



04 Report to Society

The group's 2004 Report to Society presents a review of the company's economic, social and environmental impact and obligations for the period 1 January 2004 to 31 December 2004. It has been prepared in conjunction with the Annual Report on the company's operating and financial performance for the same period. Through the combination of the Report to Society and Annual Report, AngloGold Ashanti seeks to report on these issues to a wide range of stakeholders, who include shareholders, employees, employee representatives and the communities in which it operates, as well as regional and national governments and other interested parties.

AngloGold Ashanti believes that the report presents a fair and balanced reflection of the group's operations and performance, its objectives, values and business principles and the major issues and challenges that it faces (outside of the operating and financial sphere).

Efforts have been made to report on a wide range of issues from around the world. Because of the scale of the group's operations, reporting has been done on the basis that the group's principles and policies are illustrated rather than detailed in every case. This is done as far as possible, through practical examples or case studies. Because the majority of the group's operations and employees are based in South Africa, there is more reporting on this region. Attempts have been made, however, to cover issues pertinent to individual operations through specific country reports.

To address the needs of the stakeholders who will read this report, the report has been compiled in such a way as to make it more accessible.

- The primary reporting format is through a dedicated webpage on the company's own website at www.anglogoldashanti.com. Copies of the entire report or portions of this report may be accessed, downloaded or printed from this website. This report is also available on CD-ROM or in a printed version from the persons listed on the back pages of the Report to Society and the annual report, or the website.

- The report may be accessed from three vantage points:
 - First: The report is structured in line with the various disciplines – safety and health, environment, labour, HIV/AIDS and malaria, and community and these are covered in terms of the company's own values and business principles;
 - Second: Readers may access specific information in the main report or in country reports which present country specific information on the operations and case studies; and
 - Third: The Global Reporting Initiative (GRI) format has also been followed in compiling this report and a GRI matrix (to be found in each section of the printed report or in the GRI section on the website) indicates the page numbers on which relevant discussions may be found.

While no generally accepted reporting guidelines exist for this type of report, the group believes that it has sought to follow good practice, GRI guidelines and various other instruments (such as the Sarbanes-Oxley Act of 2002, and the guidelines of the King Report on Corporate Governance (2002), among others). AngloGold Ashanti has also asked auditors PricewaterhouseCoopers (PWC) to assist in developing a framework for reporting, and in providing assurance on certain sections of the report. The sections that have been assured have been selected in conjunction with PWC and are based on those areas that are most meaningful to the company and its stakeholders. The assurance letter from PWC may be found on page 6 of this report.

The most significant event of the past year was the business combination between AngloGold Limited and Ashanti Goldfields Company Limited, effective 26 April 2004. For reporting purposes, the effective reporting period for these operations begins on 1 May 2004. The former Ashanti operations are therefore reported in this report for an eight-month period only, that is, May to December 2004.

Contents

Corporate profile	2
Mission and values	3
Process of producing gold	4
Report of the independent assurers	6
Letter from the chief executive officer	7
Stakeholder engagement	8
Feedback form	9
Global Reporting Initiative reporting principles	10

Performance



Reporting according to business principles



Glossary of terms
Contact information

2 Corporate profile

AngloGold Ashanti, headquartered in Johannesburg, South Africa, has a global presence with a portfolio of differing orebody types in key gold producing regions.

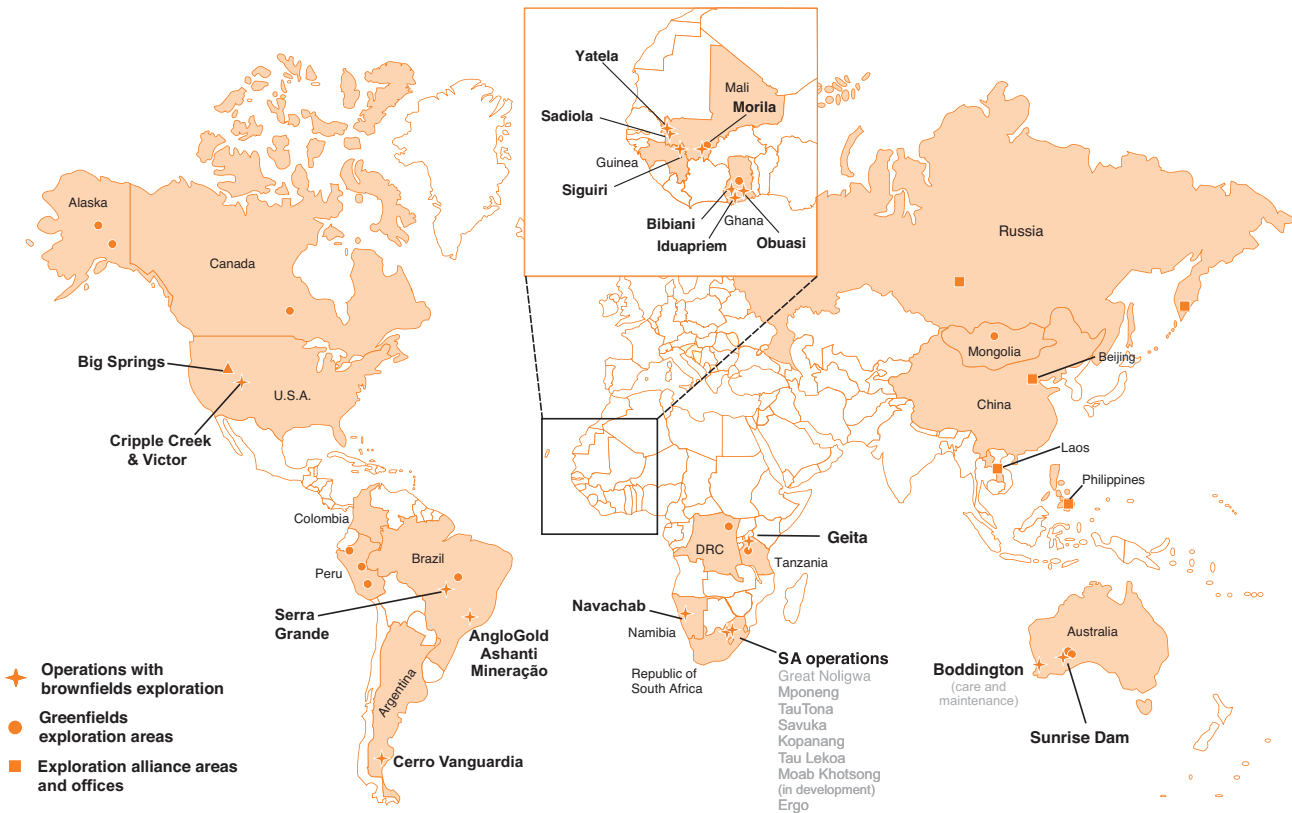
The group's 22 operations are located in 10 countries (Argentina, Australia, Brazil, Ghana, Guinea, Mali, Namibia, South Africa, Tanzania and the United States of America), and are supported by extensive exploration activities. The combined Proved and Probable Ore Reserves of the group amounted to 79 million ounces, as at 31 December 2004.

AngloGold Ashanti was formed through the business combination between AngloGold Limited and Ashanti Goldfields Limited – effective

26 April 2004 – forming Africa's foremost gold producer, and one of the world's leading resources companies.

AngloGold Ashanti is listed on the following securities exchanges: Johannesburg (ANG), New York (AU), Australia (AGG) and Ghana (AGA and AADS), as well as the London Stock Exchange (AGG), Euronext Paris (VA) and Euronext Brussels (ANG).

The group employs 65,400 people, including both permanent employees and contractors.



Mission and values

AngloGold Ashanti's mission, values and business principles were developed in consultation with employees and are reviewed as part of an ongoing process to ensure that they more accurately reflect our purpose and the way in which the company does business. This process continued in 2004 and was the subject of an internal communications campaign during the year.

AngloGold Ashanti's mission:

Our business is gold. We consistently strive to create value for everyone with a stake in our company, by finding and mining gold and by developing the market for our product.

Our values

- AngloGold Ashanti consistently strives to generate competitive shareholder returns. We do this by replacing profitable gold reserves and by continuously improving the performance of our key resources – our people, our assets and our product. We conduct ourselves with honesty and integrity.
- We provide our employees with opportunities to develop their skills while sharing risks and rewards in workplaces that promote innovation, teamwork and freedom with accountability. We embrace cultural diversity.
- Every manager and employee takes responsibility for health and safety; and together strive to create workplaces that are free of occupational injury and illness.
- We strive to form partnerships with host communities, sharing their environments, traditions and values. We want communities to be better off for AngloGold Ashanti having been there. We are committed to working in an environmentally friendly way.

Our business principles

We live our values through our business principles. These principles are applicable across AngloGold Ashanti and in all the countries in which we do business.

They inform the way in which we go about achieving our mission, balancing key economic, social, environmental and ethical values. These business principles which will evolve over time as we interact with our stakeholders, both internal and external, are:

- ethics and governance – *page EG2*
- as an employer – safety and health – *page SH2*
- as an employer – our labour practices – *page L2 and HM2*
- the community – *page C2*
- the environment – *page E2*



4 | The process of producing gold

There are six main activities in which the company engages in the process of producing gold:



1

Finding the orebody

AngloGold Ashanti's global exploration programme generates targets and undertakes exploration, on its own or in conjunction with joint venture partners.



2

Creating access to the orebody

There are two types of mining which take place to access the orebody:

- underground – a vertical or decline shaft (designed to transport people and/or materials) is first sunk deep into the ground, after which horizontal development takes place at various levels of the main shaft or decline. This allows for further on-reef development of specific mining areas where the orebody has been identified; and
- open-pit – where the top layers of topsoil or rock are removed in a process called 'stripping' to uncover the reef.



3

Removing the ore by mining or breaking the orebody

- In underground mining, holes are drilled into the orebody, filled with explosives and then blasted. The blasted 'stopes' or 'faces' are then cleaned and the released ore is now ready to be transported out of the mine.
- In open-pit mining, drilling and blasting may also be necessary to release the gold-bearing rock; excavators then load the material onto the ore transport system.



4

Transporting the broken material from the mining face to the plants for treatment

- Underground ore is transported by means of vertical and/or horizontal transport systems. Once on surface, conveyor belts usually transport the ore to the treatment plants.
- Open-pit mines transport ore to the treatment plants in vehicles capable of hauling huge, heavy loads.



Processing:

- Comminution, which is the breaking up of ore to make gold available for treatment. Conventionally, this process occurs in multi-stage crushing and milling circuits. Modern technology is based on large mills fed directly with run-of-mine material.
- Gold ores can typically be classified into:
 - refractory ores, where the gold is locked within a sulphide mineral and not readily available for recovery by the cyanidation process; or
 - free milling, where the gold is readily available for recovery by the cyanidation process.
- Refractory ore treatment – after fine grinding the sulphide materials are floated away from the barren gangue material to produce a high grade sulphide concentrate. The sulphide concentrate is oxidised by either roasting as at AngloGold Ashanti Mineração or bacterial oxidation (BIOX) as at Obuasi. The oxidation process oxidises the sulphide minerals liberating the gold particles making them amenable to recovery by the cyanidation process.
- Free milling and oxidised refractory ores are processed for gold recovery by agitator leaching the ore in an alkaline cyanide leach solution followed generally by adsorption of the gold cyanide complex onto activated carbon-in-pulp (CIP).
- The alternative process is the heap leach process. Generally considered applicable to only high tonnage, low grade ore deposits, AngloGold Ashanti has successfully applied this to medium grade deposits where the ore deposit tonnage cannot economically justify constructing a process plant. Here, the run-of-mine ore is crushed and placed on the leach. Low strength alkaline cyanide solution is applied, generally as a drip, to the top of the heap for periods of up to three months. The dissolved gold bearing solution is collected from the base of the heap and transferred to the carbon-in-solution (CIS) columns where the gold cyanide complex is adsorbed onto activated carbon. The stripped solution is recycled back to the top of the heaps.
- Gold adsorbed onto activated carbon is recovered by a process of re-dissolving the gold from the activated carbon (elution), followed by precipitation in electro-winning cells and subsequent smelting of that precipitate into bars that are shipped to the gold refineries.
- The retreatment of tailing stockpile from previous decades' operations is also practised by AngloGold Ashanti. The old tailings are mined by water sluicing followed by agitator leaching in alkaline cyanide solution and recovery of dissolved gold onto activated carbon.
- At AngloGold Ashanti operations the major by-products produced are:
 - silver, which is associated with gold in ratios ranging from 0.1 to 1 to 200:1 silver to gold
 - sulphuric acid which is produced by scrubbing the off gases from the roasting plants; and
 - uranium which is recovered in a process which involves initial acid leaching followed by recovery of the leached uranium onto resin and subsequent stripping with ammonium hydroxide and precipitation of crude yellow cake.
- The tailings from the process operations are stored in designated Tailings Storage Facilities designed to enhance water recovery and prevent contaminant seepage into the environment.




Refining

The gold dust is then smelted into gold bars, which are transported to a refinery for further refining, to as close to pure gold as possible – good delivery status. This gives the assurance that the bar contains the quantity and purity of gold as stamped on the bar.

To: The management of AngloGold Ashanti Limited

Introduction

We have been asked to provide assurance over certain selected performance statements, data and graphs (the "Selected Data") reported in AngloGold Ashanti Limited's Report to Society 2004 (the "Report to Society"). Selected Data are marked with the symbol . We did not attempt to provide assurance over all performance statements, data and graphs contained in the Report to Society.

The preparation and content of the Report to Society and the determination of Selected Data for our review are the responsibility of the management of AngloGold Ashanti Limited. Our responsibility is to express an opinion on the Selected Data, based on assurance work performed.

Opinion

In our opinion, Selected Data marked in the Report to Society with a symbol  adequately reflect AngloGold Ashanti's performance in all material respects.

Basis of opinion

Our approach reflects emerging best practice, using a framework based on principles of financial auditing and reporting and International Standards for Assurance Engagements (ISAE 3000) prepared by the International Auditing and Assurance Standards Board (IAASB), under the auspices of the International Federation of Accountants (IFAC). We therefore planned and performed our work in order to obtain reasonable, rather than absolute assurance with respect to the reliability of the performance information. We believe that our work provides a reasonable basis for our opinion.

Assurance work performed

Our opinion is based on a test of the reliability of the Selected Data by way of:

- conducting interviews and holding discussions with management, key personnel and/or stakeholders of AngloGold Ashanti Limited and assessing data trends;
- obtaining an understanding of the systems used to generate, aggregate and report the Selected Data;
- conducting site visits to test systems and data and inspecting premises where necessary;
- assessing the completeness and accuracy of the Selected Data; and
- reviewing and analysing collected information and effecting re-calculations where considered appropriate.

Considerations and limitations

Non-financial data are subject to many more inherent limitations than financial data, given both their nature and the methods used for determining, calculating or estimating such data. Our assurance did not constitute an audit in terms of generally accepted auditing standards. We have not provided assurance over all contents of the Report to Society, nor have we undertaken work to confirm that all relevant issues are included in it. We have not carried out any work on data reported in respect of future projections and targets.

PricewaterhouseCoopers Inc.

Johannesburg, 8 March 2005

Letter from the chief executive officer

Dear stakeholders

Earlier this year the weekly journal, The Economist, published a supplement on corporate social responsibility. It was most unlike the average such supplement, scores of which are published in newspapers and journals around the world each year. These usually offer large companies the opportunity to tell readers about their 'good works' programmes, and invariably invite companies, in addition, to reinforce the 'positive message' about their commitment to socially responsible activity through the medium of a paid-for advertisement.

Instead, The Economist put forward to readers a heartfelt attempt to reverse what it sees as the 'victory' of the CSR (corporate social responsibility) lobby. The publication believes that this lobby has forced business leadership to adopt an almost embarrassed attitude to the pursuit of profit, when in fact this pursuit – as Adam Smith said all those years ago – willy-nilly serves the public good. Rather, it worries, business executives are wont to say, at least in their public pronouncements, that their preferred priority is the pursuit of what the publication sees as a woolly, apparently heartwarming but ultimately destructive (of economic progress) notion of CSR.

To be sure, The Economist was not advocating the crudest form of the philosophy that 'the business of business is business'. It acknowledged that the pursuit of self-interest by enlightened means could well be the sensible thing to do. However, the bottom line was that any activity which does not grow the bottom line is illegitimate.

At many levels, this view is correct. The primary purpose of any business must be to provide competitive returns to those who fund it – the shareholders. And we at AngloGold Ashanti seek to achieve this without any apology at all. That much is stated up front in the first paragraph of our business principles.

However, our business principles go further. They encompass commitments to fair economic reward and opportunity for employees, to their right to a healthy and safe working environment, to the communities living near our operations, and to the physical environment in and surrounding our operations.

We accept, and embrace, these commitments because we believe that, in order to operate, we need to do more than merely meet the minimum regulatory standards set by the government administrations in the countries and regions in which we operate. We also believe we need a moral licence to mine; a licence that has to be acquired, too, from our employees, from the communities in which we operate, and from other

stakeholders. In its simplest terms, we take the view that communities, and others, "must be better off for our having been there".

South Africa is one country where these parallel licensing standards have been, to some extent, recognised by law through the mechanism of the mining charter.

That moral licence to mine is not something we seek in order to make us feel good. We do it for good business reasons. Without it, our ability to carry out our work, and improve the return to our shareholders would be compromised. Gauging its value to the bottom line is not easily measured. Indeed, by any normal accounting standards, it is impossible. But it is real, nonetheless.

It is not just AngloGold Ashanti's licence to operate which hinges on the benefits of companies' efforts being spread widely. Ultimately, the entire international market economy's legitimacy depends on it. It is because market economies have the capacity to achieve this that they survive.

This Report to Society is AngloGold Ashanti's latest attempt to assess how we meet these aspirations. As in the case of the Report to Society 2003, it is intended primarily as a user-friendly web-based document. It follows a similar structure to last year's, with key sections again assured by PriceWaterhouseCoopers. Where not, it is essentially because our systems have not yet been adequately developed, though we hope there will be no exceptions by this time next year.

One innovation is that we are also publishing operation, region or country-specific reports, to ensure a more focused examination is available to stakeholders local to specific operations.

We hope you find this document to be a useful and objectively presented assessment of AngloGold Ashanti's operations. We welcome your feedback.

Bobby Godsell
Chief executive officer



AngloGold Ashanti is committed to developing mutually beneficial partnerships with stakeholders throughout the lifecycle of its operations. The company has identified its principal stakeholders as:

- employees
- employee representative organisations and groups
- employees’ families and communities
- communities surrounding its operations
- shareholders
- business partners, peer and professional organisations
- suppliers
- local, regional and national governments
- end users of its products
- non-governmental organisations (NGOs) and community-based organisations (CBOs) who have an interest in the company

AngloGold Limited’s first Report to Society 2003 was distributed to a wide range of stakeholders when it was published in 2004 in both its printed format and in electronic form on CD. The report was developed primarily as an interactive online report and its existence was publicised through the annual report, the quarterly report and a wide variety of other means. Very little feedback was received via the formal processes in place (a feedback form on the website and in the printed version) and very little of the informal feedback was documented. With hindsight, this has been acknowledged as a flaw in the Report to Society 2003 feedback process.

Prior to the compilation of the Report to Society 2004, a workshop to discuss stakeholder engagement processes and the identification of key issues was led by the independent auditors PWC. This workshop was attended by a wide range of representatives from the disciplines covered in the report. In addition, the compilation of the report, the perceived shortcomings of the previous year’s report and the proposal for the 2004 report was discussed with the head of each region and designated responsible individuals. Internal champions for each of the identified disciplines – occupational safety, occupational health, labour practices, community, HIV/AIDS, malaria, ethics and governance, were appointed to lead the identification of key indicators and to oversee the compilation of the report. Due

consideration was given to the various stakeholder audiences by both the discipline champions and the heads of the various regions.

Questionnaires were developed based on the company’s business principles, and a specific part of each questionnaire was the identification of stakeholders and the engagement with them in respect of the 2003 report. While some regions had actively engaged with stakeholders specifically on reporting, others had not and have indicated that this will be a priority for the Report to Society 2004.

A list of the stakeholders identified by the regions is available on the website at www.anglogoldashanti.com. Stakeholders themselves have the ability to register on this list by filling in the feedback form available on the website or on page 10 of this report.

It is the company’s intention to engage more formally with stakeholders following the publication of the Report to Society 2004. One shortcoming that has become apparent, however, is that local communities are not necessarily interested in a report on the group as a whole but would rather access information on the specific operation or country as a whole. It is for this reason that AngloGold Ashanti has developed country/regional reports which provide information relating to a specific operation or group of operations. The following reports are available:

- Argentina
- Australia
- Brazil
- Ghana – one for each of Obuasi, Iduapriem, Bibiani
- Guinea
- Mali – Morila and Sadiola/Yatela
- Namibia
- South Africa – Ergo, West Wits and Vaal River
- Tanzania
- USA

These reports draw on the information in the Report to Society 2004 but also report on additional issues and in local currencies. Where this is appropriate, these are translated into local languages.



Feedback form

Dear stakeholder

We would be very grateful for any feedback that you might have on AngloGold Ashanti's Report to Society 2004. This feedback form is available online at www.anglogoldashanti.com or you may email it to afine@anglogoldashanti.com or fax it to **+27 11 637 6399**.

Your details (optional)

Name: _____

Organisation: _____

Tel: _____

Fax: _____

E-mail address: _____

Postal address: _____

1. What is your interest in/association with AngloGold Ashanti?

- Employee Analyst Shareholder/investor
 Journalist Government Non-governmental or community-based organisation
 Supplier or business partner Student
 Other – please specify: _____

2. Would you like to be added to our database as an organisational stakeholder? Yes No

3. Indicate your main areas of interest:

- Safety and health Environment Ethics and governance
 Community HIV/AIDS and malaria Economic performance
 Financial performance/annual report Other, please specify: _____

4. How did you access the report?

on the internet Yes No in the printed version Yes No on CD Yes No

5. How did you find the report?

Too detailed Not enough detail

Other comment: _____

6. Did you use the Global Reporting Initiative (GRI) index? Yes No

7. Do you think that it is important that the report is independently assured? Yes No

8. Do you have any other comments on the report?

Thank you for your feedback.

AngloGold Ashanti registered as an organisational stakeholder of the Global Reporting Initiative (GRI) in 2004, and is committed to reporting in accordance with GRI's principles. GRI identifies 11 reporting principles that are deemed essential to produce a balanced and reasonable account of an organisation's economic, environmental and social performance, and resulting contribution of the organisation to sustainable development; to facilitate comparison over time and across organisations; and to credibly address issues of concern to stakeholders.

These are:

- **transparency:** full disclosure of the processes, procedures, and assumptions in report preparation are essential to its credibility
- **inclusiveness:** the reporting organisation should systematically engage its stakeholders to help focus and continually enhance the quality of its reports
- **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
- **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
- **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
- **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
- **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
- **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.
- **comparability:** the reporting organisation should maintain consistency in the boundary and scope of its reports, disclose any changes and re-state previously reported information
- **clarity:** the reporting organisation should remain cognisant of its stakeholder groups and should make information available in a manner that is responsive to the maximum of users while still maintaining a suitable level of detail
- **timeliness:** reports should provide information that meets users' needs and comports with the nature of the information itself

AngloGold Ashanti is an organisational stakeholder of GRI and, as such, has endeavoured to adopt and incorporate the GRI principles in this Report to Society 2004.

AngloGold Ashanti has endeavoured to present a fair and balanced reflection of the group's operations in 2004. The most notable feature of the past year was the business combination with Ashanti Goldfields Limited and, as far as it has been possible, these operations have been included in reporting. However, there remains a bias in reporting towards the group's South African operations as this is where the majority of the group's employees are based and where the greatest material impact has been historically.

See Scope of the Report on the inside front cover, the Letter from the chief executive officer on page 7 and the Report of the Independent Assurers on page 6 for further information.

Administrative information

AngloGold Ashanti Limited

(formerly: AngloGold Limited)

Registration No. 1944/017354/06
Incorporated in the Republic of South Africa
ISIN: ZAE000043485

Contacts

South Africa

Steve Lenahan

Telephone: +27 11 637 6248

Fax: +27 11 637 6400

E-mail: slenahan@AngloGoldAshanti.com

Alan Fine

Telephone: +27 11 637 6383

Fax: +27 11 637 6400

E-mail: afine@AngloGoldAshanti.com

United States of America

Charles Carter

Telephone: (800) 417 9255 (toll free in USA and Canada)
or +1 212 750 7999

Fax: +1 212 750 5626

E-mail: cecarter@AngloGoldAshanti.com

Australia

Andrea Maxey

Telephone: +61 8 9425 4604

Fax: +61 8 9425 4662

E-mail: amaxey@AngloGoldAshanti.com.au

General E-mail enquiries

investors@AngloGoldAshanti.com

AngloGold Ashanti website

<http://www.AngloGoldAshanti.com>

Registered and Corporate

11 Diagonal Street
Johannesburg 2001
(PO Box 62117, Marshalltown 2107)
South Africa
Telephone: +27 11 637 6000
Fax: +27 11 637 6624

Australia

Level 13, St Martins Tower
44 St George's Terrace
Perth, WA 6000
(PO Box Z5046, Perth WA 6831)
Australia
Telephone: +61 8 9425 4604
Fax: +61 8 9425 4662

Ghana

Gold House
Patrice Lumumba Road
(PO Box 2665)
Accra
Ghana
Telephone: +233 21 772190
Fax: +233 21 778155

United Kingdom Secretaries

St James's Corporate Services Limited
6 St James's Place
London SW1A 1NP
England
Telephone: +44 20 7499 3916
Fax: +44 20 7491 1989

Produced by:

Russell and Associates