

# APPENDIX 1: MATERIALITY ASSESSMENT 2017, PROVIDING THE FRAMEWORK FOR 2018

Throughout December 2017, Randgold undertook its annual materiality assessment process to update and build on the 2016 materiality assessment. The results of the process will be used to inform our sustainability work for the year ahead and we wanted to include a snapshot of it here.

## Our process

Our materiality assessment involves surveying external and internal stakeholders with a long list of 42 sustainability issues potentially linked to operations. We asked internal stakeholders to score each issue on a 1 to 5 scale, based on the potential severity of impact on our business. We also asked a group of over 100 external stakeholders to identify the 14 issues (or top third) most important to them. Stakeholders are also given the opportunity to identify any additional issues important to them.

The results will be reviewed and agreed internally by Randgold management to ensure they provided balanced coverage of the company's most material issues wherever they occur in the value chain.

## Prioritisation

In order to draw a threshold for our reporting, we set boundaries to identify high and medium impact issues. We define high impact issues as those that appear in both internal and external stakeholders' top 14 most important issues, while medium impact issues are defined as those appearing in the top third (14) of either internal or external stakeholder lists. Where not included in the materiality results, we also include any high priority global issues, such as climate change and water scarcity in our reporting.

## Our emerging findings

The results of the 2017 update show that 25% of highest priority issues from 2016 remain in this category (with cyanide management, closure and water pollution dropping in priority), but there was also some notable movement around which issues both internal and external stakeholders placed in their top third of priorities. In total this year there were seven issues recorded as highest priority, and 12 as medium priority.

### High priority issues

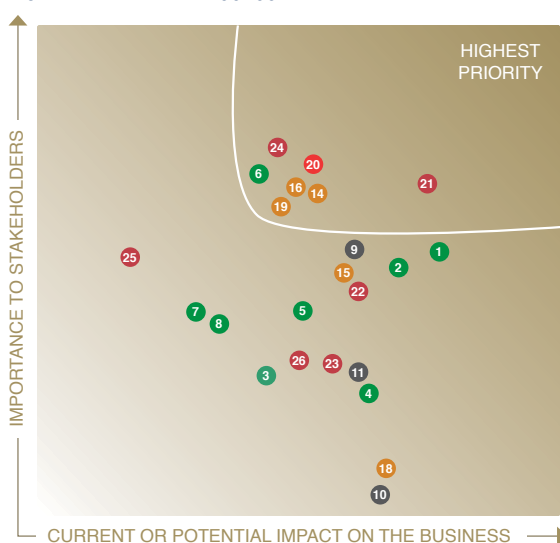
- Safety
- Malaria
- Waste management
- Community development and investment
- Local economic development
- Local and national employment
- Local procurement and partnership

### Medium priority issues

- Stakeholder engagement
- Closure planning
- Cyanide management
- Water pollution
- HIV
- Staff training
- Land Disturbance
- Biodiversity
- Air pollution
- Fair wages
- Occupational health
- Grievance resolution

Detailed analysis of the results will be provided in next year's sustainability report.

## 2017 MATERIALITY ASSESSMENT



### ENVIRONMENT

- 1 Cyanide management
- 2 Water pollution
- 3 Water efficiency
- 4 Environmental incidents
- 5 Air pollution
- 6 Waste management
- 7 Land disturbance
- 8 Ecology/biodiversity

### COMMUNITY

- 14 Local and national employment
- 15 Closure planning
- 16 Community development
- 17 Indigenous peoples
- 18 Artisanal mining
- 19 Local procurement and supply

### GOVERNANCE

- 9 Stakeholder engagement
- 10 Legal compliance
- 11 Community grievance resolution
- 12 Anti-corruption measures
- 13 Corporate governance

### PEOPLE

- 20 Local economic development
- 21 Safety
- 22 Skills transfer and training
- 23 Occupational health
- 24 Malaria
- 25 HIV/AIDs
- 26 Fair wages

The issues listed in the key are the 26 issues identified as material issues either in 2016 or 2017. The following issues were not considered to be priority issues in the 2017 materiality process: anti-corruption measure, corporate governance, indigenous peoples and are not included in this scattergraph.