

Norges Bank concludes special dialogue with AngloGold Ashanti

On 27 June 2012, the Ministry of Finance received a recommendation from the Council on Ethics on the exclusion of AngloGold Ashanti Ltd on the grounds of an unacceptable risk of the company contributing to severe environmental damage and serious violations of human rights through its activities at two gold mines in Ghana, cf. the conduct-based criteria in the Guidelines for Observation and Exclusion from the Government Pension Fund Global. On the advice of Norges Bank, the Ministry decided in 2013 that the matter should instead be taken up with the company through active ownership over a period of five years.

When this period expired in 2018, Norges Bank found that the company had made progress towards the goals of this ownership work, but that the clean-up of legacy pollution had been delayed on account of changes at the company and limited activity at the Obuasi mine. A plan to restructure the mining operation had also just been announced. The Executive Board therefore decided to extend the dialogue by three years to work on further risk reductions. This extended period has now come to an end. In the light of the actions taken and the further development of the mining operation since 2012, the Executive Board finds that the risk of future norm violations appears to be reduced. It has therefore decided to conclude the Bank's special dialogue with the company under the Guidelines on Observation and Exclusion.

The aim of the dialogue with AngloGold Ashanti was to encourage the company to clean up legacy pollution and operate the Obuasi mine in Ghana in accordance with internationally recognised standards. During the extended dialogue from 2019 to 2021, Norges Bank had seven meetings with the company about conditions in Obuasi. The company reported good progress in both its modernisation programme and the restoration of contaminated areas, although the Covid-19 pandemic brought some delays. Issues that we raised with the company include the release of heavy metals and water impacts, identifying and cleaning up historical pollution of land and groundwater, and the future operation of the mine in accordance with applicable standards for water management, waste management and tailings dams. We also raised issues around forced relocation with the company.

The first two phases of the restructuring of the Obuasi mine have been completed. It is currently in limited use as a mechanised, underground mine. In connection with the restructuring, AngloGold Ashanti carried out an environmental impact analysis which was approved by the Ghanaian authorities. The impact analysis included a plan for the continued remediation of legacy pollution. Information shared by the company with Norges Bank during the dialogue indicates that the steps taken to prevent future contamination are effective, and that the clean-up of previous pollution has progressed.

Given that there are still challenges from the previous operation of the mine, and the limited period since the reopening of the mine, Norges Bank plans to continue to engage with AngloGold Ashanti through its ordinary ownership activities. We will report publicly on this in the same way as for other companies in our annual report on responsible investment.