

Governance structure

Governance structure and management systems

Governance structure of the organisation, including major committees under the board of directors that are responsible for setting strategy and for oversight of the organisation

See the corporate governance section in the Annual Report 2004

Percentage of the board of directors that are independent, non-executive directors

See box on page EG3

Process for determining board members need to guide the strategic direction of the organisation including issues related to environmental and social risks and opportunities

Not in place

Board-level process for overseeing the organisation's identification and management of economic, environmental and social risks and opportunities

See the corporate governance section in the Annual Report 2004

Linkage between executive compensation and achievement of the organisation's financial and non-financial goals

See the corporate governance section and the remuneration report in the Annual Report 2004

Organisational structure and key individuals responsible for oversight, implementation and audit of economic, environmental, social and performance, and states of implementation

See the directorate and management section of the Annual Report 2004

Mission and value statements, internally developed codes of conduct or principles, and policies relevant to economic, environmental, social policies and implementation status

See page EP2 of the economic performance of the Report to Society 2004 and corporate governance section of the Annual Report 2004

Mechanisms for shareholders to provide recommendations or direction to the board of directors

Informal process in place. See discussion on communication with shareholders in the Annual Report 2004

Economic performance indicators

Note: Significant increases from 2003 to 2004 are primarily as a result of the business combination between AngloGold and Ashanti.

Economic indicators	
Core indicators	Additional indicators
Direct economic impacts	
Customers	
*EC1. Net sales	
Net sales (gold income) of: 2004: \$2,396 million 2003: \$2,029 million	
EC2. Geographic breakdown of markets	
See graph on page EP4	
Suppliers	
*EC3. Cost of all goods, materials, and services purchased	EC11. Breakdown of supplier by organisation and country
2004: \$900 million* 2003: \$760 million* (*Cost of goods and services used to operate mines and produce refined metal, including market development costs, net of other income)	Information not available
EC4. Percentage contracts that were paid in accordance with agreed terms, excluding agreed penalty arrangements	
Information not available	
Employees	
*EC5. Total payroll and benefits (including wages, pension, other benefits, and redundancy payments) broken down by country or region	
See table on page EP5	
Providers of capital	
*EC6. Distribution of capital broken down by interest on debt and borrowings and dividends on all classes of shares, with any arrears of preferred dividends to be disclosed	
Distribution of capital in 2004 as follows: Finance costs and unwinding of decommissioning obligation: \$87 million (2003: \$53 million) Dividends declared: \$147 million (2003: \$224 million) See Annual Report 2004 for further details	
*EC7. Increase/decrease in retained earnings at the end of period	
Retained income utilised in the group is \$66 million compared with \$88 million reinvested in the group in 2003	
Public sector	
*EC8. Total sum of all taxes paid broken down by country	EC12. Total spent on non-core business infrastructure
Net \$40 million taxation utilised in the group. \$142 million distributed in 2003.	Information not available
EC9. Subsidies received broken down by country or region	
Information not available	
EC10. Donations to community, civil society and other groups broken down in terms of cash and in-kind donations per type of group	
See the community section of this report on pages C1 to C20	
Indirect economic impacts	
	EC13. The organisation's indirect economic impacts.
	Quantitative information not available. See the community section of this report on pages C1 to C20 for further information

* Monetary flow indicators

Environmental performance indicators

A more detailed response to the environmental performance indicators is provided on the company's website at www.anglogoldashanti.com

Environmental performance indicators	
Core indicators	Additional indicators
Materials	
EN1. Total materials use other than water, by type	
Information provided, where available, on the website	
EN2. Percentage of materials used that are wastes (processed or unprocessed) from sources external to the reporting organisation	
Ergo operation, located in South Africa retreats gold from old tailings deposits distributed across the East Rand. These tailings have been purchased from now defunct operations	
Energy	
EN3. Direct energy use segmented by primary source	EN17. Initiatives to use renewable energy sources and to increase energy efficiency
Information provided, where available, on the website	Energy is a key component of the company's cash cost structure. Efforts to reduce energy consumption and improve efficiencies form an integral part of the group's cost saving initiatives. Alternative renewable energy sources are regularly reviewed. See website
EN4. Direct energy use	EN18. Energy consumption footprint of major products
Information provided, where available, on the website	Not available
	EN19. Other indirect (upstream/downstream) energy use and implications, such as organisational travel, product lifecycle management, and use of energy-intensive materials
	Not quantified
Water	
EN5. Total water use.	EN20. Water sources and related ecosystems/habitats significantly affected by use of water
	Not quantified
Information provided, where available, on the website	EN21. Annual withdrawals of ground and surface water as a percent of annual renewable quantity of water available from the sources
	Information provided, where available, on the website
	EN22. Total recycling and re-use of water
	Information provided, where available, on the website

Environmental performance indicators

Core indicators	Additional indicators
Biodiversity	
EN6. Location and size of land owned, leased or managed in biodiversity-rich habitats	EN23. Total amount of land owned, leased or managed for production activities or extractive use
Not quantified	Information provided, where available, on the website
EN7. Description of the major impacts on biodiversity associated with activities and/or products and services in terrestrial, fresh water and marine environments	EN24. Amount of impermeable surface as a percentage of land purchased or leased
Not quantified	Information provided, where available, on the website
	EN25. Impacts of activities and operations on protected and sensitive areas
	Not quantified
	EN26. Changes to natural habitats resulting from activities and operations and percentage of habitat protected or restored
	Not quantified
	EN27. Objectives, programmes, and targets for protecting and restoring native ecosystems and species in degraded areas
	Information available on website
	EN28. Number of IUCN Red List species with habitats in areas affected by operations
	Information available on website
	EN29. Business units currently operating or planning operations in or around protected or sensitive areas
	Information available on website

Environmental performance indicators: Labour practices and decent work

Core indicators	Additional indicators
Emissions, effluents and waste	
EN8. Greenhouse gas emissions	EN30. Other relevant indirect greenhouse gas emissions
Information available on website	Not quantified beyond EN8
EN9. Use and emission of ozone depleting substances	EN31. All production, transport, import of any waste deemed hazardous under the terms of the Basel convention.
Information available on website	Not quantified
EN10. NOx, SOx and other significant emissions by type	EN32. Water sources and related ecosystems/habitats significantly affected by discharges of water and runoff
Information available on website	Not quantified
EN11. Total amount of waste by type and destination	
Information available on website	
EN12. Significant discharges to water by type	
Information available on website	
EN13. Significant spills of chemicals, oils, and fuels in terms of total number and volume	
Information available on website	
Suppliers	
	EN33. Performance of suppliers relative to environmental components of programmes and procedures described in response to Governance Structure and Management Systems section
	Not quantified
Suppliers	
EN14. Significant environmental impacts of principal products and services	
Not applicable	
EN15. Percentage of the weight of products sold that is reclaimable at the end of the products' useful life and percentage that is actually reclaimed	
Gold is not consumed by its end user. Rather, because of its rarity and value, the product is cherished and re-used. Almost all gold that has ever been mined is potentially available for re-use	
Compliance	
EN16. Incidents and fines for non-compliance with all applicable international declarations/conventions/treaties, and national, sub-national, regional and local regulations associated with environmental issues	
Not quantified	
Transport	
	EN34. Significant environmental impacts of transportation used for logistical purposes
	Not quantified
Compliance	
	EN35. Total environmental expenditure by type
	Not available

Social performance indicators: Labour practice and decent work

Social performance indicators:	
Labour practices and decent work	
Core indicators	Additional indicators
Employment	
<p>LA1. Breakdown of workforce, where possible, by region/country, status (employee non-employee), employment type (full/part-time), and by employment contract (indefinite or permanent/fixed term or temporary). Also identify workforce retained in conjunction with other employees (temporary, agency workers or workers in co-employment relationships), segmented by region/country</p>	<p>LA12. Employee benefits beyond those legally mandated. (eg. contributions to health care, maternity, education and retirement)</p>
<p>65,400 people (monthly average) worked at AngloGold Ashanti during 2004, comprising 50,737 employees and 14,663 contractors</p>	<p>Employee benefits vary from region to region. (See discussion on page L16)</p>
<p>LA2. Net employment creation and average turnover segmented by region/country.</p> <p>AngloGold Ashanti employed a monthly average of 65,400 people during 2004. For a breakdown per country, see page L3. For a breakdown of turnover per operation, see the section on economic performance</p>	
Labour/management relations	
<p>LA3. Percentage of employees represented by independent trade union organisations and other bona fide employee representatives broken down geographically or percentage of employees covered by collective bargaining agreements broken down by region/country</p>	<p>LA13. Provision of formal worker representation in decision-making, including corporate governance</p>
<p>83.5% of all employees are represented by trade unions or an industry collective bargaining agreement</p>	<p>Provision is made for both formal and informal employee participation at all operations</p>
<p>LA4. Policy and procedures involving information, consultation and negotiation with employees over changes in the reporting organisation's operations (eg. restructuring)</p> <p>Various policies and procedures are in place: These include:</p> <ul style="list-style-type: none"> ● Chamber of Mines 1997 Wage Agreement and Job Grading Agreements in South Africa and various Recognition Agreements ● Workplace Relations Policy, Equal Opportunity Policy and Fair Employment Guideline in Australia ● Malian Labour Code and Malian Collective Agreement ● Tanzanian Employment Act ● Recognition Agreement at Navachab Mine 	

Social performance indicators:

Labour practices and decent work

Core indicators	Additional indicators
Health and safety	
LA5. Practices on recording and notification of occupational diseases and how they relate to the ILO Code of Practice on Recording and Notification of Occupational Accidents and Diseases	LA14. Evidence of substantial compliance with the ILO guidelines for Occupational Health Management Systems
Recording and notification of occupational diseases and injuries in line with AngloGold Ashanti safety and health guidelines, which are informed by ILO guidelines. See discussion on pages SH7 to SH8 of this report	Compliance is assessed through internal and external assessment. See discussion on pages SH7 to SH8 of this document
LA6. Description of formal joint health and safety committees comprising management and worker representatives and proportion covered by any such committees	LA15. Description of formal agreements with trade unions or other bona fide employee representatives covering health of workforce and safety at work and the proportion of the workforce covered by any such agreements
Joint health and safety committees exist at all operations, some less formal, and others such as at the South African operations, are required by law	Agreements in place at the South African operations covering all workplaces. Agreements or, alternatively, employee representative committees in place at all operations
LA7. Standard injury, lost day, and absentee rates and number of work-related fatalities (including sub-contracted workers)	
All statistics available on pages SH1 to SH18 of this document	
LA8. Description of policies or programmes (for the workplace and beyond) on HIV/AIDS	
See separate discussion related to regional health threats, HIV/AIDS and malaria on page HM5 of this document	

Social performance indicators:

Social performance indicators: Labour practices and decent work

Core indicators	Additional indicators
Training and education	
LA9. Average hours of training per year per employee by category of employee	LA16. Description of programmes to support the continued employment of employees and to manage career endings
Not available	It is the group's philosophy that training and development programmes should support the continued employability of individuals after employment by the company and in preparation for career endings, both as a result of ill health or as a result of mine closure. <i>(See discussion on page L12)</i>
	LA17. Specific policies and programmes for skills management or for lifelong learning
	Performance management and talent management programmes are in place across the group, as well as training and development programmes to refresh, upgrade and learn new skills. Study assistance is also available to employees and, in some regions, to their dependents
Diversity and opportunity	
LA10. Description of equal opportunity policy or programmes as well as monitoring systems to ensure compliance and results of monitoring	
Equal opportunity policy is regulated by law in many of the countries in which the group operates. Additionally, policies and programmes are in place at all operations.	
LA11. Composition of senior management and corporate governance bodies (including the board of directors), including female/male ratio and other indicators of diversity as culturally appropriate	
Efforts to align the composition of management and the board to reflect appropriate representation of women, and other culturally diverse groups are in place.	

Social performance indicators: human rights

Human rights	
Core indicators	Additional indicators
Strategy and management	
<p>HR1. Description of policies, guidelines, corporate structure, and procedures to deal with all aspects of human rights relevant to operations, including monitoring mechanisms and results. State how policies relate to existing international standards such as the Universal Declaration and the Fundamental Human Rights Conventions of the ILO</p>	<p>HR8. Employee training on policies and practices concerning all aspects of human rights relevant to operations. Include type of training, number of employees trained, and average training duration</p>
<p>Human rights are entrenched within the company's values and business principles, and regulated by legislation in most of the countries in which AngloGold Ashanti operates</p>	<p>The company's values and business principles have been communicated to employees and various forms of training have been provided to employees, particularly security personnel</p>
<p>HR2. Evidence of consideration of human rights impacts as part of investment and procurement decisions, including selection of suppliers/contractors</p>	
<p>There is a vendor approval process in place to ensure that vendors meet the minimum requirements of doing business with AngloGold Ashanti. All vendors are required to comply with labour legislation to ensure that there are no human rights abuses. A further example would be the 'guidelines for contractors' which stipulates minimum compliance requirements for contractor employees</p>	
<p>HR3. Description of policies and procedures to evaluate and address human rights performance within the supply chain and contractors, including monitoring systems and results of monitoring</p>	
<p>There is a supplier monitoring committee in place that discusses non-compliance or unethical behaviour by suppliers. If there is evidence to suggest wrong doing, the supplier/contractor is removed from the approved vendor list</p>	
<p>HR4. Description of global policy and procedures/programmes preventing all forms of discrimination in operations, including monitoring systems and results of monitoring</p>	
<p>Policies relating to discrimination and harassment are in place at all operations and are guided by both the company's business principles, as well as local legislation</p>	
<p>HR5. Description of freedom of association policy and extent to which this policy is universally applied independent of local laws, as well as description of procedures/programmes to address this issue</p>	
<p>Freedom of association is entrenched within the company's values and business principles, in legislation in many of the countries in which the group operates and within regional recognition agreements and policies. In addition, AngloGold Ashanti is party to a <i>bilateral international agreement with the International Federation of Chemical, Energy, Mine and General Workers' Unions (the ICEM)</i> on the promotion and implementation of good human and industrial relations in AngloGold Ashanti's operations worldwide</p>	

Human rights	
Core indicators	Additional indicators
Child labour	
HR6. Description of policy excluding child labour as defined by the ILO Convention 138 and extent to which this policy is visibly stated and applied, as well as description of procedures/programmes to address this issue, including monitoring systems and results of monitoring	
In addition to the business principles in which this is entrenched, the prohibition of child labour is also contained within and monitored in terms of the legislation of the various countries in which the group operates. See discussion on adherence to ILO principles on page L7	
Forced and compulsory labour	
HR7. Description of policy to prevent forced and compulsory labour and extent to which this policy is visibly stated and applied as well as description of procedures/programmes to address this issue, including monitoring systems and results of monitoring. See ILO Convention No. 29, Article 2	
In addition to the business principles in which this is entrenched, the prohibition of forced or compulsory labour is also contained within and monitored in terms of the legislation of the various countries in which the group operates. See discussion on adherence to ILO principles on page L7	
Disciplinary practices	
	HR9. Description of appeal practices, including, not limited to, human rights issues. Describe the representation and appeals process
	Disciplinary processes in place at all operations include appeal procedures. Details available on request
	HR10. Description of non-retaliation policy and effective, confidential employee grievance system (including, but not limited to, its impact on human rights)
	Grievance procedures in place at all operations. Details available on request

Social performance indicators: product responsibility

Core indicators	Additional indicators
Customers' Health and Safety	
PR1. Description of policy for preserving customer health and safety during use of products and services, and extent to which this policy is visibly stated and applied, as well as description of procedures/programmes to address this issue, including monitoring systems and results of monitoring	PR4. Number and type of instances of non-compliance with regulations concerning customer health and safety, including the penalties and fines assessed for these breaches
Not applicable	Not applicable
	PR5. Number of complaints upheld by regulatory or similar official bodies to oversee or regulate the health and safety of product services
	Not applicable
	PR6. Voluntary code compliance, product labels or awards with respect to social and/or environmental responsibility that the reporter is qualified to use or has received
	See environment and community sections of this report
Product and services	
PR2. Description of policy, procedures/management systems, and compliance mechanisms related to product information and labelling	PR7. Number and type of instances of non-compliance with regulations concerning product information and labelling including any penalties or fines assessed for these breaches
Not applicable	Not applicable
	PR8. Description of policy, procedures/management systems, and compliance mechanisms related to customer satisfaction, including results of surveys measuring customer satisfaction
	Not applicable

Social performance indicators: Product responsibility

Social performance indicators: product responsibility	
Core indicators	Additional indicators
Customers' health and safety	
SO1. Description of policies to manage impacts on communities in areas affected by activities, as well as description of procedures/programmes to address this issue, including monitoring systems and results of monitoring	SO4. Awards received relevant to social, ethical, and environmental performance
See community section of this report	See the community and environment sections of this report
Bribery and corruption	
SO2. Description of the policy, procedures/management systems, and compliance mechanisms for organisations and employees addressing bribery and corruption	
See corporate governance section of the Annual Report 2004 and the case study on Whistle-blowers programme – success or otherwise on page EG13	
Political contributions	
SO3. Description of policy, procedures/management systems, and compliance mechanisms for managing political lobbying and contributions	SO5. Amount of money paid to political parties and institutions whose prime function is to fund political parties or their candidates
Overseen by political donations committee of the board. Policy available on the website	See company website
Competition and pricing	
	SO6. Court decisions regarding cases pertaining to anti-trust and monopoly regulations
	None
	SO7. Description of policy, procedures/management systems, and compliance mechanisms for preventing anti-competitive behaviour
	Not applicable