

**Module: Introduction****Page: W0. Introduction****W0.1****Introduction****Please give a general description and introduction to your organization**

AngloGold Ashanti is a global gold mining company with a geographically diverse, world-class portfolio of operations and projects. Headquartered in Johannesburg, South Africa, AngloGold Ashanti is the third largest gold mining company in the world, measured by production. AngloGold Ashanti produced 3.7 million ounces of gold in 2016 - an estimated 3.5% of global production - making it the third largest gold producer in the world. AngloGold Ashanti operates 18 gold-producing operations located in 8 countries on three continents, and a group of greenfield projects in Colombia is supported by a focused exploration programme. These comprise mid to long-life, relatively low-cost assets with differing ore body types located in key gold-producing regions. AngloGold Ashanti currently operates in South Africa, Argentina, Australia, Brazil, Ghana, the Republic of Guinea, Mali and Tanzania. Several of these assets are strongly leveraged to energy costs and currencies. In addition, AngloGold Ashanti holds a material interest in 2 non-managed mines which are operated by Randgold Resources. We work across the full spectrum of the mining value chain and are concerned with the impact of our activities on the varied and many communities and environments in which we operate. Our goal is to create sustainable value for our shareholders, employees, and social partners through safe and responsible mining practices and capital discipline. Headquartered in Johannesburg, South Africa, AngloGold Ashanti's primary listing is on the Johannesburg Stock Exchange (ANG). It is also listed on the following securities exchanges: New York (AU), Australia (AGG) and Ghana (AGA).

**W0.2****Reporting year****Please state the start and end date of the year for which you are reporting data****Period for which data is reported**

Fri 01 Jan 2016 - Sat 31 Dec 2016

**Period for which data is reported**

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**W0.3**

**Reporting boundary**

**Please indicate the category that describes the reporting boundary for companies, entities, or groups for which water-related impacts are reported**

Companies, entities or groups over which operational control is exercised

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**W0.4**

**Exclusions**

**Are there any geographies, facilities or types of water inputs/outputs within this boundary which are not included in your disclosure?**

No

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**W0.4a**

**Exclusions**

**Please report the exclusions in the following table**

| Exclusion | Please explain why you have made the exclusion |
|-----------|--|
|           |  |

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**Further Information**

**Module: Current State**

**Page: W1. Context**

**W1.1**

Please rate the importance (current and future) of water quality and water quantity to the success of your organization

| Water quality and quantity   | Direct use importance rating | Indirect use importance rating | Please explain   |
|--|------------------------------|--------------------------------|--|
| Sufficient amounts of good quality freshwater available for use                  | Neutral                      | Not very important             | DIRECT USE: There are only a few production processes in operating mines that require good quality freshwater. These include air cooling and ventilation systems in underground mines, the gold elution circuits in gold extraction plants and WASH services for employees. The bulk of the water requirements can be met with poorer quality water. Often however, where there are limited poorer quality sources available, freshwater must imported into the organisation to sustain operations, either in untreated form directly from rivers, lakes or potable quality freshwater water is imported from utility water suppliers. INDIRECT USE: There are immaterial volumes of water contained in purchased products, being limited to liquid reagents that are purchased and where water is a used as a carrier (e.g. acids, peroxide, liquid cyanide, etc.). |
| Sufficient amounts of recycled, brackish and/or produced water available for use | Vital for operations         | Not important at all           | DIRECT USE: The bulk of operational water needs at our operations are met by recycled water (up to 70%) within closed systems. Most operational processes can use very poor quality water and as a result, water losses incurred due to evaporation, phreatic water entrainment in tailings and seepage are preferentially made up by brackish and/or saline groundwater water sources. Where insufficient poor quality water is available to counter losses, fresh water must be imported. INDIRECT USE: There are immaterial volumes of water contained in purchased products, being limited to liquid reagents that are purchased and where water is a used as a carrier (e.g. acids, peroxide, liquid cyanide, etc.).  |

**W1.2**

For your total operations, please detail which of the following water aspects are regularly measured and monitored and provide an explanation as to why or why not

| Water aspect  | % of sites/facilities/operations | Please explain  |
|---|----------------------------------|---|
| Water withdrawals- total volumes                                      | 76-100                           | All company facilities report water withdrawal in accordance with GRI G4-EN8 on a monthly basis. The data is reported externally on an annual basis. Measuring withdrawals volumes is critical in identifying sudden and unexpected changes in the site water balance. In many jurisdictions, water withdrawals into the organisation are also closely tracked and require reporting to regulators  |
| Water withdrawals- volume by sources                                  | 76-100                           | All company facilities report withdrawal by source in accordance with GRI G4-EN8 on a monthly basis. Rainwater is excluded from internal definitions of withdrawal and accounted for elsewhere. The data is reported externally on an annual basis. Measuring withdrawal volumes by source, or by water type is critical in identifying sudden and unexpected changes in the site water balance. Targets are often set to reduce importation from fresher, constrained or more expensive water sources, In many jurisdictions, water withdrawals into the organisation are also closely tracked and require reporting to regulators |
| Water discharges- total volumes                                       | 76-100                           | All company facilities that discharge water account for discharged water volumes in accordance with GRI G4-EN22, on a monthly basis. The data is collated and reported externally on an annual basis. Volumes of water discharge, e.g. through a water treatment plant are required to maintain the operational site water balance, closely manage costs of water treatment. In addition, discharges are regulated and require reporting to regulators.   |
| Water discharges- volume by destination                               | 76-100                           | Water discharge permits or licenses issued by regulators typically indicate the permissible location of discharge, which has been determined through a process of scientific study and stakeholder consultation. For example, our Sunrise Dam operation discharges hypersaline water onto a salt lake. Typically these destinations remain fixed and confirmation of water discharge at the permitted points is provided in reports to regulators along with other pertinent discharge information,   |
| Water discharges- volume by treatment method                          | 76-100                           | Water discharge permits or licenses issued by regulators typically indicate the type of treatment to be applied and or water quality objectives to be met.  |
| Water discharge quality data- quality by standard effluent parameters | 76-100                           | Water discharge permits or licenses issued by regulators indicate the permissible thresholds of various standard effluent parameters e.g. pH, conductivity and parameters of potential concern such as dissolved metals. Monitoring of these parameters is typically obligatory, as is provision of this information to regulators.   |
| Water consumption- total volume                                       | 76-100                           | We do not calculate water consumption as per the Ceres' definition for water consumption, however water losses due to evaporation, seepage and/or water permanently entrained in constructed tailings facilities are quantified in the internal operational water balances on a monthly basis. This is done to balance the water accounting system. This specific data is not reported externally.  |
| Facilities providing fully-functioning WASH services for all workers  | 76-100                           | We agree that these are human rights and are committed to complying with the Universal Declaration on Human Rights, International Bill of Human Rights and the International Labour Organisation (ILO) standards.   |

W1.2a

**Water withdrawals: for the reporting year, please provide total water withdrawal data by source, across your operations**

| Source                               | Quantity (megaliters/year) | How does total water withdrawals for this source compare to the last reporting year? | Comment   |
|--------------------------------------|----------------------------|--|---|
| Fresh surface water                  | 15572                      | Much lower   | A 28% decrease on 2015 volumes.   |
| Brackish surface water/seawater      | 0.00                       | Not applicable   | No brackish surface water or seawater is imported to AGA, only brackish and hypersaline groundwater.  |
| Rainwater                            | 0.00                       | Not applicable   | Although rainfall and evaporation rates are tracked at the individual site level and modelled estimates form part of the site water balance, accurately quantifying the actual volume of rainfall captured onto facilities over very large areas is challenging. Moreover, since evaporation losses typically exceed the volume of rainwater captured at the majority of our operations, the net rainfall/evaporation volumes are negative. We have therefore resolved not to report rainfall as an 'abstracted water' source within AGA. |
| Groundwater - renewable              | 18209                      | About the same   | A 6% decrease on 2015 volumes.  |
| Groundwater - non-renewable          | 0.00                       | Not applicable   | No non-renewable aquifers are abstracted from.  |
| Produced/process water               | 0.00                       | Not applicable   | Not Applicable  |
| Municipal supply                     | 16935                      | Lower  | A 9% decrease on 2015 volumes, in particular due to decreased imports at the Mine Waste Solutions operation in South Africa and a concomitant increase in water reuse off the Tailings Storage facility.  |
| Wastewater from another organization | 0.00                       | Not applicable   | Not applicable.   |
| Total                                | 50716                      | Much lower   | A 15% decrease on 2015 volumes, in line with an observed increase in volumes of recycled water across the organisation.   |

**W1.2b**

**Water discharges: for the reporting year, please provide total water discharge data by destination, across your operations**

| Destination                                     | Quantity (megaliters/year) | How does total water discharged to this destination compare to the last reporting year? | Comment   |
|---|----------------------------|---|---|
| Fresh surface water                             | 7502                       | Much lower  | A 71% decrease compared to 2015. This is primarily owing to abnormally high Pit water evacuation volumes at Iduapriem mine in 2015. Note that 2097ML of brackish water was incorrectly reported as Fresh surface water discharge in the 2015 CDP Water submission. The correct fresh Surface water discharge volume for 2015 was 26472ML and is reflected in the percentage change above. |
| Brackish surface water/seawater                 | 5717                       | Much higher   | An approximately 36% increase on 2015. Note that 2097ML of brackish water was incorrectly reported as Fresh surface water discharge in the 2015 CDP Water submission. The correct Brackish surfacewater/seawater volume for 2015 was 4178ML and is reflected in the percentage change above.  |
| Groundwater                                     | 0.00                       | Not applicable  | No water is intentionally released to groundwater through soakaways, injection wells etc.   |
| Municipal/industrial wastewater treatment plant | 0.00                       | Not applicable  | No water is released to municipal treatment plants.   |
| Wastewater for another organization             | 0.00                       | Not applicable  | Not Applicable  |
| Total   | 13220                      | Much lower  | Approximately 57% lower owing to much reduced fresh water discharges at the Iduapriem mine.   |

**W1.2c**

**Water consumption: for the reporting year, please provide total water consumption data, across your operations**

| Consumption<br>(megaliters/year) | How does this<br>consumption figure<br>compare to the last<br>reporting year? | Comment  |
|----------------------------------|---|--|
| 0.00                             | Not applicable  | We do not calculate water consumption as per the Ceres' definition for water consumption, however water losses due to evaporation, seepage and/or water permanently entrained in constructed tailings facilities are quantified in the internal operational water balances on a monthly basis. This is done to balance the water accounting system across a mine site. This specific data is however not collated for external reports.. |

**W1.3**

Do you request your suppliers to report on their water use, risks and/or management?

**W1.3a**

Please provide the proportion of suppliers you request to report on their water use, risks and/or management and the proportion of your procurement spend this represents

| Proportion of suppliers % | Total procurement spend % | Rationale for this coverage |
|---------------------------|---------------------------|-----------------------------|
|                           |                           |                             |

**W1.3b**

Please choose the option that best explains why you do not request your suppliers to report on their water use, risks and/or management

|                |                |
|----------------|----------------|
| Primary reason | Please explain |
|----------------|----------------|

**W1.4**

**Has your organization experienced any detrimental impacts related to water in the reporting year?**

Yes

**W1.4a**

**Please describe the detrimental impacts experienced by your organization related to water in the reporting year**

| Country      | River basin | Impact driver   | Impact                 | Description of impact  | Length of impact | Overall financial impact                                       | Response strategy  | Description of response strategy  |
|--------------|-------------|---|------------------------|--|------------------|--|--|---|
| South Africa | Orange      | Phys-Flooding<br>Reg-Poor enforcement of water regulation | Higher operating costs | The company has been forced to pump additional volumes of water that drain into 2 of its underground mine workings from a neighbouring upstream mines that went into liquidation. Both neighbouring mines had not made provision for post-closure pumping and regulators had not forced it to do so. If AngloGold Ashanti does not | Ongoing          | Approximately US\$2.7m per annum increase in operational cost. | Develop flood emergency plans<br>Engagement with public policy makers<br>Engagement with other stakeholders in the river basin | The company has engaged with regulators on the risk of being unable to fully absorb the additional groundwater volumes in its processing circuits and the potential future need discharge the poor quality water. |

| Country | River basin | Impact driver | Impact | Description of impact                                      | Length of impact | Overall financial impact | Response strategy         | Description of response strategy |
|---------|-------------|---------------|--------|--|------------------|--------------------------|---------------------------|----------------------------------|
|         |             |               |        | pump the additional water, our operations will be flooded. |                  |                          | Infrastructure investment |                                  |

W1.4b

Please choose the option below that best explains why you do not know if your organization experienced any detrimental impacts related to water in the reporting year and any plans you have to investigate this in the future

|                |              |
|----------------|--------------|
| Primary reason | Future plans |
|----------------|--------------|

Further Information

**Module: Risk Assessment**

**Page: W2. Procedures and Requirements**

W2.1

Does your organization undertake a water-related risk assessment?

Water risks are assessed

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**W2.2**

Please select the options that best describe your procedures with regard to assessing water risks

| Risk assessment procedure                  | Coverage          | Scale          | Please explain   |
|--|-------------------|----------------|--|
| Comprehensive company-wide risk assessment | Direct operations | All facilities | The company incorporates water management risk within the company's global AuRisk risk management program. Water risks include operational, stakeholder (where applicable) and regulatory risks. All are routinely evaluated per site, with risk information updated in AuRisk, and specific risks identified, with corrective actions. Supply chain risks from water have been assessed as low, so suppliers are not covered in the detailed risk assessment process. |

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**W2.3**

Please state how frequently you undertake water risk assessments, at what geographical scale and how far into the future you consider risks for each assessment

| Frequency | Geographic scale | How far into the future are risks considered? | Comment   |
|-----------|------------------|---|---|
| Annually  | River basin      | 3 to 6 years                                  | We consider annual assessments to be sufficiently frequent. Assessments at facility level risk missing catchment-level risks. |

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**W2.4**

Have you evaluated how water risks could affect the success (viability, constraints) of your organization's growth strategy?

Other

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**W2.4a**

**Please explain how your organization evaluated the effects of water risks on the success (viability, constraints) of your organization's growth strategy?**

Business plans, including the production rate of metals, the consumption of physical resources including energy and water are reviewed annually at each of our operations as part of the Life of Mine Business Planning process. These plans span the remaining life of the mine with increasing accuracy for the near term, with the more immediate 1-3 year horizon having the greatest level of accuracy and certainty. This is done ensuring that water risks, including supply and quality are not an impediment to realising the company's individual mining plans.

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**W2.4b**

**What is the main reason for not having evaluated how water risks could affect the success (viability, constraints) of your organization's growth strategy, and are there any plans in place to do so in the future?**

| Main reason | Current plans | Timeframe until evaluation | Comment |
|-------------|---------------|----------------------------|---------|
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**W2.5**

**Please state the methods used to assess water risks**

| Method                     | Please explain how these methods are used in your risk assessment  |
|----------------------------|--|
| Other: Internal process as | The company incorporates water management risk within the company's global AuRisk risk management program. Water risks |

| Method                           | Please explain how these methods are used in your risk assessment  |
|----------------------------------|--|
| described in the commentary box. | include operational, stakeholder (where applicable) and regulatory risks. All are routinely evaluated per site, with risk information updated in AuRisk, and specific risks identified, with corrective actions. Internal company knowledge gained over many years, comprising site knowledge and understanding and the experience and knowledge of internal regional and corporate staff, are utilised in the AuRisk assessments. Supply chain risks from water have been assessed as low, so suppliers are not covered in the detailed risk assessment process. Government databases, at the local, regional and national levels, are usually very useful and are drawn upon to the extent that we can, considering that many of our operations are in remote parts of underdeveloped countries. |

**W2.6**

**Which of the following contextual issues are always factored into your organization's water risk assessments?**

| Issues  | Choose option      | Please explain  |
|---|--------------------|---|
| Current water availability and quality parameters at a local level        | Relevant, included | Current water availability is always included in current and forward looking risk. Current availability and quality are critical to operations  |
| Current water regulatory frameworks and tariffs at a local level          | Relevant, included | The regulatory environment is critical at all facilities, and has been shown in the past to have a significant economic impact on operations. Loss of an operation's permit due to water issues would be unacceptable. Water tariffs, where applicable, can be a significant component of costs and so are monitored closely. |
| Current stakeholder conflicts concerning water resources at a local level | Relevant, included | In mining, and at virtually all company operations, we compete as a stakeholder for limited water resources. Therefore risk assessment always includes local stakeholder involvement.   |
| Current implications of water on your key commodities/raw materials       | Relevant, included | Water is a critical requirement for conducting mining and refining operations. Mining of ores is directly related to water availability.  |
| Current status of ecosystems and habitats at a local level                | Relevant, included | Our mining operations are part of the local ecosystem. Mining operations, and related water management, affects the local ecosystem and habitat. As such, these are always part of risk assessments.  |
| Current river basin management plans                                      | Relevant, included | The regulatory environment, including basin management plans, is critical at all facilities, and has been shown in the past to have a significant economic impact on operations. Loss of an operation's permit due to water issues, including incompatibilities with catchment/basin management plans, would be               |

| Issues  | Choose option              | Please explain  |
|---|----------------------------|---|
| Current access to fully-functioning WASH services for all employees   | Relevant, included         | unacceptable.<br>Most employees work shifts of 8 hours or more outside of an office environment so require potable water for drinking and water for sanitation. Water for these purposes and for cooking are provided in all company-supplied residential quarters. Access to WASH services by all employees is a human right and we are committed to complying with the Universal Declaration on Human Rights, International Bill of Human Rights and the International Labour Organisation (ILO) standards. |
| Estimates of future changes in water availability at a local level  | Relevant, included         | Because water availability is directly related to revenue generation in mining, ie. the extraction and processing of mining reserves, estimating future water availability is critical to business plan projections.  |
| Estimates of future potential regulatory changes at a local level   | Relevant, included         | The company evaluates potential governmental and regulatory changes, with a view toward business impact. As regulatory risk is often the largest risk faced, reviews are continuous, as is engagement on regulatory developments through national mining associations,  |
| Estimates of future potential stakeholder conflicts at a local level  | Relevant, included         | The makeup of the company's stakeholders is complex and varies by mine site. Given the disparity in stakeholder makeup, conflicts are always possible and are monitored and the potential is assessed on an ongoing basis.  |
| Estimates of future implications of water on your key commodities/raw materials   | Relevant, included         | Water is critical for mining and minerals processing and an integral part of the underground ore body. As such, any change affects mining and refining economics, and is monitored and assessed at all operations. In addition, most operations use software to model the impact of different water scenarios and such software is being rolled out at the remaining operations.  |
| Estimates of future potential changes in the status of ecosystems and habitats at a local level                             | Relevant, not yet included | Estimates of potential changes in ecosystems are relevant, but are a secondary effect. As such, potential changes are monitored and assessed, but are not typically part of the risk review.  |
| Scenario analysis of availability of sufficient quantity and quality of water relevant for your operations at a local level | Relevant, included         | Water is a critical raw material input into in mining and minerals processing. As such various scenarios of availability are routinely evaluated. Most operations use software to model the impact of different water scenarios and such software is being rolled out at the remaining operations.  |
| Scenario analysis of regulatory and/or tariff changes at a local level  | Relevant, included         | Because regulatory change is the largest single risk to our operations, regulatory changes, including tariff changes, are routinely monitored and modelled.   |
| Scenario analysis of stakeholder conflicts concerning water resources at a local level                                      | Relevant, included         | Stakeholder impacts and potential impacts are a standard input to the ongoing modelling of water availability.  |
| Scenario analysis of implications of water on your key commodities/raw materials  | Relevant, included         | Scenario analysis is routine and ongoing. Water is a key raw material as well as enabler for mining and processing operations.  |
| Scenario analysis of potential changes  | Relevant, not              | Ecosystem change is a long term, secondary effect. As such, changes are not typically modelled, but   |

| Issues  | Choose option | Please explain               |
|---|---------------|------------------------------|
| in the status of ecosystems and habitats at a local level | yet included  | are monitored and evaluated. |
| Other   |               |                              |

## W2.7

Which of the following stakeholders are always factored into your organization's water risk assessments?

| Stakeholder                        | Choose option                      | Please explain   |
|------------------------------------|------------------------------------|--|
| Customers                          | Not relevant, explanation provided | Gold is an internationally traded commodity, the price of which is set internationally and over which AngloGold Ashanti has no control. The impact of water is to the cost of production, which is not related to the price paid by customers. Also, there are no quality issues from water with regard to our product. Therefore, customers are not typically considered. |
| Employees                          | Relevant, included                 | Employee experience is correlated to water risks to a limited extent. WASH issues are clearly important but water requirements for operations are orders of magnitude greater than employee requirements so supplying sufficient water for employees is readily achieved.  |
| Investors                          | Relevant, included                 | Investors rate the sustainability value of their investments as a critical criterion in selection of their investment. As such, it's critical that we manage operations responsibly, including ensuring a sustainable water supply.  |
| Local communities                  | Relevant, included                 | Water is a key consideration of the communities surrounding our mining operations. We compete for water with those communities, as well as potentially impacting the water quality of the local environment.   |
| NGOs                               | Relevant, included                 | NGOs are proactive in interfacing with governments and communities. As such, they are important to maintaining both strong government and community relationships. Water is typically one of their top issues. We have seen it growing in importance in recent years, both at the international and local levels.  |
| Other water users at a local level | Relevant, included                 | Water consumers in a catchment are potentially affected by our operations and are therefore considered in risk assessments.  |
| Regulators                         | Relevant, included                 | Regulators set regulatory and permit conditions so they are the most critical stakeholders of all. We are generally required by law to consult with them.  |
| River basin                        | Relevant,                          | As relatively large water users, our mines are usually key participants in catchment/basin management forums and   |

| Stakeholder  | Choose option              | Please explain   |
|--|----------------------------|--|
| management authorities                             | included                   | it is therefore important that we participate in such forums and consult their management authorities in all risk assessments.   |
| Statutory special interest groups at a local level | Relevant, included         | Mining and processing licences and permits are predicated upon having strong positive relationships with all government and quasi-government organisations and these must be included in risk assessments.                                   |
| Suppliers  | Relevant, not yet included | Suppliers are evaluated in regard to sustainability issues, but this does not currently include their water consumption. Our focus is on human rights, safety and environmental management systems.  |
| Water utilities at a local level                   | Relevant, included         | Local utilities may compete with our company for water sources and quality. In most cases we are the customer of local water utilities and in some cases we supply water utilities. As such, they are always considered in risk assessments. |
| Other  |                            |  |

## W2.8

Please choose the option that best explains why your organisation does not undertake a water-related risk assessment

|                |                |
|----------------|----------------|
| Primary reason | Please explain |
|----------------|----------------|

## Further Information

**Module: Implications**

**Page: W3. Water Risks**

## W3.1

**Is your organization exposed to water risks, either current and/or future, that could generate a substantive change in your business, operations, revenue or expenditure?**

No

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**W3.2**

**Please provide details as to how your organization defines substantive change in your business, operations, revenue or expenditure from water risk**

The company's risk matrix defines 6 levels of potential consequence and 6 levels of potential likelihood. There are also 6 types of risk category including financial. Potential threats with a risk index of 25 and higher are considered significant. In financial terms, this translates as a threat with a consequence of between \$1m and \$10m and a Likelihood of 66% or greater (Very Likely or Almost Certain).

Water is required to sustain gold recovery operations at the company's gold plants which process ore from mining operations. If water supply becomes constrained, gold production volumes could be affected in roughly equal proportions. The water risks considered are those with a potential risk index of 25 or greater, principally with a potential financial impact of between \$1m and \$10m.

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**W3.2a**

**Please provide the number of facilities\* per river basin exposed to water risks that could generate a substantive change in your business, operations, revenue or expenditure; and the proportion of company-wide facilities this represents**

| Country | River basin | Number of facilities exposed to water risk | Proportion of company-wide facilities that this represents (%) | Comment |
|---------|-------------|--|--|---------|
|---------|-------------|--|--|---------|

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**W3.2b**

For each river basin mentioned in W3.2a, please provide the proportion of the company's total financial value that could be affected by water risks

| Country | River basin | Financial reporting metric | Proportion of chosen metric that could be affected | Comment |
|---------|-------------|----------------------------|--|---------|
|---------|-------------|----------------------------|--|---------|

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**W3.2c**

Please list the inherent water risks that could generate a substantive change in your business, operations, revenue or expenditure, the potential impact to your direct operations and the strategies to mitigate them

| Country | River basin | Risk driver | Potential impact | Description of potential impact | Timeframe | Likelihood | Magnitude of potential financial impact | Response strategy | Costs of response strategy | Details of strategy and costs |
|---------|-------------|-------------|------------------|---------------------------------|-----------|------------|---|-------------------|----------------------------|-------------------------------|
|---------|-------------|-------------|------------------|---------------------------------|-----------|------------|---|-------------------|----------------------------|-------------------------------|

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**W3.2d**

Please list the inherent water risks that could generate a substantive change in your business operations, revenue or expenditure, the potential impact to your supply chain and the strategies to mitigate them

| Country | River basin | Risk driver | Potential impact | Description of potential impact | Timeframe | Likelihood | Magnitude of potential financial impact | Response strategy | Costs of response strategy | Details of strategy and costs |
|---------|-------------|-------------|------------------|---------------------------------|-----------|------------|---|-------------------|----------------------------|-------------------------------|
|---------|-------------|-------------|------------------|---------------------------------|-----------|------------|---|-------------------|----------------------------|-------------------------------|

**W3.2e**

**Please choose the option that best explains why you do not consider your organization to be exposed to water risks in your direct operations that could generate a substantive change in your business, operations, revenue or expenditure**

| Primary reason                                     | Please explain   |
|--|--|
| Risks exist, but no substantive impact anticipated | Due to a prolonged drought in central Brazil, during 2014, regulations were passed by the State of Minas Gerais to potentially curtail water abstraction limits for all mines by up to 30%. This put four of our Brazilian operations at risk of having their abstractions limits reduced should water resources drop to predetermined critical levels, This risk however subsided over the course of 2015 due to improved rainfall and has been sustained over 2016. Similarly, a material, country-wide drought in South Africa over most of 2016 initially threatened to result in production water shortages towards the end of 2016, however owing to the La Nina phenomenon in late 2016 and early 2017, generous rainfall eliminated this risk. At present, the anticipated water supply and flood risk for the company's current operations for the foreseeable future 1-3 years, appears to be stable. Regulatory risks, other than those already listed in question 1.4a relating to the South Africa, appear relatively predictable for the foreseeable future 1-3 years. |

**W3.2f**

**Please choose the option that best explains why you do not consider your organization to be exposed to water risks in your supply chain that could generate a substantive change in your business, operations, revenue or expenditure**

| Primary reason                                     | Please explain  |
|--|---|
| Risks exist, but no substantive impact anticipated | There are immaterial volumes of water contained in purchased products, being limited to liquid reagents that are purchased and where water is used as a carrier (e.g. acids, peroxide, liquid cyanide, etc.). |

W3.2g

Please choose the option that best explains why you do not know if your organization is exposed to water risks that could generate a substantive change in your business operations, revenue or expenditure and discuss any future plans you have to assess this

|                |              |
|----------------|--------------|
| Primary reason | Future plans |
|----------------|--------------|

**Further Information**

**Page: W4. Water Opportunities**

W4.1

Does water present strategic, operational or market opportunities that substantively benefit/have the potential to benefit your organization?

Yes

W4.1a

Please describe the opportunities water presents to your organization and your strategies to realize them

| Country or region | Opportunity  | Strategy to realize opportunity   | Estimated timeframe | Comment  |
|-------------------|--|---|---------------------|--|
| Tanzania          | Increased brand value<br>Improved community relations<br>Social licence to operate     | Supporting the provision of drinking water for communities located near to mining operations that do not have reticulated potable water or access to safe groundwater. This represents improved sustainability for the community, region and company. We take into account whether the community or local government will be able to sustain the water supply and do not proceed if this is not the case. We assess suitability according to the local conditions. The work represents a material cost to the company, with the benefits being intangible - improved reputation and enhanced community relationships. | 1-3 years           | AngloGold Ashanti is very active in providing local community benefits from water, including development/ providing drinking water to local communities and water utilities. In Tanzania we have partnered with the local authority, national government and international agencies to provide water to the Geita town community adjacent to our mine there. |
| South Africa      | Cost savings<br>Increased shareholder value<br>Improved water efficiency<br>Innovation | Use of polluted water from liquidated neighbouring operations presents an opportunity to reduce our use of municipal water and to remove a source of pollution of the environment. We are currently undertaking a prefeasibility study to determine whether the opportunity is economically viable, and if so which is the best technology option. The financial opportunity will only be known once the project has been put out to tender and the tenders evaluated.  | 1-3 years           | As the Gauteng province's water supplies are forecast to be insufficient to meet demand in the coming years, purifying impacted water for industrial use and/or human consumption will become increasingly important.  |

W4.1b

Please choose the option that best explains why water does not present your organization with any opportunities that have the potential to provide substantive benefit

|                |                |
|----------------|----------------|
| Primary reason | Please explain |
|----------------|----------------|

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W4.1c

Please choose the option that best explains why you do not know if water presents your organization with any opportunities that have the potential to provide substantive benefit

| Primary reason | Please explain |
|----------------|----------------|
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**Further Information**

**Module: Accounting**

**Page: W5. Facility Level Water Accounting (I)**

---

W5.1

Water withdrawals: for the reporting year, please complete the table below with water accounting data for all facilities included in your answer to W3.2a

| Facility reference number | Country | River basin | Facility name | Total water withdrawals (megaliters/year) at this facility | How does the total water withdrawals at this facility compare to the last reporting year? | Please explain |
|---------------------------|---------|-------------|---------------|--|---|----------------|
|---------------------------|---------|-------------|---------------|--|---|----------------|

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**Further Information**

**Page: W5. Facility Level Water Accounting (II)**

**W5.1a**

Water withdrawals: for the reporting year, please provide withdrawal data, in megaliters per year, for the water sources used for all facilities reported in W5.1

| Facility reference number | Fresh surface water | Brackish surface water/seawater | Rainwater | Groundwater (renewable) | Groundwater (non-renewable) | Produced/process water | Municipal water | Wastewater from another organization | Comment |
|---------------------------|---------------------|---------------------------------|-----------|-------------------------|-----------------------------|------------------------|-----------------|--------------------------------------|---------|
|---------------------------|---------------------|---------------------------------|-----------|-------------------------|-----------------------------|------------------------|-----------------|--------------------------------------|---------|

**W5.2**

Water discharge: for the reporting year, please complete the table below with water accounting data for all facilities included in your answer to W3.2a

| Facility reference number | Total water discharged (megaliters/year) at this facility | How does the total water discharged at this facility compare to the last reporting year? | Please explain |
|---------------------------|---|--|----------------|
|---------------------------|---|--|----------------|

**W5.2a**

Water discharge: for the reporting year, please provide water discharge data, in megaliters per year, by destination for all facilities reported in W5.2

| Facility reference number | Fresh surface water | Municipal/industrial wastewater treatment plant | Seawater | Groundwater | Wastewater for another organization | Comment |
|---------------------------|---------------------|---|----------|-------------|-------------------------------------|---------|
|---------------------------|---------------------|---|----------|-------------|-------------------------------------|---------|

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**W5.3**

Water consumption: for the reporting year, please provide water consumption data for all facilities reported in W3.2a

| Facility reference number | Consumption (megaliters/year) | How does this compare to the last reporting year? | Please explain |
|---------------------------|-------------------------------|---|----------------|
|---------------------------|-------------------------------|---|----------------|

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**W5.4**

For all facilities reported in W3.2a what proportion of their water accounting data has been externally verified?

| Water aspect | % verification | What standard and methodology was used? |
|--------------|----------------|---|
|--------------|----------------|---|

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**Further Information**

**Module: Response**

**Page: W6. Governance and Strategy**

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**W6.1**

**Who has the highest level of direct responsibility for water within your organization and how frequently are they briefed?**

| <b>Highest level of direct responsibility for water issues</b>                      | <b>Frequency of briefings on water issues</b> | <b>Comment</b>  |
|---|---|---|
| Board of individuals/Sub-set of the Board or other committee appointed by the Board | Scheduled-quarterly                           | The Board Social, Ethics and Sustainability Committee has this responsibility. It has an overview of sustainability policy and strategy, including water. The committee is one of five committees that assist the Board in discharging its responsibilities. The functioning of the committees is guided by their terms of reference which are approved by the Board and reviewed annually or as required. During 2016, all Board committees were chaired by independent non-executive directors. |

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**W6.2**

**Is water management integrated into your business strategy?**

Yes

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**W6.2a**

**Please choose the option(s) below that best explains how water has positively influenced your business strategy**

| <b>Influence of water on business strategy</b> | <b>Please explain</b>   |
|--|---|
| Establishment of sustainability                | Specific and attainable sustainability goals are established and part of AngloGold Ashanti's operational plans. As water is a |

| Influence of water on business strategy  | Please explain   |
|--|--|
| goals  | high risk issue for the company it was essential to incorporate water into our sustainability goals. Having already worked through some of the complex challenges associated with water management provided very useful context and experience in other sustainability areas. Water is also a challenge that everyone in the organisation can identify with so it was easy to move from a discussion of water to other less well understood issues. Incorporating sustainability goals into the business strategy has highlighted to the entire company that sustainability issues, including water, are critical to the business. |
| Introduction of water management KPIs  | Operational adherence to established standards are managed via site-level water KPIs. Each facility tracks and has responsibility for setting and meeting its KPIs. This enables them to meet production and cost targets critical to business survival and growth.  |
| Tighter operational performance standards  | Each operation has a plan for improved performance which includes specific improvements in water management. This reduces both costs and risks, which contribute to company performance. Water is a critical risk, hence attainment of performance standards makes a significant contribution to overall operations.   |
| Water resource considerations are factored into location planning for new operations | Water resource availability is critical to enable mining and processing activities. Fortunately however, poor water quality, unfit for human consumption is adequate for over 98% of a typical mine's needs. Indeed approximately 60 to 70% of the water used in a mining and processing operation is made up of recycled water that does not require additional pre-treatment. This factor permits the company to engage stakeholders constructively in instances where it seeks to establish new operations, such as in Colombia.  |
| Water resource considerations are factored into site expansions                      | Assessing risks and opportunities related to water are integrated into site expansions feasibility projects. This typically spans over aspects of licensing, hydrogeology, water balance changes (shortages or excesses) and the potential need to either import additional water or to treat and release excess water.  |

**W6.2b**

**Please choose the option(s) below that best explains how water has negatively influenced your business strategy**

| Influence of water on business strategy | Please explain  |
|---|---|
| Increased capital expenditure           | Treatment of excess wastewater has led, and may again in future lead to increases in both capital and operational costs. This has been necessary to ensure regulatory compliance and to prevent impacts on neighbouring stakeholders and the environment. |
| Increased insurance cover               | Due to more stringent insurance requirements, meeting insurance cover requires additional funding.  |

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W6.2c

Please choose the option that best explains why your organization does not integrate water management into its business strategy and discuss any future plans to do so

|                |                |
|----------------|----------------|
| Primary reason | Please explain |
|----------------|----------------|

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W6.3

Does your organization have a water policy that sets out clear goals and guidelines for action?

Yes

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W6.3a

Please select the content that best describes your water policy (tick all that apply)

| Content   | Please explain why this content is included  |
|---|--|
| Publicly available<br>Company-wide<br>Performance standards for direct operations<br>Other: Incorporated within group | We make all our company policies and standards available on our website as a result of our commitment to transparency and so that stakeholders can keep us accountable to our commitments. Our policies and performance standards apply across the entire company because people are the same everywhere. They incorporate scope for more stringent local requirements, but set a minimum standard across the entire organisation. We have an overarching integrated company environmental and community policy that includes water, and then a water management standard that sets out specific requirements in regard to |

| Content                                     | Please explain why this content is included |
|---|---|
| environmental, sustainability or EHS policy | water management.                           |

#### W6.4

How does your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) during the most recent reporting year compare to the previous reporting year?

| Water CAPEX (+/- % change) | Water OPEX (+/- % change) | Motivation for these changes   |
|----------------------------|---------------------------|--|
| -50                        | 0                         | The major water project completed during 2016 was the expansion of the Siguri mine Tailings Return water dam capacity, along with the installation of an HDPE liner. It totalled approximately US\$10m. Routine Opex costs are directly related to water treatment activities which were not materially changed in 2016 from 2015. It is not possible to cleanly extract "water-related expenditure" from our accounting systems since water management is integral to many business activities. |

#### Further Information

Page: **W7. Compliance**

#### W7.1

Was your organization subject to any penalties, fines and/or enforcement orders for breaches of abstraction licenses, discharge consents or other water and wastewater related regulations in the reporting year?

No

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**W7.1a**

Please describe the penalties, fines and/or enforcement orders for breaches of abstraction licenses, discharge consents or other water and wastewater related regulations and your plans for resolving them

| Facility name | Incident | Incident description | Frequency of occurrence in reporting year | Financial impact | Currency | Incident resolution |
|---------------|----------|----------------------|---|------------------|----------|---------------------|
|---------------|----------|----------------------|---|------------------|----------|---------------------|

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**W7.1b**

What proportion of your total facilities/operations are associated with the incidents listed in W7.1a?

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**W7.1c**

Please indicate the total financial impacts of all incidents reported in W7.1a as a proportion of total operating expenditure (OPEX) for the reporting year. Please also provide a comparison of this proportion compared to the previous reporting year

| Impact as % of OPEX | Comparison to last year |
|---------------------|-------------------------|
|---------------------|-------------------------|

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**Further Information**

A fine in excess of US\$100,000 classifies as "High", "Major" or "Extreme" in the AGA Environmental incident reporting criteria. Above this threshold, fines are considered severe enough to be "Reportable" to the Safety, Ethics and Sustainability Subcommittee of the Board and into public reports. In 2016, there was a violation for which a related fine of US\$225,000 was imposed. Both are in the process of being formally contested by the company. This is not disclosed in the company's Sustainability Report because it is proceeding through a dispute resolution process.

**Page: W8. Targets and Initiatives**

**W8.1**

**Do you have any company wide targets (quantitative) or goals (qualitative) related to water?**

Yes, targets and goals

**W8.1a**

**Please complete the following table with information on company wide quantitative targets (ongoing or reached completion during the reporting period) and an indication of progress made**

| Category of target           | Motivation                       | Description of target   | Quantitative unit of measurement                   | Base-line year | Target year | Proportion of target achieved, % value |
|------------------------------|----------------------------------|---|--|----------------|-------------|--|
| Water pollution prevention   | Other: Compliance and Reputation | Annually, the company has a target of Zero environmental incidents categorised as 'Reportable' namely; High, Major or Extreme severity, as defined by the company's environmental incident classification system (attached in further information section). This includes incidents of non-compliance to host country discharge water quality limits. | Other: Number of reportable incidents.             | 2016           | 2016        | 94%                                    |
| Other: Context-based targets | Water stewardship                | There is no single company wide water import reduction target and operations develop their own context-based targets. These are usually in relation to cost reductions (e.g. potable water) or set as a percentage of water import caps. This information is not centrally  | Other: Consumption below potable water use target. | 2016           | 2016        | 100%                                   |

| Category of target                         | Motivation        | Description of target   | Quantitative unit of measurement       | Base-line year | Target year | Proportion of target achieved, % value |
|--|-------------------|---|--|----------------|-------------|--|
|  |                   | collated within the company. An illustration is provided in the further information attachment using records from the South Africa Region's Vaal River Operation for 2016.  |  |                |             |  |
| Other: Accuracy of water accounting system | Water stewardship | All operations are required to account for their water use to a maximum inaccuracy of 10%. Accounting system accuracy outside of that range requires investigation and correction. This information is not centrally collated within the company. An illustration is provided in the further information attachment using records from the South Africa Region's Vaal River Operation for 2016. | Other: % Accounting System inaccuracy. | 2016           | 2016        | 80%                                    |

#### W8.1b

Please describe any company wide qualitative goals (ongoing or reached completion during the reporting period) and your progress in achieving these

| Goal                                  | Motivation   | Description of goal  | Progress   |
|---------------------------------------|--------------|--|--|
| Strengthen links with local community | Shared value | All relevant communities and local officials must be consulted at least annually on sustainability issues of mutual interest, which includes water issues. | All local communities were consulted on sustainability issues during 2016; including on water there it is topical. |

#### W8.1c

Please explain why you do not have any water-related targets or goals and discuss any plans to develop these in the future

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**Further Information**

Two attachments are provided in support of responses in 8.1b. This includes the AGA Incident Reporting Management standard and the January 2017 Vaal River Operation's water management report. The latter illustrates performance (over a 24 month period) against each business unit's context-based target e.g. potable water use and against the target for water accounting system accuracy.

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**Attachments**

[https://www.cdp.net/sites/2017/79/779/Water 2017/Shared Documents/Attachments/Water2017/W8.TargetsandInitiatives/AGA VR Water Report Jan 2017.pdf](https://www.cdp.net/sites/2017/79/779/Water%202017/Shared%20Documents/Attachments/Water2017/W8.TargetsandInitiatives/AGA%20VR%20Water%20Report%20Jan%202017.pdf)  
[https://www.cdp.net/sites/2017/79/779/Water 2017/Shared Documents/Attachments/Water2017/W8.TargetsandInitiatives/Incident Reporting Management Standard Ver02\\_2011.pdf](https://www.cdp.net/sites/2017/79/779/Water%202017/Shared%20Documents/Attachments/Water2017/W8.TargetsandInitiatives/Incident%20Reporting%20Management%20Standard%20Ver02_2011.pdf)

**Module: Linkages/Tradeoff****Page: W9. Managing trade-offs between water and other environmental issues**

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**W9.1**

**Has your organization identified any linkages or trade-offs between water and other environmental issues in its value chain?**

Yes

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**W9.1a**

**Please describe the linkages or trade-offs and the related management policy or action**

| Environmental issues   | Linkage or trade-off | Policy or action  |
|--|----------------------|---|
| Indirect (Scope 2) Carbon emissions from mine water pumping. | Trade-off            | In South Africa, pumping water from deep underground mines which ingresses to the workings via cracks and fissures from higher aquifers requires considerable electrical energy. Pumping is critically important to prevent flooding of underground operations, including safeguarding the safety of those working there. More than 90% of South Africa's grid electricity is generated from coal and the country has one of the world's highest emissions factors. For several years, the South African operations have had in place a load shifting management process to phase evacuation pumping, as far as practicable, outside of peak electricity demand periods. In addition, where technically feasible, grouting of the major inflow pathways of aquifer water ingress into underground workings is undertaken. In recent years, the indirect emissions generated by pumping of extraneous water from abandoned neighbouring mines has increased substantially. |
| Carbon Emissions   | Linkage              | Ice thermal storage- South Africa: The implementation of this project not only reduces electricity consumption (and therefore carbon emissions) but also water use is reduced. To assist with the peak demand periods that the local electricity supplier Eskom experiences, AngloGold Ashanti installed an ice storage unit at Moab Khotsonq mine. This is used to switch off refrigeration plants for cooling the underground operations during the evening peaks of 18h00 to 20h00. Through the implementation of this project both electrical energy (and therefore carbon emissions) and water use are reduced.  |

**Further Information**

**Module: Sign Off**

**Page: Sign Off**

**W10.1**

Please provide the following information for the person that has signed off (approved) your CDP water response

| Name | Job title | Corresponding job category |
|------|-----------|----------------------------|
|------|-----------|----------------------------|

| Name         | Job title  | Corresponding job category                       |
|--------------|--|--|
| Tony da Cruz | Vice President: Environment, Group Sustainability. | Other: Group Vice President / Head of Discipline |

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## W10.2

**Please indicate that your organization agrees for CDP to transfer your publicly disclosed data regarding your response strategies to the CEO Water Mandate Water Action Hub.**

**Note: Only your responses to W1.4a (response to impacts) and W3.2c&d (response to risks) will be shared and then reviewed as a potential collective action project for inclusion on the WAH website.**

**By selecting Yes, you agree that CDP may also share the email address of your registered CDP user with the CEO Water Mandate. This will allow the Hub administrator to alert your company if its response data includes a project of potential interest to other parties using water resources in the geographies in which you operate. The Hub will publish the project with the associated contact details. Your company will be provided with a secure log-in allowing it to amend the project profile and contact details.**

Yes

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## Further Information

CDP