

HUMAN RIGHTS AND SECURITY FORCES

Our policies

Randgold operates in remote regions of Africa where human rights may not be fully recognised or respected. In this context we believe it is critical that our company not only upholds the fundamental human rights of any stakeholder impacted by our operations, but that we also proactively use our influence with local communities, suppliers and others to raise awareness of the importance of universal human rights. This is not only the right thing to do, but a material business concern. Respect for human rights leads to improved livelihoods and security and this reduces the risk of Randgold operations being disrupted or damaged.

To help embed the UN Voluntary Principles on Business and Human Rights into all our operations Randgold has a comprehensive (and publicly available) human rights policy covering, but not limited to, the protection of human rights in employment, community resettlement and engagement of private security forces. Other core policies such as our code of conduct, anti-corruption and anti-bribery policy, and conflict free gold policy also include human rights aspects. All staff are trained in these policies both at induction and where relevant through stand-alone training programmes. For example, compulsory training is provided for all security providers in the UN Voluntary Principles on Business and Human Rights.

We proactively encourage respect for human rights by including detailed human rights obligations within all supplier contracts. These put a legal duty on our contractors, large and small, to comply with Randgold's zero tolerance in areas such as bribery, any form of forced or vulnerable labour (including child labour), corporal punishment or infringement of freedom of association. We also undertake due diligence before engaging with new suppliers to ensure they do not have a history of human rights infringements.

To manage human rights risks we track human rights infringements through both our grievance mechanism (see 'Our governance' section of this report) and through the annual reviews of all contractors and suppliers, which include ensuring compliance with human rights-related clauses.

In regards to security forces, it is the company's policy not to arm any security forces at its gold mines and nor does it provide benefits to any armed groups who have committed or been credibly accused of human rights abuses. The crux of our security is the strong bonds and real partnerships that we have built with our host communities. Ultimately it is these relationships that keep our mines secure. Beyond this, Randgold utilises certain private security companies to protect its gold mines and is protected by governmental forces which sign legally binding contracts to uphold the Universal Declaration of Human Rights in all safety, security and policing matters.

SECURING HUMAN RIGHTS

Randgold monitors that security forces implement the company's human rights policy by ensuring that:

- strict due diligence procedures are in place prior to recruitment, including a requirement to be accredited according to relevant UN agencies;
- contractual requirements include human rights clauses;
- compulsory training is provided for all security providers in the UN Voluntary Principles on Business and Human Rights; and
- a formal disciplinary procedure is in place should any personnel be subject to credible allegations of serious human rights abuse.

Our performance

Randgold has never been subject to any allegations of serious human rights abuses or breaches of humanitarian law throughout over 20 years of operation, and this remained the case in 2016.

We track any human rights infringements through our grievance mechanism, and none of the 63 grievances registered this year were human rights related. There were also no breaches of human rights clauses in supplier contracts in 2016.

In total we facilitated human rights training for 1 594 people in 2016, including mine security agents and local police and citizens near our Kibali mine in DRC.

RESETTLEMENT

Sometimes the construction or expansion of a mine or its infrastructure means that local communities need to be resettled. Resettlement is one of the most sensitive challenges a mining company can face, and if not well managed can harm local livelihoods, lead to fines from government and ultimately damage relationships with the host community.

Our policies

We are committed to minimising involuntary settlement and only resettle individuals or communities as a last resort when absolutely necessary for our operations.

When resettlement does need to take place, our policy is designed to protect the affected person or community at the centre of the process. To do this we continually engage with the affected households from the start of the process to develop an agreed Resettlement Action Plan (RAP). An important part of all our RAP agreements is ensuring that the standard of living is improved or at the very least restored to an equal level for all affected people. All RAPs are informed by the relevant national legislation and IFC Performance Standards on Land Acquisition and Involuntary Resettlement.

Our performance

During 2016, we undertook one small resettlement at Kibali as part of the development of the hydropower station. This involved compensation to community members for loss of gardens and agricultural land to build the access road to the Azambi project site. We also started the process of relocating nearly 1 500 households to allow for the development of the Gorumbwa satellite pit at Kibali. As part of this RAP all affected households were offered either a new house with access to electricity and potable water or a cash settlement to build their own home. So far, 97% of affected households have opted for financial compensation, which we provide along with training on financial management, livestock rearing and agriculture, human rights and women's development for the affected people.

In 2017, we will complete the RAP in relation to the new Gorumbwa pit, and two further smaller RAPs are planned: one at Loulo in Mali where the construction of the haul road for Baboto expansion will impact on some farmlands; and another at Kibali for the construction of the power lines to Azambi. We estimate this impacted 123 community fields and nine households. There are currently no further RAPS planned for 2017.

Plans and priorities for 2017

In 2017, the priority will be the looming closure of Morila and the scaling up of agribusinesses and other commercial opportunities on the site.

It will also see Randgold continue to work with suppliers to improve the number who qualify for ISO 14001 and OHSAS 18001 certification, and we will undertake at least 480 formal supplier audits in 2017.

Community development programmes will continue and we hope to progress ideas such as a rugby academy in Mali, educational attainment initiatives, the further roll out of cervical cancer screening and to continue to build early relations with communities around Massawa as that project goes to feasibility phase.

FIGURE 17: RESETTLEMENT DATA

	Projected for 2017	2016	2015	2014
Number of households resettled	1 482	01	25	29
RAP expenditure	\$16.1 million	\$76 000	\$1.7 million	\$0.4 million

¹ No households were resettled in 2016. However compensation for some gardens and fields was provided.

