



ANGLOGOLD ASHANTI LIMITED

REMUNERATION COMMITTEE - TERMS OF REFERENCE

The Remuneration Committee ("the Committee") has been established as a Board committee in accordance with Article 100 of the Company's Articles of Association.

1 Objectives

The purpose of the Committee is to discharge the responsibilities of the Board relating to all compensation, including equity compensation of the Company's executives.

The Committee establishes and administers the Company's executive remuneration with the broad objectives of:

- 1.1 aligning executive remuneration with company performance and shareholder interests;
- 1.2 setting remuneration standards which attract, retain and motivate a competent executive team;
- 1.3 linking individual pay with operational and company performance in relation to strategic objectives; and
- 1.4 evaluating compensation of executives including approval of salary, equity and incentive based awards.

2 Membership and Quorum

- 2.1 The members of the Committee shall be appointed by the Board from amongst the non-executive directors.
- 2.2 The Committee shall have at least four members, two of whom shall be independent directors.
- 2.3 The Committee's chairman shall be appointed by the Board and shall be an independent director.
- 2.4 If a member is unable to act for any reason, the chairman of the Committee may co-opt another non-executive director as an additional member (subject to 2.2 above).
- 2.5 The quorum for the transaction of business shall be two members of the Committee, one of whom shall be an independent director.

3 Secretary

The secretary of the Committee shall be the Managing Secretary, Executive Officer – Human Resources or such other person as the Committee may appoint.

The Executive Officer – Human Resources shall be responsible for implementing the decisions of the Committee as directed.

4 Attendance at meetings

4.1 The Committee may invite any person it deems appropriate to attend its meetings.

4.2 The Chief Executive Officer of the Company, and the Executive Officer – Human Resources will normally be invited to attend meetings as a resource to the Committee. However, no director or executive officer shall be involved in any decision or be present at any discussions as to his or her own remuneration.

5 Meetings and proceedings

5.1 In terms of Article 110 of the Articles of Association, the meetings and proceedings of the Committee shall be governed, *mutatis mutandis*, by the provisions of the Articles regulating the meetings and proceedings of the directors, so far as they are applicable and are not superseded by any of the conditions laid down in these terms of reference.

5.2 The Committee shall meet annually in order to review salary levels of Executive Directors and Executive Officers. These meetings shall be convened by the secretary of the Committee at the request of its Chairman.

5.3 At the discretion of the Committee, or as required by the Board of Directors, additional meetings of the Committee may be convened.

6 Authority

The Committee is authorised by the Board:

6.1 to investigate any activity within its terms of reference;

6.2 to assess the remuneration paid by other internationally listed companies of a similar size in a comparable industry sector and assess whether changes to the Executive Directors' and Executive Officers' remuneration is appropriate for the purpose of making their remuneration competitive or otherwise comparable with remuneration paid by such companies;

6.3 to obtain outside legal or other independent professional advice as it deems necessary to fulfil its responsibilities; and

6.4 To delegate its authority and duties to Sub-Committees or individual members of the Committee, as it deems appropriate.

7 Duties

- 7.1 To consider remuneration policy and to set strategic objectives for remuneration management within the Company's operations.
- 7.2 To make all determination and take any action that is reasonably appropriate or necessary in the course of establishing the compensation of the Company's Executives.
- 7.3 To review and approve corporate goals and objectives relevant to the compensation of the Company's Chief Executive Officer, evaluate the performance of the Company's Chief Executive Officer in light of these goals and objectives, and set the compensation level of the Company's Chief Executive Officer based on this evaluation.
- 7.4 To review, and make recommendations to the Board where necessary, all new employment, consulting, retirement and severance agreements and arrangements proposed for the Company's Executives. The Committee shall periodically evaluate existing agreements with the Company's Executives for continuing appropriateness.
- 7.5 To determine specific remuneration packages for each Executive Director and Executive Officer of the Company, including fringe benefits, and to review these annually.
- 7.6 To consider the payment of performance linked non-pensionable bonuses to Executive Directors and Executive Officers of the Company, and to set the criteria for, and relative value of such payments.
- 7.7 To oversee and review all aspects of any share option scheme operated by or to be established by the Company, including but not limited to:
 - the selection of eligible Executive Directors, Executive Officers and other employees to whom options should be granted;
 - the timing of any grant;
 - the number of shares over which options are to be granted; and
 - the exercise price at which options are to be granted.
- 7.8 To be responsible for the administration of the Company's Share Incentive Scheme.
- 7.9 To consider other matters relating to the remuneration of or terms of employment applicable to the Executive Directors and Executive Officers that may be referred to the Committee by the Board.

8 Disclosure to Shareholders

The Committee shall report to shareholders on behalf of the Board as per the requirements of the jurisdictions under which the Company is variously listed and conducts its operations. Furthermore, the Chairman or other member of the Committee will be required to attend the Annual General Meeting of the Company in order to address shareholder questions on issues of executive remuneration.

9 Reporting

The secretary of the Committee shall circulate the minutes of each meeting to all members of the Board. The Chairman of the Committee shall report, at Board meetings, on any matters of importance.

30 July 2003