



ANGLOGOLD INVESTMENTS AUSTRALIA (PTY) LTD AND ITS SUBSIDIARIES

October 2018

OUR APPROACH TO TAX: AUSTRALIA TAX POLICY

This policy applies to AngloGold Investments Australia(Pty) Ltd and all Australian entities in its group (“The Group”)

Introduction

The Group wishes to adopt the Board of Taxation’s voluntary Tax Transparency Code (TTC), being a large business, as defined by the TTC (February 2016). The Group also forms part of the listed AngloGold Ashanti Group, headquartered in Johannesburg, who has developed a Group Tax Management Policy.

Our tax strategy, which is aligned with the Group’s strategy and business objectives, is to manage all our Australian taxes in a transparent, responsible and sustainable manner, within the governance framework established by the Group’s Tax Management Policy (“the Policy”), respecting the differing interests of all our stakeholders.

In terms of the TTC, the Group hereby adopts the Code and undertakes the following:

Part A: Reconciliation of accounting profit to income tax paid or payable; effective tax rates for Australian and global operations, on an annual basis:

- Reconciliation of accounting profit to tax expense and tax paid
- Identification of material temporary and non-temporary differences
- Accounting effective tax rates for Australian and global operations.

Part B: Our tax policy comprises the following key components:

1. Commitment to compliance

The overall objective for the Group is to act responsibly in ensuring efficiency in its tax affairs in all countries in which the Group operates, always in full compliance with the law, taking into account, however, that such laws may be subject to regular amendment and differing interpretations and practices prevailing from time to time. We are committed to compliance with tax law and practice in the UK. Compliance for us means paying the right amount of tax in the right place, on a timeous basis. We disclose all relevant facts to the tax authorities and in claiming reliefs and incentives where available.

2. Responsible attitude to arranging our tax affairs

We recognise the fact that the Group must earn and maintain its social licence to operate through a partnership with government and community stakeholders, thus contributing towards their sustainable future in the countries where we operate.

Aligned with its Vision, Mission and Values, the Group acknowledges its obligations as a responsible corporate citizen and that its operations contribute material tax revenues, in terms of both taxes borne and taxes collected, to the economies of the countries in which the Group conducts business.

Any structuring that is undertaken will have commercial and economic substance and will have full regard to the potential impact on our reputation.

The Group is a member of the Extractive Industries Transparency Initiative (“EITI”), a global Standard to promote open and accountable management of natural resources. The Group is committed to reporting amounts paid to government in respect of operations in countries that have implemented the Standard.

3. Effective risk management

The principles governing the tax strategy and the Policy have been reviewed and approved by the board of directors of AGA who, together with the Group Audit and Risk Committee (“A&R Committee”), monitor adherence to the Policy.

The Policy governs the management of tax throughout the Australia Group and confirms the defined parameters within which the Group will apply its board approved tax strategy. This governance framework utilises a combination of suitably skilled resources, internal processes, together with internal and external controls.

The Group has adopted and is guided by the following principles:

- We comply with our legal obligations for tax, in that our tax returns and other related submissions are filed on time with full and appropriate disclosure of all relevant matters, and we pay our taxes on time;
- As the Group takes into account fiscal considerations in all investment decisions and commercial transactions, tax efficiency is always aligned with a sound business purpose;
- We comply with our obligations under transfer pricing rules in the jurisdictions in which we operate;
- Any tax position adopted must be based on the premise of full disclosure and compliance with the tax laws of the relevant countries;
- Tax positions adopted must involve an assessment of all risks, including reputational risk i.e. how the Group’s decision might be viewed by its stakeholders, including governments and investors;
- The group manages its tax risks, including uncertain tax positions, through the use of a combination of skilled internal resources and external tax advisors to enable the Group to exercise its judgement to arrive at appropriate decisions and provisions. The A&R Committee considers tax risks, which may arise as a result of the Group’s business operations, on a quarterly basis. Given the scale of our business and volume of tax obligations, risks will inevitably arise from time to time in relation to the interpretation of tax law and nature of our compliance arrangements. We proactively seek to identify, evaluate, manage

and monitor these risks to ensure they remain in line with the group's tax risk appetite.

- The group strives to furnish full and transparent disclosure under global financial reporting standards and other applicable regulations.

4. Board ownership and oversight

The responsibility for ensuring effective implementation of the Policy and adherence to its principles rests with the Chief Executive Officer, who holds the Chief Financial Officer ("CFO") accountable to ensure compliance with the Policy. The CFO, in turn, holds the Vice President: Global Taxation ("VP GT") accountable to ensure that there are adequate resources, internal structures, policies, processes and controls in place at group level. The VP GT is responsible for monitoring and coordinating compliance with the Policy. The CFO and VP GT report the Group's tax position to the A&R Committee of the board, on a quarterly basis.

5. Constructive approach to engaging with ATO

In line with its Values, the Group endeavours to maintain respectful, open and co-operative relationships of trust with the tax and other fiscal authorities in all countries in which it operates, including ATO. We engage with ATO in an honest and respectful manner and in a spirit of co-operative compliance.

This statement will be reviewed on a periodic basis and updated where relevant. AngloGold Investments Australia (Pty) Ltd, regards this publication as complying with the duty under the Tax Transparency Code, extracted from the Board of Taxation report to the Government of Australia.

6. Australian Tax contribution summary

The following taxes will be disclosed, on an annual basis:

1. Corporate income taxes (Mandatory)
2. Other Australian taxes (royalties, excise, payroll taxes, stamp duty, fringe benefits tax and state taxes; (Optional)
3. Disclosure of Government imposts collected by the business on behalf of others (Optional)

7. International related party dealings summary

The AngloGold Ashanti group follows the OECD guidelines for international related party dealings. It also complies with Action 13 and files the Master file and Local file for AGA Australia which includes the qualitative disclosure of key categories of dealings with offshore related parties.

Ends