human Rights since 2007 – a set of non-binding principles developed in 2000 to address the issue of balancing safety and security needs against respect for human rights and fundamental freedoms. The Voluntary Principles fill a critical gap for companies seeking guidance on managing their potential exposure to inappropriate security and human rights practices, especially in countries that are often associated with conflict or supposed abuses. They 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 underpin the company's security management practices.

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 the 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 values, business principles and policies. Various operational plans, including stakeholder engagement plans and integrated development plans, and mechanisms for the reporting and resolving of complaints and grievances, form the backbone of community engagement efforts. In addition, the Security discipline has developed standards with specific reference to the compliance requirements of the Principles. These form an integral part of the group's Global Security Framework. Since implementation of the framework started in 2009, it has had a positive impact on AngloGold Ashanti's commitment to the Principles which are becoming central to the way in which the company manages security.

To assess the company's compliance with the Principles AngloGold Ashanti has contracted the services of International Alert in Colombia to carry out a gap analysis of the company's progress with implementation in terms of their established indicators. The outcome of this project will be a report – expected early in 2012 – with recommendations on the ways in which AngloGold Ashanti can achieve further improvements with respect to compliance.

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

To ensure the appropriate level of protection for AngloGold Ashanti's people and assets, the company uses its own security employees as well as outside providers of private and public security services. At the same time it strives to manage 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 involvement of state police and/or 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 a standardised reporting procedure was adopted in 2010 in order to report on any potential violations of the Voluntary Principles. A web-based system has been developed and implemented for reporting events, allegations and incidents. This has not only enhanced the integrity and archiving of data relating to the Principles, but has also raised awareness of AngloGold Ashanti's compliance requirements because the system is treated as a learning tool for stakeholders across the company's operations worldwide. A review of reporting requirements is currently being conducted by the Plenary and AngloGold Ashanti will revise its reporting to meet the new requirements.

A summary of the security incidents that occurred during 2010 and 2011 can be found in Section C.9 of this report. The company's reporting on the Voluntary Principles provides further details with respect to four categories:

- significant incidents resulting in third-party deaths/injuries and involving interventions by security personnel
- significant incidents resulting in third-party deaths/injuries but without the intervention of security personnel;
- significant incidents resulting in the deaths of, or injuries to, AngloGold Ashanti staff; and
- incidents of community unrest/protests.

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 and specific stipulations regarding their obligations with respect to compliance are being written into contracts and memorandums of understanding (MoUs). In line with the company's commitment to these 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 national 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.

Details on incidents which occurred in 2011 are provided in the Annexure.

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

The Voluntary Principles checklist, which contains a list of compliance indicators, is used to measure compliance when assessments are carried out for the implementation of AngloGold Ashanti's Security Framework. Significant improvements have been noted with regard to compliance by the operations because the checklist serves as a guide as to what is required in order to achieve full compliance. Used in Security Framework audits, the checklist indicators have also raised awareness not only among security managers, but also among the line managers who must ensure compliance.

In addition, a process is under way to ensure conformity with the recently released Ruggie Framework on Human Rights. AngloGold Ashanti's commitment to the Principles will form part of a company framework which is being developed. The group continues to participate in an initiative to engage the government of the DRC with a view to implementing the Voluntary Principles in that country.

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, the International Council on Mining and Metals and the United Nations Global Compact, to promote the Principles. The company's Voluntary Principles Report is published on its website: 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 at all of its operations and exploration sites across the globe. Data is reported for the calendar year ended 31 December 2011, with data for the same period in 2010 supplied for comparative purposes.

Table 1: Summary of fatalities and injuries as a result of interventions by security personnel at AngloGold Ashanti operations in 2011.

Incident Region/ operation/ exploration site	2011				2010			
	Community members		AngloGold Ashanti security personnel		Community members		AngloGold Ashanti security personnel	
	Fatalities	Injuries	Fatalities	Injuries	Fatalities	Injuries	Fatalities	Injuries
South Africa Region	–	1*	–	–	–	1	–	–
Siguiri	–	–	–	2	–	3*	–	5
Obuasi	1*	–	–	38	–	–	–	29
Geita	1 (drowning) 1*	1* 7	–	7	–	1	–	8
Sadiola	–	–	–	–	–	–	–	2
DRC - Mongbwalu (exploration)	–	–	–	2	–	–	–	–
Total	3	9	–	49	–	5	–	44

* Incidents involving discharge of firearms.

Table 2: Summary of fatalities among and injuries to third parties involved in illegal activities at AngloGold Ashanti operations/exploration sites in 2011, together with the causes of these incidents.

Incident Operation/ exploration site	2011		2010	
	Fatalities	Injuries	Fatalities	Injuries
Siguiri	1 (artisanal miner – drowning)	–	3 (fall of ground)	–
Obuasi	1 (illegal mining – fall of ground)	–	1 (police operation – theft of explosives)	1 (police operation – theft of explosives) 1 (fall of ground)
Geita	2 (illegal mining – assault; natural causes)	–	–	–
Total (operations)	4	–	4	2
DRC (exploration site – incidents reported occurred on the company's concession area)	34* (artisanal miners)	–	2 (fall of ground)	–
Total (including exploration site)	38	–	6	2

* Since 2010 AngloGold Ashanti has been seeking greater involvement from communities in addressing the issue of artisanal and small/scale mining (ASM). The initiative has two goals: the one is to encourage the reporting of ASM fatalities and the other is to raise awareness and to educate people about the dangers of ASM activity. This is why the number of incidents reported has increased significantly and it demonstrates that progress is being made. Confidence in the integrity of data is low, however, owing to the size of the concession (6,000 square kilometres) which means that not all incidents are known.

Table 3: Summary of community protest actions at AngloGold Ashanti operations during 2011.

Operation/exploration site	Number of protest actions	
	2011	2010
Colombia (exploration site)	–	1 (Bogota)
Siguiri	–	4
Obuasi	2	3
Iduapriem	–	–
Geita	1	1
Sadiola	–	1
DRC (exploration site)	1 (Mongbwalu)	2 (Mongbwalu)
Total	4	12

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 2011 AngloGold Ashanti continued its move towards a more structured approach to stakeholder engagement, which was reinforced by the Executive Committee’s approval of the blueprints for the company-wide management standards.

It is recognised that as a new discipline, proactive and planned government engagement must be factored into business decisions through continual internal consultation and education. AngloGold Ashanti has established a government relations function in order to give greater focus to public policy strategy as it affects the business.

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. All contractual agreements and MoUs with private and public security service providers must include references to the company’s commitment to and obligations to the Voluntary Principles and must spell out what AngloGold Ashanti expects from its private and public security providers.

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.

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.

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)

AngloGold Ashanti's management of the Voluntary Principles is generally included in discussions with stakeholders. The training of security personnel has had a notable effect on reducing firearms discharges in conflict situations.

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

The corporate review panel was established in 2010, to guide the implementation of AngloGold Ashanti's incident reporting and management standards. Its main aim is to review the quality and timeliness of reporting on all high, major and extreme incidents in the Environment, Community and Security disciplines. The panel is proving its worth by identifying additional remedial actions and discussing their implementation with regional and operational colleagues.

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

AngloGold Ashanti has made good progress in the past few years. The company has evaluated and will continue to evaluate, incidents occurring in 2011, to help the company achieve its goal of recording zero incidents in future years. A review of security strategy currently in progress is centred on the third tier of security, namely communities, to see how the company can reduce the potential for conflict and confrontation, and how communities can play their part in bringing about a more secure environment for all stakeholders.

Annexure

Significant security incidents in 2011

In 2011 several incidents occurred in which force was used by AngloGold Ashanti security staff, contracted private security services or public security 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
Incidents involving intervention by security personnel which resulted in deaths or injuries to members of the public on AngloGold Ashanti concession land.			
2011	Obuasi mine, Ghana	Private security company and illegal miners	<p>A group of <i>galamseyers</i> (illegal miners) unlawfully entered the area of the tailings surface facility. It is alleged that in attempting to drive them out of this area, a member of the private security company responsible for securing the dam, Ghanatta Security, fired a shot. A 23-year-old man from one of the surrounding villages was wounded in the back. Although the victim received the appropriate medical treatment following the shooting, he died four days later in the Kumasi Teaching Hospital.</p> <p>The incident was fully investigated internally and by the police and an employee of Ghanatta Security was subsequently arrested. He remains in custody on a charge of murder.</p>
2011	Geita mine, Tanzania	Security and illegal miners	<p>A shooting incident, which resulted in a death, occurred when four people unlawfully entered the Lone Cone pit area. A struggle with an armed Geita mine guard ensued during which one member of the group was wounded in the stomach when the guard's firearm was discharged. He received medical treatment and was transported by ambulance to the Geita Hospital where he died.</p>
2011	Geita mine, Tanzania	Security and illegal miners	<p>A planned exercise was conducted by security personnel to remove illegal miners who had illegally entered one of the waste dumps (WD14). When the illegal miners were approached, some of them became hostile and threw rocks at the security personnel. One of the armed security staff fired a warning shot which, unfortunately, wounded one of the illegal miners. He was treated for his wounds, from which he recovered.</p> <p>Following a police investigation and one held internally, which found that the security member acted justifiably in firing a warning shot, the company suspended the gun handler from using a firearm. He was retrained and found to be competent.</p>

2011	Vaal River, South Africa	Security and intruders	<p>A video-based motion detection alarm on a fence was activated by three intruders who were then observed entering the plant by the control room operators. While the reaction unit was on its way to the plant, the intruders were spotted again, carrying stripped copper cable. When the reaction unit arrived, two warning shots were fired by security staff in an attempt to prevent the intruders from fleeing the scene. Unfortunately pellets caused an injury to the leg of one of the suspects. The suspects were arrested but the wounded suspect was sent for medical treatment before being placed in custody.</p> <p>A police investigation and one held internally found that there had been no intentional foul play. Nevertheless the staff of the security reaction unit were disciplined and suspended from using a firearm until retrained and found to be competent.</p>
2011	Geita mine, Tanzania	Security and illegal miners	<p>It was reported that a woman involved in illegal mining activities was bitten by a security dog and suffered a serious injury to her leg. Shortly afterwards it was reported that three male illegal miners were also bitten on their arms and legs by the same dog on the same night.</p> <p>An in-depth internal investigation was held into the matter and it was found that two security dog handlers had acted inappropriately. They were immediately suspended from their duties and subsequently dismissed from the company, following a due disciplinary process.</p>
2011	Geita mine, Tanzania	Illegal miner	<p>It was reported that a group of about 30 illegal miners had intruded at WD5 – a place where ore is dumped. A number of security staff members responded to the incident. When they arrived on the scene, the illegal miners dispersed. Two illegal miners ran to a dam adjacent to the dump and entered the water in an attempt to escape arrest by crossing to the other side. When security staff arrived at the edge of the dam, one of the illegal miners turned back to face arrest, but the other had disappeared under the water. Initial attempts to find and rescue him failed. It seemed that he might have drowned and the police were summoned to investigate further. Following an investigation, the man was reported missing and it was suspected that he had drowned. This was confirmed when his body was found a couple of days later. The police and company investigation confirmed that there had been no foul play.</p>
2011	Geita mine, Tanzania	Illegal miner	<p>Acting in response to the presence of intruders at WD5, security staff members found four illegal miners on the tipping platform. They ran away when they saw the vehicle approaching. Shortly afterwards the security personnel found one of the intruders approximately 20 metres down the slope of the waste dump. He had a wound on his head and was unconscious. He was taken to Geita Hospital for treatment. He discharged himself a couple of days later.</p>

2011	Geita mine, Tanzania	Illegal miner	<p>Mine security personnel went to WD1 in a patrol vehicle. When they arrived at the top of WD1 they were seen by some illegal miners, who ran down the slope towards Nyakabale village. Later that evening, illegal miners brought an injured illegal miner to the mine gate for medical attention.</p> <p>An investigation revealed that the villagers had carried the injured man to Nyakabale village. When they realized that he had broken his leg, they decided to take him to the security gate to request treatment. The injured man was stabilized at the mine clinic and then transported to Geita Hospital for further treatment.</p>
2011	Geita mine, Tanzania	Illegal miner	<p>Security personnel responded to a report of intruders at Cut 5. Here they saw approximately 20 illegal miners, who ran away, scattering in different directions. The security employees managed to arrest three illegal miners and observed about five fleeing in the direction of a dangerous area with a steep high wall. They patrolled the area but could not find anyone. Their search was made difficult because it took place at night. The next morning, while patrolling the area in daylight, security staff members found a seriously injured man. The emergency response team was called and the man was stabilized, first at the place where he was found and then at the mine clinic, before being taken to Geita Hospital. The man had fallen several metres down a steep wall of the pit, sustaining several fractures. He remains in hospital and is in a serious condition. A police investigation is pending.</p>

Incidents, occurring on AngloGold Ashanti concession land that resulted in deaths or injuries to members of the public, in which there was no intervention by security personnel.

2011	Siguiri mine, Guinea	Artisanal miners and a soldier	<p>It was reported that an artisanal miner had drowned in the river running behind Kofilany village. He and a group of artisanal miners were working on the bank of the river when they were approached by an assailant in military uniform. He demanded money from them if they wished to continue with their mining activities. As they did not want to give in to his demands, the artisanal miners went into the river to escape the assailant. One of the artisanal miners, who could not swim, drowned during his attempt to cross the river.</p> <p>The incident was investigated by the military and gendarmes and it was established that the assailant was an 'off duty' soldier who belonged to the military contingent at Siguiri. He was found to be illegally involved in artisanal mining business in the area. The soldier was sent back to barracks and it is understood that he has been dishonourably discharged and is facing civil charges.</p>
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2011	Obuasi mine, Ghana	Illegal miner	An illegal miner, who was busy with illegal activities in one of the underground workings, lost his life during a rock fall.
2011	Geita mine, Tanzania	Illegal miner	<p>More than 200 illegal miners invaded LG 10 – the place where low-grade ore from Nyakanga Cut 6 is dumped. After an assessment of the situation the security manager requested the police to assist.</p> <p>In an effort to disperse the crowd, the police fired a total of 18 canisters of tear gas and the illegal miners scattered in different directions.</p> <p>Shortly afterwards it was reported that a group of about 12 illegal miners had gathered a couple of kilometres from the scene where they had been dispersed by the police. They had someone with them who appeared to be unconscious. The illegal miners said that their colleague had been shot and that they needed some water for him. When help arrived from the mine, the man was having convulsions and died shortly afterwards.</p> <p>The police were called and an investigation followed. There was no evidence to suggest that the deceased had been shot as there were no wounds on his body and it was confirmed that no shot had been fired by police or security personnel. Only tear-gas canisters had been fired to disperse the crowd. The post-mortem report indicated that the cause of death was “alcoholic intoxication” and that “no point of violence [was] noted”.</p>
2011	Geita mine, Tanzania	Illegal miner	<p>While patrolling at the bottom of the waste dump at Star and Comet, a security dog handler noticed someone lying on the ground. He was unconscious and was bleeding from the nose, ears and mouth. The person had sustained injuries to his head and face, indicating a possible assault. He was transported to Geita Hospital for treatment but died a week later.</p> <p>The police investigation continues and it is suspected that the deceased was involved in an altercation between two illegal mining groups.</p>
2011	Mongbwalu, DRC	Artisanal/illegal miners	It was reported to AngloGold Ashanti that 34 people had died as a result of artisanal/illegal mining activities on the company’s concession area. Through continual liaison with the community, civil society and the relevant authorities, people are being educated about the dangers inherent in these activities.

Security-related incidents involving death or injuries to AngloGold Ashanti security employees, non-security employees or contractors.			
2011	Obuasi mine, Ghana	Security employees, non-security employees and contractors	In 21 separate incidents, 35 security staff members, two contractors and one non-security employee were assaulted and injured by groups of armed assailants, while protecting people and facilities. These assailants carried weapons such as machetes and home-made firearms.
2011	Geita mine, Tanzania	Security staff and contractors	In two separate incidents three security staff were attacked by people armed with machetes and rocks while performing their duties. One staff member was seriously injured. In another incident, two drilling contractors and their two helpers were attacked at their drill site by armed assailants who stole their belongings. They sustained serious injuries.
2011	Mongbwalu, DRC	Security	In two separate incidents, two security guards were attacked and sustained injuries while they were guarding company assets.
2011	Sigui mine, Guinea	Security	An incident occurred when a security staff member and a member of the military were trying to remove artisanal miners from Sigui's active pit. The artisanal miners threw rocks at the two men who sustained minor injuries.

Community unrest /protest incidents			
2011	Mongbwalu, DRC	ASM groups	About 1,500 people engaged in small-scale and artisanal mining (ASM) gathered in town and protested in front of the Ashanti Goldfields Kilo* camp, to show their dissatisfaction with the proposed project plans for an exclusion zone in the area. The protest was monitored and there were no significant incidents. Further engagement with the relevant role-players, together with the assistance of the local authorities, defused the situation.
2011	Geita mine, Tanzania	Villagers/ illegal miners	A group of about 150 to 200 villagers protested against the mine and the police by blocking a main road in the area near Nyakabale village, to show their dissatisfaction with the police for having arrested about 40 suspected illegal miners in the village area. With the assistance of local authorities, the protest was defused without any further incidents.
2011	Obuasi mine, Ghana	ASM/ illegal miners	Two community-related protests took place. In January, a group of disgruntled former AngloGold Ashanti casual workers protested outside the mine's main gate, with claims that the company owed them money in compensation for work undertaken years ago. The protest ended peacefully with the understanding that

			<p>there would be further engagement on the issue.</p> <p>In another incident in November, groups of disgruntled ASM and illegal miners protested outside the main gate. This followed a government-initiated military exercise to clean up the greater Kumasi/Obuasi area of illegal (and environmentally harmful) mining practices. About 60 illegal miners were arrested.</p> <p>The protest was hostile, with participants demanding the release of their arrested colleagues, and company property and vehicles were damaged in the process. The police and military were called to assist. After a stand-off and with the assistance of local authorities and community leaders, the crowd dispersed.</p>
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*AngloGold Ashanti's subsidiary in the DRC, which is in a joint venture with Sokimo (the Society of the Gold Mines of Kilo-Moto).

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.