

## **XII. Appendices**

### ***AngloGold Ashanti***

#### ***A. Human Rights Watch letter to AngloGold Ashanti, October 21, 2004***

Dr. Charl Du Plessis  
Managing Director Geology Africa  
AngloGold Ashanti  
Goldfields House  
Accra, Ghana  
*Via Fax*

Dear Mr. Du Plessis:

Human Rights Watch is preparing a report on the human rights situation in the district of Ituri, Democratic Republic of Congo (DRC) with a specific focus on the links between the trade in gold by armed groups and abuses of human rights. Human Rights Watch is an independent, nongovernmental organization that since 1978 has conducted investigations of human rights abuses throughout the world. As you may be aware we have to date published two detailed reports on the widespread human rights abuses in Ituri as well as numerous other reports, articles and press releases on the situation in the DRC.

We have been in regular contact with representatives from AngloGold Ashanti in the DRC and Uganda to discuss the economic and security situation in Ituri, as well as our continued concerns about human rights abuses. During these meetings representatives from your organization have outlined to us AngloGold Ashanti's plans for exploration and exploitation of the gold deposits in Concession 40 around the town of Mongbwalu. We would be grateful for any updated information you might be able to provide on current plans for exploration and exploitation of the gold in Concession 40.

We also have a number of additional questions and points of clarification and would welcome any information on the issues specifically raised below. In the interests of

balanced and fair reporting, we strive to reflect all perspectives in our research and publications and look forward to your response.

Attached are questions regarding AngloGold Ashanti's contractual relationship with OKIMO in the DRC, legal disputes with the Congo state, access to Mongbwalu and Concession 40, and questions about policies pursued by AngloGold Ashanti to ensure respect for human rights. We would appreciate any information you care to supply. Your response will be taken into account in our forthcoming report. In light of our publishing schedule, we would be grateful to receive your response by November 20, 2004.

Please send any information to the Human Rights watch office in London at 2 – 12 Pentonville Road, London, N1 9HF or by fax on 44 207 713 1800.

Thank you very much. I look forward to hearing from you.

Sincerely,

Anneke Van Woudenberg  
Senior Researcher  
Human Rights Watch

CC: Mr. Ashley Lassen, AngloGold Ashanti Representative Uganda

B. Fax from AngloGold Ashanti, December 7, 2004

7. DEC. 2004 16:01

ANGLO GOLD ASHANTI 0116376819

RC. 419 3. 1



**ANGLOGOLD ASHANTI**

AngloGold Ashanti Limited (formerly AngloGold Limited) \ Reg. No. 1944/017354/06  
11 Diagonal Street \ Johannesburg \ 2001 \ PO Box 62117 \ Marshalltown \ 2107 \ South Africa  
Tel +27 (0)11 697 6000 \ Fax +27 (0)11 697 6824 \ Website: www.AngloGoldAshanti.com

**FACSIMILE**

To: Anneke Van Woudenberg  
Company: Human Rights Watch  
Fax Number: 0944 207 713 1800 Date: 7 December 2004  
Sender: Steve Lenahan  
Number of Pages: 3  
Subject: \_\_\_\_\_

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Dear Ms Van Woudenberg

Further to your letter of 21<sup>st</sup> October 2004, we offer the following responses to the queries raised.

**A**

1. Prior to 1996, Kilo-Moto Mining International (KIMIN) was a mining joint venture between Luxembourg-based Mindev Group and Offices des Mines d'Or de Kilo-Moto (OKIMO), a governmental mining agency. Mindev was the majority shareholder in the JV. KIMIN holds prospecting and mining rights over Concession 40 in North Eastern DRC. In 1996, Ashanti Goldfields Company Limited (Ashanti) acquired 50% of Mindev's holding in KIMIN and purchased the remaining stake of Mindev in November 1997, thereby giving Ashanti a majority stake of 88.22% in the capital of KIMIN with OKIMO holding 13.78%. In 1998, the name KIMIN was changed to Ashanti Goldfields Kilo S.C.A.R.L (AGK).
2. Concession 40 covers an area of 8,800 square kilometers. The Mining Convention entered into between KIMIN, on the one hand, and the DRC on the other hand, granted KIMIN mineral rights over the entire Concession. Pursuant to the Mining Convention, KIMIN and OKIMO entered into a lease agreement (Contrat d' Amodiation) which provided for mining activities to be undertaken by KIMIN over an area of 2,000 sq. km within Concession 40. In September 2001, OKIMO agreed to an amendment of the lease agreement by an extension of the lease area to cover the entire Concession 40 to reflect the provisions of the mining Convention. It is noteworthy that the extension of the lease area is validated by a Ministerial approval dated 29 October 2001.
3. Although there was some dispute over the amount of debt owed by KIMIN to OKIMO in terms of lease fees at the time Ashanti acquired its stake in KIMIN, agreement was subsequently reached providing for scheduled installment payments. Ashanti has been making payments to OKIMO and to date over 50% of the agreed outstanding amount has been settled. Over and above payment of the outstanding debt, AGK will be obliged, going forward, to make stipulated payments to OKIMO during both exploration and mining phases from commencement of these activities.
4. Neither AngloGold Ashanti nor AGK is aware of any continuing public concerns referred to in your letter about the nature of the contract between AGK and OKIMO.

**B**

1. Ashanti neither took nor pursued any legal action against the DRC government or any governmental agency at any time.
2. Ashanti did not at any time renegotiate the KIMIN Mining Convention. Previous to the reinstatement of the KIMIN's rights in respect of Concession 40, Ashanti made representations in the normal course of events and met with authorities of the DRC in regard to the reinstatement of KIMIN's rights which had been incorrectly transferred to Russell Resources in what appeared to be unusual circumstances.
3. Following Iribi Pitchu's arrest, AGK was informed that one of the reasons for the arrest was that Pitchu had written to AGK making improper demands for goods. While it is true that in late 2003 the FNI wrote to AGK through OKIMO, making certain demands, AGK made it clear that it would not comply with those demands. AGK did not enter into dialogue with the FNI and neither did the FNI follow up on this. Indeed, in May 2004, F.Ngabu, the head of FNI, informed AGK verbally that it did not wish to pursue the requests.

In regard to Pitchu's arrest, AGK's lawyer has made submissions to the local magistrate in Bunia on the issue which the magistrate found to be satisfactory. AGK has made no public statement on the issue as it did not consider that it was necessary to do so.

**C**

In October 2004, AGK officials held discussions with the Ministers of Mines and Planning together with Mr. W. Swing of MONUC and DRC Vice Presidents Ruberwa and Bemba, concerning AGK's intentions to access Concession 40. These officials were supportive of AGK's intentions. In late 2003, AGK officials had met with F. Ndgabu, the president of FNI in Kinshasa and discussed AGK's wish to visit the Mongbwalu area to undertake an assessment of the security and infrastructural situation of the area in order to make a decision regarding commencement of pre-exploration preparatory work. F.Ndgabu identified with AGK's intentions and wrote to his representatives in Bunia and Mongbwalu indicating his support for the commencement of work by AGK. Again in March, May, July and September 2004, AGK officials met with the FNI in Mongbwalu at which meetings AGK outlined its work programme, planning and other strategies including community development work.

With respect to this community development work, AGK had in the past provided the Mongbwalu hospital with supplies of consumables and equipment and recently replaced the hospital's water pump and supply piping. AGK had also donated consumables and equipment to schools in the Mongbwalu town and to the general community. Further, AGK has carried out repairs to some roads in the town. Notably, these supplies were all channeled through the Mayor of Mongbwalu.

**D**

1. AGK is not at this stage carrying out mining activities. It is undertaking preparatory work towards commencement of an exploration programme. No individuals from the FNI have been employed by AGK and steps have been taken to ensure that human rights will be upheld at all times, consistent with commonly accepted principles and guidelines. AGK is committed to ensuring that its business ethics are consistent with its published values of good business conduct, which are in line with international standards of good corporate citizenship (attention is drawn to AngloGold Ashanti's business principles on the company's website at [www.anglogoldashanti.com](http://www.anglogoldashanti.com)).
2. AGK has not been in a position to place any conditions on the FNI as it has no working or other relationship with the FNI. It must be pointed out that AGK's commencement of preparatory work within Concession 40 is founded on its critical assessment of the security situation and its belief that the population appears well-disposed towards exploration and mining operations in the area.

3. AGK will carry out its activities in line with objective principles, constantly monitor, support and uphold factors that engender good business practices as well as ensure that dealings with local and other organizations, including the discharge of social responsibilities, are carried out in accordance with criteria which comply with reasonable standards of good governance.
4. Currently, AGK employs 35 people in the Mongbwalu area. While this number is likely to increase in the course of next year, it is not expected that this number will increase to any more than 50 during the early exploration phase. Workers are free to exercise their right to freedom of association, although, at this date, no worker or group of workers have brought to the attention of management of AGK an intention to unionize.
5. All persons so far employed have been issued with contracts and have been registered in Bunia as appropriate, with the Departments of Labour, Tax and Social Security. Regarding former KIMIN workers whose employment have had to be terminated, these have received payment from AGK in full and final settlement of their individual entitlements. The procedure and details supporting the payments have been ratified by the Ministry of Labour in line with the relevant legal requirements.
6. A letter was received on 8<sup>th</sup> September 2004 from a group of 15 ex-employees of KIMIN in Bunia in which a number of complaints were made. The complaints were reviewed and legal opinion obtained after which a response was communicated to the group. We have conveyed to the group our preparedness to meet with them for discussions should they require further information or have further questions.
7. AGK will discharge its payment obligations to OKIMO in accordance with the relevant contractual provisions and will, in that process, observe the norms of transparency and accountability.
8. While AGK will strive to sustain good working relationship with OKIMO at all times, it will not seek to interfere in the internal workings of OKIMO as AGK is conscious of and will respect the corporate status of OKIMO at all times.
9. In April 2004, AGK concluded a contract for the provision of on-site security with Site Logistics, a Kinshasa- based Security Company and member of the international Armor Group. In recruiting local people as security guards, Site Logistics carried out detailed interviews and screening to ensure that these persons are not members of the FNI militia or any other militia group. Our security guards do not operate with arms.

I trust that this information will be helpful in the preparation of your report.

Yours sincerely



Steven Lenahan  
Executive Officer – Corporate Affairs

*C. Human Rights Watch letter to AngloGold Ashanti, December 8, 2004*

Steven Lenahan  
Executive Office, Corporate Affairs  
AngloGold Ashanti  
11 Diagonal Street, Johannesburg  
*Via Fax*

Dear Mr. Lenahan,

Thank you for your letter of December 7, 2004 responding to our queries on AngloGold Ashanti's operations in the Democratic Republic of Congo (DRC). We are just in the process of completing the final edits on our report and your information came just in time.

We wanted to clarify one paragraph of your response to Human Rights Watch. In Part C on page 2 of your response, you stated that AGK representatives had discussions with government officials in October 2004. In various discussions Human Rights Watch held with AngloGold Ashanti representatives in DRC and Uganda, they indicated that such discussions had taken place in 2003. We would appreciate clarification from you on whether it was October 2003 or 2004.

We would also be grateful if you could clarify the response of each of the individuals you met with – namely the Ministers of Mines and Planning, Mr. W. Swing of MONUC and DRC Presidents Ruberwa and Bemba – on your intentions to access Concession 40 and whether any such responses were in writing.

Again, we would appreciate any information you care to supply. In light of our publishing schedule, we would be grateful to receive your response by next week at the latest.

Thank you very much. I look forward to hearing from you.

Sincerely,

Anneke van Woudenberg  
Senior Researcher, Human Rights Watch

*D. Fax from AngloGold Ashanti, December 13, 2004*

DEC-13-2004 10:56 FROM: ANGLD GOLD CCD - 27116376400

TO: 009442077131800

P: 1/2



AngloGold Ashanti Limited (formerly AngloGold Limited) \ Reg. No. 1944/017354/00  
11 Dlangeni Street \ Johannesburg \ 2001 \ PO Box 62117 \ Marshalltown \ 2107 \ South Africa  
Tel +27 (0)11 637 6000 \ Fax +27 (0)11 637 6624 \ Website: www.AngloGoldAshanti.com

**FACSIMILE**

To: Anneke Van Woudenberg  
Company: Human Rights Watch  
Fax Number: 0944 207 713 1800 Date: 13 December 2004  
Sender: Steve Lenahan  
Number of Pages: 2  
Subject: \_\_\_\_\_

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Dear Ms Van Woudenberg

I refer to your fax of December 8, 2004 requesting clarification and further information.

With respect to our response to Part C of your original letter, you are quite correct in pointing out the error in our response. The meetings between representatives of AngloGold Ashanti (then AGK) and various officials in the DRC did, indeed, take place in October 2003, not in 2004.

With respect to your requests for further information regarding these meetings, we would report as follows:

In the meeting with Mr. Swing, the AGA outlined its plans to commence exploration activities and its concerns regarding the security of its personnel and assets in the region. Mr. Swing welcomed the news of AGK's proposed exploration programme. With respect to the security situation, he set out MONUC's plans for the deployment of its forces in the Bunia area and also referred to the Government's plans for the deployment of police in the province and the establishment of a judicial court. He welcomed AGK's offer of logistical support in the area and requested the company's representatives to maintain close contact with MONUC.

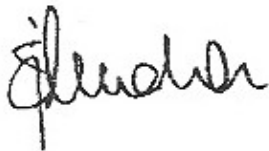
The meeting with Mr. Bemba also focused on the exploration programme and AGK's security concerns. The company's representatives also gave him an update on the continuing negotiations regarding the merger of Ashanti and AngloGold. M. Bemba assured the company that it was his view that the Ituri Province was now safe and gave the representative the assurance that the Government would ensure that this continued and urged the company to continue with its exploration programme in the region.

At the meeting with Mr. Ruberwa, he expressed the view that Ashanti's decision to revive its activities in the area was positive news for the country and augured well for peace in the region. He added that the Government was aware of the risks that Ashanti was taking in re-establishing its exploration activities there and offered the reassurance that the company's security requirements would be met.

The meeting with Mr. Tambwe-Mwamba, the Minister of planning, also covered the company's exploration plans and the continuing merger between Ashanti and AngloGold. The Minister indicated that he had been following the negotiations with interest and pledged his support for assisting the company to achieve its objectives in the DRC.

There were no written responses to any of the queries raised by the parties to these meetings.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Steven Lenahan', written in a cursive style.

**Steven Lenahan**  
**Executive Officer – Corporate Affairs**



*E. Human Rights Watch letter to AngloGold Ashanti, April 13, 2005*

Mr. Steven Lenahan  
Executive Officer, Corporate Affairs  
AngloGold Ashanti  
11 Diagonal Street  
Johannesburg, South Africa  
*Via Fax*

Dear Mr. Lenahan:

Thank you again for your previous correspondence with Human Rights Watch dated December 7, 2004 and December 13, 2004. As you know, Human Rights Watch is preparing a report on the human rights situation in the district of Ituri, Democratic Republic of Congo (DRC) with a specific focus on the links between the trade in gold by armed groups and abuses of human rights.

Since our last correspondence, new information about the situation in Ituri has been brought to the attention of Human Rights Watch. Attached below are specific questions relating to this new information. We would be grateful for any additional comments and clarification from you on the issues raised. As we have mentioned in our previous correspondence, in the interests of balanced and fair reporting, we strive to reflect all perspectives in our research and publications. Your response will be taken into account in our forthcoming report.

We would be grateful for any information you care to provide. As we are now in the final stages of our report preparation, we would appreciate a response by April 20, 2005. Please send any information to by fax to Human Rights Watch in London on 44 207 713 1800.

Thank you very much. I look forward to hearing from you.  
Sincerely,

Anneke Van Woudenberg  
Senior Researcher  
Human Rights Watch

To: AngloGold Ashanti  
From: Human Rights Watch  
Date: April 13, 2005  
Subject: Mining Operations in Ituri, DRC

We would appreciate any information, comment or clarification you wish to provide on the following questions:

1. Human Rights Watch researchers have received allegations that AngloGold Ashanti paid taxes to the Front for National Integration (FNI) including: (a) an \$8,000 safety tax in January 2005, (b) taxes on incoming cargo at six US cents per kilogram, (c) taxes on personnel arriving at the Mongbwalu airport and (d) other taxes, fees and small items. We would appreciate your comments and further clarification on these payments.
2. We would also welcome additional clarification on the advice (if any) received from the local District Commissioner on the payment of the taxes mentioned above and whether any previous or subsequent payments have been made by AngloGold Ashanti to the FNI.
3. Human Rights Watch has received allegations that Floribert Njabu's house and that of other senior FNI leaders in Mongbwalu has been provided by AngloGold Ashanti. Could you please comment on this allegation.
4. Human Rights Watch has been informed that on March 7, 2003 the representative of Ashanti Goldfields in Kinshasa, Mr. Trevor Schultz, participated in a board meeting with the joint venture partner OKIMO to discuss the relaunching of operations in Mongbwalu. Could you please confirm this meeting and its outcomes.
5. The United Nations Group of Experts on the arms embargo in the DRC stated in their report of January 25, 2005 that "AGA [AngloGold Ashanti] find themselves in an ambiguous position vis-à-vis the arms embargo." They added that "although AGA is compelled to abide by FNI rules if it is to operate, AGA could arguably be in violation of the arms embargo through its direct payment and assistant to an embargoed party." We would appreciate your comment on this statement.

6. While conducting research in Mongbwalu, Human Rights Watch researchers received allegations that AngloGold Ashanti used consultants to liaise directly and frequently with FNI officials. Could you please comment on such allegations.

7. In your letter to December 7, 2004 to Human Rights Watch, AngloGold Ashanti stated it had “no working or other relationship with the FNI” which appears inconsistent with other information provided in the same letter that in late 2003 and again in March, May, July and September 2004 AGK officials met with FNI representatives. We would welcome your comments on this contradiction.

## ***F. E-mail from AngloGold Ashanti, April 27, 2005***

*Email addresses withheld*

Subject: Response to Questions Regarding AngloGold Ashanti Kilo

From: Steve Lenahan

Date: Wed, 27 Apr 2005 08:12:27 +0200

To: Anneke van Woudenberg

Dear Ms Van Woudenberg and Ms Parsons

Thank you for your letter of 13 April, 2005. I apologise for the time taken to respond but, as I had a trip to the DRC scheduled, I thought it better to delay responding until I had had the benefit of visiting Bunia and Mongbwalu.

I have answered your questions in the order that you presented them in as much detail as I hope will be helpful. I do not at this time have a response for you to your question regarding the March 7, 2003 meeting, but will get back to you on this issue.

*1. Human Rights Watch researchers have received allegations that AngloGold Ashanti paid taxes to the Front for National Integration (FNI) including: (a) an \$8,000 safety tax in January 2005. (b) taxes on incoming cargo at six US cents per kilogram. (c) taxes on personnel arriving at the Mongbwalu airport and (d) other taxes, fees and small items. We would appreciate your comments and further clarification on these payments.*

a. In January 2005, AngloGold Ashanti staff in Mongbwalu were approached by FNI operatives, who demanded that the company provide the FNI with \$8,000 to allow a delegation to travel to Kinshasa for meetings with Government and other political organizations. The request was initially refused but, after it became clear that the safety of the staff and the company's assets were at risk, and on the advice of the Bunia District Commissioner, the local staff acceded to the request and, under protest and duress, gave the FNI representatives the \$8,000 demanded. The incident was confirmed with the District Commissioner and reported to OKIMO with a request that the information be passed on to MONUC. This payment was never approved by executive management at AngloGold Ashanti and, while payments of this kind are not consistent with AngloGold Ashanti's business principles, the decision by the local staff to comply with the demand was taken at that time in the interests of their personal safety and with the knowledge of appropriate agencies.

b. Until September 2004, there had been a common practice in Mongbwalu of paying to the FNI, on its instruction, a levy of 6 US cents per kilogram on all goods arriving at the local airport. Because of the insignificant quantity of freight which the company had been bringing onto the site, this practice had not come to the attention of the company's officials in Kinshasa until September. However, when management was informed of the practice and the fact that it contravened the provisions of the UN Resolution, it was discontinued.

c. We are not aware of a practice of paying a tax on personnel arriving at the Mongbwalu airstrip.

d. We are not aware of the payment of any further taxes, fees or small items.

*2. We would also welcome additional clarification on the advice (if any) received from the local District Commissioner on the payment of the taxes mentioned above and whether any previous or subsequent payments have been made to AngloGold Ashanti to the FNI.*

As we note in response to your question 1a, when we sought the view of the District Commissioner in Bunia, she gave us the advice that we should comply with the demand of the FNI with respect to the payment of \$8,000.

No further payments have been made by AngloGold Ashanti to the FNI or any other militia group.

*3. Human Rights Watch has received allegations that Floribert Njabu's house and that of other senior FNI leaders in Mongbwalu has been provided by AngloGold Ashanti. Could you please comment on this allegation.*

There are a number of houses on land adjacent to the AngloGold Ashanti exploration camp in Mongbwalu which were previously occupied by employees of the Kimin/OKIMO joint venture, from which company AngloGold Ashanti acquired the property. These houses were unoccupied until 2004, when members of the FNI took occupation of several of them, without either seeking our permission or receiving our approval. One of these houses was, we understand, occupied by the FNI leader, Ndjabu.

4. *Human Rights Watch has been informed that on March 7, 2003 the representative of Ashanti Goldfields in Kinsbasa, Mr Trevor Schultz, participated in a board meeting with the joint venture partner OKIMO to discuss the relaunching of operations in Mongbwalu. Could you please confirm this meeting and its outcomes.*

I will revert to you on this issue.

5. *The United Nations Group of Experts on the arms embargo in the DRC stated in their report of January 25, 2005 that, “AGA (AngloGold Ashanti) find themselves in an ambiguous position vis-à-vis the arms of embargo”. They added that “although AGA is compelled to abide by FNI rules it is to operate, AGA could arguably be in violation of the arms embargo through its direct payments and assistant to an embargoed party”. We would appreciate your comment on this statement.*

As we noted in our response to the United Nations Group of Experts, we do not agree that AngloGold Ashanti has acted intentionally in any way that could be considered to be in violation of the embargo. There has been no intention on the part of AngloGold Ashanti to violate the embargo either acting by itself or in concert with any party.

6. *While conducting research in Mongbwalu, Human Rights Watch researchers received allegations that AngloGold Ashanti used consultants to liaise directly and frequently with FNI officials. Could you please comment on such allegations.*

AngloGold Ashanti employs agents and consultants to assist in the conduct of its affairs in the DRC. However, the company has not employed consultants to act on its behalf in dealing with the FNI. Where there has been unavoidable contact with the FNI, we have sought to ensure that any such contact took place directly between ourselves and the militia group and that any such contact was transparent.

7. *In your letter of December 7, 2004 to Human Rights Watch, AngloGold Ashanti stated it had “no working or other relationship with FNI” which appears inconsistent with other information provided in the same letter that in late 2003 and again in March, May, July and September 2004 AGK officials met with FNI representatives. We would welcome your comments on this contradiction.*

We do not believe that our comments have been contradictory. It is not the policy or practice of this company to seek to establish continuous, working relationships with militia groups in conflict zones. There have been circumstances in the recent past in the DRC where contact between our management and the FNI has been unavoidable and, in those cases, we have attempted to keep the contact to a minimum and have ensured

that the meetings and their outcomes are communicated with all interested parties. In carrying on our business in the DRC we have, however, persistently made and maintained contact with the Government, both through our partners, OKIMO, and directly with Government officials and military, political and logistical officials of MONUC, in both Bunia and Mongbwalu.

I trust that our answers address your concerns and confirm our willingness to address any further queries you may have. I would add that we would be quite willing to discuss these and related issues with you and your colleagues in person, which we think would be a more constructive means of both addressing any remaining concerns which you might have and affording us the opportunity of describing our experiences and approach to operating under these and similar circumstances in various locations around the world.

Sincerely

Steven Lenahan  
Executive Officer - Corporate Affairs  
AngloGold Ashanti Ltd

## **ANGLOGOLD ASHANTI'S BUSINESS PRINCIPLES: LIVING OUR VALUES**

### **ANGLOGOLD ASHANTI'S MISSION: WHAT WE ARE HERE TO DO...**

#### **Our Business Is Gold**

We consistently seek to create value for everyone with a stake in our company, by finding and mining gold and by developing the market for our product.

#### **OUR VALUES: HOW WE EXPECT TO GET WHERE WE WANT TO GO...**

AngloGold Ashanti consistently strives to generate competitive shareholder returns. We do this by replacing profitable gold reserves and by continuously improving the performance of our key resources - our people, our assets and our product. We conduct ourselves with honesty and integrity.

We provide our employees with opportunities to develop their skills while sharing risks and rewards in workplaces that promote innovation, teamwork and freedom with accountability. We embrace cultural diversity.

Every manager and employee takes responsibility for health and safety; and together strive to create workplaces which are free of occupational injury and illness.

We strive to form partnerships with host communities, sharing their environments, traditions and values. We want the communities to be better off for AngloGold Ashanti's having been there. We are committed to working in an environmentally responsible way.

#### **OUR STAKEHOLDERS: RELATIONSHIPS THAT MATTER...**

**We are committed to developing mutually beneficial partnerships with our stakeholders throughout the life cycle of our operations. Our principal stakeholders include:**

Our Shareholders  
Our Employees, their Families, and Employee Representatives  
Communities in which we operate  
Business Partners  
Governments



This document lays out AngloGold Ashanti's mission and values and describes how we live them through our business principles. These principles are applicable across the company and in all the countries in which we do business, and they inform the way in which we will go about achieving our mission, balancing key economic, social, environmental and ethical values. We acknowledge that they are aspirational in that we are not "there" on all of our commitments but are working towards this goal. Furthermore these principles are not cast in stone but will evolve over time as we interact with our stakeholders, both internal and external and refine what it is that we believe we should be saying, and more importantly doing as a company.

As a point of departure, AngloGold Ashanti believes that democratic government and market economies should be mutually reinforcing. We have, therefore, committed ourselves to a style of corporate citizenship that supports the values of both democracy and market economics.

## **ANGLOGOLD ASHANTI AND ETHICS**

**These undertakings set out the standards which guide the company and its employees in the overall conduct of our business. They apply to all AngloGold Ashanti operations in every country in which we operate and to all of our employees.**

- We will comply with all laws, regulations, standards and international conventions which apply to our businesses and to our relationships with our stakeholders. Specifically, AngloGold Ashanti supports the Universal Declaration of Human Rights, the Fundamental Rights Conventions of the International Labour Organization (ILO) and those principles and values referred to in the United Nations Global Compact.
- Should laws and regulations be non-existent or inadequate, we will maintain the highest reasonable regional standard for that location.
- We will fully, accurately and in a timely and verifiable manner, consistently disclose material information about the company and its performance. This will be done in readily understandable language to appropriate regulators, our stakeholders and the public.
- We will not offer, pay or accept bribes, nor will we condone anti-competitive market practices and we will not tolerate any such activity by our employees.
- We prohibit our employees from trading shares when they have unpublished, material information concerning the company or its operations.
- We require our employees to comply with all money handling requirements under applicable law, and we further prohibit them from conducting any illegal money transfers or any form of "money laundering" in the conduct of the company's business.
- We will require our employees to perform their duties conscientiously, honestly and in ways which avoid conflicts between their personal financial or commercial interests and their responsibilities to the company.
- We will take all reasonable steps to identify and monitor significant risks to the company and its stakeholders. We will endeavour to safeguard our assets and to detect and prevent fraud. We will do this in a manner consistent with the international human rights agreements and conventions to which we subscribe.
- We will promote the application of our principles by those with whom we do business. Their willingness to accept these principles will be an important factor in our decision to enter into and remain in such relationships.
- We are committed to seeking out mutually beneficial, ethical long-term relations with those with whom we do business.
- We encourage employees to take personal responsibility for ensuring that our conduct complies with our principles. No employee will suffer for raising with management

violations of these principles or any other legal or ethical concern. Although employees are encouraged to discuss concerns with their direct managers, they must, in any event, inform the Group Internal Audit Manager of these concerns. Mechanisms are in place to anonymously report breaches of this statement of principles.

- The company will take the necessary steps to ensure that all employees and other stakeholders are informed of these principles.
- If an employee acts in contravention of these principles, the company will take the appropriate disciplinary action concerning such contravention. This action may, in cases of severe breaches, include termination of employment. In addition, certain contraventions may also result in the commencement of civil proceedings against the employee and the referral of the matter to the appropriate enforcement bodies if criminal proceedings appear warranted.

### **ANGLOGOLD ASHANTI IN THE COMMUNITY**

- AngloGold Ashanti's aim is to have a positive impact on the people, cultures and communities in which it operates. Accordingly, AngloGold Ashanti will be respectful of local and indigenous people, their values, traditions, culture and the environment.
- We will strive to ensure that surrounding communities are timeously informed of, and where possible, involved in, developments which affect them, throughout the life cycle of our operations.
- We will undertake social investment initiatives in the areas of need where we can make a practical and meaningful contribution. In particular, we will contribute to those areas of education and healthcare which are relevant to our business activities, and those most likely to be sustainable once our operations have come to a conclusion in that community.
- The company will encourage its employees to make themselves available for participatory and leadership roles in community activities.
- We will seek to acquire and use land in a way which promotes the broadest possible consensus amongst interested people. Where involuntary resettlement is unavoidable, we will abide by appropriate guidelines for resettlement, where they exist, and in any event will work with the local communities to develop workable plans for any resettlement which may be necessary.
- We will strive to contribute to the sustainable economic development of host communities through procurement activities; the contribution of redundant assets to the community; assistance in the establishment and growth of small to medium sized sustainable enterprises; and the outsourcing of goods and services from local vendors where appropriate.

### **ANGLOGOLD ASHANTI AS AN EMPLOYER: OUR LABOUR PRACTICES**

- AngloGold Ashanti is committed to upholding the Fundamental Rights Conventions of the ILO. Accordingly, we seek to ensure the implementation of fair employment practices by prohibiting forced, compulsory or child labour.
- AngloGold Ashanti is committed to creating workplaces free of harassment and unfair discrimination.
- As an international company, we face different challenges in different countries with regard to, for example, offering opportunities to citizens who may not have enjoyed equal opportunities in the past. In such cases, the company is committed to addressing the challenge in a manner appropriate to the local circumstances.

- We will seek to understand the different cultural dynamics in host communities and adapt work practices to accommodate this where doing so is possible and compatible with the principles expressed in this document.
- The company will promote the development of a work force that reflects the international and local diversity of the organisation.
- The company will provide all employees with the opportunity to participate in training that will improve their workplace competency.
- The company is committed to ensuring that every employee has the opportunity to become numerate and functionally literate in the language of the workplace.
- The company is committed to developing motivated, competent and experienced teams of employees through appropriate recruitment, retention and development initiatives. An emphasis is placed on the identification of potential talent, mentoring and personal development planning.
- Remuneration systems will reward both individual and team effort in a meaningful way.
- Guided by local circumstances, we shall continue to work together with stakeholders to ensure minimum standards for company-provided accommodation.
- The company assures access to affordable health care for employees and where possible, for their families.
- We are committed to prompt and supportive action in response to any major health threats in the regions in which we operate.

#### **ANGLOGOLD ASHANTI AS AN EMPLOYER: OUR COMMITMENT TO OCCUPATIONAL HEALTH AND WORKPLACE SAFETY**

- The company is committed to complying with all relevant occupational health and safety laws, regulations and standards. In the absence of thereof standards reflecting best practice will be adopted.
- We are committed to providing a working environment that is conducive to safety and health.
- The company places the management of occupational safety and health as a prime responsibility for line management, from the executive through to the first line supervisory level.
- We strive for employee involvement and for consultation with employees or their representatives to gain commitment in the implementation of these principles.
- The company is committed to providing all necessary resources to enable compliance with these principles.
- The company will not tolerate or condone breaches of standards and procedures.
- We will implement safety and health management systems based on internationally recognized standards and we will assess the effectiveness of these systems through periodic audit.
- We will conduct the necessary risk assessments to anticipate, minimize and control occupational hazards.
- We will promote initiatives to continuously reduce the safety and health risks associated with our business activities.
- We will set safety and health objectives based on a comprehensive strategic plan and will measure performance against our plan.
- We will monitor the effects of the company's operational activities on the safety and health of our employees and others, and we will conduct regular performance reviews.
- We will provide all necessary personal protective equipment.
- We will establish and maintain a system of medical surveillance for all employees.

- We will communicate openly on safety and health issues with employees and other stakeholders.
- We will ensure that employees at all levels receive appropriate training and are competent to carry out their duties and responsibilities.
- We will require our contractors to comply with these principles and we will seek to influence joint partners to apply them as well.

#### **ANGLOGOLD ASHANTI AND THE ENVIRONMENT**

- We recognise that the long-term sustainability of our business is dependent upon good stewardship in both the protection of the environment and the efficient management of the exploration and extraction of mineral resources.
- We will comply with all applicable environmental laws, regulations and requirements.
- We are committed to establishing and maintaining management systems to identify, monitor and control the environmental aspects of our activities.
- The company will ensure that financial resources are available to meet its reclamation and environmental obligations.
- The company will ensure that its employees and contractors are aware of this policy as well as their relevant responsibilities.
- We will conduct audits to evaluate the effectiveness of our environmental management systems.
- We are committed to communicating and consulting with interested and affected parties on environmental aspects of our activities.
- We will work to continually improve our environmental performance; and
- The company will participate in debate on environmental matters at international, national and local levels.

## ***Metalor Technologies S.A.***

### ***A. Human Rights Watch letter to Metalor, December 8, 2004***

Metalor Technologies S.A.  
Dr Scott Morrison  
Head of Operating Refining Division  
Marin, Switzerland  
*Via Fax*

Dear Dr. Morrison:

Human Rights Watch is preparing a report on the human rights situation in the district of Ituri, Democratic Republic of Congo (DRC) with a specific focus on the links between the trade in gold by armed groups and abuses of human rights. Human Rights Watch is an independent, nongovernmental organization that since 1978 has conducted investigations of human rights abuses throughout the world. We have to date published two detailed reports on the widespread human rights abuses in north-eastern DRC as well as numerous other reports, articles and press releases.

We would be grateful for information you could provide on the gold trade from Uganda to Switzerland. Based on research conducted by Human Rights Watch in Uganda and export statistics from the Ugandan government, we understand that much of the gold exported from Uganda originates from the DRC and is destined for Switzerland. We would be grateful for information you might be able to provide on your suppliers in Uganda and whether the gold Metalor Technologies purchases from these suppliers originates in the DRC.

We also have a number of additional questions and points of clarification and would welcome any information on the issues specifically raised below. In the interests of balanced and fair reporting, we strive to reflect all perspectives in our research and publications and look forward to your response.

Attached are questions regarding Metalor Technologies purchases of gold from Ugandan based companies and questions about policies pursued by Metalor on monitoring your supply chain, in particular with respect for human rights. We would appreciate any information you care to supply. Your response will be taken into account in our

forthcoming report. In light of our publishing schedule, we would be grateful to receive your written response by January 7, 2004.

In the meantime, myself and a colleague, Alex Vines, will be traveling to Switzerland on December 22, 2004 and would appreciate an opportunity to meet with you or other members of your staff to discuss these issues further. Please let me know if this is convenient for you.

Thank you very much. I look forward to hearing from you.

Sincerely,

Anneke Van Woudenberg  
Senior Researcher  
Human Rights Watch

To: Metalor Technologies S.A.  
From: Human Rights Watch  
Date: December 8, 2004  
Subject: Gold Purchases from Uganda or the DRC

A. Purchases from Ugandan Based Gold Exporting companies

Human Rights Watch has received information that Metalor Technologies purchased gold from two Ugandan based exporting companies: Uganda Commercial Impex Ltd and Machanga Ltd., both based in Kampala. We would be grateful if you could confirm this information and indicate the length of your relationship with each of these companies, the amount of gold you purchase from each one annually, and whether these companies continue to act as your suppliers.

B. Supply Chain

Human Rights Watch has been informed that the vast majority of gold traded from Uganda originates from north-eastern parts of the DRC, as confirmed by low local production of gold in Uganda itself and the high export of gold from the country as

published in official Ugandan statistics. Could you please clarify the origin of the gold you purchase from Ugandan based traders.

Specifically, we would welcome clarification on the followings points:

1. If you have carried out checks with your suppliers in Uganda to determine the origin of the gold they purchased. If yes, when and how were these checks carried out and what was the result.
2. If you have carried out checks with your suppliers in Uganda to determine the legality of their purchases of gold. If yes, when and how were such checks carried out and what was the result.

C. Ensuring Respect for Human Rights

We would appreciate information about the policies Metalor Technologies has adopted regarding respect for human rights by those in your supply chain from whom you purchase gold. We understand that Metalor Technologies recently enacted a landmark compliance and monitoring program in your organization. We would welcome any information you care to supply on how this program is being implemented in your supply chain, particularly with regard to your suppliers from Uganda.

Specifically, we would welcome your responses to the following questions:

1. What steps has Metalor Technologies taken to ensure its purchases of gold from Uganda do not in any way support armed groups operating in the DRC?
2. What conditions, if any, has Metalor Technologies placed on gold suppliers in Uganda to determine they do not trade with groups of individuals who carry out human rights abuses in the DRC?
3. What checks has Metalor Technologies undertaken to ensure that its gold purchases do not in any way contribute to groups or individuals who carry out human rights abuses in the DRC?

*B. Fax from Metalor, December 17, 2004*

**METALOR®**

Metalor Technologies SA

Human Rights Watch  
Mrs. A. Van Woudenberg  
2-12 Pentonville Road  
London N1 9HF  
Great Britain

Fax +44 20 7713 1800

Neuchâtel, December 17, 2004

Dear Mrs. Van Woudenberg

I refer to your fax message of December 8, 2004 in relation to the human rights situation in the district of Ituri, Democratic Republic of Congo.

Metalor is subject to the Swiss Precious Metal Control Act and the Money Laundering Act. As a result, it is our obligation to carry out complete due diligence on our customers and suppliers. This means that we have to check the identity of the counterparty to a contract and the legitimate origin of the precious metals supplied to us.

We require from our suppliers assurances that:

- they are the beneficial owners of the goods, that the goods have been acquired legally;
- they have acquired the goods from persons who have brought evidence to the effect that they are the legitimate owners of the goods;
- they have taken all the necessary measures to prohibit the trade of goods of unlawful origin; and
- the goods have been exported from the country of origin in compliance with the relevant legislation of such country (for example we require that documents be certified by the export country's legal/diplomatic representation).

We do not accept goods originating from criminal activities, from criminals or terrorist groups or goods used to finance criminal or terrorist activities.

We also have a duty to clarify specific situations, the duty to obtain documentation and to record all transactions and the obligation to declare suspicious transactions to the money laundering authorities.

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[corporate@metalor.ch](mailto:corporate@metalor.ch)



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You have also asked whether we could provide you with information on our suppliers in Uganda. I am sure that you will appreciate that disclosing information on our suppliers and certain transactions would be contrary to the confidentiality and secrecy obligations imposed on us, unless we seek and obtain prior approval from our principals.

I trust that this answers your queries.

Yours Sincerely,

A handwritten signature in black ink, appearing to be 'S. Morrison', written over a horizontal line.

Dr. Scott Morrison

### ***C. Letter from Human Rights Watch to Metalor, January 13, 2005***

Metalor Technologies S.A.

Dr Scott Morrison

Avenue du Vignoble

CH-2009 Neuchâtel

*Via Fax*

Dear Dr. Morrison:

Thank you for your fax dated December 17, 2004 in which you responded to some of the Human Rights Watch queries concerning your company's trade with Ugandan gold suppliers.

As mentioned in our previous correspondence, Human Rights Watch is preparing a report on the human rights situation in the district of Ituri, Democratic Republic of Congo (DRC) with a specific focus on the links between the trade in gold by armed groups and abuses of human rights. Based on information we have received we understand that the vast majority of gold traded from Uganda originates from north-eastern parts of the DRC and that your company purchases gold from Uganda.

An important principle of our work is balanced and fair reporting which we seek to reflect in all our research and publications. Your earlier response to our queries was very helpful in highlighting the general principles your company abides by and the assurances you require from your suppliers on how they acquired their goods. However, we would be grateful for further clarification on checks your company carried out on two suppliers which we understand you trade with: Uganda Commercial Impex Ltd. and Machanga Ltd., both based in Kampala, Uganda.

The questions we have in relation to these two suppliers are attached. We would appreciate any information you care to provide. Your response will be taken into account in our forthcoming report. We are now in the final stages of our publishing schedule and so would appreciate receiving your written response by January 21, 2005.

In the meantime, I will be in Switzerland in the coming ten days and would appreciate an opportunity to meet with you or other members of your staff to discuss these issues further. Please let me know what day would be convenient for you.

Thank you very much and I look forward to hearing from you.  
Sincerely,

Anneke Van Woudenberg  
Senior Researcher  
Human Rights Watch

To: Metalor Technologies S.A.  
From: Human Rights Watch  
Date: January 13, 2004  
Subject: Gold Purchases from Uganda or the DRC

A. Supply Chain

Human Rights Watch has received information that Metalor Technologies purchased gold from two Ugandan based exporting companies: Uganda Commercial Impex Ltd. and Machanga Ltd. You mentioned in your previous correspondence that you require assurances from your suppliers on the legality and origin of the goods you purchase. Could you please clarify the checks you carried out with regard to these two suppliers.

Specifically, we would welcome clarification on the following points:

1. When you carried out checks with the two suppliers mentioned above to determine the origin of the gold they purchased. How were these checks carried out and what was the result.
2. When you carried out checks with the two suppliers mentioned above to determine whether they were the beneficial owners of the goods and that their goods had been acquired legally. How were such checks carried out and what was the result.
3. When you carried out checks with the two suppliers mentioned above to ensure they bought goods from others who were the legitimate owners of the goods and brought evidence to that effect. How were the checks carried out, what evidence was presented and what was the result.
4. When you carried out checks to the two suppliers mentioned above to ensure all necessary means had been taken to prohibit the trade of goods of unlawful origin. How were such checks carried out and what was the result.

5. When you carried out checks with the two suppliers mentioned above to ensure the goods they imported from DRC were in compliance with the legislation of the DRC. How were such checks carried out and what was the result.

B. Ensuring Respect for Human Rights

We would appreciate information about the policies Metalor Technologies has adopted regarding respect for human rights by those in your supply chain from whom you purchase gold.

Specifically, we would welcome your responses to the following questions in relation to Uganda Commercial Impex Ltd. and Machanga Ltd.:

1. What steps has Metalor Technologies taken to ensure its purchases of gold from these Ugandan suppliers do not in any way, even indirectly, benefit armed groups operating in the DRC?
2. What conditions, if any, has Metalor Technologies placed on these gold suppliers in Uganda to determine they do not trade with groups of individuals who carry out human rights abuses in the DRC?

***D. E-mail from Metalor, February 1, 2005***

Subject: Human Rights Watch Letter

From: Irene Froehlich

Date: Tue, 1 Feb 2005 18:06:00 +0100

To: Anneke van Woudenberg

Dear Mrs Van Woudenberg,

We acknowledge receipt of your fax message of January 13, 2005.

The checks we carry out on our gold suppliers and the origin of the goods provided by them are those imposed on us by the Swiss federal law on money laundering. Due diligence is carried out by all reasonable and lawful available means (such as governmental bodies, official institutions, diplomatic representations, financial information providers, registries of commerce, etc.).

As indicated in our earlier correspondence, we are afraid that we cannot provide you, nor any third party, with information as to the identity of our suppliers or the details of our transactions without the approval of our suppliers.

Yours Sincerely,

On behalf of Mr Scott Morrison

Irène Froehlich

CEO Assistant, Metalor Technologies SA

***E. Letter from Metalor, April 14, 2005***

Letter from Dr. Scott Morrison to Anneke van Woudenberg on April 14, 2005.

Information confidential at the request and not for publication at the request of Metalor Technologies. Letter on file at Human Rights Watch.