



*Brasil Mineração, Brazil*

# Ethics and governance

## 1. Key issues at a glance

- Compliance with laws and regulations in the countries within which we operate, and international conventions and codes that we have adopted.
- Compliance with the regulations of the securities exchanges on which our company is listed, and the regulations that are applicable to these.
- Maintaining a rigorous risk management process and register of risks, which are actively considered and addressed on a regular basis.
- Operating within the policies and procedures approved by the board and executive, and compliance with internal policies.
- Avoiding and mitigating legal action against the company.

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# Ethics and governance

## 2. Living our values

A key feature of our values statement is our intention to conduct ourselves with honesty and integrity in all that we do. Our values inform our business principles, which are applicable across AngloGold Ashanti and in all of the countries in which we do business.

### **Business principles – a responsible and ethical corporate citizen**

1. 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.
2. Should laws and regulations be non-existent or inadequate, we will maintain the highest reasonable regional standard for that location.
3. 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.
4. 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.
5. We prohibit our employees from trading shares when they have unpublished, material information concerning the company or its operations.
6. 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.
7. We will require our employees to perform their duties conscientiously, honestly and in ways that avoid conflict between their personal financial or commercial interests and their responsibilities to the company.
8. 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.
9. 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.
10. We are committed to seeking out mutually beneficial, ethical, long-term relations with those with whom we do business.
11. We encourage employees to take personal responsibility for ensuring that our conduct complies with our principles. No employee will suffer for bringing to management's attention any 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.
12. The company will take the necessary steps to ensure that all employees and other stakeholders are informed of these principles.
13. 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.

### 3. Our scorecard

Objectives for 2007	Performance in 2007	Achieved or not achieved	The next steps
Developing and implementing an employee handbook on key compliance and governance policies.	While the various materials were produced during the year, they were not implemented as the company has instituted a strategic review, which may have an impact on these documents.	Not achieved	Following the strategic review and review of the company's values in late 2007 and early 2008, the various compliance handbooks and values documentation will be revised and rolled out.
Developing and implementing a supplier handbook on key compliance and governance policies applicable to them.			
Communication and, in particular, the roll-out of the values and business principles and associated policies to all employees.			



Cerro Vanguardia, Argentina

### 4. Review of 2007

#### Introduction

AngloGold Ashanti remains committed to the highest standards of corporate governance.

Corporate governance is addressed directly by the Audit and Corporate Governance Committee of the Board, although it is the responsibility of the Board as a whole. The Board is guided by the company's founding statements, the Board Charter, the company's legal obligations in terms of the South African Companies Act of 1973 and the US Sarbanes-Oxley Act of 2002, the company's legal and disclosure obligations to the JSE (where it holds its primary listing), as well as various corporate governance guidelines, such as the King Code on Corporate Governance 2002.

A detailed discussion on corporate governance may be found in the company's Annual Financial Statements 2007, at [www-aga-reports.com](http://www-aga-reports.com). The following summary is provided for information and context but is by no means a comprehensive review of corporate governance within the company.

A number of significant changes during the year have had a major impact on the AngloGold Ashanti group. They are:

- The decision by Anglo American plc (which at the end of December 2006 held a 43.6% interest in the company), to reduce its shareholding to below 20%. As a result of this reduction in shareholding, all the directors representing Anglo American plc on the AngloGold Ashanti board, namely Mrs Cynthia Carroll and Mr Rene Médori, together with his alternate Mr Peter Whitcutt, resigned on 9 October 2007. The immediate consequences of this corporate activity are that the company is able to chart its own independent future without restrictions being imposed on it by a majority shareholder and that over 80% of the company's shares are now in free float.
- The appointment of Mr Mark Cutifani as CEO and director of the group, following the retirement of Mr Bobby Godsell.
- The restructuring of the group, in line with revised business objectives and management principles. Two other executive directors left the group during the year, namely, Mr Roberto Carvalho Silva and Mr Neville Nicolau. See the section on *Employment* on page 88.

Other changes to the board during the year include the appointment of Mr Siphon Pityana, who is the executive chairman of Izingwe Holdings (Proprietary) Limited, and the resignation of Dr Sam Jonah.

As a result, as at 28 February 2008, the AngloGold Ashanti Board comprises 12 members (2006:17), of whom:

- eight (67%) are independent non-executive directors; (2006: 52%)
- two (17%) are non-independent, non-executive directors; (2006: 24%)
- two (17%) are executive directors; (2006: 24%)
- the chairman of the company, Mr Russell Edey, and the Deputy Chairman, Mr James Motlatsi, are both independent.

There are eight board sub-committees that meet on a regular basis. (A decision was taken during the year to dissolve the Marketing Development Committee.) The sub-committees comprise members of the Board and have written terms of reference. The committees are:

- The Audit and Corporate Governance Committee
- The Employment Equity and Development Committee
- The Executive Committee

- The Investment Committee
- The Nominations Committee
- The Political Donations Committee
- The Remuneration Committee
- The Safety, Health and Sustainable Development Committee.

The responsibility for the oversight of safety, health, environment and community issues falls under the Safety, Health and Sustainable Development Committee. Members of this committee, which is chaired by Mr Bill Nairn, met on five occasions during the year. Mr Siphon Pityana is the Deputy Chairman. Management representatives are invited to attend the meetings, with the primary agenda item rotating from meeting to meeting. Safety is always on the agenda.

The company's ethical performance is guided by its mission, values and business principles.

Safety, health and environmental performance, and relations with government, community members and other stakeholders forms an integral part of the management of operations. These aspects are considered when operational and individual managers' performance is reviewed. Safety targets and performance in particular form part of the remuneration policy for senior and middle management at operations.

### **Risk management**

The assessment, mitigation and management of risk is an integral part of the management of safety, health, environment and community issues. The Board, which has ultimate responsibility for the total risk management process, reviews and approves the risk strategy and policies that are formulated by the executive directors and senior management. Management is then accountable to the Board and has established a group-wide system of internal control to manage significant group risk.

A full review of risk, control and disclosure is undertaken twice a year and considers key findings from ongoing monitoring and reporting, management assertions and independent assurance reports. This is then reported to the management committee, the executive committee and the Board Audit and Corporate Governance Committee. Due cognisance is taken of the precautionary principle in our risk identification and assessment processes. In line with our adoption of the ICMM Sustainable Development Principles and Framework, we implement risk assessment using sound science-based data and methodologies.

### **Reinforcing our values**

As part of the introspection associated with the restructuring process in late 2007/2008, AngloGold Ashanti has been reviewing its mission and values and will, in time, review the company's business principles.

Our mission remains to create value for our shareholders, employees and business partners/stakeholders through safe and responsible exploration, mining and marketing of our products. The process of review has started with consultation with senior managers, and will be rolled out to employees during the course of the year.



## Ethics and governance continued

Independent risk assurance processes are undertaken in many corporate functions, including safety and health, environment, community relations and mineral resource management. The corporate technical team also covers critical risk areas such as the potential for slimes dam and slip wall failure.

The Board is informed and takes account of material changes and trends in the group's risk profile. A full discussion on the risk management process and some of the risks that could materially affect AngloGold Ashanti may be found on page 132 of the Annual Financial Statements or on our website at [www.aga-reports.com](http://www.aga-reports.com).

### Significant legal issues

AngloGold Ashanti's in-house legal counsel in the various jurisdictions in which the company operates work closely with the corporate legal function in Johannesburg in ensuring that significant legal issues considered as part of the risk management process are brought to the attention of the Audit and Corporate Governance Board Sub-Committee, which is responsible for risk management. A register of litigation matters where AngloGold Ashanti has a possible financial exposure is maintained and reviewed on a quarterly basis.

The following is a summary of significant legal issues during the year under review and feedback on those reported in 2006. Note that AngloGold Ashanti defines a significant legal issue as any issue that could result in a liability to the company of \$1.5 million or higher and/or which could have an adverse effect on the company's reputation as assessed by the company executive.

#### Feedback on legal issues reported on in 2006:

- In April 2005, AngloGold Ashanti instituted an action against various mining companies and government ministers claiming that the mines upstream from its Vaal River operations are responsible and liable for pumping underground water that arises at their mines. The company is pleased to report that this issue has largely been resolved with the formation of the Margaret Water Company in 2007. (See case study on *Progress in settlement of KOSH waster issue* at [www.aga-reports.com/07/KOSH.htm](http://www.aga-reports.com/07/KOSH.htm).)
- Mr Thembekile Mankayi instituted action against AngloGold Ashanti in October 2006 in the High Court, Witwatersrand Local Division. Mr Mankayi is claiming approximately R2.6 million (\$0.4 million) for damages allegedly suffered by him as a result of silicosis allegedly contracted whilst working on mines now owned by AngloGold Ashanti.

AngloGold Ashanti filed the exception to the potentially precedent-setting legal action on the basis that mine employers are insured in terms of the Occupational Diseases in Mines and Works Act (ODMWA) and the Compensation for Occupational Injuries and Diseases Act (COIDA) against compensable diseases and this prevents any delictual claims by employees against employers. The matter was heard in the High Court in early February 2008 and a response is anticipated within the first quarter of 2008.

In response to the effects of silicosis in labour-sending communities, a number of mining companies (under the auspices of the Chamber of Mines), together with the National Union of Mineworkers (NUM) and the national and regional departments of health have embarked on a project to assist in the delivery of compensation and relief to communities that have been affected. (See case study on *the Former mineworkers project and making ODMWA work – one year on* at [www.aga-reports.com/07/Nongoma.htm](http://www.aga-reports.com/07/Nongoma.htm) and on *addressing socio-economic needs – the Nongoma Abalimi Phambili project* at [www.aga-reports.com/07/Nongoma-social.htm](http://www.aga-reports.com/07/Nongoma-social.htm)).

#### Significant legal issues that have arisen in 2007

- Action has been instituted by a group of AngloGold Ashanti pensioners against the company for introducing a CPIX cap to post-retirement health care contributions by the company. The company maintains that its action is justifiable and fair given the circumstances and precedent. A summons has been issued by the plaintiffs demanding that AngloGold Ashanti restore the level of contributions to what

pertained before the introduction of the cap. The company has excepted to the summons on the basis of it being vague and embarrassing. The plaintiffs have amended the summons and the matter was set down for hearing in the High Court in February 2008.

- 28 former expatriate employees of AngloGold Ashanti Kilo (AngloGold Ashanti DRC subsidiary) have made claims for salary arrears, severance pay, damages and interest jointly and severally against AngloGold Ashanti Kilo and AngloGold Ashanti Ghana, the immediate holding company. Some of these former expatriates have instituted proceedings in the Brussels Labour Court claiming varying amounts but these have remained pending for some time now.
- AngloGold Ashanti has received a petition of ex-Contract Workers of AGC (Limited) at its Obuasi operation in Ghana. During the last quarter of 2000, a group calling itself Ashanti Miners' Club formed by aggrieved ex-contract workers claimed that the company had deceived them and that the company should pay them compensation for reasons that their salaries should have been pegged to the US dollar and that they should have been paid as permanent employees during the subsistence of their contracts with the company. The matter was taken to arbitration with the Ministry of Manpower Development and Employment appointing a sole arbitrator to arbitrate and make an award. The award by the arbitrator was generally in AngloGold Ashanti's favour. The plaintiffs commenced the present action claiming that they are dissatisfied with the findings and award of the arbitrator claiming the relief set out in their statement of claim.
- In Tanzania certain senior staff members are claiming overtime hours to the value of Tsh3.6 billion (approximately \$2,752,293). Mediation failed and the mediator recommended that the applicants should proceed to another forum as provided for in Section 86(b) of the Employment and Labour Relations Act No. 6 2004.
- In Tanzania, Joshua Manyelo and 36 others have filed a claim in the High Court against Geita Gold Mining Company. It is an application for filing a representative suit. According to the claimants they are entitled to Tshs 3.8 billion in compensation but they were only paid Tshs 185,045,482.00. They are claiming the balance of Tshs 3.6 billion. A hearing has been scheduled in February 2008.

#### **Significant legal issue that has arisen in early 2008**

- In early 2008, AngloGold Ashanti was forced by the South African national electricity utility, Eskom, to shut its operations during a massive, country-wide power shortage crisis. Following emergency industry discussions with Eskom, AngloGold Ashanti's power supply has been returned to 90% of previous and contractual levels. AngloGold Ashanti has, as a consequence of Eskom's inability to deliver, declared a *force majeure* in respect of some of its contractual arrangements including uranium supply and a number of contractual arrangements with contractors to the company.

There were no legal actions against the company for anti-competitive behaviour, anti-trust and monopoly practices during the year. No significant fines were received during the year for non-compliance with laws and regulations. Non-compliance with environmental permits resulted in a 12 day shut down of operations at the Obuasi tailings facilities in Ghana and a number of Section 54 instructions in terms of the Mine Health and Safety Act (see page 165) and the case study on Dealing with environmental legacies at Obuasi: an update at [www.aga-reports.com/07/obuasi-environment.htm](http://www.aga-reports.com/07/obuasi-environment.htm).

#### **Engaging with our business partners/stakeholders**

We recognise that a wide range of people – employees, their families, communities and others – have an interest in the operation of the business. While generally, these external parties are referred to as stakeholders, we consider that these people are in fact partners in our business in that they have a material stake in whether our operations begin, continue or close and the way in which they are affected during this process.

## Ethics and governance continued

We have a wide variety of formal and informal structures in place to deal with our stakeholders and business partners – see page 17 for further details – and a comprehensive but not exhaustive list of these appears on our website at [www.aga-reports/07/stakeholders.htm](http://www.aga-reports/07/stakeholders.htm).

### Voluntary compliance

AngloGold Ashanti firmly believes in self-regulation and that industry leaders – locally and internationally – should establish robust standards against which companies should perform and be measured. It is the company's experience that these standards very often become the foundation for international law and good practice.

At an operational level the company is involved in a range of organisations and initiatives which guides its actions. At a corporate level, we are not only members of or signatories to the following, but actively support their aims and objectives and participate in their development and functioning:

Organisation	Date of adoption/ membership	Aims	AngloGold Ashanti's participation
<b>United Nations (UN) Global Compact</b> ( <a href="http://www.unglobalcompact.org">www.unglobalcompact.org</a> )	August 2004 (Ashanti, August 2001)	The Global Compact provides a framework for businesses that are committed to aligning their operations and strategies with 10 universally accepted principles in the areas of human rights, labour, the environment and anti-corruption.	The principles of the Global Compact are considered by the company, and are reported against in the Report to Society. See page 194.
<b>International Council of Mining and Metals (ICMM)</b> ( <a href="http://www.icmm.com">www.icmm.com</a> )	Founding member in 2001	The ICMM was formed by the world's leading mining companies to develop a leadership position in sustainable development. ICMM members believe that the mining, minerals and metals industry, acting collectively, can best ensure its continued access to land, capital and markets as well as build trust and respect by demonstrating its ability to contribute successfully to sustainable development.	AngloGold Ashanti actively participates in several programmes run by the ICMM, and reports against the ICMM principles in the Report to Society.
<b>Council for Responsible Jewellery Practices (CRJP)</b> ( <a href="http://www.responsiblejewellery.com">www.responsiblejewellery.com</a> )	Founding member in 2006	The Council's aim is to promote responsible ethical, social and environmental practices throughout the diamond and gold jewellery supply chain, from mine to retail.	AngloGold Ashanti has participated in the drafting of the codes of practice which are currently being reviewed through a consultation process.
<b>Communities and Small-scale Mining (CASM)</b> ( <a href="http://www.casmsite.org">www.casmsite.org</a> )	Member	CASM is a collaborative group aimed at poverty reduction by improving the environmental, social and economic performance of artisanal and small-scale mining in developing countries.	AngloGold Ashanti holds a seat on the Strategic Management Advisory Group (SMAG) of CASM. As part of the SMAG, AngloGold Ashanti participated in a discussion regarding ASM policy and regulation with the governments of China and Mongolia. The SMAG also plays a governance and advisory role to CASM and as such the two groups met twice last year.

Organisation	Date of adoption/ membership	Aims	AngloGold Ashanti's participation
<b>Global Reporting Initiative (GRI)</b> (www.globalreporting.org)	Organisational Stakeholder of GRI, formed in 1998	GRI has pioneered the development of the world's most widely used sustainability reporting framework. The framework sets out the principles and indicators that organisations can use to measure and report their economic, environmental, and social performance.	AngloGold Ashanti's 2004, 2005 and 2006 reports were compiled in accordance with GRI 2002. The 2007 report has been compiled in accordance with GRI's G3 guidelines.
<b>Extractive Industries Transparency Initiative (EITI)</b> (www.eitransparency.org)	AngloGold Ashanti supports the EITI, (formed in 2002) through the ICM. Among the countries in which AngloGold Ashanti operates, Ghana and Guinea are currently candidate countries in terms of EITI reporting.	The EITI is a coalition of governments, companies, civil society groups, investors and international organisations. It supports improved governance in resource-rich countries through the verification and full publication of company payments and government revenues from oil, gas and mining.	AngloGold Ashanti will report in line with EITI in 2007 as far as this is possible (in line with any host country legislation). See reporting on payments to and from government on pages 62 to 64.
<b>International Cyanide Management Code for the Manufacture, Transport, and Use of Cyanide in the Production of Gold (Cyanide Code)</b> (www.cyanidecode.org)	Founding signatory to the Code.	The Cyanide Code was developed by a multi-stakeholder steering committee under the guidance of the United Nations Environmental Program (UNEP) and the then International Council on Metals and the Environment (ICME). The code is an industry voluntary programme for gold mining companies. It focuses exclusively on the safe management of cyanide and cyanidation mill tailings and leach solutions. Companies that adopt the code must have their mining operations that use cyanide to recover gold audited by an independent third party to determine the status of code implementation. Those operations that meet the code requirements can be certified. The objective of the code is to improve the management of cyanide used in gold mining and assist in the protection of human health and the reduction of environmental impacts.	Sunrise Dam Gold Mine in Australia received conditional certification in line with the Code in March 2007 and full certification in January 2008. CC&V in the USA and the four Vaal River (South Africa) gold plants were fully certified in September 2007. The Savuka and Mponeng gold plants (West Wits) were conditionally certified in September 2007.
<b>Voluntary Principles on Security and Human Rights</b>	Developed in 2000. AngloGold Ashanti was accepted as a signatory in May 2007.	The Voluntary Principles were developed out of a multi-stakeholder process involving governments, resource companies and NGOs as a means of helping companies in the extractive sector to improve their performance in relation to security risk assessment and the control of security operatives, and to improve relations with communities on security issues.	The company has begun the process of formulating a roll-out strategy for the Voluntary Principles across all operations. These include involving senior management in the Voluntary Principles as they apply to the company, developing implementation guidelines, and undertaking training of company security personnel inside the organisation. Countries which we have prioritised for the roll-out of the principles include Colombia, DRC, Ghana, Guinea and Tanzania.

## Ethics and governance *continued*

### **Disclosure**

AngloGold Ashanti subscribes to a policy of full, accurate and consistent communication in respect of both our operating and financial affairs.

Through our business principles, we have committed ourselves to “fully, accurately and in a timely and verifiable manner, consistently and fairly disclosing material information about the company and its performance. This will be done in readily understandable language to stakeholders, the public and appropriate regulators.”

A formal Disclosures Policy has been adopted by the company to guide and ensure compliance with the rules of the various exchanges on which AngloGold Ashanti is listed and provide timely, accurate and reliable information to stakeholders, including investors and potential investors, regulators and analysts.

This disclosure policy covers all employees of AngloGold Ashanti and its subsidiaries and the members of the Board of Directors.

The company’s policy (which is available on the website) deals specifically with communications with stock exchanges, disclosure standards, methods for public disclosure, regular disclosure and market guidance, other meetings, presentations and disclosure, mine site visits, group meetings and presentation, private meetings with analysts and investors, communication of information on the website, authorised spokespersons, dealing with rumours and market speculation, and closed periods.

Adherence to this policy is guided by the company’s Disclosure Committee which meets on a regular basis.

### **Political donations**

#### ***In South Africa***

AngloGold Ashanti believes that the principle of multiparty democracy as contained in the founding provisions of South Africa’s young constitution deserve support and that, in particular, our financial support for political parties will aim to promote political competition, public scrutiny of policy, and law-making. Its purpose is not to advance the company’s immediate, narrow commercial interests, though the company will continue vigorously to argue the case for good governance in the broader sense. It will also aim to encourage a policy-making environment in which there is a healthy and robust competition of ideas.



*AuDITIONS, China*

A sub-committee comprising independent non-executive members of the board has been set up specifically to deliberate on any political donations. The committee did not meet during the year and no political donations were made. The policy will be reviewed in 2008.

#### ***Elsewhere in the world***

AngloGold Ashanti is considering the extension of this policy to all operations. No political donations were made by any operations within the group.

#### **Dealing with contractors and business partners**

AngloGold Ashanti endeavours to do business with those companies that share its business ethics and values.

Human rights screening is an important part of the group's investment decisions and in reviewing prospective contractors and business partners. As part of the full group's implementation of the Voluntary Principles of Human Rights and Security toolkit, this process is being formalised. The group's policy on Security and Human Rights (available at [www.aga-reports.com/07/Humanrights-policy.htm](http://www.aga-reports.com/07/Humanrights-policy.htm)) applies equally to contractors as it does to the company itself. A specific module of the group's toolkit includes a section in the interaction between the company and private security contractors. As the toolkit is fully implemented, in 2008, first in those areas deemed to be of a high risk, so a greater understanding of the current status of contracts, contractors, suppliers and other business partners will be gained and further details will be made available.

The group's procurement and supply chain operations ensure the application of the AngloGold Ashanti principles at two levels.

- First, this is done contractually and only with accredited and approved suppliers where the supplier is assessed for capability as well as product acceptability in terms of standard and quality. Contracts have specific clauses in them relating to safety, health, labour and environmental issues as these are applicable to the contract, and to the country and community in which the goods or services are being delivered.
- Second, there is a strict application of the gifts policy which ensures that no supplier receives undue favour and that our employees do not compromise their integrity and impartiality.

Interaction with contractors and suppliers takes place formally on an annual basis, primarily in respect of gifts and hospitality, but also in respect of the company's values and business principles. We have a white-collar crime unit in place that investigates suspected fraud, malpractice and unacceptable activities and a Supplier Monitoring Committee that considers and takes action against contractors or suppliers that are found to have breached our code of ethics.

Further work will be undertaken during 2008 in formalising these practices into policies and handbooks and ensuring that these are generally and consistently applicable across the group. While guidelines were developed during the year to support this effort, these have not yet been issued as the company is going through a process of reviewing and re-establishing its business principles.

#### **Relying on our employees**

AngloGold Ashanti has a number of policies and procedures in place to ensure that employees are aware of what is expected of them and conform as appropriate. Induction of all employees in respect of these policies and procedures is mandatory. Policies that are in place include:

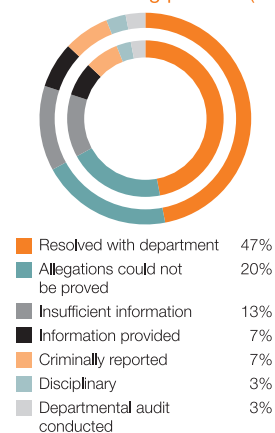
## Ethics and governance continued

- The Market Abuse (Insider Trading Policy), which applies to employees and directors and effectively prohibits them from trading shares when they have access to unpublished, material information concerning the company or its operations.
- A Conflicts of Interest Policy, which aims to ensure that the commercial transactions of the company take place in a manner that ensures the integrity and fairness of the company's contract and tender processes. The policy applies to all employees (temporary, part-time and full-time), who may have actual, potential or perceived conflicts of interest between their personal interest and the interests of the company. (See case study on *Dealing with conflicts of interest at work* – [www.aga-reports.com/07/conflicts.htm](http://www.aga-reports.com/07/conflicts.htm)).
- A Code of Ethics for Employees, a Code of Ethics for Senior Financial Officers, and a Whistle-blowing Policy that encourages employees and other stakeholders to confidentially and anonymously report acts of an unethical or illegal nature affecting the company's interests.

Employees are encouraged to discuss issues with their direct managers first (if appropriate) and then, if not resolved, to report these through the whistle-blowing line or directly to the internal audit or legal departments. The codes and the whistle-blowing policy are available on the company's website at [www.aga-reports.com/07/governance.policies.htm](http://www.aga-reports.com/07/governance.policies.htm). In 2007, several initiatives were put in place to promote awareness of the codes and the policy to all levels of employees.

All reports made in terms of the whistle-blowing policy are fielded by a third party, Tip-Offs Anonymous, which ensures all reports are treated confidentially or anonymously depending on the preference of the caller. The information is relayed to management and internal audit for investigation. Feedback on reports is given when requested. A report is provided to the Executive Committee and the Board Audit and Corporate Governance Committee on a quarterly basis. Both codes and the whistle-blowing policy are available on the company website at [www.anglogoldashanti.com](http://www.anglogoldashanti.com). In total, there were 39 cases reported in terms of the whistle-blowing policy in 2007 (2006: 29), nine of which remained in progress. The results of the whistle-blowing procedure are reflected in the graph.

Results of whistle-blowing process (%)



Categorisation	Completed	In progress	Total number reported
Bribery and corruption	3	3	6
Criminal activity	1	0	1
Enquiry	2	0	2
Fraud	4	1	5
Grievance	0	1	1
Irregularities	12	3	15
Misconduct	4	1	5
Unethical behaviour	2	0	2
Unfair labour practice	2	0	2
<b>Total</b>	<b>30</b>	<b>9</b>	<b>39</b>

### Marketing and communications and customer privacy

AngloGold Ashanti does not conduct extensive marketing programmes. The company's investor activities are indicated in the Annual Financial Statements and on the website. No sanctions or non-adherence with codes or regulations were reported in 2007.

## 4. Case studies

### On our website

The following case studies may be found on our website at [www.aga-reports.com/07/case-studies.htm](http://www.aga-reports.com/07/case-studies.htm) or at the specific urls listed below.

#### Group

- **Dealing with conflicts of interest at work** – AngloGold Ashanti's 2005 policy and guidelines on dealing with conflicts of interest at work has become integrated into the company's corporate governance principles. In 2007, specific conflict of interest cases were assessed, with emphasis being placed on ensuring that employees and other staff members become aware of potential conflicts of interest prior to the manifestation of any actual conflict. See case study at [www.aga-reports.com/07/conflict.htm](http://www.aga-reports.com/07/conflict.htm).
- **Business continuity management: update** – February 2007 saw the launch of simulation trials with the intent of gathering and sharing information to be used in developing plans to manage and ensure the continuity of business operations in the event of a catastrophe. The pilot project between AngloGold Ashanti and Anglo Platinum which has since been established involves an extremely comprehensive business continuity management (BCM) plan, designed to combat immediate, as well as long-term crises. See case study at [www.aga-reports.com/07/BCM.htm](http://www.aga-reports.com/07/BCM.htm).

#### South Africa

- **Progress in settlement of KOSH water issue** – In 2007, a Section 21 company was formed and registered under the name of Margaret Water Company with the express purpose of managing the continued pumping of water from the liquidated Stilfontein Gold Mining Company, thereby assisting the resolution of the KOSH (Klerksdorp, Orkney, Stilfontein, Hartebeesfontein) water issue. Finalisation of the transaction between the liquidators and the Margaret Water Company is anticipated to be completed by the end of 2008. See case study at [www.aga-reports.com/07/BCM.htm](http://www.aga-reports.com/07/BCM.htm). [www.aga-reports.com/07/KOSH-update.htm](http://www.aga-reports.com/07/KOSH-update.htm).



## 5. Objectives for 2008

- Developing and implementing an employee handbook on key compliance and governance policies.
- Developing and implementing a supplier handbook on key compliance and governance policies applicable to them.
- Communication and, in particular, the roll-out of the values and business principles and associated policies to all employees.