



Scope of the report

This Report to Society 2006 has been prepared in conjunction with the company's Annual Financial Statements on the company's operating and financial performance for the same period. Combined, the Report to Society and the Annual Financial Statements make up the Annual Report. Through the Report to Society, 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.

The group's 2006 Report to Society has been prepared in the form of three complementary publications comprising:

- a comprehensive web-based document (www.aga-reports.com) which provides a broad overview of the group's sustainable development initiatives across 10 countries and 21 operations – with a particular focus on the economic, social and environmental impact and obligations for the period 1 January 2006 to 31 December 2006. This review is illustrated by a number of case studies for each of AngloGold Ashanti's business principles;
- a condensed printed document which entails a review of the company's economic, social and environmental impact and obligations for the period 1 January to 31 December 2006 and a selection of the case studies published in the web-based document. This condensed report illustrates the most significant challenges and issues facing the group in terms of sustainable development and indicates, where appropriate, where further information – particularly case studies – may be found in the web-based report. This entire report has been assured by independent auditors, PricewaterhouseCoopers; and
- country and operational reports, which provide an overview of each country or operation (as appropriate) and the issues and challenges relating to sustainable development in each.

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.

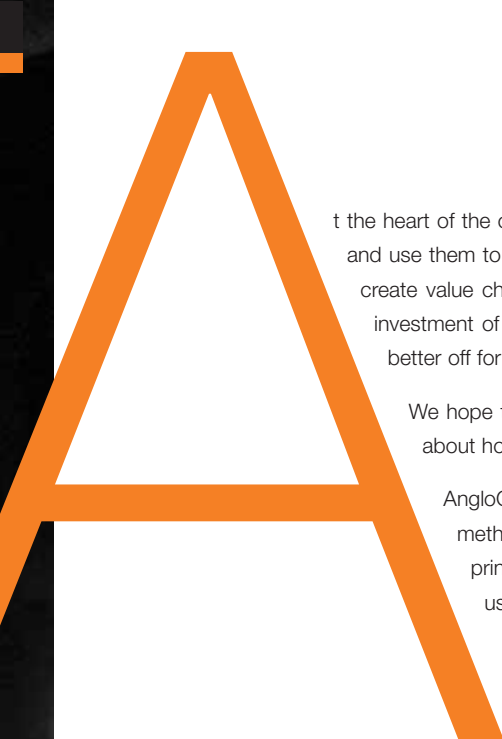
AngloGold Ashanti has sought to follow good practice, GRI guidelines and various other instruments (such as the Sarbanes-Oxley Act of 2002, and the guidelines of the King Report on Corporate Governance (2002), among others) in compiling this report. A detailed review of our reporting in accordance with GRI may be found on our website at www.aga-reports.com/GRI.htm.

The company's annual financial statements are available in a printed form or may be accessed at www.aga-reports.com.

For further information on the Report to Society 2006 and on the company's sustainable development practices, contact Alan Fine on (Tel) +27 11 637 6383 or afine@anglogoldashanti.com

Letter from the CEO





t the heart of the character of this company is the idea of being a good steward: that is, to take the resources we command and use them to create value – for our owners, our employees and the communities in which we operate. The aspiration to create value characterises all aspects of our business. That means enhanced profitability and earnings, and growing the investment of our owners; the development of the skills, talents and experience of our employees; leaving communities better off for our presence; and working responsibly with the environment.

We hope that this report, together with our Annual Financial Statements, will assist people in coming to a conclusion about how well we are living up to our promises and how we plan to meet the challenges which we still face.

AngloGold Ashanti's Report to Society 2006 is the company's fifth such report, and the fourth which seeks to report, methodically and in an open and balanced manner, against both the company's own values and business principles, and against the guidelines of the Global Reporting Initiative (GRI), which remains the most broadly used standard of corporate triple bottom line reporting.

A new format

The report takes on a different format this year, in response to issues raised in a survey of stakeholder perspectives of the 2005 report. Essentially, we have introduced features designed to show the reader what we believe to be the most material 'sustainability' issues faced and dealt with by the company in 2006. This will be found in the section on pages 8 to 11. Also, the hard copy version of this report is half the size of previous versions: the major difference is that the hard copy version contains only a limited number of case studies – those we see as dealing with the most critical issues faced by the company in 2006. Some 50 more case studies (each briefly summarised at the end of the appropriate section) can be found in the web-based version. Country- or operation-specific reports may also be found on our website.

The issues we face

Perhaps the biggest socio-economic issue faced by AngloGold Ashanti, and by other mining companies conducting open-pit mining or exploration operations for precious minerals in developing countries, is the phenomenon of small-scale, informal and illegal mining occurring both around and in our mining lease areas. On the one hand, such mining often involves unsafe and environmentally dangerous mining practices, and operates outside of laws that seek both to regulate mining and to ensure benefits from mining for the broader community. On the other hand, such activities do provide a form of economic activity for individuals who have not found a place in the formal economy. It is the commitment of AngloGold Ashanti to work with host governments, at all levels, to find formalised, legal and safe ways for small scale-mining to take place, while at the same time supporting the enforcement of the rule of law.

In South Africa, many years of progress in the sphere of mine safety, with constant declines in fatality and injury rates, were reversed in 2006 due to an increased number of underground accidents. We have embarked on urgent reviews of safety measures, knowing that the improving trend has to be reinstated. We convey our condolences to the victims' loved ones.

More pleasing in our South African operations is a significant improvement in the numbers of employees undergoing voluntary counselling and testing in our HIV/AIDS programme. Self awareness is the prerequisite for a successful prevention and treatment programme, both in the company and in society as a whole, so we are very pleased with this breakthrough.

Another major and successful initiative on the public health front is the trend-setting malaria programme implemented in the town of Obuasi, Ghana, where we aim to halve the incidence of this debilitating and deadly disease.

AngloGold Ashanti has always approached its business on the basis that relationships with employees are critical to a successful business operation. In an attempt more closely to align employees' interests with those of the company, 2006 saw the introduction of an Employee Share Ownership Plan in South Africa following intensive consultations with organised labour. Similar schemes will be rolled out elsewhere where appropriate to the local conditions.

This company views its responsibilities towards its various stakeholders as interconnected. We cannot sustain good financial performance without achieving our objectives in human resource development, health and safety, community investment and environmental stewardship. To this end we are looking to strengthen the links between financial and sustainable development reporting.

Bobby Godsell

28 February 2007

AngloGold Ashanti is one of the world's leading gold producers, with a varied portfolio of assets and orebody types in key gold-producing regions around the world. At the end of 2006, the company had 21 operations located in 10 countries (South Africa, Argentina, Australia, Brazil, Ghana, the Republic of Guinea, Mali, Namibia, Tanzania and the United States) on four continents, together with a substantial project pipeline and a focused, global exploration programme. The sale of the Bibiani mine in Ghana was concluded at the end of 2006 and the Boddington operation was given the go-ahead during the year.

AngloGold Ashanti produced 5.6 million ounces of gold in 2006, of which 2.6 million ounces (46%) came from deep-level hard-rock operations in South Africa and the balance of 3 million ounces (54%) from the shallower and surface operations around the world. Greenfields exploration is under way in Western Australia, Colombia and the Democratic Republic of Congo (DRC), and through exploration partnerships and joint ventures in Alaska, Russia, China, the Philippines and Laos.

AngloGold Ashanti is a values-driven organisation and our values and business principles underpin all that we do. This applies equally to our approach to sustainable development. Thus, our values guide our relations with all those that have an interest in the business – our stakeholders – and inform our business principles that govern those relationships. We measure our performance against our stated values and business principles and report our progress against these in this document.

ur profile



ENGAGING WITH OUR STAKEHOLDERS

AngloGold Ashanti recognises that, as the company conducts its business, so it has an impact – real or potential – on a wide range of stakeholders. We have identified the following broad groups of stakeholders at corporate, operational and community level.

- employees
- unions
- employees' families and dependants
- communities surrounding operations or from which the company draws its labour
- shareholders
- business partners
- peer companies
- suppliers
- local, regional and national governments
- customers
- non-governmental and community-based organisations
- academic institutions
- regulatory authorities
- professional organisations

A detailed list including many of the stakeholders with whom the various operations engage may be found on our website www.aga-reports.com/06/stakeholders.htm. Our engagement with our stakeholders varies in frequency and may depend on specific matters on hand. The nature of this engagement may also be formal, informal or both.

While our operations interact with our stakeholders on a range of different issues, we specifically asked all operations to provide stakeholders with the Report to Society 2005, the Country/Operational Reports or the url for these reports on our website. We also asked readers both of the printed report and the web-based version for feedback. As in previous years, very little formal feedback was received.

In an effort to obtain better feedback and to initiate constructive debate with stakeholders on the report, we engaged an independent consultant to undertake focused interviews with a range of stakeholders. The commentary and feedback obtained in this manner were instrumental in many of the changes we implemented in the report this year. For further information on the research that was undertaken see www.aga-reports.com/06/research.htm.

WHAT WE REPORT

In this year's report we have tried to:

- Provide a clear picture of our vision, values and business principles, and how we perform when measured against these. In every section of the report, we have reported our performance against our stated business principles.
- Provide the reader with an overview of the company and the sustainability issues and challenges that we face in relation to the exploration, mining and closure pipeline and in the areas in which we operate. We have tried to present a clear picture at the beginning of the report and in each section, of what those main issues are.*
- Illustrate the way in which we do business, what some of the challenges are that we face and – through case studies – how these are dealt with at an operational level. In this document we deal with eight case studies which we have prioritised as some of the most significant issues facing the company. Further case studies may be found on our dedicated report website www.aga-reports/06/case-studies.htm.
- Provide a comprehensive resource so that readers may find information on specific issues and operations on our website.
- Respond to the GRI, the ICMM business principles and the UN Global Compact, in keeping with our responsibility to these institutions. A detailed discussion and checklist may be found on our website at www.aga-reports.com/GRI.htm.

* These primary issues were identified through a combination of the research that was undertaken by the independent consultant with stakeholders on what they were interested in, and a process of engagement with the subject champions at an operational and corporate level of what they felt were the most significant issues in their areas of responsibility. Consideration of these primary issues has been enriched through wider engagement with stakeholders.



See the online report
www.aga-reports.com
on how to use
our report.



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 the group's purpose and the way in which it does business.



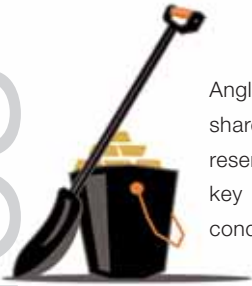
Our mission & values

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 responsible 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:



AngloGold Ashanti – a responsible and ethical corporate citizen



AngloGold Ashanti as an employer – safety and health



AngloGold Ashanti as an employer – labour practice



AngloGold Ashanti and the environment

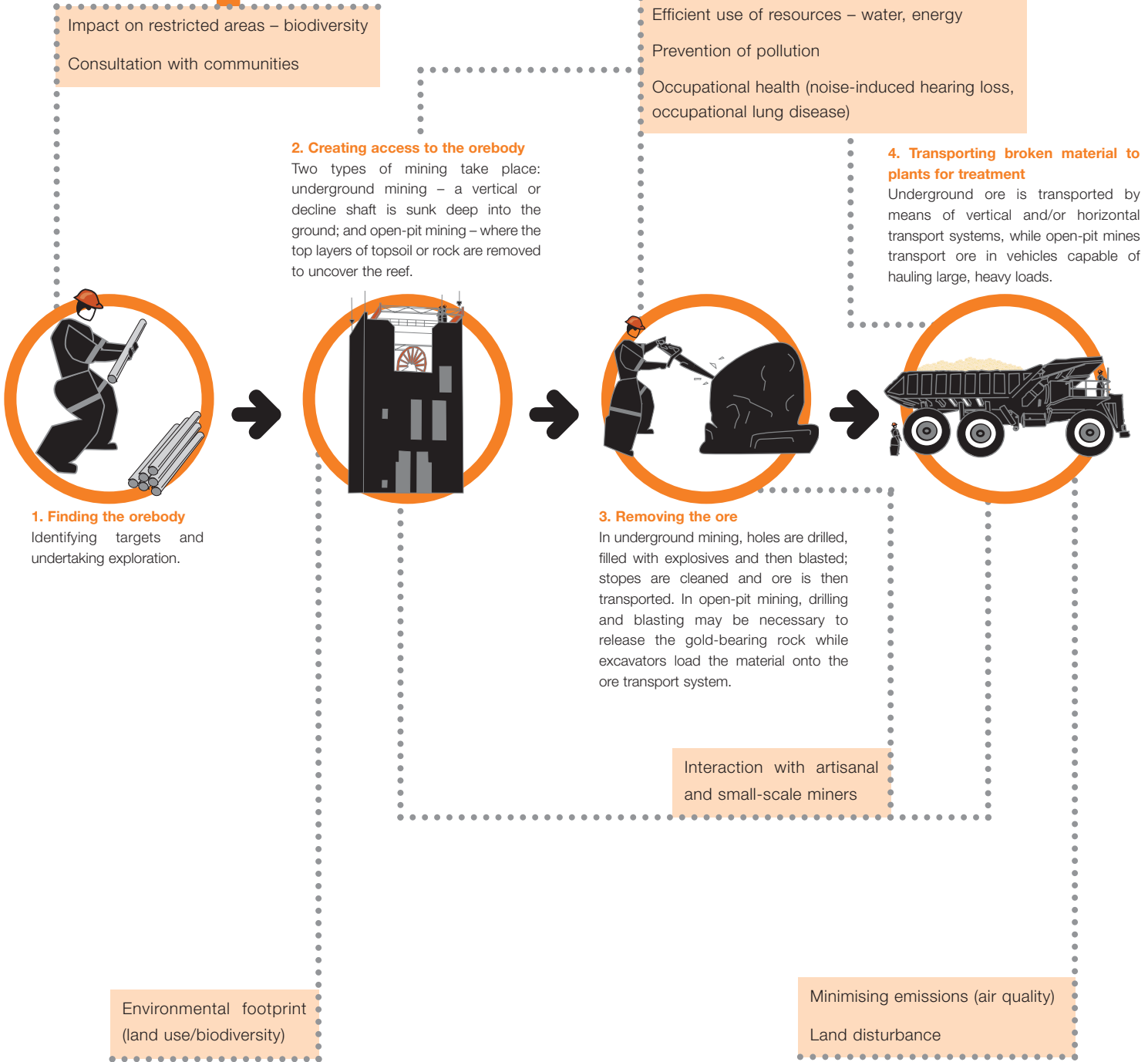


AngloGold Ashanti in the community

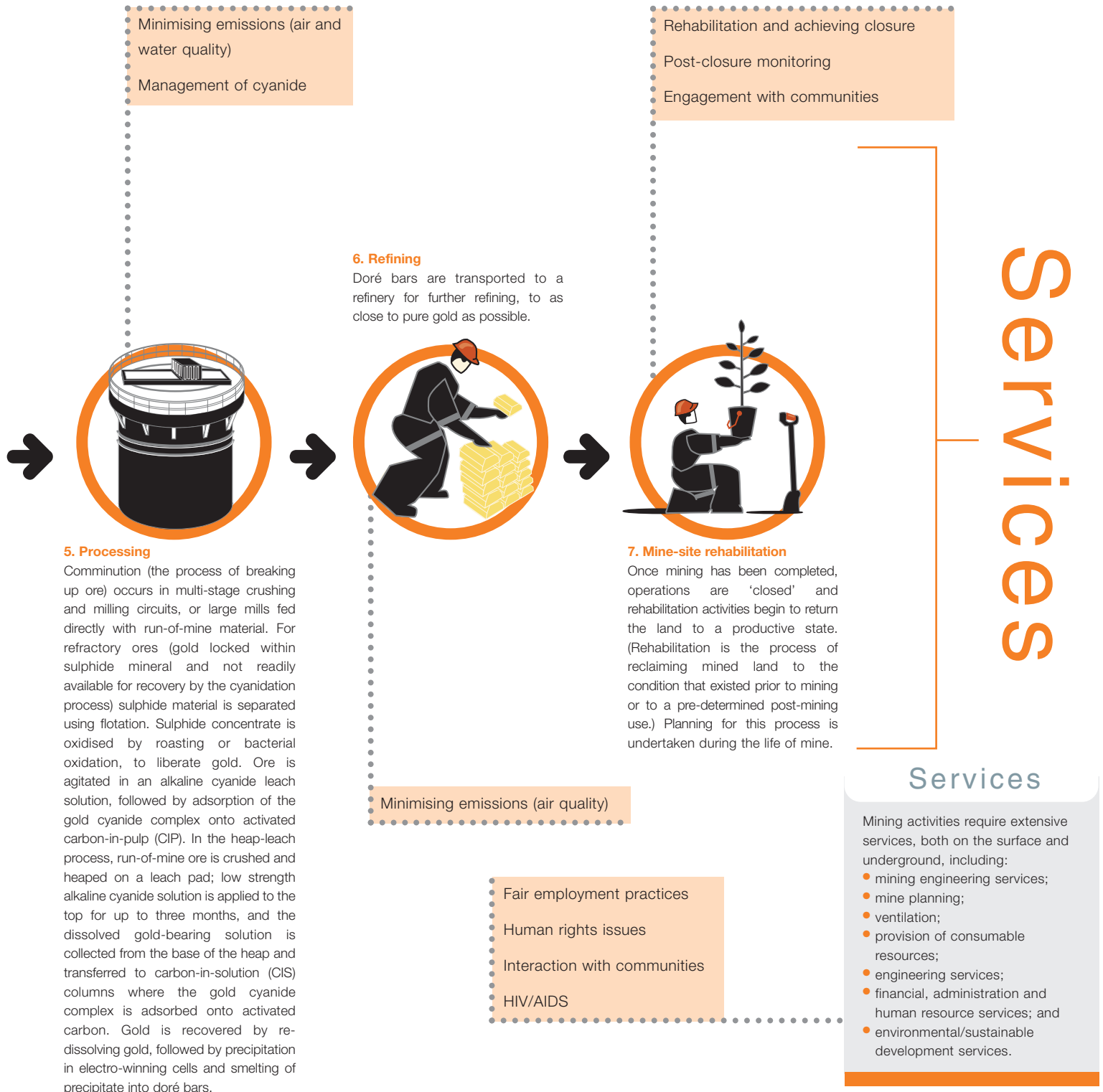
On the pages that follow we report how we have performed in terms of our values and business principles.

THE BUSINESS OF GOLD

and the challenges it poses

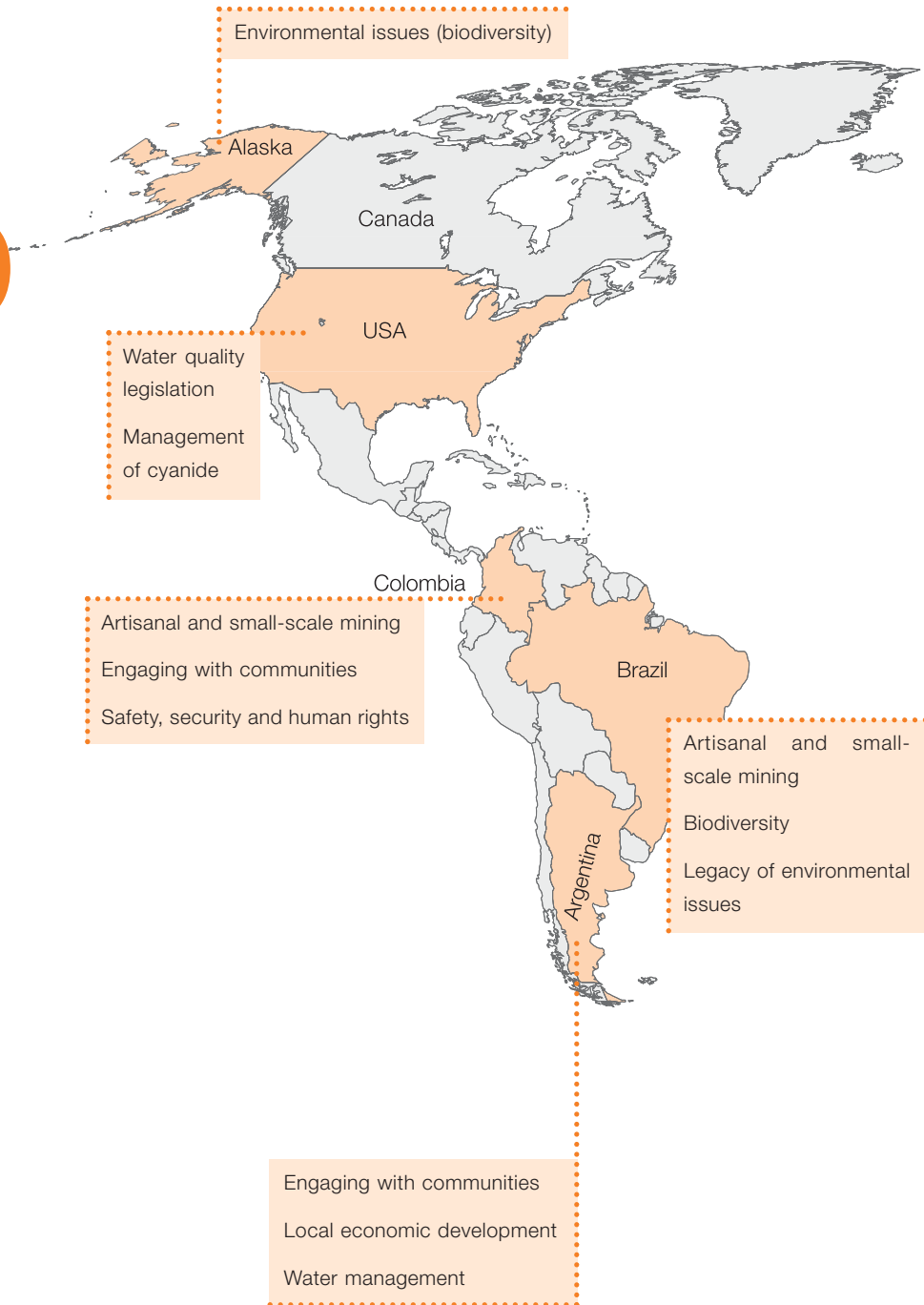


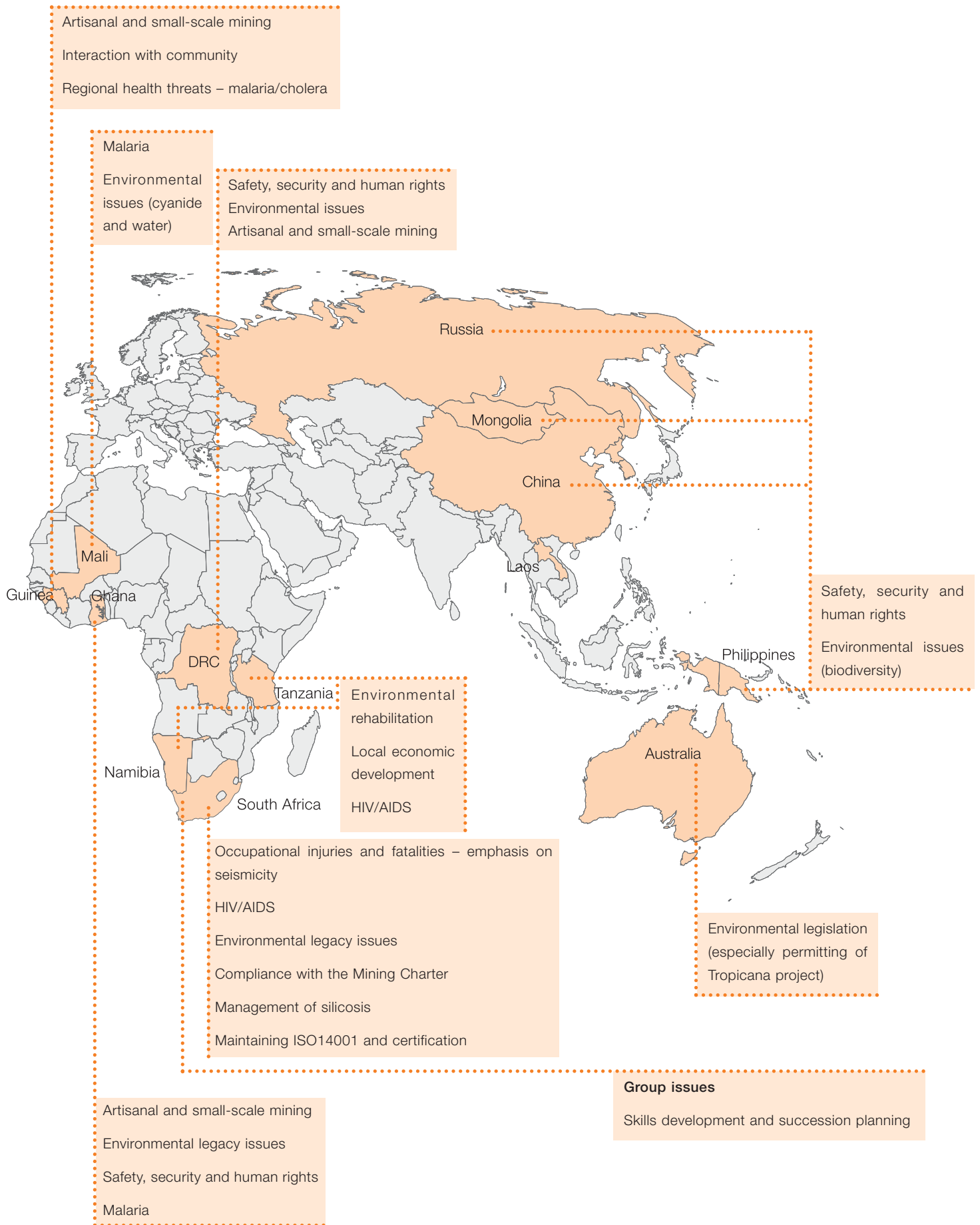
This section illustrates our key sustainability issues during the life cycle of mining and processing gold (1 to 7 on the diagram below).



Our world of gold

This section illustrates key sustainability issues and indicates particular areas of concern at AngloGold Ashanti's global operations







To the Board of Directors and Management of AngloGold Ashanti Limited

Introduction

We have been asked to perform assurance procedures on the printed publication of AngloGold Ashanti's Report to Society for the year ended 31 December 2006 for the purposes of expressing a reasonable assurance opinion on the performance information disclosed in the publication. AngloGold Ashanti's management was responsible for both the preparation and content of the Report to Society 2006.

Methodology

This engagement was conducted in accordance with the International Standards for Assurance Engagements 3000, "Assurance Engagements other than audits or reviews of historical financial information" (ISAE 3000). We planned and carried out our work in order to obtain reasonable assurance on the reliability of the performance information disclosed in the Report to Society. We applied suitable criteria as relevant to the information reported, and also where applicable, embodied in AngloGold Ashanti's internal corporate policies, procedures and controls. These criteria are available from AngloGold Ashanti on request.

Where quantitative performance indicators were derived from AngloGold Ashanti's audited financial statements for the year ended 31 December 2006, we did not audit the statements, but reviewed the derived figures for validity and accuracy.

Considerations and limitations

Non-financial data are subject to more inherent limitations than financial data, given both their nature and the methods used for determining, calculating, sampling or estimating such data. Due to the geographic spread of AngloGold Ashanti's operations, not all country operations were included in the sample. We have not carried out any work on data reported for prior reporting periods, nor in respect of future projections and targets.

Information that is reported on AngloGold Ashanti's web-site, but not published in the printed Report to Society 2006, was excluded from the assurance scope.

Conclusion

Based on our work performed, the printed Report to Society 2006 fairly reflects AngloGold Ashanti's performance in all material respects.

PricewaterhouseCoopers Inc.
Johannesburg

1 March 2007

WHAT IS ASSURANCE?

Assurance of information produced by an organisation's management, generally means enhancing the degree of confidence of the intended users. Enhanced confidence is obtained from the outcome of an evaluation of the quality of such subject matter against criteria, by an independent third party practitioner. The outcome of an assurance exercise is an 'assurance statement' containing a conclusion on the quality of the subject matter.

AngloGold Ashanti appointed a team of non-financial assurance practitioners, whose qualifications and practical experience cover the breadth of corporate sustainability issues in the environmental, social and economic spheres, to undertake this independent third party assurance role.

The assurance conclusion was based on a test of the reliability of the performance information by way of:

- conducting interviews and holding discussions with management, key personnel and/or stakeholders of AngloGold Ashanti and assessing data trends;
- obtaining an understanding of the systems used to generate, aggregate and report the performance information;
- conducting site visits on a sample basis to test systems and data where necessary;
- assessing the completeness, accuracy, existence and validity of the performance information on a sample basis;
- reviewing and analysing collected information and effecting re-calculations where considered appropriate; and
- applying suitable audit criteria as relevant to the subject matter reported.

What users of the Report to Society see, in the form of the Assurance Statement issued by the third party, is the proverbial tip of the iceberg in the assurance process. What AngloGold Ashanti further benefits from, is a resulting internal management report with detailed observations made during the engagement, related to management and control issues, highlighting areas of particular concern or potential improvement. During the assurance exercise there has been ongoing dialogue between AngloGold Ashanti and the assurers at various levels, related to best practice and efficiency of controls, further contributing to staff awareness of material sustainability issues for the company.

The added value experienced by AngloGold Ashanti in the assurance of the Report to Society can be summarised as follows:

- Management comfort
- Comfort that existing management systems and controls are functioning
- Comfort that decisions and disclosures are based on reliable information
- Learning and improvement
- Observations allowing for management to improve reporting processes and systems
- Encouraging current best practice to drive continuous improvement
- Risk management
- A reduction in the risk of material mis-statements
- An improvement in overall risk management with particular focus on non-financial issues
- Trust and credibility
- Increased transparency and accountability helping to build trust and a positive reputation with all our stakeholders

