

Société AngloGold Ashanti de Guinée S.A. response to the joint NGO statement on Area 1

Dear Gregory,

We'd like to thank you for the opportunity to provide our perspective on issues pertaining to the Area 1 Resettlement Process. We appreciate being given the opportunity to provide you with as much relevant information to help establish context and understanding of the issues raised against Société AngloGold Ashanti de Guinée S.A. (SAG).

Commitment to Human Rights

SAG, as a subsidiary of AngloGold Ashanti Limited, subscribes to key international standards and principles developed with guidance from relevant international entities.

These reference points include the Ten Principles of the Global Compact, the International Finance Corporation (IFC), the International Council on Mining and Metals (ICMM), the United Nations Guiding Principles on Business and Human Rights, and the Voluntary Principles on Security and Human Rights, among others.

In August 2013 SAG's parent company, AngloGold Ashanti Limited, issued its Human Rights Policy which had been rolled out to all of its subsidiaries. The policy highlights its commitments as follows:

"Respect for human rights is an essential part of AngloGold Ashanti's vision and values. It is fundamental to our value of treating each other with dignity and respect.

We support the vision of a world where everyone can enjoy their universal human rights, and where business plays its part by respecting all human rights. States are responsible for the protection, promotion and fulfilment of human rights and companies have a responsibility to respect human rights.

We are committed to doing no harm, to avoiding infringing the human rights of others, and to addressing adverse human rights impacts where they may be linked to our activities.

We will strive to avoid causing and contributing to adverse impacts through our own activities, and address them if they do occur through appropriate remediation.

We will seek to prevent and mitigate adverse impacts linked to our operations, our products or services provided by business partners."

SAG is of the view that economic development can and must be undertaken in harmony with the environment and its host communities. In fact, its license to operate requires social engagement and alignment that relies on transparency and the building of trust with all stakeholders.

We welcome engagement with social and environmental activists, not only as vital stakeholders in our industry, but also as key participants in efforts aimed at ensuring modern, responsible mining from social, environmental, and technical standpoints.

Specific responses to matters raised in the joint NGO statement:

Q: The State exerted pressure by military violence and the company took advantage of this intimidation, contrary to national law and international standards?

- We are not aware of any military violence related to the relocation process.
- We understand that there was a separate military exercise aimed at removing illegal miners around several districts in the Siguiri prefecture including Kintinian, Doko, and Siguirini, and in

neighbouring prefectures. We understand in relation to this exercise that there was an incident reported relating to a woman who was injured.

- While the military was present during the asset inventory exercise, its activities did not interfere with the inventory process carried out by SAG.

Q: Consent obtained through violence?

- We'd like to point out categorically that SAG has not – and neither will it – engage in or condone any threatening behavior to secure access to land.

Q: Consent by error?

- The SAG team alongside the State technical departments including mines, environment, agriculture, town planning undertook a 60-day consultation process beginning in February 2016 to fully explain the contents of the agreements to all Project Affected People (PAP). Repeat visits were organised to answer queries and deepen understanding by different household members.
- All PAP were provided with copies of the agreements to study and consult other family members. During this process, a large number of contracts were reviewed and revised, in consultation with PAP, prior to their signature. These changes pertained above all to the nature of the compensation provided (kind, cash or combination thereof) after individual households had reviewed the different options presented to them.
- In the course of this engagement process, assets which had been recorded or valued during the inventory process and later questioned were also re-assessed, in consultation with the PAP and in line with the guidelines governing the process.

Q: Failure to consult affected community on the RAP?

- The Area 1 resettlement project was launched in 2013 through the implementation of a comprehensive socio-economic baseline study of Kintinian village, based upon a village census; structured interviews with a sample of 258 households and an in-depth field survey of social service provision; local governance, land tenure and livelihoods. This study informed the development of the resettlement process as captured in the Resettlement Action Plan (RAP).
- The RAP, after approval by the Government of Guinea, was presented several times to the local authorities including the Prefecture, Technical services, Sub-Prefect of Kintinian and Mayor of Kintinian.
- The RAP was also presented to a Village Committee established by the Prefectural authorities to act as a link between the company and the community.
- Several site visits were also organised in order to make the boundaries of Area 1 known to all impacted persons.

Q: Failure to make public and fully implement the RAP?

- For background and clarity, several meetings were held with the local authorities in order to present the RAP and explain key steps of the process between April and July 2014
- During this same period, several site visits were organised and a meeting was also held with the Village Committee to fully explain the RAP.
- Considerable effort also went into explaining the process during the asset inventory process and also when the resettlement contracts were presented to the affected individuals.

Q: Paltry compensation?

- Adequate and fair compensation was paid on a case-by-case basis in the process. All land valuations were fully supervised and certified by the Prefectural Director of Town Planning.

Q: Abusive clauses in the resettlement agreements?

- The Resettlement agreements were discussed appropriately with the PAP, and we are yet to receive complaints relating to any of the clauses contained in the contract.
- A mechanism for all grievances and complaints was established and the agreement signed in 2014 with the local authorities provides for the periodic review in the event of objections.

Conclusion

SAG strives to forge mutual understanding and enduring and practical relationships with local authorities, communities, relevant governmental agencies, including social and environmental activists. We are working very hard to ensure that these relationships, particularly those at local level, ensure our co-existence. While we will continue our ongoing efforts to engage with stakeholders about responsible mining and its associated socio-economic benefits, we will remain open to all opposing views as we try and build consensus.

We are open to further engagement should you require clarity on any of the issues under discussion.

Ends