

ANGLOGOLD ASHANTI LTD

Form 6-K

April 11, 2013

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**WASHINGTON, DC 20549**

**FORM 6-K**

**REPORT OF FOREIGN PRIVATE ISSUER**

**PURSUANT TO RULE 13a-16 OR 15d-16 OF**

**THE SECURITIES EXCHANGE ACT OF 1934**

Report on Form 6-K dated April 11, 2013

Commission File Number 1-14846

AngloGold Ashanti Limited

(Name of registrant)

76 Jeppe Street

Newtown, 2001

(P.O. Box 62117, Marshalltown, 2107)

South Africa

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

**Form 20-F**  **X**      Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes

**No**  **X**

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes

**No**  **X**

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes      **No**  **X**

Enclosure:    **ANGLOGOLD ASHANTI SUSTAINABILITY REPORT FOR THE YEAR  
ENDED DECEMBER 31, 2012**

**2012**

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SUSTAINABILITY  
REPORT

Safety is our first value.

We place people first and correspondingly put the highest priority on safe and healthy practices and systems of work.

We are responsible for seeking out new and innovative ways to ensure that our workplaces are free of occupational injury and illness. We live each day for each other and use our collective commitment, talents, resources and systems to deliver on our most important commitment ... **to care.**

We treat each other with dignity and respect.

We believe that individuals who are treated with respect and who are entrusted to take responsibility respond by giving their best. We seek to preserve people's dignity, their sense of self-worth in all our interactions, respecting them for who they are and valuing the unique contribution that they can make to our business success. We are honest with ourselves and others, and we deal ethically with all of our business and social partners.

We value diversity.

We aim to be a global leader with the right people for the right jobs. We promote inclusion and team work, deriving benefit from the rich diversity of the cultures, ideas, experiences and skills that each employee brings to the business.

We are accountable for our actions and undertake to deliver on our commitments.

We are focused on delivering results and we do what we say we will do. We accept responsibility and hold ourselves accountable for our work, our behaviour, our ethics and our actions. We aim to deliver high performance outcomes and undertake to deliver on our commitments to our colleagues, business and social partners, and our investors.

The communities and societies in which we operate will be better off for AngloGold Ashanti having been there.

We uphold and promote fundamental human rights where we do business. We contribute to building productive, respectful and mutually beneficial partnerships in the communities in which we operate. We aim to leave host communities with a sustainable future.

We respect the environment.

We are committed to continually improving our processes in order to prevent pollution, minimise waste, increase our carbon efficiency and make efficient use of natural resources. We will develop innovative solutions to mitigate environmental and climate risks.

#### MISSION

To create value for our shareholders, our employees and our business and social partners through safely and responsibly exploring, mining and marketing our products. Our primary focus is gold and we will pursue value creating opportunities in other minerals where we can leverage our existing assets, skills and experience to enhance the delivery of value.

#### VALUES

OUR  
VISION  
TO BE THE LEADING MINING COMPANY

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Forward-looking statements

Certain statements contained in this document, other than statements of historical fact, including, without limitation, those concerning the economic outlook for the gold mining industry, expectations regarding gold prices, production, cash costs and other operating results, return on equity, productivity improvements, growth prospects and outlook of AngloGold

Ashanti's operations, individually or in the aggregate, including the achievement of project milestones, commencement and completion of commercial operations of certain of AngloGold

Ashanti's exploration and production projects and the completion of acquisitions and dispositions, AngloGold Ashanti's liquidity and capital resources and capital expenditures and

the outcome and consequence of any potential or pending litigation or regulatory proceedings or environmental issues, are forward-looking statements regarding AngloGold Ashanti's

operations, economic performance and financial condition. These forward-looking statements or forecasts involve known and unknown risks, uncertainties and other factors that may

cause AngloGold Ashanti's actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in these

forward-looking statements. Although AngloGold Ashanti believes that the expectations reflected in such forward-looking statements and forecasts are reasonable, no assurance can be

given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other

factors, changes in economic, social and political and market conditions, the success of business and operating initiatives, changes in the regulatory environment and other government

actions, including environmental approvals, fluctuations in gold prices and exchange rates, the outcome of pending or future litigation proceedings, and business and operational risk

management. For a discussion of such risk factors, refer to the document entitled "Risk factors related to AngloGold Ashanti's suite of 2012 reports" on the AngloGold Ashanti online

corporate report website at [www.aga-reports.com](http://www.aga-reports.com). These factors are not necessarily all of the important factors that could cause AngloGold Ashanti's actual results to differ materially

from those expressed in any forward-looking statements. Other unknown or unpredictable factors could also have material adverse effects on future results. Consequently, readers are

cautioned not to place undue reliance on forward-looking statements. AngloGold Ashanti undertakes no obligation to update publicly or release any revisions to these forward-looking

statements to reflect events or circumstances after the date of this Sustainability Report or to reflect the occurrence of unanticipated events, except to the extent required by applicable

law. All subsequent written or oral forward-looking statements attributable to AngloGold Ashanti or any person acting on its behalf are qualified by the cautionary statements herein. This

communication may contain certain "Non-GAAP" financial measures. AngloGold Ashanti utilises certain Non-GAAP performance measures and ratios in managing its business. Non-

GAAP financial measures should be viewed in addition to, and not as an alternative for, the reported operating results or cash flow from operations or any other measures of performance

prepared in accordance with IFRS. In addition, the presentation of these measures may not be comparable to similarly titled measures other companies may use. AngloGold Ashanti

posts information that is important to investors on the main page of its website at [www.anglogoldashanti.com](http://www.anglogoldashanti.com) and under the "Investors" tab on the main page. This information is updated

regularly. Investors should visit this website to obtain important information about AngloGold Ashanti.

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**07**

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**19**

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See the guide to using our reports  
on the inside back cover and flap.

Guide to using our reports

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CONTENTS

Our Sustainability Report is published annually, with the previous report having been published in March 2012. This report should be read in conjunction with our online Sustainability Report and our Integrated Report for the year ended 31 December 2012.

For ease of use, a detailed guide to using our reports may be found on the inside back cover of this report, with a flap that may be opened while reading the report. An interactive online guide may be found at [www.aga-reports.com](http://www.aga-reports.com).

#### KEY FEATURES OF THE YEAR

For the group

For noting

The following key parameters should also be noted in respect of our reports:

- 

Production is expressed on an attributable basis unless otherwise indicated.

- 

The average workforce, including employees and contractors, is reported for AngloGold Ashanti subsidiaries and joint ventures (JVs). The JVs are reported on an attributable basis.

- 

Adjustment of greenhouse gas (GHG) emissions factors for Ghana and updating of records at other locations have resulted in restatement of some entries for 2011.

- 

Unless otherwise stated, \$ or dollar refers to US dollars throughout this suite of reports.

- 

Locations on maps are for indication purposes only.

- 

Group and company are used interchangeably.

For terminology used refer to the glossary of terms at [www.aga-reports.com](http://www.aga-reports.com).

OS

AIFR

(1)

(per million hours worked)

08

09

10

11

12

0

5

10

15

20

7.72

9.76

11.50



12.88

16.66

(1)

*All injury frequency rate*

Incidents under the VPSHR

(2)

0

2

4

6

8

10

9

5

2

1

3

(2)

*Voluntary Principles on Security and Human Rights*

(Human rights incidents due to security interventions)

08

09

10

11

12

Average number of employees

(including contractors)

0

10,000

20,000

30,000

40,000

50,000

60,000

70,000

80,000

65,822

61,242

62,046

63,364

62,895

08

09

10

11

12

Community investment

(\$m)

0

4

8

12  
16  
20  
24  
28  
24.91  
20.61  
16.08  
10.88  
8.44  
08  
09  
10  
11  
12  
Payments to governments  
(\$m)  
0  
300  
600  
900  
1,200  
1,500  
1,245  
1,220  
844  
644  
535  
08  
09  
10  
11  
12  
Number of reportable environmental incidents  
0  
10  
20  
30  
40  
50  
60  
16  
27  
27  
51  
55  
08  
09  
10  
11  
12

**2012 SUSTAINABILITY REPORT**

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**}**

WHO  
WE ARE  
THIS SECTION PROVIDES AN OVERVIEW  
OF WHO WE ARE, WHAT WE DO AND  
WHERE WE OPERATE

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*Bruce Kirkpatrick and John Caullay at Sunrise Dam gold mine, Australia*

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WHO WE ARE

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3

OPERATIONS

1

Argentina

5

Guinea

8

South Africa

9

Tanzania

Cerro Vanguardia (92.5%)

Siguiri (85%)

Vaal River

Geita

2

Australia

6

Mali

Great Noligwa

10

United States

Sunrise Dam

Morila (40%)

Kopanang

Cripple Creek & Victor

3

Brazil

Sadiola (41%)

Moab Khotsong

(CC&V)

Serra Grande

(1)

Yatela (40%)

Surface operations

AGA Mineração

7

Namibia

Mine Waste Solutions

4

Ghana

Navachab  
West Wits  
Iduapriem  
Mponeng  
Obuasi  
Savuka  
TauTona

(1)

*Effective 1 July 2012, AngloGold Ashanti increased its shareholding from 50% to 100%.*

#### MAJOR PROJECTS

11

Colombia

Gramalote (51%)

12

Democratic Republic  
of the Congo (DRC)

13

Australia

Tropicana (70%)

La Colosa

Kibali (45%)

Mongbwalu (86.2%)

#### OUR BUSINESS

AngloGold Ashanti, one of the world's foremost gold exploration, mining and marketing companies, holds a portfolio of operations and projects on four continents, and has a worldwide exploration programme. We work across the full spectrum of the mining value chain, and are concerned with the impact of our activities on the diverse communities and environments in which we operate.

Americas

Continental Africa

South Africa

Australasia

Percentages indicate

the ownership interest of

AngloGold Ashanti, whether

held directly or indirectly.

All operations and projects

are 100%-owned unless

otherwise indicated.

#### 2012 SUSTAINABILITY REPORT

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## OUR OPERATIONS AND PROJECTS

Headquartered in Johannesburg, South Africa, AngloGold Ashanti has 21 operations in 10 countries. Major development projects are located at Tropicana in Australia, Mongbwalu and Kibali in the DRC and La Colosa in Colombia.

Our extensive brownfield, greenfield and marine exploration programmes extend to 12 countries, in both established and new gold-producing regions through managed and non-managed joint ventures, strategic alliances and wholly-owned ground holdings. We have an interest in Rand Refinery, a gold refining and smelting complex in South Africa, and own and operate the Queiroz Refinery in Brazil.

The group is managed according to four geographic regions, namely:

- South Africa, which comprises two mining areas and associated infrastructure – namely West Wits and Vaal River, which together comprise six deep-level mining and surface operations. In July 2012, AngloGold Ashanti concluded the acquisition of First Uranium (Pty) Limited, the owner of Mine Waste Solutions, which operates in the same area of South Africa.

- Continental Africa, which comprises the operations in Ghana, Guinea, Mali, Namibia and Tanzania, as well as projects in the DRC.

- Americas, comprising operations in Argentina, Brazil and the United States, as well as projects in Colombia. AngloGold Ashanti concluded the acquisition of the remaining 50% interest in Serra Grande in Brazil during the year.

- Australasia, which currently focuses on a mine and project in Australia.

## OUR PEOPLE

AngloGold Ashanti's operations and joint ventures employed, on average, 65,822 people (including contractors) in 2012 (2011: 61,242 people).

## OUR PRODUCTS

Gold has been a much sought-after source of wealth over the centuries. It has extensive uses as an investment, as a store of value, as jewellery and for use in the electronics industry and medical technology.

Once mined, the ore is processed into doré (unrefined gold bars) at AngloGold Ashanti's operations, and the product is dispatched to various precious metals refineries. The gold is refined to a purity of at least 99.5%, in accordance with the standards of 'good delivery' as determined by the London Bullion Market Association (LBMA). This is important as it ensures that we comply with the highest standards as a responsible mining company.

In addition to gold, and depending on geology, valuable by-products including silver, sulphuric acid and uranium may be produced in the process of recovering the gold mined at our various operations. These are inputs to other markets and industries, demonstrating a valuable contribution from our mining.

#### OUR MARKETS

AngloGold Ashanti's primary direct customers of gold are bullion banks acting as intermediaries for gold markets. We promote our product in target markets, by supporting initiatives aimed at improving gold jewellery design. This is mainly through the AuDITIONS programme of jewellery design competitions. Jewellery consumption in countries such as India and China represents an important portion of physical gold demand.

#### OUR SHAREHOLDERS

AngloGold Ashanti's primary listing is on the JSE in Johannesburg. The company is also listed on the New York, London, Australia and Ghana stock exchanges. The government of Ghana holds a 1.66% interest in the company. The national governments of Mali, Guinea and the DRC hold direct interests in our subsidiaries operating in those countries. In Argentina, the province of Santa Cruz has a stake in Cerro Vanguardia.

In South Africa, a black economic empowerment (BEE) transaction undertaken in 2006 transferred an amount equivalent to 6% of the value of South African production to employees participating in an Employee Share Ownership Plan (ESOP) and to our BEE partner, Izingwe Holdings. At year end, 25,284 employees were participants to the ESOP.

At the end of December 2012, AngloGold Ashanti had 383,320,962 ordinary shares in issue and a market capitalisation of \$12.02bn (2011: \$16.23bn).

United States

44

South Africa

31

United Kingdom

8

Rest of Europe

5

Singapore

3

Rest of world/  
unidentified

3

Australia

2

Ghana

2

Rest of Americas

2



Geographic distribution of shareholders

as at 31 December 2012 (%)

Attributable gold production

(000oz)

South Africa

1,212

Continental Africa

1,521

Americas

953

Australasia

258

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WHO WE ARE

Stakeholders are those who are directly or indirectly affected by our business and those with the ability to influence our business outcomes, positively and/or negatively, and social partners are stakeholders with whom we seek to build mutually beneficial relationships. Stakeholder engagement may be formal or informal.

Our stakeholders are highly diverse, reflecting the variety of geographic regions in which we operate, the wide range of groups with which we interact and the extent of issues with which we deal.

While we plan for a certain level of engagement in every relationship, we aim to be responsive to issues and concerns as they arise.

Stakeholder identification and engagement is undertaken in all areas of operation, within a framework informed by the group management standard on engagement ([www.aga-reports.com/12/pdf/ms-engagement](http://www.aga-reports.com/12/pdf/ms-engagement)). This standard applies to engagement at corporate, regional, country office and site levels and:

- records our intention that all operations engage in building successful and mutually beneficial relationships with stakeholders throughout the life of mine cycle (including exploration projects, new and established operations, during closure and post-closure); and
- provides tools for building social partnerships to secure our social licence to operate and positions us as the preferred operator wherever we have a presence.

#### OUR STAKEHOLDERS

Stakeholder engagement is the process through which we stay connected with our stakeholders and social partners.

AngloGold  
Ashanti  
Communities  
Investors  
Employees  
and employee  
representatives  
Media  
Governments  
Regulatory  
bodies  
Industry  
bodies  
Suppliers  
Customers  
\*NGOs and  
CBOs  
JV partners

Stakeholder

groups with which  
we interact include:

See case study:

Americas – Partnership and  
participation at CC&V

OS

at [www.aga-reports.com/12/ccv-participation](http://www.aga-reports.com/12/ccv-participation)

\* *NGOs = non-governmental organisations*

*CBOs = community-based organisations*

POD

CAST

Thomas Streiff

Fondation Guilé

*Head of Engagement*

AngloGold Ashanti's sustainability reporting content:

what investors want to know

*Podcast available at:*

[www.aga-reports.com/12/thomas-streiff](http://www.aga-reports.com/12/thomas-streiff)

**2012 SUSTAINABILITY REPORT**

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OUR

APPROACH

THIS SECTION ADDRESSES OUR  
BUSINESS STRATEGY AND OUR  
SUSTAINABILITY STRATEGY. IT ALSO  
TAKES A LOOK AT OUR APPROACH  
TO RISK MANAGEMENT AND THE  
SUSTAINABILITY ISSUES THAT WE  
BELIEVE ARE MATERIAL TO OUR  
BUSINESS. FINALLY, WE DISCUSS  
OUR APPROACH TO ASSURANCE  
AND PROVIDE FEEDBACK FROM OUR  
SUSTAINABILITY PANEL

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*Pacifique Zaboni at Mongbwalu in the DRC*

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OUR APPROACH

## REFLECTIONS ON 2012

Looking back at our sustainability journey and performance in the last year gives us an important view of progress in our longer-term business journey. I have been privileged to have been part of the team that built the foundation for systemic changes in the way we do business, and how we consider sustainability across all areas of our business. The continuing challenge we face is how to turn great ideas into actions on the ground. The building of systems and processes that are well understood provides the boundaries within which we operate. They must be embraced and adopted across all our operations so that we not only support effective knowledge management but also foster cross learning between the different geographic areas and disciplines. As reported in 2011, we have developed a sustainability framework that laid the foundations for the development of our sustainability strategy. In June 2012, we appointed our Executive Vice President: Sustainable Development, David Noko.

### How we report

There has been continued improvement in our reporting processes to bring them in line with changing regulatory requirements, and to make sure that we give a transparent and holistic view of the company to our business and social partners. Reference is made in this report to information that is available and best placed in our other annual reports: the Integrated Report; Annual Financial Statements; and the Mineral Resource and Ore Reserve Statement. We have improved our processes to better align our reporting. For example, our process for determining the company's material issues is aligned with the way we identify our sustainability issues in order to integrate our strategic approach with how we identify, address and mitigate those material issues that impact on different parts of the business. At a strategic level, that integration is crucial because sustainability is not a standalone discipline but an integral part of our business, across disciplines and geography. By seeking to understand how the issues are interconnected and by collaborating with partners not necessarily in the mining industry, we hope to find common solutions that originate beyond our own mining industry.

### Our performance in 2012

On the global front, AngloGold Ashanti has made significant strides in performance across the different dimensions of sustainability, including improvements in safety and environmental management in line with our business strategy. In addition, improvements and successes continue to be evident in the area of health, from fatigue management in Australia to tuberculosis (TB) and HIV care in South Africa, and malaria control in Ghana and Tanzania.

Legacy issues on silicosis remain a challenge in South Africa as we continue to work through the legal cases brought against the company. We are committed to co-operating with industry

partners and government to find a holistic approach to this issue. As a company, we are also working hard to manage the work environment with programmes for dust control, improved drilling and blasting methods, and in-house support for our employees. We have seen an improvement in our environmental incidents and reportable incidents within communities. There were 16 reportable environmental incidents during 2012, a 41% drop from the 27 that occurred in 2011, and 69% fewer incidents than the 51 in 2009. The improvement that has occurred in Ghana, with reportable environmental incidents declining from 14 in 2011 to three in 2012 (a drop of 79%), is evidence of the encouraging work completed in this area.

During 2012, 58 community incidents occurred with the majority of these reported at our African operations. In most cases, these incidents relate to communications and the need for us to reach out more effectively in these areas. In many cases, we are not able to use electronic communications so the knowledge penetration of key programmes needs to be considered in local context.

We continue to address our key risks in a systematic way. We are busy with the development of stakeholder identification and mapping plans, and will develop stakeholder management plans from that base. This will allow us to improve our interaction with our diverse stakeholder universe. We believe this will help us in our engagements and improve identification of issues from a stakeholder perspective.

LETTER FROM CEO, MARK CUTIFANI

*Mark Cutifani*

*Chief Executive Officer*

POD

CAST

Mark Cutifani

AngloGold Ashanti

*CEO*

*Podcast available at:*

*[www.aga-reports.com/12/mark-cutifani](http://www.aga-reports.com/12/mark-cutifani)*

**2012 SUSTAINABILITY REPORT**

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### The changing landscape

The tragic incident at Marikana was a devastating end to the year. While the event itself happened at a particular mining house in the platinum sector, it was one that reverberated across South Africa and the world. It has had a huge impact in how government, the mining industry and individual companies engage to find a common solution to the underlying causes that fuelled this incident. As the contagion spread across the mining industry, it was important for us to act quickly to avoid similar tragic consequences, and build partnerships in the interest of the industry and society at large. I personally commend the leadership shown by the management team who navigated the South African operations through this unprecedented event; keeping in line with our company values and showing leadership that will set the stage for a different industrial relations environment.

We remain committed to respecting our employees' rights in terms of freedom of association but had to set clear boundaries to ensure all our people were able to come to work without fear for their lives. We took drastic action in closing operations in South Africa in the interests of the safety of every single employee, and to avoid intimidation and coercion. The incident has fundamentally changed and challenged the status quo that had held us in good stead for the better part of the past two decades. We understand we need to continue to work hard to navigate the rather precarious situation and learn from it to improve our performance, and find sustainable solutions to the evil triplets of poverty, inequality and unemployment. We have all learned difficult but important lessons from it. In the face of a fragile situation, we remain committed to our employees, industry partners, representative unions, communities and government in finding long-term sustainable solutions.

We continue to work on our strategy for artisanal and small-scale mining (ASM). We have learned important lessons from the involvement with institutions such as the World Bank and International Council on Mining and Metals (ICMM) on how we tackle the issue. While the Communities and Small-scale Mining (CASM) project with the World Bank might have stopped, we continue with our own work as the threats are immediate and a concerted effort needs to be made to ensure we find sustainable solutions, such as alternative livelihoods and supporting local skills development. Great work has been done in some of the countries in which we have a presence, such as Australia (with indigenous people), Brazil (with local communities), Colombia (tackling sustainability issues around our projects), and Argentina (in local development programmes), and this is recognised across the group.

### Looking forward

Our strategic intervention through the Technology Innovation Consortium (TIC) demonstrates our belief that, through effective investment in research and development and

innovative use of technology, we can unlock future potential, both in terms of production and in the way we improve not just the working environment and removal of people from harm but also in skills training and improving capability. We are in the process of testing some of the concepts that will allow us to do the work. Our consortium is unique in the partners it involves and how these partnerships are structured for a win-win in the long term for all involved. We are also looking at how this will affect our current workforce and what we have to do to manage the situation, and work with both unions and employees to discover potential and create future value. The TIC clearly demonstrates that the answers will lie beyond the mining industry.

Other challenges like water and energy, require us to make systemic changes to the way we run our operations in the long term. For example, we seek to minimise our demand on resources such as water and look at alternative energy sources so that we leave as light a footprint as we can on the environment.

We still have a long way to go in defining appropriate metrics for measuring our sustainability performance that will have meaning across the group and that take into account the different operating environments.

We continue to engage communities and governments on broader policy developments to make sure we are part of defining a sustainable pathway to value for both business and society.

We continue to actively support the objectives of the ICMM, the United Nations Global Compact (UNGC), the Extractive Industries Transparency Initiative (EITI), and the Voluntary Principles on Security and Human Rights (VPSHR). We are signatories to the Cyanide Code, and are supporters of a number of standards promoting Responsible Gold. Our online report has been produced in accordance with the G3.0 guidelines of the Global Reporting Initiative (GRI), and we continue to be an organisational stakeholder of the GRI.

In conclusion

Finally, I would like to congratulate my colleagues for the important strides we have made in defining our strategic sustainable development objectives and in making the continued improvements across the business. This is a tribute to all 65,822 employees (including contractors) across the group and the many communities from where they come. Their diverse experiences and circumstances give us a learning opportunity and a challenge to use those experiences in creating robust systems and processes that transcend change and time, and create important links with the different communities.

Mark Cutifani

CEO

19 March 2013

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OUR APPROACH

## OUR BUSINESS STRATEGY

Providing the leadership and the supporting management processes to ensure that we have the right people, in the right roles, doing the right work, to deliver against our goals.

### **People are the business**

Managing revenues to ensure that full value is realised from our products by delivering a quality product and managing costs to protect margins and returns.

### **Maximise margins**

Optimising asset and project portfolios to meet or exceed specified rates of return. To achieve this, each asset is regularly reviewed and ranked both in absolute terms and relative to its peer group.

### **Manage the business as an asset portfolio**

Developing a range of options for growth, including greenfield, brownfield and marine exploration, new opportunities for promoting organic growth, value-accretive merger and acquisition opportunities and maximising the value of commodities other than gold within our portfolio.

### **Grow the business**

Developing business and social partnerships based on mutual value creation, while maintaining a focus on ensuring the safety and well-being of employees and managing environmental and other impacts.

### **Embrace sustainability principles**

### **Strategic focus areas**

#### OUR STRATEGY

To achieve our vision to be the leading mining company, we must fulfil our mission to create value for shareholders, employees and business and social partners by safely and responsibly exploring for, mining and marketing our products. Although our primary focus is gold, AngloGold Ashanti will pursue value-creating opportunities in other minerals where it can leverage existing assets, skills and experience to enhance the delivery of value.

#### STRATEGIC FOCUS AREAS

Our five strategic focus areas support the achievement of our delivery targets – which are measured and re-evaluated on an ongoing basis. These delivery targets are reflected in the strategic focus areas referred to below.

Strategic focus areas address one or more delivery targets.

AngloGold Ashanti's vision, mission and values form the basis of our strategy.

We have set targets which are measured and re-evaluated on a continuous basis. Our targets are aimed at driving the creation of real and long-term beneficial relationships with social and business partners within the company and the communities in which we operate. They relate to seven key areas of our business strategy and define our vision of leadership in our

sector, namely:

- 
- safety;
- 
- production volumes;
- 
- productivity;
- 
- total cash costs;
- 
- financial performance; and
- 
- environmental performance.

Our target relating to social performance was re-considered as we sought to identify and report on meaningful and quantifiable measures of impact. Consequently, we have not reported on these targets here. We expect to advise on these in the year ahead.

For further detail on these targets, see page 7 of our

IR

at

[www.aga-reports.com/12/five-year-targets-scorecard](http://www.aga-reports.com/12/five-year-targets-scorecard).

OUR DELIVERY TARGETS

**2012 SUSTAINABILITY REPORT**

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Sustainability is intrinsic to our business. A sound sustainability strategy that is effectively executed will provide a basis for competitive advantage through:

#### OUR SUSTAINABILITY STRATEGY

Increasing constraints and complexity in the global social, natural, and economic environments present growing challenges to business sustainability. These include higher-than-sustainable consumption of some natural resources, environmental degradation, rising resource nationalism, a tightening regulatory environment, high costs of capital and rising costs of production, along with unstable economic systems combined with skills shortages, rising expectations of employees and communities and the potential for conflict.

Our response is to embed sustainability into the business, at every stage of our life cycle. We can only generate mutual value in the future if we effectively address and manage our current and legacy risks, and capitalise on our opportunities.

In 2011, we set out our intention in our sustainable development framework to rebuild the way in which we work with and relate to our key stakeholders and, in particular, with our host communities. Good progress was made in developing the framework during 2012.

We are placing increased focus on developing projects in partnership with communities and governments, aiming to undertake community investment in a more consistent and co-ordinated way that enables communities within and around our operations to reach their development goals. This approach requires us to engage with our employees, our host communities, governments at all levels, NGOs, other mining companies, suppliers and others to identify and co-design approaches to deliver on shared goals. To succeed, we need to build relationships based on trust and sustained benefits. Progress in delivering on objectives will be measured by performance indicators that have been agreed upon by all parties involved.

The sustainable development framework aims to take a holistic view of sustainability – understanding connections and the range of possible impacts on our operations. Sustainability in this sense is essential to the long-term viability of our business.

At each stage in the operational life cycle, we will therefore define clear long-term positive outcomes in line with our strategic intent, vision, mission and values.

While we have made progress, our sustainability journey continues to:

- address significant legacy issues at some operations;
- integrate sustainability into the business at all operations and in all regions;
- position sustainability in the business to drive our competitive

advantage;

- integrate sustainability functions at a corporate and operational level; and

- consistently share good performance and lessons learned across the group.

In going forward, we have as our objectives:

- building a strong framework for effective sustainability practices, enabling meaningful interactions within the organisation and with relevant external partners;

- understanding where our greatest impacts and risks arise and reside, and developing specific strategies to address them;

- integrating sustainability practices, issues and processes into all of our organisational activities across the mine life cycle;

- improved productivity and fewer disruptions;

- stronger relationships with communities globally;

- preferential access to resources, capital and talent;

- opportunities to grow our business; and

- enhanced company reputation.

POD

CAST

David Noko

AngloGold Ashanti

*Executive Vice President:*

*Sustainable Development*

*Podcast available at:*

*[www.aga-reports.com/12/david-noko](http://www.aga-reports.com/12/david-noko)*

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OUR APPROACH

- establishing progressive community partnership models that are based on engagement and co-design, in keeping with our values;
- advocating for sustainable policy development with governments, communities and institutions globally;
- building robust systems and processes for measuring sustainability performance and reporting, and for managing sustainability knowledge; and

effectively managing global sustainability talent.

Setting expectations and

building strategies

Sustainability framework

Integrating strategies into the

business and execution

Evaluating performance

**Corporate**

**level**

**Regional**

**level**

**Accountability**

**Process**

**Operational**

**level**

**Sustainability vision**

**Company sustainability**

**strategies**

**Sustainability policy**

**and principles**

Global standards,

procedures and guidelines

shaping system design

Review standards,

procedures and

guidelines

Provide assurance

Measure

performance

against standards

with continuous

improvement

Integration into

operating system

Enabling systems to

support alignment

and execution

Operational sustainability

plans and procedures

Review site plans  
and procedures  
Regionalisation of  
sustainability strategies

**Pre-exploration**

**Exploration**

Products

Marketing

**Feasibility,  
design and  
construction**

**Operations**

**Sustainable development**

**Closure**

**Post closure**

OUR SUSTAINABILITY STRATEGY **continued**

*Sokoine Chayonka is a local community member who works with us at  
Geita in Tanzania.*

**2012 SUSTAINABILITY REPORT**

**12**

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Risk identification, assessment and management are considered at every step in the business planning process, from setting forth our business strategy, expectations and performance targets; developing production and service strategies; planning and scheduling work; through to task execution.

Our key risks and uncertainties are described on pages 26 to 30 of our Integrated Report, along with mitigation strategies and a summary of progress against these risks.

We understand, however, that mere analysis of our risks is not sufficient, and that we need to understand the positions and concerns of our stakeholders in determining those issues that are material to the business. A risk may or may not be a material issue identified by the business; however it is one that influences or makes a difference to the stakeholder.

#### OUR APPROACH TO RISK MANAGEMENT AND IDENTIFYING MATERIAL ISSUES

Risk analysis has been and continues to be a key component in building and executing our business strategy, including our sustainability strategy.

Stage 1

Stage 2

Stage 3

##### **Identify issues relevant to**

- Direct short-term financial performance
- Ability to deliver on strategy and policies
- Best-practice norms exhibited by peers
- Stakeholder behaviour
- Concerns about societal norms

##### **Document the process**

##### **Segment issues according to level of relevance and themes**

##### **Prioritise the issues**

- Internal considerations: direct financial implications, reputational risks and opportunities, potential effect on operational performance and strategic opportunities
- External considerations: media coverage, market commentary, number of complaints, survey results

##### **Decide on thresholds**

##### **Assess issues**

##### **Review by**

- Internal and external advisory panels
-



Board

**Materiality assessment  
included in audit scope**

**Categorise issues by  
relevance and themes**

We adopted a three-stage process in determining our material issues:

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OUR APPROACH

Employee safety and health, in particular mine fatalities associated with deep-level underground mining, as well as legacy health issues; the threat of individual claims or class action lawsuits.

See *Ensuring safety and health*, on page 20; and *Health and well-being* on page 23.

Access to adequate energy and water supply.

See *Addressing energy security and climate change*, on page 47; and *Responsible custodianship of water and land*, on page 49.

Environmental permitting, potential water and air pollution and competing demands for land use.

See *Responsible custodianship of water and land*, on page 49 and *Cyanide and waste management* on page 53.

Delivery on production and growth targets, including the introduction of new technologies and mitigating skills shortages.

See our                    and .

Rising resource nationalism and potential conflict with government (including imposition of royalties, taxes, levies, mandated beneficiation and state ownership of resources).

See *Adding value*, on page 35 and *Delivering sustainable community benefits*, on page 32.

Heightened community and government expectations; in some countries ASM; labour relations and the threat of unlawful industrial action.

See *Adding value*, on page 35, *Delivering sustainable community benefits*, on page 32, and *Addressing artisanal and small-scale mining*, on page 39.

Upholding fundamental human rights and support for Responsible Gold.

See *Respecting human rights* on page 41, *Securing our people and our assets*, on page 43, and *Responsible Gold*, on page 45.

Ensuring consistency in policy, approach and management of our supply chain.

See *Managing our supply chain*, on page 55, and *Responsible Gold*, on page 45.

Material issues

Impact of climate change on our business, our regulatory and physical environments and communities.

See *Addressing energy security and climate change* on page 47.

FS

IR

Global market dynamics – recession, gold price, R/\$ volatility, ability to raise capital, as well as inflationary cost pressures, especially rising labour expectations and costs.

See *Project One: Business Process Framework for a successful company* in our                    . Also see our                    at [www.aga-reports.com](http://www.aga-reports.com)

IR  
OS  
OUR APPROACH TO RISK MANAGEMENT AND  
IDENTIFYING MATERIAL ISSUES **continued**  
**2012 SUSTAINABILITY REPORT**  
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## OUR APPROACH TO ASSURANCE

AngloGold Ashanti believes in timeous, accurate and transparent reporting, and we support third party verification of our systems and data.

## ASSURANCE AND APPROVALS

This year we have continued our threefold approach to assurance, relying on three complementary review processes – internal audit, external audit and an independent viewpoint from our sustainability review panel. For the first time we have also introduced Combined Assurance.

### Internal assurance

AngloGold Ashanti's Group Internal Audit continues to develop capacity in the area of sustainability reporting and has conducted an audit of our 2012 sustainability reporting in terms of the Group Internal Audit Charter as approved by the company's Audit and Corporate Governance Committee. The audit was also performed in accordance with the Institute of Internal Auditors' Standards for the Professional Practice of Internal Audit. The review assessed the validity, accuracy and completeness of the relevant GRI indicators in the group-level and online reporting, together with various data transfer and integrity checks.

This Sustainability Report was approved by the board of directors on 19 March 2013.

### External assurance and independent review

External assurance of our sustainability reporting was provided by Ernst & Young. Data indicators are selected for assurance by external audit teams on the basis of their assessment of the issues and indicators that are most significant to the sustainability performance of the business, as well as the key risks identified by the group.

Data which has been externally assured is indicated in our online reports with icons for limited

LA

or reasonable assurance

RA

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Ernst & Young's sustainability assurance statement may be found in our

OS

at [www.aga-reports.com/12/assurance](http://www.aga-reports.com/12/assurance).

In 2012, the scope of our external assurance also covered compliance with the key standards against which we report – the Global Reporting Initiative's (GRI's) G3.0 guidelines and the Sustainable Development Framework of the International Council on Mining and Metals (ICMM).

In addition, all sustainability reporting was self-declared as being in alignment with GRI (G3.0) at an A+ application level.

Our reporting was reviewed by GRI. GRI's statement may be

found in our  
OS

at [www.aga-reports.com/12/gri-statement](http://www.aga-reports.com/12/gri-statement).

Independent review

See the role of and review letter by our panel – pages 16 and 17.

#### INTRODUCING COMBINED ASSURANCE

AngloGold Ashanti is committed to the progressive implementation of integrated reporting at all levels of our business. This reporting should, and does, reflect a holistic account of our business – both financial and non-financial objectives, our performance against them, and our vision for the future. Under the guidance of the Audit and Corporate Governance Committee, a combined assurance model has been adopted with the aim of providing a co-ordinated approach to all assurance activities, which includes a wide representation of disciplines in the business. We believe that this will enable the board and management to assess whether the significant risks facing the group are complete and adequately mitigated.

The combined assurance model facilitates a group-wide integration and leveraging of the various control, governance, and assurance processes. Its introduction has brought a new dimension to assurance within the group through value being derived from integrated assurance teams.

During 2012, AngloGold Ashanti was subjected to risk based, integrated, technical and commercial combined assurance reviews. The outcome of these reviews provided reasonable assurance to allow the board, on recommendation from the Audit and Corporate Governance Committee, to decide on the effectiveness of the group's system of internal controls.

We believe that this reflects our maturing approach towards risk management and assurance, and will:

- allow executive management and the board to extract and monitor meaningful information for better decision-making;
- eliminate duplication;
- reduce costs; and
- improve transparency and reporting.

During 2012, all operations within AngloGold Ashanti were subjected to risk based, integrated, technical or commercial combined assurance reviews involving more than 113 people, from across 19 disciplines.

See case study:

Group – Combined assurance means  
'no surprises'

OS

at [www.aga-reports.com/12/combined-assurance](http://www.aga-reports.com/12/combined-assurance)

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OUR APPROACH

## OUR SUSTAINABILITY REVIEW PANEL

AngloGold Ashanti is committed to continuous improvement of its sustainability performance and uses a structured process to identify sustainability priorities for the business. They are based on the views of external stakeholders, as well as on a real understanding of business and shareholder imperatives. In November 2010, we convened a Sustainability Review Panel to provide independent perspectives on our sustainability performance. This panel is an international assembly of self-governing experts, facilitated by an external advisor. Many of the panel participants have extensive experience in mining, but members are not drawn exclusively from that sector. The group is partly representative of the geographical diversity of our business, but their broader experience of sustainability matters provides real value to the range of sustainability issues that the company faces.

So as to provide a meaningful base of understanding of AngloGold Ashanti, we continue to build on the panel's knowledge through ongoing access to information on our sustainability performance and strategy, and through visits to selected sites and the Corporate office in Johannesburg biannually.

During its tenure the panel has spent focused time with the business, engaging in a range of discussions with executive and senior management and visiting regional operating hubs in Ghana, South Africa and Brazil.

In Ghana and Brazil, panel members visited numerous communities of their own choosing and held discussions with a variety of stakeholders in order to see AngloGold Ashanti 'through the eyes of the community'. In South Africa, members focused on understanding the challenges faced by a region with declining gold deposits and an extensive labour force. Their mandate was to evaluate the region's socio-economic development strategy and provide comment on how South Africa seeks to address impacts arising from its transition from a highly labour-intensive industry to a technology-focused model. These views are shared with executive management for consideration and, where appropriate, implementation.

The panel's role as indicated above is to comment and provide guidance on the company's approach to sustainability in terms of strategy and practice. In addition, it reviews and makes recommendations on the content and quality of our Sustainability Report, flagging emerging issues which may require closer attention.

As in previous years, the panel has reviewed this group-level Sustainability Report and has provided its commentary in the review letter that follows. However, it should be noted the panel has not undertaken an audit of the report of the company's activities, and so does not provide any indication of the accuracy of the report or the materiality or completeness of specific elements.

See our

OS

for individual profiles of our panel and panel membership changes in 2012.

*Francis Petersen*

*(Member: South Africa)*

*Sheila Khama*

*(Member: Ghana)*

*Anita Roper*

*(Member: Australia)*

*David Noko*

*(Executive Vice*

*President: Sustainable*

*Development,*

*AngloGold Ashanti)*

*Nisia Werneck*

*(Member: Brazil)*

*Muzong Kodi*

*(Member: DRC)*

*Simon Zadek*

*(Panel facilitator)*

*The panel meets at AngloGold Ashanti, Johannesburg in September 2012*

**2012 SUSTAINABILITY REPORT**

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For the first time, reporting on sustainability is more fully contextualised by the company's core business strategy. This, together with a clear description of the company's new sustainability management framework, should support improved reporting, in the future, on the links between sustainability impacts and underlying business performance. Particularly impressive is the underlying alignment of reporting on sustainability and business-related material issues and risks through the company's integrated approach to reporting and internal assurance in compliance with South Africa's progressive corporate governance requirements. The clear description of how its internal risk management handles sustainability impacts indicates a growing embeddedness of sustainability into the company's daily business.

Effectively communicating performance and impact is at the core of what the report must deliver. This year's report continues the positive trend in more fully explaining how the company determines material sustainability issues, and then reporting against these issues. It is also encouraging to see continuous improvements in the description and measurement of performance specifics. The summary of what has been achieved during 2012, measured across key goals and targets, provides an easy-to-access means for the reader to assess whether, and how, such strategies, frameworks and management systems translate into real, positive changes. Stakeholders would benefit, however, from a more thorough treatment in future reporting of several issues highlighted by the company as material.

- 

Health and safety: Reporting on the major improvements in safety standards that have been achieved would benefit from some benchmarking. Health issues, notably silicosis, have been highlighted in the CEO's letter but more could be explained on the science of what is possible and what the company has achieved across its global operations.

- 

Community development impacts, with a particular focus on economic benefits through leveraging the company's procurement, including how longer-term opportunities linked, for example, to technology upgrading can be realised.

- 

Technology upgrading, which provides a basis for the company's viability, especially in deep mines such as those in South Africa, as a means to improve worker safety, and economic benefit for a potential host country through associated R&D, production and maintenance.

- 

Mine closure from its policies and financial provisioning through to its restitution planning and work with particular communities in developing alternative livelihood strategies. More information on the company's targets, including the basis

on which they are set, would provide clarity on its ambitions and greater continuity between reports.

The tragic events in Marikana, South Africa, over 2012, and the associated strikes and social unrest that impacted AngloGold Ashanti, have rightly been highlighted in the report. The CEO's letter, in particular, provides important insights into careful consideration, at all stages, of the best way for the company to respond, taking account of the immediate circumstances and longer-term implications. Given the CEO's indication of the longer-term significance of these events, it would be important for the company to provide greater depth on this; if not in this report then through stakeholder engagement channels and reporting in future.

Stakeholder engagement is a core aspect of sustainability. AngloGold Ashanti has continued to improve its engagement with a range of stakeholders, as described in the report and noted by the Panel through its country and corporate-level EXTERNAL PANEL REVIEW

The company is to be commended for the organisation of the report, the coherence between its parts, and the links to additional online resources, although the Panel has focused in its review and comments, on the written report.

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OUR APPROACH

**EXTERNAL PANEL REVIEW continued**

assessments. Such engagement has, positively, extended into more difficult areas on specific issues such as artisanal mining, in particular places such as Ghana, and with notable stakeholders such as sustainability-focused investors. While the report is principally a vehicle for the company's own voice to be communicated, there is considerable value in reflecting the views of stakeholders articulated through engagement.

It is unfortunate, therefore, that the report once again does not reflect the views of key stakeholders, notably workers, communities, governments and investors. The Panel hopes that this shortfall can be remedied in next year's report.

Learning, responsiveness and innovation, as a means of driving sustainability but also as one of its business benefits, have been a core focus of the Sustainability Panel in its country visits, which have to date included Brazil, Ghana and South Africa, as well as in its ongoing interactions with the corporate team. The report's more open approach to discussing the company's response to unexpected developments has been positive, particularly in its approach to human rights and, more generally, its handling of dilemmas. The Panel would recommend a more systematic treatment of this core dynamic in future reports to broaden its application across all major sustainability issues and business areas.

In summarising our perspective, the Panel wishes to commend AngloGold Ashanti for progress made, and to urge the company to continue this by acting on several recommendations in next year's report:

- Greater focus on setting and measuring progress against longer-term, ambitious goals and targets.
- Support for stakeholder education and insights by further development of dilemma and learning-linked reporting.
- Improved analysis and performance measurement of key issues, including health and technology-related impacts.
- Inclusion of independently authenticated key stakeholders, including voices of employees and communities.
- More in-depth coverage of several material issues, including community development, mine closure, health and technology-related goals and impacts.

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OUR  
PERFORMANCE  
THIS SECTION DEALS WITH HOW WE HAVE  
PERFORMED AGAINST OUR STRATEGIC OBJECTIVES

}  
*Fatoumata Diallo and Bah Hseyu at Siguiri in Guinea*

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OUR PERFORMANCE

## ENSURING SAFETY AND HEALTH

The safety and health of our employees is one of our most important business considerations and we are committed to creating the safest possible working environment for employees, and one in which our employees' well-being is safeguarded. We are also committed to addressing existing and legacy health issues – such as noise-induced hearing loss (NIHL), silicosis, HIV/AIDS, pulmonary tuberculosis (TB) and malaria.

### SAFETY

What we said we would do

Our long-term goal is to operate a business that is free of occupational injury and illness. Within five years from 2010, we aim to achieve our objective of reducing our all injury frequency rate (AIFR) to less than nine per million hours worked. AIFR is the total number of injuries per million hours worked, including fatalities, and was selected as a key performance measure because it aligns with our long-term goal of no harm.

In mid-2008 we initiated a safety transformation programme which focused on three areas: engaging people; building the right systems; and managing risk effectively. This programme has evolved into our Safety Framework, which consists of 22 programmatic elements which we believe are critical in establishing a resilient safety management system and an enduring safety culture. Our framework complements and builds upon the internationally recognised OHSAS18001-certified safety management systems established and maintained at each of our operations.

To us, safety transformation is about valuing people and ensuring that we place priority on people's safety, physical security, health and well-being.

{Michael Parker, Senior Vice President: Safety & Environment, Business and Technical Development

Department: "Is safety really our first value? Absolutely. From the executive level to the front line, this value is embraced. We have stopped mining in certain areas in South Africa because we believe the risk is just too high. We have shut down portions of our operations when they are not fully compliant. We have shut down contractors for not operating in accordance with our values and standards. Obviously we can and will do more but, yes, the business is living up to this value."}

Our performance in 2012

We have made significant progress in improving safety and health performance since 2008, and have sustained a 50% reduction in occupational fatalities for the fifth consecutive year. We recognise factors leading to fatal incidents differ from those which result in less severe incidents and have started a process to thoroughly analyse all major hazards with fatal consequence potential using bow-tie risk models. The models visually portray threat and consequence pathways to and from a major event in the characteristic shape of a bow-tie. Along each pathway intervening preventative and mitigating controls are depicted.

Vulnerabilities, both in layers of control and control robustness, are quickly identified and addressed. The models take the assessment process one step further and crucially link critical controls to management systems through the assignment of tasks, procedures, processes, and accountabilities in a critical control register.

In concert with the development of bow-tie risk models, a suite of Major Hazard Control Standards has been developed which concisely defines mandatory controls aimed at eliminating or minimising the risk of fatalities, injuries or incidents arising from the uncontrolled release of the associated hazard. Control standards encompassing 20 risk areas – such as ground control,

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CAST

Michael Parker

AngloGold Ashanti

*Senior Vice President: Safety and*

*Environment; Business and Technical Development Department*

Safety at our operations and the effectiveness of our safety focus.

*Podcast available at:*

*[www.aga-reports.com/12/michael-parker](http://www.aga-reports.com/12/michael-parker)*

**2012 SUSTAINABILITY REPORT**

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with the tools and interpersonal skills to facilitate comprehensive incident investigations aimed at rooting out not only immediate causes, but underlining individual, workplace, and organisational factors which may have contributed to the incident. Through the identification of these factors, preventative and corrective actions are taken to ensure incidents do not recur.

Organisational capability building during 2012 was not only limited to structured methods of incident investigation, but included the development, piloting and launch of a multi-tiered Hazard and Risk Management (H&RM) and Safety Leadership training programmes. The tiered H&RM training programme caters to the various organisational levels and covers personal risk assessments for front-line workers to enterprise risk assessments at the executive level. The Safety Leadership Programme introduces tools and techniques to assist leaders in engaging employees in safety conversations, interactions, and interventions. The Safety Leadership Programme was successfully piloted within our greenfield exploration and Australia business units. Understanding that a number of factors influence the safety performance of an organisation, each of these business units was able to realise substantial working at height, and fire prevention – have been developed and are intended for global implementation early in 2013.

In an effort to enhance organisational learning and establish a broader basket of leading and lagging safety performance indicators, we expanded the scope of our global reporting platform to include high potential incidents (HPIs). HPIs are incidents with major loss potential, but with minimal to no actual consequence having materialised. We view these incidents as learning opportunities to improve our safety management systems and recorded over 100 incidents during 2012. They also serve as a leading indicator for significant incidents. Further enhancements to our global reporting system improved performance monitoring through transparent, real-time performance reporting, diagnostics, and analytics. This allowed us to be more responsive and to deploy critical resources strategically where needed. Incident reporting is instantaneous and key performance indicators are reported automatically on a more frequent weekly basis, allowing us to monitor performance more closely.

A crucial step in preventing incidents and associated injuries is to understand their immediate, fundamental, and contributing causes. To this end, we have developed and fully implemented an incident investigation process based upon Professor James Reason's Organizational Accident Model, which is widely recognised as best practice. Over 500 individuals from various disciplines in each business unit have participated in a three or five day custom-developed training course. This equips them

See case study:

Continental Africa – AngloGold

Ashanti and Africa aid vulnerable groups at Sadiola

OS

at [www.aga-reports.com/12/sadiola-africare](http://www.aga-reports.com/12/sadiola-africare)

*We encourage voluntary counselling and testing through a variety of initiatives.*

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OUR PERFORMANCE



(60%+) safety improvements in 2012, as measured by AIFR continued reductions over the past five years.

Each organisational capability building programme will be accelerated in 2013.

While it is too soon to see if we are indeed achieving the step-change we are seeking, our AIFR shows continuous improvement. In 2012, this figure was reduced by 21% to a record low of 7.72 injuries per million hours worked, compared with 9.76 the previous year. Our lost time injury frequency rate (LTIFR) improved by 16% to a record low of 5.28 injuries per million hours worked and our injury severity (IS) rate improved by 24% from 351 in 2011 to 267 days lost in 2012. Injury severity is a measure of lost productivity due to occupational injuries and equals the number of lost days per million hours worked. The reduced rate suggests that not only have the number of lost-time injuries been reduced, but that the magnitude of injuries has reduced as well. Our fatal injury frequency rate (FIFR) has remained essentially unchanged year-on-year while the 50% step-change reduction attained in the 2007/2008 time period was sustained for the fifth consecutive year. A strong focus on the control of major hazards, the institution of preventative and corrective actions from organisational learnings, and instilling safety leadership attributes and qualities in all levels of management we believe are instrumental in eliminating the occurrence of fatal incidents at our operations.

See case study: Australasia – Employees simplify sustainability management system at Sunrise Dam

OS

at [www.aga-reports.com/12/sunrise-safety-kiosk](http://www.aga-reports.com/12/sunrise-safety-kiosk)

ENSURING SAFETY AND HEALTH **continued**

Injury severity rate – group  
(per million hours worked)

0

50

100

150

200

250

300

350

400

267

329

363

368

351

08

09

10

11

12

Occupational fatalities – group

0  
5  
10  
15  
20  
18  
15  
15  
15  
14  
08  
09  
10  
11  
12

Key performance indicators

FIFR – group

(per million hours worked)

0,00  
0,02  
0,04  
0,06  
0,08  
0,10  
0,12  
0.10  
0.09  
0.10  
0.09  
0.09  
08  
09  
10  
11  
12

In memoriam

At Cerro Vanguardia in Argentina

Mr Marcos Dante Apaza on 20 January

At Iduapriem in Ghana

Mr Abdul Razak on 14 September

At Obuasi in Ghana

Mr Kojo Anobil on 29 April

Mr Yakubu Waziru on 17 November

At Mongbwalu in the DRC

Mr Ramazani Tsongo on 3 November

At a greenfield exploration site in the DRC

Mr Malobi Loyda on 21 May

At Geita in Tanzania

Mr Almas Peter on 6 August

At Mponeng in South Africa

Mr Phakiso Cletus Fosa on 14 February

Mr Middleton Zitulele Nojoko on 12 August

Mr Gerhardus C. Krugel on 25 September

At TauTona in South Africa

Mr Manene Mzwakali on 23 March

Mr Bangindawo Mninawe on 23 March

Mr Maile Patrick Thobi on 3 December

At Savuka in South Africa

Mr Liphakana Ernest Lipholo on 4 January

Mr Tsebang Justice Ntsatsi on 28 July

At Great Nologwa in South Africa

Mr Alphonsi Mosiuoa on 13 June

At Moab Khotsong in South Africa

Mr Mahlasinyane Sidwel Leipa on 26 January

Mr Thuso Ernest Manosa on 21 June

**2012 SUSTAINABILITY REPORT**

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#### Occupational lung diseases litigation

Occupational health litigation instituted in October 2006 by Mr Mankayi in the High Court of South Africa and reported on previously has not progressed during the year. Mr Mankayi passed away subsequent to the hearing in the Supreme Court of Appeal in which his appeal was dismissed. Following the Constitutional Court judgment in March 2011, Mr Mankayi's executor may proceed with his case in the High Court.

Two class certification applications were served on AngloGold Ashanti in 2012 and early 2013 respectively. In the event any class is certified, such class would be permitted to institute a class action against AngloGold Ashanti. As of 31 December 2012, 31 individual claims had been received and AngloGold Ashanti has filed a notice of intention to oppose the claims. It is possible that additional class actions and/or individual claims relating to silicosis and/or other occupational lung disease (OLD) will be filed against AngloGold Ashanti Limited in the future. AngloGold Ashanti will defend these and any other future claims, if and when filed, on their merits.

For further information, see our FS

at [www.aga-reports.com/12/fs/financials/note-30](http://www.aga-reports.com/12/fs/financials/note-30).

#### HEALTH AND WELL-BEING

##### What we said we would do

In the area of health, we continue to manage several key areas of concern, including:

- occupational illnesses, particularly occupational lung disease (OLD), primarily silicosis and occupational TB at our South African operations, and noise-induced hearing loss (NIHL);
- HIV/AIDS, particularly in the South Africa Region; and
- malaria, especially in certain areas of our Continental Africa region.

We have committed to the following objectives:

- progress towards the industry milestone of no new cases of silicosis among previously unexposed (2008 onwards) employees at our South African operations after December 2013;
- maintaining occupational TB incidence at below 2.25% among South African employees, reducing it to below 1.5% by 2029 and successfully curing 85% of new cases;
- meeting the industry milestone of no deterioration in hearing greater than 10%, from a 2008 baseline, among

occupationally-exposed individuals at our South African operations; and

•

rolling out integrated malaria programmes, based on the highly successful model implemented at Obuasi in Ghana, at our operations in Mali, Tanzania and Guinea.

Operations in the Americas and Australasia regions and our exploration projects are largely excluded from this discussion, as occupational health incidence is low and therefore not deemed to be sufficiently material to report.

Our performance in 2012

### **Occupational health**

Our occupational health programmes are geared to address current risks and legacy issues. Occupational illnesses – such as silicosis and NIHL – tend to have a long latency period and may often only be detected after individuals have left the company's employ.

Reducing occupational exposure to dust at our South African operations requires a combination of engineering and administrative controls. Our rigorous dust sampling programmes show consistently-reduced dust exposure since 2006. Only 0.94% of samples of respirable crystalline silica exceeded the Occupational Exposure Limit (OEL) of 0.1mg/m<sup>3</sup> (2011: 0.74%), which is well below the industry target of 5%.

Two major initiatives designed to reduce dust exposure were the introduction of centralised blasting at our Vaal River operations and the introduction of sidewall treatment for dust (an extension of existing footwall treatment measures) in both South Africa regions. Centralised blasting has been practised in the West Wits region for a number of years and both regions continue to show progress.

In 2012, a total of 168 cases of silicosis were identified as submitted to the Medical Board for Occupational Diseases of South Africa (MBOD) (2011: 263 cases). The latency period of the disease is typically 10 to 15 years, which means that it is too early to assess the success of the industry initiative of eliminating new cases of silicosis among employees unexposed to dust prior to 2008.

Occupational tuberculosis is a compensable disease in the South African mining industry and is linked both to silica dust exposure and to the HIV/AIDS epidemic. In 2012, 446 new cases of TB were identified and submitted for compensation (2011: 541 cases). The incidence of occupational TB among employees in South Africa in 2012 was 1.4% (2011: 1.8%) which is below our 2015 target of 2.25%. Our cure rate for occupational TB was 94%, against a World Health Organization target of 85%.

Intensive and sustained dust control measures, HIV testing and counselling programmes accompanied by antiretroviral therapy (ART), monitoring and early treatment of TB, and successful housing and accommodation strategies have contributed to

this improvement.

The incidence of NIHL is a matter of concern at our operations in South Africa and at Obuasi in Ghana. In South Africa, 57 new

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OUR PERFORMANCE

**ENSURING SAFETY AND HEALTH *continued***

cases of NIHL were identified (2011: 69 cases), with 15 cases having acquired more than 10% loss when compared to their 2008 audiograms. This clearly does not meet the industry milestone. NIHL remains a critical issue at Obuasi in Ghana because the administrative and surveillance programmes are still relatively new and are dealing with a backlog of cases requiring identification, treatment and compensation. In 2012, 141 new cases were diagnosed, compared to 116 in 2011 and 226 in 2010.

Initiatives to silence or substitute equipment and ensure administrative controls (including awareness and education programmes) aimed at improving the issuing and suitability of hearing protection devices have been put in place. A high-level task team has been set up and specialist staff employed.

See case study:

South Africa – Saving lives by removing people from risk

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at [www.aga-reports.com/12/sa-safety-system](http://www.aga-reports.com/12/sa-safety-system)

Health and well-being

The areas in which we operate may have high levels of non-work related illnesses, which may be either communicable or non-communicable. For instance, in Ghana malaria is not directly associated with the work that we do, but it is a widespread disease that has a significant impact on our business and on our ability to respond as a business. The same concerns apply to HIV/AIDS in South Africa. Across all of our operations we have also seen increasing levels of non-communicable diseases such as hypertension and diabetes which have had an impact on the business.

Measuring absenteeism and its causes is complex and multi-factorial, and is not simply a reflection of health programmes. Nonetheless this is considered a partial indicator of well-being, and – in the South Africa Region – has remained constant year-on-year, at around 6%.

Given the importance of health within the communities in which we operate and, very often, the lack of access to healthcare, we also look to find ways in which the internal capabilities we have developed can be used to contribute to improve community health in sustainable ways. This means establishing and working within partnerships, very often with the national and local health authorities, to strengthen local health systems. HIV/AIDS continues to be a significant public health threat in South Africa, although our programmes that integrate the management of HIV/AIDS and TB continue to show positive results.

Our programmes entail:

- awareness, education and training programmes not only about the disease and its impacts, but also the options available to employees and their dependants;

- voluntary counselling and testing (VCT) initiatives;
- wellness programmes, which are made available to affected employees; and
- the provision of antiretroviral therapy (ART) to employees for whom this treatment is clinically indicated.

HIV prevalence among employees can only be estimated as disclosure is not compulsory. Our most conservative estimate (or worst case scenario) is that prevalence is about 30% amongst our South African workforce.

One of the key issues we deal with is the sustainability of our testing initiatives. We have always tried to get as many people through VCT as possible through a variety of programmatic interventions, including mass campaigns and incentives. After 10 years of these campaigns, we are seeing a decline in the *At Obuasi, Ghana, where Luke Boateng and Fritz Larkai work, we are working hard to address noise, as well as dust, which remain critical workplace issues.*

**2012 SUSTAINABILITY REPORT**

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number of people going to VCT. Our challenge is to devise new and engaging ways to encourage as many people to test as possible.

In 2012, there were 4,483 employees participating in our wellness programme (about 20% of the South African workforce) and around 3,000 people on ART (around 12% of our South African workforce).

Our ART programmes continue and, despite the incidence of AIDS-defining illnesses increasing slightly to 0.75 cases per 1,000 employees during the year (2011: 0.66 cases per 1,000), they still receive much support. While we have had significant successes in our disease management programmes, we recognise that we have been less successful in preventing new cases of HIV infection.

{ James Steele, Manager: Health, South Africa Region,

“We

are seeing encouraging successes in the HIV programme in South Africa. The number of new cases of HIV has come down by about 33% over the past five years. Some of the late lagging indicators – hospital admission rates, AIDS-defining illness rates, death rates, TB rates – have declined by 50% to 60% over the same period. Our AIDS-defining illness rates reduction is as much as 80%. We recognise that we have a long way to go: Still too many people are contracting HIV, and still too many people are dying from AIDS-related illnesses.”

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The incidence of malaria in our Continental Africa Region remains an area of concern, although we have seen a reduction in 2012. The primary contribution to this success is the Obuasi Malaria Control Programme, which is our flagship initiative, as well as the programme at Iduapriem, both in Ghana.

Global Fund work rolls out

In 2009, AngloGold Ashanti was nominated as the principal recipient of a \$138m grant from the Global Fund to fight AIDS, TB and malaria. The project will cover 40 districts in Ghana and will be based on the integrated malaria-control model implemented at Obuasi. Work on the project began in July 2011, following successful resolution with the Ghanaian authorities of taxation issues relating to the grant.

The first round of indoor residual spraying started in January and continued to June 2012, covering 444,218 structures in seven implementing districts (around 99% of our target) compared with the 85% coverage target set by the Global Fund for the period. The second round started in August with the addition of five more districts. The objective is to cover 40 districts in Ghana and reduce the burden of disease while creating 3,800 jobs by year four.

Additionally, governance mechanisms have been improved in the year under review. An inaugural meeting of the AngloGold Ashanti Malaria Control Ltd\* Board

was held in Accra on Friday 14 December 2012. New, independent members are Ms Sheila Khama (one of our Sustainability Panel Members), Dr George Amofah (former Deputy Director-General of the Ghana Health Service ) and Dr Constance Bart-Plange (Ministry of Health).

*\* a special purpose vehicle formed to implement the grant.*

Millennium Development Goals alignment

Our Continental Africa Region will be collaborating with the Earth Institute, Columbia University, including the two Millennium Development Goals (MDGs) Centres in East and West Africa, and with Millennium Promise in New York. Together, the teams aim to adapt the Millennium Villages Project's rural development approach to a mining