

# AngloGold Ashanti West Wits Operations

## Mining Charter Progress Report: 2015

Date of original submission: 29 March 2016

### West Wits Mining Rights:

**MPTRO REF: 10/2006, including Deed of Amendment 04/2012** (DMR Reference No.: GP30/5/1/2/2(01) MR) (“West Wits Operations: Mponeng, TauTona and Savuka mines”)

**MPTRO REF: 30/2006, including Deed of Amendment 15/2011** (DMR Reference No.: GP30/5/1/2/2(11) MR) (“Block 1C11”)

**MPTRO REF: 169/2012** (DMR Reference No.: GP30/5/1/2/2/248 MRC) in respect of the Farm Doornfontein 118 IQ (Remaining Extent 12 and Remaining Extent 13), also known as “Magnum Farm”

The following table constitutes the Company's performance against the Scorecard for the Broad-Based Socio-Economic Empowerment Charter for the South African Mining Industry for the West Wits Operation's achievements as at the end of December 2015.

SCORECARD FOR THE BROAD-BASED SOCIO-ECONOMIC EMPOWERMENT CHARTER FOR THE SOUTH AFRICAN MINING INDUSTRY - WEST WITS OPERATIONS AS AT 31 DECEMBER 2015					
No.	ELEMENT	DESCRIPTION	MEASURE	COMPLIANCE TARGET BY 2015	PROGRESS ACHIEVED BY 31 DECEMBER 2015
1	Reporting	Has the company reported the level of compliance with the Mining Charter for the Calendar year	Documentary proof of receipt from the department	Annually by 31 March	100%
2	Ownership	Minimum target for effective HDSA ownership by April 2014	Meaningful economic participation	26%	26.8%
			Full shareholder rights	26%	26.8%
			Beneficiation off-sets	In case of any shortfall in Ownership, up to 11% of beneficiation could be used to offset such shortfall.	AngloGold Ashanti holds 42.5% shareholding at the Rand Refinery, situated in Springs near Johannesburg, which beneficiates gold for its operations and all other South African Mines.
3	Housing and living conditions	Conversion and upgrading of hostels to attain the occupancy rate of one person per room.	Percentage reduction of occupancy rate towards 2014 target.	Occupancy rate of one person per room	100%
		Conversion and upgrading of hostels into family units	Percentage conversion of hostels into family units.	Family units established	100%
		<b>Note on West Wits Operations from AngloGold Ashanti</b>	Implement initiatives to facilitate home ownership e.g. Preference surveys, advice on purchasing homes, training on benefits of home ownership	No target set	The company has signed a Memorandum of Understanding with all the organised labour stakeholders outlining the Home Ownership Scheme framework. The framework entails selling of the company designated housing stock and stands. Measures taken to enhance affordability include valuation of Property, discounts on selling prices, establishing a One Stop Shop and consultations with financial institutions and the Department of Human Settlements to unlock government subsidies for purchasers. AGA has developed home ownership training programme for interested employees.

**SCORECARD FOR THE BROAD-BASED SOCIO-ECONOMIC EMPOWERMENT CHARTER FOR THE SOUTH AFRICAN MINING INDUSTRY - WEST WITS OPERATIONS AS AT 31 DECEMBER 2015**

No.	ELEMENT	DESCRIPTION	MEASURE	COMPLIANCE TARGET BY 2015	PROGRESS ACHIEVED BY 31 DECEMBER 2015
4	Procurement & Enterprise Development	Procurement spent from BEE entity	Capital goods	40%	54%
			Services	70%	69%
			Consumable goods	50%	67%
		Multinational suppliers contribution to the social fund	Annual spend on procurement from multinational suppliers	0.5% of procurement value	Awaiting DMR guidance
5	Employment Equity	Diversification of the workplace to reflect the country's demographics to attain competitiveness.	Board Level	40%	46%
			Top Management (F Band)	40%	50%
			Senior Management (E Band)	40%	40%
			Middle Management	40%	53%
			Junior Management	40%	62%
		Note by AGA :Actuals adapted to correct any white female representation over 6%	Core Skills	40%	54%
6	Human Resource Development	Development of requisite skills, incl. support for South African based research and development initiatives intended to develop solutions in exploration, mining, processing, technology efficiency (energy and water use in mining), beneficiation as well as environmental conservation and rehabilitation	HRD expenditure as percentage of total annual payroll (excl. mandatory skills development levy)	5.00%	5.8%
7	Mine community development	Conduct ethnographic community consultative and collaborative processes to delineate community needs analysis.	Projects are listed and aligned with Host and Labour Sending Areas Communities IDPs and the National Development Plan and New Growth Path.	As per the Implementation Plan submitted to the DMR in September 2014.	All approved LED projects contained in the approved 2010-2014 SLP completed save for the Section 102/Regulation 44 projects.
		<b>Note by AGA:</b> The input in initiatives is embedded in the Integrated Development Plans of host communities which in turn is informed by community needs and subject to a regulatory framework which represent the full community		Over 90% of projects completed with Section 102/Regulation 44 Approved projects on track.	All LED 2010-2014 Section 102/Regulation 44 Approved LED projects on track as per the submitted Implementation Plan.  SLP LED Projects for 2015 delayed due to delayed approvals from the Municipalities Town Planning Section. However, all these projects are now on track and due for completion in the second quarter of 2016.

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No.	ELEMENT	DESCRIPTION	MEASURE	COMPLIANCE TARGET BY 2015	PROGRESS ACHIEVED BY 31 DECEMBER 2015
8	<b>Sustainable Development &amp; Growth</b>	Improvement of the industry's environmental management. Captured in company EMP which is submitted to DMR	Implementation of approved EMPs.	100%	100%
		Improvement of the industry's mine health and safety performance.	Implementation of tripartite action plan on health and safety.	100%	97.5%
		Utilisation of South African based research facilities for analysis of samples across the mining value chain	Percentage of samples in South African facilities	100%	100%