

Tax Strategy Statement – Randgold Resources’ Approach to Tax

Introduction

Our mines are based in some of the most economically challenged countries of the world. We believe mining companies such as ourselves can, and should, have a transformative role in those countries in which they operate by harnessing the inherent mineral wealth and abundance of potential. At a national level, we contribute in a number of ways including paying taxes, dividends and royalties, through the joint ownership of mines with our host countries, the building of vital infrastructure, the upskilling of our employees, and support for local supply chains, local businesses and local skills.

Engrained in our business culture is our commitment to being a responsible corporate citizen.

A responsible approach to arranging our tax affairs

Governments determine what a fair share of tax is and set out tax laws accordingly. It is not the role of business to determine what level of taxation is fair. Governments and fiscal authorities sometimes implement fiscal incentives and exemptions in order to encourage investment, employment and economic development. Where these exist we seek to apply them in a responsible manner, and on the basis intended.

When considering the viability of new investment opportunities, the fiscal environment is one of the factors we examine. The fiscal framework is an important determinant in accessing the potential return on an investment and whether to proceed with a project.

We support tax regimes which are efficient, stable, predictable and easy to understand in order to facilitate the substantial investment required for long term mining ventures.

We are committed to complying in a responsible manner with the tax law and practice in all of the jurisdictions in which we operate. Compliance for us means paying the right amount of tax in the right place at the right time, and involves disclosing all relevant facts and circumstances to the fiscal authorities.

We expect to pay tax on our income in the country where our activities take place and, in our view, double taxation of the same activities by more than one jurisdiction should not take place.

We are transparent about our tax and all other payments to governments.

Constructive approach in engaging with fiscal authorities

We strive to develop constructive relationships and maintain an open dialogue with fiscal authorities on the basis of integrity, collaboration and mutual trust. This is in line with our core values.

However, where there is a substantial disagreement, we are prepared to ask for a review by an independent third party, having always first sought to resolve any disputed matters through active discussion with the relevant fiscal authorities.

We engage in initiatives to simplify and improve tax systems to encourage investment and economic growth. We engage with governments on the development of fiscal frameworks and tax laws which are supportive of building a sustainable mining industry and which considers the long term nature of mining ventures. We do this either ourselves or through industry bodies.

Tax governance and risk management

Given the scale of our business and the volume of tax obligations across the jurisdictions we work in, risks will inevitably arise from time to time in relation to the interpretation of tax law and the nature of our tax compliance arrangements. The group endeavours to mitigate tax risks wherever possible by proactively seeking to identify, evaluate, manage and monitor those risks and, where there is significant uncertainty or complexity in relation to a risk, external advice may be sought.

Our board is responsible for maintaining a sound system of risk management and internal controls.

The audit committee reviews and monitors the effectiveness of the group's internal control and risk management systems, which also cover taxation. Annually, the Board conducts a review of the effectiveness of the group's systems of risk management and internal controls, including financial, taxation, operational and compliance controls.

Assurance over risk management, internal control and governance processes is provided by the group's internal audit function.

In relation to tax disputes as well as general tax matters, management seek and utilise the expertise of external advisors as appropriate, in support of their own assessment.

Local senior finance management must understand the tax implications of transactions in their entities, and ensure compliance with the tax laws in the jurisdictions in which they operate. Group executives provides oversight of work performed on a local level.

Attitude to tax planning

In structuring our commercial activities we will consider, among other factors, the tax laws of the countries in which we operate with a view to maximising value on a sustainable basis for our shareholders. Any tax planning undertaken will have commercial and economic substance and will have regard to the potential impact on our reputation and broader goals. We will not undertake planning that is contrived or artificial.

This statement is approved by the board of Randgold Resources Limited. Its publication is regarded as satisfying our statutory obligation in the United Kingdom under Paragraph 19(2), Schedule 19, Finance Act 2016. The group's corporate presence in the United Kingdom is comprised of the subsidiary company, Randgold Resources (UK) Limited.