

**SCORECARD FOR THE BROAD BASED SOCIO-ECONOMIC EMPOWERMENT CHARTER FOR
THE SOUTH AFRICAN MINING INDUSTRY (as at 1 April 2004)**

<p>Human Resource Development</p> <ul style="list-style-type: none"> • <i>Has the company offered every employee the opportunity to be functionally literate and numerate by the year 2005 and are employees being trained?</i> <p>Yes, AngloGold has been providing ABET programmes for its employees for the past 10 years during which time, some 30,000 employees have successfully completed one or more of the ABET programmes. Approximately 45% of its employees have now achieved an ABET 3, or better, educational qualification. AngloGold provides and encourages full-time and part-time access to ABET 1, 2 and 3 programmes. Full-time classes are also being offered to those wishing to achieve the newly registered, NQF Level 1 qualification, National Certificate: Introduction to the Mining and Minerals Sector, which incorporates the equivalent of Abet4.</p>
<ul style="list-style-type: none"> • <i>Has the company implemented career paths for HDSA employees including skills development plans?</i> <p>Yes, AngloGold has long established career paths for identified individuals within the various disciplines. Strict monitoring and control of those on development programmes is achieved through mentoring and performance management. Some 80% of AngloGold's Technikon and University bursars are currently HDSAs, as are 60% of the Management Trainees.</p>
<ul style="list-style-type: none"> • <i>Has the company developed systems through which empowerment groups can be mentored?</i> <p>Mentorship programmes have been put in place for graduates, diplomates and other employees identified as having appropriate potential</p>
<p>Employment Equity</p> <ul style="list-style-type: none"> • <i>Has the company published its employment equity plan and reported on its annual progress in meeting that plan?</i> <p>Yes, the company has published its plan and reported on annual progress.</p>
<ul style="list-style-type: none"> • <i>Has the company established a plan to achieve a target for HDSA participation in management of 40% within five years and is it implementing the plan?</i> <p>Yes, the plan to achieve the target is in place. As at December 31 2004, that percentage measured from Patterson grade C Upper stood at 31%, or 24% from D band - showing a consistent increase from year to year. Though challenging, we are convinced that the target is attainable – without prejudicing the prospects of non-HDSA employees.</p>
<ul style="list-style-type: none"> • <i>Has the company identified a talent pool and is it fast tracking it?</i> <p>Yes, the company continuously identifies talented employees and gives them the opportunity for accelerated development.</p>
<ul style="list-style-type: none"> • <i>Has the company established a plan to achieve the target for women participating in mining of 10% within the five years and is it implementing the plan?</i> <p>The employment of women in the operations is a relatively new initiative and progress in this area is being made. Currently, about 6% of the company's employees are women. Given the nature of mining, this is likely to be a difficult target to meet, but a comprehensive plan for doing so is in place.</p>

<p>Migrant Labour</p> <ul style="list-style-type: none"> • <i>Has the company subscribed to government and industry agreements to ensure non-discrimination against foreign migrant labour?</i> <p>AngloGold does not discriminate against foreign migrant labour. The company is party to a number of industry agreements, which embrace this commitment, including the wage agreements of 1991 and 1995.</p>
<p>Mine community and rural development.</p> <ul style="list-style-type: none"> • <i>Has the company co-operated in the formulation of integrated development plans and is the company co-operating with government in the implementation of these plans for communities where mining takes place and for major labour sending areas? Has there been effort on the side of the company to engage the local mine community and major labour sending area communities? (Companies will be required to cite a pattern of consultation, indicate money expenditures and show a plan).</i> <p>The company is, and has been involved for many years, in a number of development projects in mining communities and in areas from which it draws its labour, both through its normal operational activities and through the work of the AngloGold Fund. Considerable work has been done on a plan to ensure safe drinking water and effective sanitation in significant labour sending areas, and implementation has begun. The company is also developing programmes to extend access to healthcare to employees and their dependants in rural areas. Community consultation is part of the implementation process in all cases.</p>
<p>Housing and Living Conditions</p> <ul style="list-style-type: none"> • <i>For company provided housing, has the mine in consultation with stakeholders established measures for improving the standard of housing, including the upgrading of the hostels, conversion of hostels to family units and promoted home ownership options for mine employees? Companies will be required to indicate what they have done to improve housing and show a plan to progress the issue over time and to implement the plan.</i> <p>A programme of hostel improvement has been in place for some time. R21m was budgeted for hostel upgrading in 2003. The high-density accommodation is undergoing extensive upgrading and maintenance to improve living conditions in general and additional projects to reduce density, improve privacy and to create family units are being considered. AngloGold has offered its workers a number of alternative accommodation opportunities but the uptake has not been high. As a result, AngloGold, together with other stakeholders, has commissioned an independent survey of worker's accommodation preferences.</p> <ul style="list-style-type: none"> • <i>For company provided nutrition has the mine established measures for improving the nutrition of mine employees? Companies will be required to indicate what they have done to improve nutrition and to show a plan to progress the issue over time.</i> <p>The nutritional standards in AngloGold's high-density accommodation are in line with the standards set by the World Health Organisation and the Chamber of Mines Research Organisation.</p>

<p>Procurement</p> <ul style="list-style-type: none"> • <i>Has the mining company given HDSA's preferred supplier status?</i> <p>Yes, AngloGold is progressing well in its policy of awarding preferred supplier status to HDSAs. All contracts are awarded to suppliers offering the best price and quality, but substantial assistance is provided to BEE suppliers to help them in winning contracts.</p>
<ul style="list-style-type: none"> • <i>Has the mining company identified current level of procurement from HDSA companies in terms of capital goods, consumables and services?</i> <p>Yes. During 2003, 10,85% of procurement was from HDSA companies. The levels were R19,4 million (1,7%), R247 million (13,37%) and R100,3 million (25,1%) for the procurement from HDSA companies of capital goods, consumables and services respectively.</p>
<ul style="list-style-type: none"> • <i>Has the mining company indicated a commitment to a progression of procurement from HDSA companies over a 3 to5-year time frame in terms of capital goods, consumables and services and to what extent has the commitment been implemented?</i> <p>The previous time we reported, AngloGold had set overall BEE procurement targets of 20% by 2007 and 30% by 2012. The targeted percentages for the three categories were 5%, 26% and 38% for 2007, and 10%, 41% and 38% for 2012 respectively. However, due to the surpassing of targets for 2003 and early 2004 they have been revised upwards. They now stand at 25% for 2007 and 42% for 2012 overall. The category targets for 2007 are now 16%, 28% and 56% respectively.</p>
<p>Ownership & Joint Ventures</p> <ul style="list-style-type: none"> • <i>Has the mining company achieved HDSA participation in terms of ownership for equity or attributable units of production of 15 percent in HDSA hands within 5years and 26 percent in 10years?</i> <p>According to the mining charter, "the continuing consequences of previous deals would be included in calculating such credits/offsets in terms of market share as measured by attributable units of production." Since 1998 AngloGold has carried out three such transactions, and we will include them in our mining licence applications when they are lodged. According to our estimate, using 2003 data, HDSA participation stands at 21,8%, though naturally, we would expect the Department of Minerals and Energy to carry out its own assessment when it considers those applications.</p>
<p>Beneficiation</p> <ul style="list-style-type: none"> • <i>Has the mining company identified its current level of beneficiation?</i> <p>AngloGold has a 25% investment in OroAfrica, South Africa's largest gold jewellery manufacturer. This company beneficiates some 120,000 oz (4 tonnes) of fine gold annually into 200,000 oz of finished gold jewellery product, of which some 70% is exported. In addition, the company is actively involved in financing the development of jewellery design and related skills in SA. AngloGold has recently commenced a further study of the gold business downstream from the mine, and will be informed by this study the extent to which it is both possible and profitable to further beneficiate our product. The precise level of beneficiation will be calculated once discussions with government over an appropriate methodological framework have been completed.</p>
<ul style="list-style-type: none"> • <i>Has the mining company established its base line level of beneficiation and indicated the extent that this will have to be grown in order to qualify for an offset?</i> <p>See above</p>
<p>Reporting</p> <ul style="list-style-type: none"> • <i>Has the company reported on an annual basis its progress towards achieving its commitments in its annual report?</i> <p>A report similar to this one can be found in our 2003 Report to Society. From 2004 onwards, these matters will be formally audited.</p>