

ENHANCING SUSTAINABILITY PERFORMANCE

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EMBEDDING SUSTAINABILITY

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AngloGold Ashanti is not a newcomer to the increasingly sophisticated and more demanding sustainability landscape that is emerging. For well over a decade our business decisions have been made through an ESG lens to ensure we responsibly develop natural resources in partnership with our host governments and communities.

Sustainability is embedded in our business activities both as a driver for long-term value creation and as a pillar of our social licence to operate. As a result, we can generate improved returns to our providers of capital and generate increased opportunities to all our stakeholders.

The starting point is a comprehensive materiality assessment of ESG factors that determine our

key sustainability priorities in consultation with a range of internal and external stakeholders. This assessment of material ESG factors enables the Company to better direct its efforts at creating both social and financial value. It also informs our corporate culture, helps identify our objectives and, influences how our senior leaders are compensated.

Governance

We believe governance is at the heart of a strong ESG performance. Our culture of transparent reporting internally and externally gives us the insight to ensure everything is working as it should be, right down to the site level. And in the face of unexpected challenges, our governance framework allows us to move quickly to address challenges that inevitably arise.

Our board executes a robust oversight of ESG risks and opportunities. Sustainability is well integrated at board level, with additional focus and oversight provided by the Social, Ethics and Sustainability Committee. This ensures that the interest of our communities and effective stewardship of the environment, are kept in focus as we work to meet our business objectives.

As part of our governance framework, we commit to global *policies and standards*, both regulatory and non-binding, going the extra mile to fulfil our responsible corporate citizenship that forms the backbone of our management systems.

The executive management team also plays an active and engaged oversight role in sustainability, ensuring that risks, impacts and opportunities are flagged and managed



“Sustainability is a matter of financial materiality as well as corporate purpose.”

effectively – in order to prevent problems from turning into crises.

In addition, our comprehensive risk and assurance review process, with rigorous internal and external audits, enhances scrutiny and oversight, and provides an extra layer of confidence for our stakeholders.

Our priorities

- The **health and safety of our employees** is our first priority. We have steadily reduced injury and occupational disease rates during the last 10 years. Every death at work is a tragedy which enjoins us to redouble our efforts to strengthen our systems, reinforce our strong health and safety culture, and constantly look at the deployment of new technology to further reduce the risk of injury and eliminate fatalities.

ENHANCING SUSTAINABILITY PERFORMANCE continued

- We continue to review and improve our response to the **COVID-19 pandemic**, to ensure our employees are safe. We are also engaging with stakeholders to explore ways to support community-based vaccination campaigns as vaccines become more widely available.

- We set our first **emissions reduction targets** in 2008, well before it became commonplace to do so. Our scope 1 and 2 GHG emissions intensity targets were met years ahead of the deadline. As a result, our carbon intensity is 43% below our 2007 base year, while overall emissions of our portfolio have almost halved over that time.

Drawing upon this experience, we are consulting new climate models as we look to set new targets this year as a precursor to charting a pathway to Net Zero, something we are firmly committed to. We are conducting detailed climate risk assessments and considering an aggressive set of future climate scenarios. Our inaugural TCFD report, expected in 2021, will align our disclosure to the best international practice and thus help us fulfil our climate ambitions.

- As a founding member of the ICMM, we have a robust governance framework of **tailings storage facilities (TSFs)**. A comprehensive system of checks and balances with four distinct levels of assurance has allowed us to keep a strong

track record in managing an international portfolio of different types of TSFs. This TSF oversight system includes specialist inspections, external third-party reviews of TSFs, clear mechanisms for reporting risk and tracking mitigation measures, as well as appropriate channels to escalate issues at any site. Critically, in line with our overall governance framework, the board and the executive committee are kept abreast of the TSF status on a regular basis.

We are committed to implementing the *Global Industry Standard on Tailings Management*, co-convened by the ICMM, the United Nations Environment Programme and the Principles for Responsible Investment.

- AngloGold Ashanti was one of the first signatories to the Women's Empowerment Principles issued by the UN Global Compact. This commitment has raised the bar of our performance; **gender diversity** is a KPI for senior management and female representation – at board and management levels – is on par with the good international practice. In 2015, we established a specific *Gender Equality Policy* that continues to guide our efforts to enhance gender inclusivity with oversight from the board's SES Committee. Moreover, we complete diversity and inclusion assessments across every site to identify roadblocks to inclusion in the workplace.

- Similarly, **respecting human rights** is a core business tenet that we strictly monitor. While there were no reported human rights incidents in 2020, this is another area where complacency cannot be tolerated.

Our *Global Human Rights Policy* applies to employees, contractors and other business partners, including supply chain, state actors and joint venture partners. All sites have conducted human rights due diligence assessments, and grievance and independent anonymous whistle-blowing mechanisms are available for internal and external stakeholders.

We continued the integration of human rights standards throughout our supply chain and implemented a Responsible Sourcing Programme across our Africa Region sites, to help us identify and handle possible risks posed by a supplier.

- In respect of the rights of **Indigenous Peoples**, our policy is aligned with International Standards and conventions, such as the ICMM Position Statement on Indigenous Peoples and the International Finance Corporation's Performance Standard 7 on Indigenous Peoples. Australia is the only country where Indigenous Communities are adjacent to our sites. For the last 30 years, we have developed a strong level of trust and cooperation with the traditional owners of the land where we operate.

- The premise of our social licence is to make a positive impact wherever we operate. We develop skills in our host communities and spend locally to build capacity in these markets. Above all, this involves sharing fairly the benefits of mining that often represent a significant injection of wealth to areas with otherwise limited alternatives of development.

Last year, we contributed more than a \$1 billion to governments in royalties and taxes. These revenues are important in the recovery from the pandemic at a time when entire sectors of the economy have been decimated. We paid more than \$2 billion to employees and local businesses, helping to fuel an engine of economic prosperity around mine sites and beyond.

We work closely with those communities, guided by the UN SDGs and with the priorities of local people in mind, to support their development and upliftment. As a result, we undertook social investment worth \$22 million, targeting social infrastructure, health, education, and support for the youth and SMEs.

Our industry is well placed to have a positive impact on society, but we also recognise the challenges facing the sector. We are committed to abiding by our values and seeking improvements wherever possible, as we work to leave behind a positive legacy.