

ANGLO GOLD ASHANTI

MANAGEMENT STANDARD		
STAKEHOLDER ENGAGEMENT		
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 engagements on CIMS were introduced.		



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1. INTRODUCTION

It is AngloGold Ashanti's intention that all operations engage in building successful and mutually beneficial relationships with stakeholders throughout mine lifecycle (project, operation, closure and post-closure as appropriate). Failure to engage effectively could result in potential operational disruptions or exacerbate challenges to the corporate reputation. Effective stakeholder engagement and the building of social partnerships are aimed at securing the social license to operate and positioning AngloGold Ashanti as the preferred operator wherever the company has a presence.

2. OBJECTIVE

The objective of this standard is to set out the framework upon which AngloGold Ashanti engages with stakeholders at site, country offices, regional and corporate levels. This is in line with the company's stated policy to "communicate and consult on our activities throughout the lifecycle of our operations" and "undertake initiatives in partnership with the societies in which we operate with the aim of contributing to a sustainable future for host communities."

3. DEFINITIONS

- 3.1 **Stakeholders:** persons or groups that are directly or indirectly affected by a project and/or activity as well as those that may have interests in a project and/or the ability to influence its outcome either positively or negatively. Stakeholders include locally affected communities and individuals and their formal and informal representatives, government, politicians, religious leaders, civic organisations, and other groups with special interests, the academic community, employees, their families, other businesses, shareholders¹ and joint venture partners. These stakeholders are further defined in the following non-mutually exclusive terms:
- 3.2 **Social partners** are stakeholders with whom we have or are building mutually beneficial relationships and partnerships. By definition, some of those with whom we engage prefer not to be referred to as "social partners" in order to maintain their impartiality and independence. It is each site's responsibility to define those it considers its social partners.
- 3.3 **Community:** a group of people who are directly or indirectly affected by the operation, both positively and negatively, comprising local communities, including new arrivals, in which the operation is located (also called host communities) and communities from which it draws its labour (labour-sending areas); communities along the operation's transport routes, if applicable, and, in some cases, other groups, including former local residents and their families who have moved away but still have strong familial, business or other interests in the area.
- 3.4 **Civic and community-based organisations:** religious groups, educational organisations and organisations serving vulnerable and special interest groups such as children, the elderly and the disabled.

¹ Shareholder engagement would normally be undertaken in conjunction with the Corporate Investor Relations function.

- 3.5 **CSOs/NGOs:** civil society organisations and/or non-governmental organisations who deal with issues of human rights, social justice, environmental, and other associated activities.
- 3.6 **Media:** the local, national and international press.
- 3.7 **Development partners:** non-profit organisation, government aid agency or multilateral development agency that assists the site in achieving its societal aims.
- 3.8 **Government:** national, state/provincial and district/local authority. In some locations (e.g. tribal areas) it may be appropriate to distinguish between elected and traditional forms of administration.
- 3.9 **Industry:** industry Associations and other mining companies.
- 3.10 **Engagement:** A process utilised to build and maintain constructive and sustainable relationships with stakeholders impacted over the life of a project.

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 When engaging with Indigenous Peoples², this standard must be applied in conjunction with the Indigenous Peoples Standard.
- 5.5 When engaging with artisanal miners, this standard must be applied in conjunction with the standard on Artisanal and Small-Scale Mining (ASM). When engaging with owners of land

² See the Indigenous Peoples Management Standard for the definition of Indigenous Peoples used by AngloGold Ashanti.

lying within the area of the mineral concession and tenements this standard must be applied in conjunction with the requirements of the standard on Land Access and Resettlement.

6. NORMATIVE REFERENCES

6.1 The following documents shall be referred to and utilised as part of the engagement 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*

7. REQUIREMENTS

7.1 All sites, country, regional and corporate offices must map out their stakeholders and engage with them accordingly.

7.2 Baseline studies must be conducted in order to ensure full understanding of stakeholder profile.

7.3 All sites, countries and regions must develop an engagement procedure aligned to the standard, and an engagement plan. The scope and level of detail of the plan will vary depending on the context, nature and scale of activities, stage of project development and/or mining operation, to the magnitude of risks and impacts foreseen at each stage of implementation.

7.4 The engagement plan must comply with all legal and regulatory requirements regarding engagement.

7.5 The engagement plan should be forward looking, and cover, at a minimum, a one year period and must take into account, where not subject to confidentiality requirements, dissemination of developments with potential to affect stakeholders at least two years ahead of implementation. In so far as it is possible and technically feasible, an appropriate description should be provided of the life cycle of the site, from exploration to closure, using methods preferred by those affected and interested.

7.5.1 The engagement plan must be developed with key stakeholders in order to encourage joint ownership and responsibility for outcomes.

7.5.2 The plan must follow an approach to engagement that is appropriate to the local culture and in accordance with AngloGold Ashanti's values, policies and standards.

7.5.3 The engagement plan must reflect sustainability assessment, which identifies opportunities and challenges for both the Company and the society.

7.5.4 The engagement plan must reflect engagement accountability and the various, delegated levels of responsibilities between site, country, region and corporate levels where deemed necessary³.

³ For example, for a particular country, stakeholder mapping results would necessitate that site deals with an NGO at local level, however, that same NGO may be represented at country level and the issues may indicate that country office-level engagement would yield more effective results. In some cases international organizations prefer to address their concerns through corporate office, in which case regional and where appropriate corporate office would be accountable for the engagement.

- 7.5.5 The engagement plan must be included in the overall business plan for the site, country, region and corporate offices.
- 7.5.6 The engagement plan must have clear financial and human resources to support its implementation.
- 7.5.7 The engagement procedure must have a clear delegation of authority to guide the engagement processes and for making commitments to stakeholders.
- 7.6 Any change with potential to affect the life of the community and other stakeholders, such as moving into different stages of project development or expansion plans must be communicated at appropriate Company levels to appropriate stakeholders.
- 7.7 Should onsite contractors and subcontractors be required to engage with stakeholders on behalf of the company, their activities must be incorporated into the engagement plan.
- 7.8 Engagement focal points and responsibilities for coordination must be outlined as appropriate for the context of the site, country/region and corporate office⁴.
- 7.9 The procedure and plan must be written in the business language of the country and any other appropriate local language(s). It should have an updated English translation for corporate review purposes.
- 7.10 A summary of the plan outlining the engagement objectives and timelines must be readily available to stakeholders in an understandable, culturally appropriate format.
- 7.11 The plan must be reviewed, for continual improvement, with internal and external stakeholders as far as practicable, at least annually or in line with business planning processes.
- 7.12 The engagement procedure must outline a framework of delegation for making promises and commitments on behalf of the company.
- 7.13 Where a site, country or region is approached by an international advocacy group, the corporate office must be formally notified.

8. REPORTING REQUIREMENTS

- 8.1 Periodic reporting must be in accordance with regulatory and AGA corporate office quarterly reporting requirements.
- 8.2 All stakeholder engagement planning and engagement activities must be documented within the Community Information Management Systems (CIMS).
- 8.3 All commitments emanating from the engagements with stakeholders must be recorded in the Community Information Management Systems (CIMS).

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.

⁴ For example, specific departments such as government relations, exploration, etc. could have a mandate to engage directly with stakeholders, but one department should be responsible for coordination of all the site or office's engagement efforts to ensure they are aligned with the overall engagement strategy and for monitoring and reporting purposes.

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 and other related mine facilities.

11. REFERENCES

11.1 *IFC Performance Standard 1: Social and Environmental Assessment and Management Systems*; 30 April 2006

11.2 *Community Development Toolkit. ESMAP, World Bank Group and ICMM*; September 2005

11.3 *A Guide to Designing and Implementing Grievance Mechanisms for Development Projects*, The Office of the Compliance Advisor/Ombudsman for the International Finance Corporation (IFC) and Multilateral Investment Guarantee Agency (MIGA). 2008