

# Reporting principles

The Global Reporting Initiative identifies 11 reporting principles that are deemed essential to produce a balanced and reasonable report on an organisation's economic, environmental and social performance.

AngloGold has endeavoured to prepare its Report to Society consistent with these principles.

## **Transparency:**

**Full disclosure of the processes, procedures, and assumption in report preparation are essential to its credibility**

AngloGold has attempted in this report to present a fair and balanced reflection of the groups' operations and performance, its values and business principles, the major issues and challenges it faces, its successes as well as those areas where its performance has been less than satisfactory and where further work is required.

Efforts have been made to report on a wide range of issues from a range of operations around the world. There has, however, been a bias in reporting on the South African operations because that is where the majority of AngloGold's employees are based and where the most material impact on society has historically registered.

The report is compiled in relation to AngloGold's own values and business principles. However, at the same time, to ensure that disclosure is as full as is possible, this information is also presented in terms of the GRI and according to geographical regions of our operations. Case studies have been selected where they are meaningful and illustrate both the company's values and business principles in action, and also to indicate some of the challenges that are faced.

No material information has been deliberately omitted from this report and, where possible and/or necessary, we have indicated the underlying assumptions that support the information and data provided.

## **Inclusiveness:**

**The reporting organisation should systematically engage its stakeholders to help focus and continually enhance the quality of its reports**

AngloGold's first social investment report – Towards Sustainability – published in 2001 was distributed to a range of stakeholders, including shareholders, local and national government representatives, the media, analysts, employees and unions. It was – and is still – available on the company's website – [www.anglogold.com](http://www.anglogold.com). AngloGold provided a feedback mechanism via email in this report and on the website although very few comments were received through this channel.

It is AngloGold's intention that the Report to Society – 2003, should be far more broadly circulated – with targeted engagement with a variety of stakeholders.

Although the indicators have not been specifically determined in consultation with stakeholders, they have been arrived at in association with PricewaterhouseCoopers (PWC), with the responsible operational managers who are in contact with the range of stakeholders.

In addition, the report has been formulated to ensure that the diverse needs of stakeholders can be met – from those who would prefer specific information on a regional or subject basis, to those who may wish to see the information presented according to the GRI guidelines, to those who are looking for a broader overview and understanding of the group.

### **Auditability:**

Reported data and information should be recorded, compiled, analysed and disclosed in a way that would enable internal auditors or external assurance providers to attest to its reliability.

In compiling this report, we have worked closely with auditors PricewaterhouseCoopers in determining what should be covered and how this should be best presented. In this, the first report done on this scale by the group, PWC were asked to either:

- Provide assurance on the key indicators in each section of the report;
- Assure the accuracy of milestones sections of each report; and
- Assure the veracity of the selected case studies.

AngloGold recognises that the assurance of this report is limited at this time and is committed to working with its auditors to ensure more comprehensive and meaningful assurance in the future.

### **Completeness:**

All information that is material to users for assessing the reporting organisation's economic, environmental and social performance should appear in the report in a manner consistent with the declared boundaries, scope and time period.

The 2003 Report to Society covers the AngloGold group as a whole, including subsidiary companies, where this information is available and relevant. Where information is available and provided on a regional or operational basis, this is indicated. The report does not extend to suppliers or users of the company's primary product, gold.

The report provides a review of activities for the 2003 financial and calendar year, and objectives for 2004. Where this is appropriate, information may be provided for prior years, particularly in respect of case studies.

### **Relevance:**

Relevance is the degree of importance assigned to a particular aspect, indicator, or piece of information, and represents the threshold at which information becomes significant enough to be reported on.

AngloGold recognises that the information reported on must be both relevant and useful to the company and to report users alike. A number of indicators required by GRI, for example, are not currently gathered by AngloGold at a group level, and this is indicated where appropriate. Consideration is being given to which indicators AngloGold will compile information on in the future, consistent with the Company's business imperatives and its environmental circumstances.

Where specific regional and operational information is reported on, particularly in the case studies, this is done to illustrate either the intent of the organisation or indeed some of the challenges it faces.

Because AngloGold is committed to reporting in line with stakeholders' needs, the 2003 Report to Society is provided in an accessible web-based format, which can be tailored specifically for the needs of individual, interested parties.

# Reporting principles continued

## **Sustainability context:**

The reporting organisation should seek to place its performance in the larger context of ecological, social, or other limits or constraints, where such context adds significant meaning to the reported information

By its very nature, mining and processing a non-renewable resource such as gold is not infinitely sustainable. A number of factors contribute towards the long-term sustainability of the company and its product:

- The product, gold, is not consumed or destroyed in any of its main applications. In fact, most of the gold that has ever been mined is theoretically available in some form or another for re-use.
- The life of AngloGold itself is continually been extended as a result of the extension of existing deposits or the discovery of new orebodies.
- AngloGold's operations have historically involved long-life mines and orebodies. Many of the groups South African operations have a life of mine in excess of 30 years, while the Morro Velho mine in Brazil has been in operation for more than 100 years.
- Planning for the sustainable development of communities surrounding operations begins at the planning stages of projects to ensure that these communities survive and indeed prosper long after mining has ceased.

## **Accuracy:**

The accuracy principle refers to achieving the degree of exactness and low margin of error in reported information necessary for users to make decisions with a high degree of confidence

The report has been compiled with the most reliable and accurate available information. The key indicators and milestones and, in some case studies, the primary sections of this report have been assured by auditors, PricewaterhouseCoopers, to provide some level of comfort in the data that have been collated.

## **Neutrality:**

Reports should avoid bias in selection and presentation of information and should strive to provide a balanced account of the reporting organisation's performance

Attempts have been made to present the information in a neutral fashion.

## **Comparability:**

The reporting organisation should maintain consistency in the boundary and scope of its reports, disclose any changes, and re-state previously reported information

This is the first report of this kind produced by AngloGold. It is the company's intention to build on the foundation provided by this report in future years, and to extend the scale and scope of reporting where this is meaningful to the organisation.

**Clarity:**

The reporting organisation should remain cognisant of the diverse needs and backgrounds of stakeholder groups and should make information available in a manner that is responsive to the maximum number of users while still maintaining a suitable level of detail

Every effort has been made to make this report as meaningful and accessible as possible to a broad range of users. Its accessibility via the web and the ability to access information in three formats – in respect of the company’s business principles, GRI and on a regional basis – and has been specifically deigned to meet the needs of potential users, as has the presentation of information through case studies. Instructions on using this report are posted on the site and have been illustrated in the print version of the report. An extensive glossary of terms has also been provided.

**Timeliness:**

Reports should provide information on a regular schedule that meets user needs

This Report to Society is reporting on the 2003 financial and calendar year. However, where appropriate, information and reporting has been extended into prior years.

This report was published on 15 March 2004, simultaneously with the company’s annual financial statements. Because the report covers the year 2003 and because portions of the report have been assured, the report will not be updated once it has been posted and/or printed on 15 March. However, updates may be presented on the company’s homepage and clearly cross-referenced from the report.

It is AngloGold’s intention to report on an annual basis.

