

ANGLO GOLD ASHANTI

MANAGEMENT STANDARD		
ARTISANAL AND SMALL-SCALE MINING		
POLICY CUSTODIAN	Group Sustainability Department	
AUTHORISED BY	AngloGold Ashanti Executive Committee	DATE: April 2019
BRIEF DESCRIPTION OF CHANGES		
Revision: 01 (April 2019 Review ratified by the Sustainability Policy and Standards Committee)		
<ul style="list-style-type: none">• Clarification of roles and responsibility in terms of strategy, management plans and procedures.• Requirements to record and manage ASM management processes on CIMS were introduced.		



TABLE OF CONTENTS

1. INTRODUCTION	2
2. OBJECTIVES	2
3. DEFINITIONS	2
4. ACCOUNTABILITY AND RESPONSIBILITY	3
5. SCOPE	3
6. NORMATIVE REFERENCES	3
7. REQUIREMENTS	4
8. RECORDING AND REPORTING.....	4
9. REVIEW REQUIREMENTS	5
10. GLOSSARY	5

1. INTRODUCTION

It is AngloGold Ashanti's view that the challenges of Artisanal and Small-Scale Mining (ASM) can best be addressed by adopting a multi stakeholder approach, with governments taking a lead role in addressing the issue along with artisanal miners, large-scale miners, NGOs and development agencies. In keeping with AngloGold Ashanti's values, the Company fully supports well-coordinated strategies to regulate and manage ASM where it exists.

The company recognises and acknowledges the need to co-exist with legitimate ASM. In support of the indigenous claim, the company believes a way forward should be crafted around a co-existence framework, recognising different country by country dynamics and regulatory provisions.

2. OBJECTIVE

The objective of this management standard is to ensure that where ASM is present in our tenement or lease areas, site specific procedure and plans are developed and implemented. These plans will aim to enable co-existence, reduce the negative safety, security, environmental, social and health impact of ASM and promote the development of orderly, viable ASM sectors in collaboration with host communities and governments.

3. DEFINITIONS

- 3.1 **Artisanal and small-scale mining (ASM):** ASM broadly refers to mining practised by individuals, groups and/or some members of the communities and may be organised or unorganised; legal or illegal and characterised by a combination of key features listed below.
- 3.2 **Legal mining:** refers to any mining activities (Artisanal and Small, Medium or Large-scale) undertaken in line with regulatory and other legal provisions of the host country.
- 3.3 **Legal ASM:** refers to legal ASM activities undertaken in line with host country regulatory provisions. The AGA Co-existence framework and associated contributions will only be directed towards legal ASM initiatives.
- 3.4 **Illegal mining:** refers to any mining activities (Artisanal, Small-scale, Medium or Large-scale) undertaken either in contravention of the laws (not licensed) of the host country or carried out in / on AngloGold Ashanti's (AGA) license area without the prior consent of the Company in the case of tributing. (In Colombia and Brazil, illegal mining activities in this category are limited to those associated with subsistence push factors to differentiate them from illegal-criminal mining activities).
- 3.5 **Illegal-Criminal Mining:** In Colombia and Brazil, further distinction is made in the law between illegal mining and illegal-criminal mining. Illegal-Criminal Mining is formally defined as illegal mining activities facilitated and managed through organised-criminal groups, where profits are used to fund criminal activities.

4. ACCOUNTABILITY AND RESPONSIBILITY

- 4.1 Accountability for establishing this standard for the company lies with the Executive responsible for Sustainability, and accountability for implementing this standard lies with relevant Group, Regional and Site Managers.
- 4.2 Implementation accountabilities can be delegated to designated person(s) who must clearly understand their accountabilities and authorities.
- 4.3 Each site must ensure that it has adequate and appropriately experienced resources, including human resources, to implement the standard.

5. SCOPE

- 5.1 The requirements of this standard apply to all AngloGold Ashanti sites, country, region and corporate offices.
- 5.2 In the case of a non-managed joint venture (JV), AngloGold Ashanti shall ensure that the standards applied by the joint venture comply with those that are acceptable to AngloGold Ashanti and the third party. Where a standard is not in place or available, the parties must adopt a standard which accords with internationally accepted good mining practice.
- 5.3 When entering into a non-managed JV, AngloGold Ashanti must consider whether acceptable standards will be adopted by the third party. If acceptable standards are unlikely to be agreed with the third party, AngloGold Ashanti would not enter into the Joint Venture. Where AngloGold Ashanti participates in a non-managed JV and the third party does not operate in accordance with acceptable standards, this would be grounds for AngloGold Ashanti exiting the partnership.
- 5.4 Should onsite contractors and subcontractors be interfacing with ASM miners on behalf of the site their activities should be incorporated into the site's ASM plan such that there is one co-ordinated plan for the site.

6. NORMATIVE REFERENCES

- 6.1 The following documents shall be referred to and utilised as part of the ASM management system:
 - 6.1.1 AGA: *Group Risk Management Policy Statement*
 - 6.1.2 AGA Group Risk Management Standard
 - 6.1.3 *Group Risk Management Guidelines and Risk Assessment and Reporting Matrix*
 - 6.1.4 *AGA Consolidated Group Approach to ASM*
 - 6.1.5 AGA Indigenous People Management Standard
 - 6.1.6 AGA Land Access and Resettlement Management Standard

7. REQUIREMENTS

- 7.1 Each site must include ASM issues in the site's social baseline assessment. If a baseline assessment has been completed without an ASM component, then the site must, at a minimum, undertake a supplemental ASM baseline assessment.
- 7.2 Each site must formulate a plan to address ASM issues.¹
- 7.3 Each site must seek to collaborate with government and interested and affected parties on:
 - 7.3.1 the promotion of an unambiguous regulatory environment on ASM,
 - 7.3.2 legal and security considerations – see 7.4
- 7.4 Each site must seek to take appropriate legal and security action:
 - 7.4.1 AngloGold Ashanti acknowledges and supports the rights and obligations of governments to uphold the law and to prosecute people who act outside it. Where individuals or groups of people trespass on Company property including those who undertake illegal mining activity, the site will take appropriate action in terms of the law and in accordance with established international norms of human rights including the Voluntary Principles on Security and Human Rights and the Universal Declaration of Human Rights.
 - 7.4.2 Consistent with its principles and undertakings, each site must maintain and strengthen internal programmes to ensure that management including the Company security officials, in the performance of their duties, comply with relevant national laws and international conventions.
- 7.5 Each site must ensure that it has the resource capabilities to implement its ASM plan.
- 7.6 The ASM plan must be monitored and reviewed internally at least annually, and participation of external stakeholders in the review is encouraged.

8. RECORDING AND REPORTING

- 8.1 Periodic reporting must be in accordance with regulatory and AngloGold Ashanti corporate office reporting requirements.
- 8.2 Reporting on ASM incidents must be done, as applicable, in line with the requirements of the standard on Community Incident Classification and Reporting, the Global Incident reporting standard and definition regarding Third Party injury / fatality included in the AngloGold Ashanti Guidelines for Occupational Injuries Data Definitions and Statistical Reporting.
- 8.3 ASM baseline, procedure/guidelines, implementation plan and activities must be loaded/managed on Community Information Management Systems (CIMS).
- 8.4 CIMS must be utilised to monitor the implementation of the ASM procedure/guidelines and implementation plans.

¹ This will be done in keeping with the Company's Management Standards on Engagement and Socio-Economic Contribution.

9. REVIEW REQUIREMENTS

- 9.1 This management standard will be reviewed to assess its relevance on a periodic basis (at least every 3 years), and will also be updated in accordance with changes to company policy.

10. GLOSSARY

- 10.1 **Company:** refers to AngloGold Ashanti
- 10.2 **Operation:** refers to a producing mine
- 10.3 **Project:** refers to an exploration project or a new mine expansion.
- 10.4 **Site:** is used when referring collectively to producing operations and to exploration and expansion projects where ASM is or may be a future material issue on the site.