



AngloGold policy on party political donations

Rationale

AngloGold believes that the principle of multiparty democracy as contained in the founding provisions of the South African constitution deserves support. As section 1 of the constitution asserts, multi-party democracy ensures "openness, accountability and responsiveness in government". Our financial support for political parties will aim to promote political competition, public scrutiny of policy- and law-making, and the exercise of executive power. 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.

In South Africa the company will therefore budget a sum each year – up to 10% of social responsibility spending – for distribution as donations to political parties. In the other countries where AngloGold has operations it will seek to be a good corporate citizen in the context of the laws and practices of these countries.

Criteria for distribution

Since the purpose of this policy is the promotion of multi-party democracy, in the division of available funds between parties, the company will attach greater weight to the principles of equity and diversity than to the principle of proportionality based on parties' previous performance in elections

While the intention is that funding should be provided for more than one party, this does not mean the company will fund all parties. In deciding which parties to fund, the company will consider the following:

- 1) That the Party embraces a philosophy and a track record consistent with both the principles of the South African

constitution and of the social and business policy and philosophy of the company. These include the advancement of human dignity, human rights and freedoms, non-racialism and non-sexism. This shall not, however, preclude parties seeking to protect minority cultures and languages without unduly damaging the rights of majorities;

- 2) A capacity to contribute meaningfully to democratic political debate, and to the generation of policy ideas for public consideration and choice; and
- 3) A capacity to contribute constructively to building a culture of executive accountability and parliamentary oversight.

Method of distribution

The distribution of the funds budgeted for distribution to political parties shall, subject to the criteria outlined above, be overseen by a sub-committee comprising independent non-executive members of the board of directors. That sub-committee may choose to co-opt one or more outside, independent experts to advise in the making of these decisions.

Disclosure

The contents of this policy will be open to public scrutiny. Further, the company believes that good corporate and national governance is dependent on party political donations above a certain size being publicly declared.