

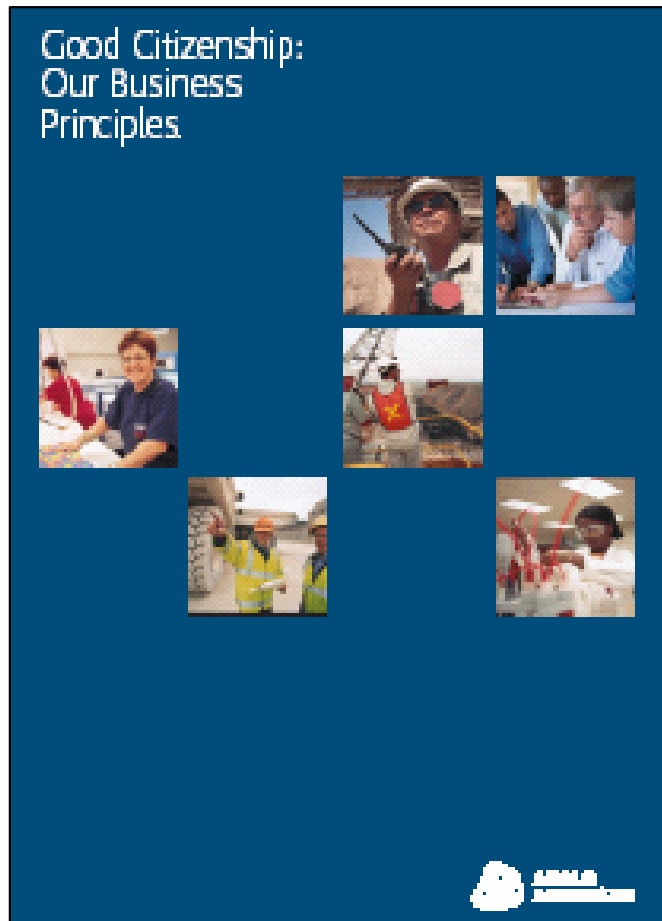
PRESENTATION ON SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY

14th June 2004

PRESENTATION TEAM

- Sir Mark Moody-Stuart** - **Chairman**
- Tony Trahar** - **Chief Executive**
- Russell King** - **Head of HR and Sustainable Development**
- Dr John Groom** - **Head, Safety, Health & Environment**
- Edward Bickham** - **Head, External Affairs**

- Implemented Higgs and compliant with Combined Code
- 70% Non-Executive Directors (50% Independent)
- Appointment of Dr Silvia Bastos Marques to Board
- Board performance evaluation



- Specific programmes on: community engagement; employee communication; anti-trust compliance; diversity/BEE
- Good progress with embedding Principles in supply chain contracts
- 857 dismissals; 10 supply contracts terminated
- Roll-out of 'speakup' whistle-blowing facility
- Underpinned by Letters of Assurance

- Extractive Industries Review
- Extractive Industries Transparency Initiative
- UN Panel on the DRC

Tony Trahar

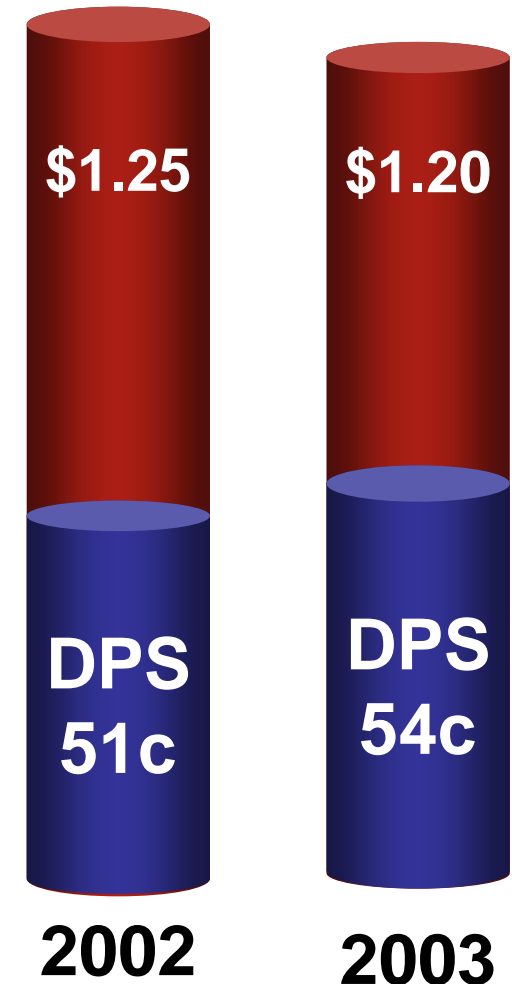
- *Financial Performance 2003*
- *Strategy*
- *Safety*
- *Innovation*
- *South African Mining Charter*

- Political and economic uncertainty
- Weak US dollar especially relative to South African and Australian currencies
- Strong recovery in some commodity prices in H2
- Pre-tax cost and efficiency savings of \$335 million
- Resilient overall performance vindicating strategy of product diversity

Key Financials

- Headline earnings down 4%
- Dividend increased by 6% to 54c per share
- Strong EBITDA unchanged at \$4.79bn
- Net Debt/Total Capital of 26.6%

Headline EPS



A World Leader in Mining and Natural Resources

- Unique precious metals and minerals portfolio; leadership positions in diamonds, gold and platinum
- Diverse portfolio to produce stable profits and cash flows despite currency and commodity price swings
- Commitment to world-class safety, ethical behaviour and sustainable development
- Significantly improve asset quality across the Group
- \$6bn project pipeline and active exploration programme
- Acquisitions for value
- Cost cutting and efficiency improvements
- Employer of choice – meritocratic and more enabling culture

Delivering on Strategy

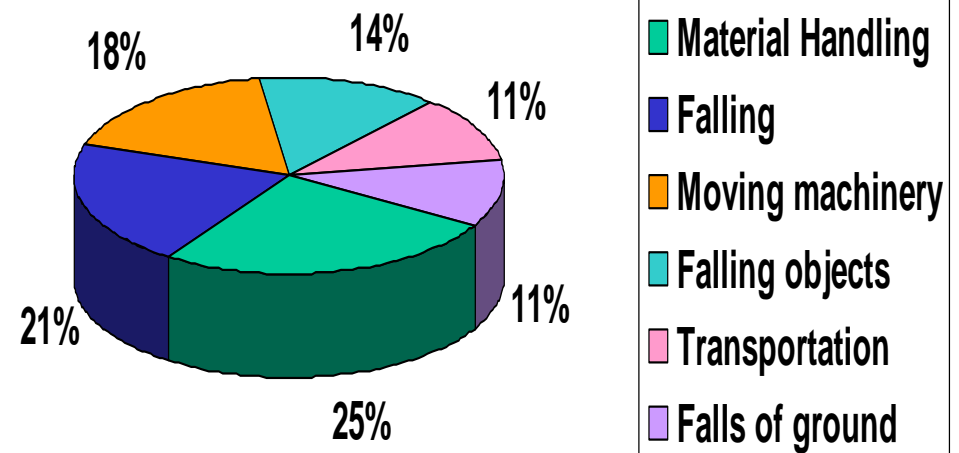
- Significant restructuring of a complex Group
- \$13bn of acquisitions and \$8bn of disposals
- Elimination of De Beers cross holding
- Balanced geographic and product diversity achieved
- EBITDA growth of 11.3% CAGR since 1999
- Two years of cost cutting - over \$600 million saved
- A-/A3 credit rating achieved
- Inclusion in Dow Jones Sustainability Index

- Improving safety performance
- Good progress on South African Mining Charter
- Biodiversity – progress at all levels
- Development of energy efficiency and carbon risk strategies
- Roll-out of HIV/AIDS ART programme
- Launch of Socio-Economic Assessment Toolbox (SEAT)

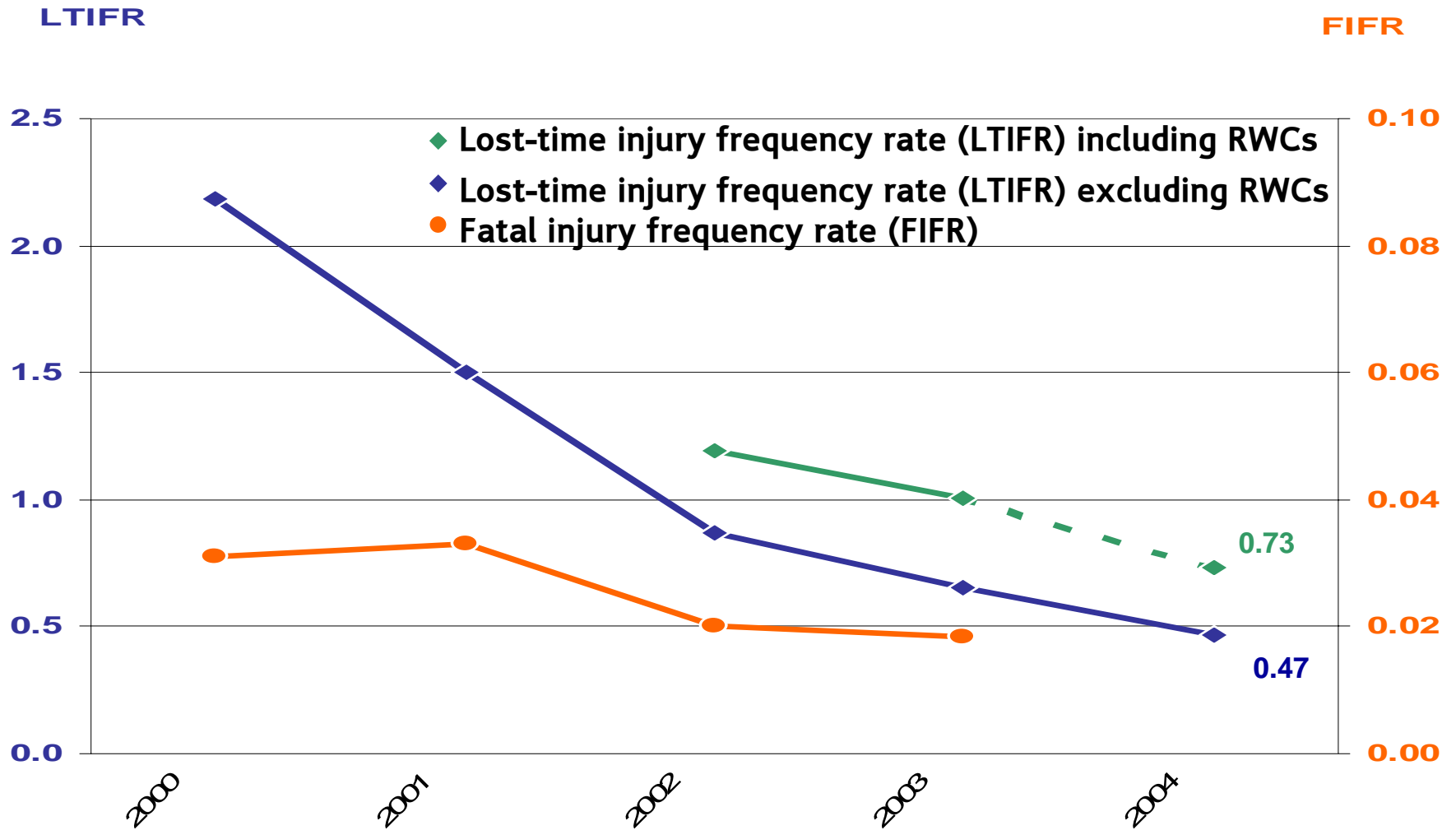
- OTTO campaign
- Goal is to do business without hurting people
- Visible Felt Leadership
- Safety Golden Rules implementation and audits
- Behaviour Based Safety
- Improved communication
- Safety linked to remuneration

Safety Results

- 3 fewer fatalities than 2002 - equivalent to 10% reduction in FIFR
- LTIFR reduced by 26%
- LTIFR - 58% improvement over past 3 years
- LTIFR target 0.45 for 2004 represents 27% reduction



Safety Trends



- Creation of more empowering and entrepreneurial culture
- Leading technological innovation
- Paper and Packaging
 - Innovation Zone has generated 2,110 ideas
 - 466 implemented at plant level
- Base Metals
 - CEO's Innovation Award
 - Codemin charcoal to wood-chip conversion
- Industrial Minerals
 - Tarmac Infrastructure Solutions

SA Mining Charter I

- Act has recently come into force – providing greater certainty and stability
- Targets achievable
- Target: 15% (within 5 years) and 26% (within 10 years) of attributable production should be in hands of HDSAs
- Royalties Bill expected Q4 2004 – but not effective until 2009

- Empowerment transactions worth R3.2 billion concluded in 2003 – cumulatively over R15 billion since 1994
- Programme underway to upgrade housing and encourage home ownership and improve literacy
- Procurement expenditure with BEE companies rose to R3.1 billion (R3.6 billion incl. AngloGold)

Russell King

- *Sustainable development work programme*
- *Human Resources*
- *Communication and Knowledge Sharing*

- Group SD Conference - March
- Risk management approach
 - Base Metals workshop
 - Group level pilot
- 5 year reporting strategy

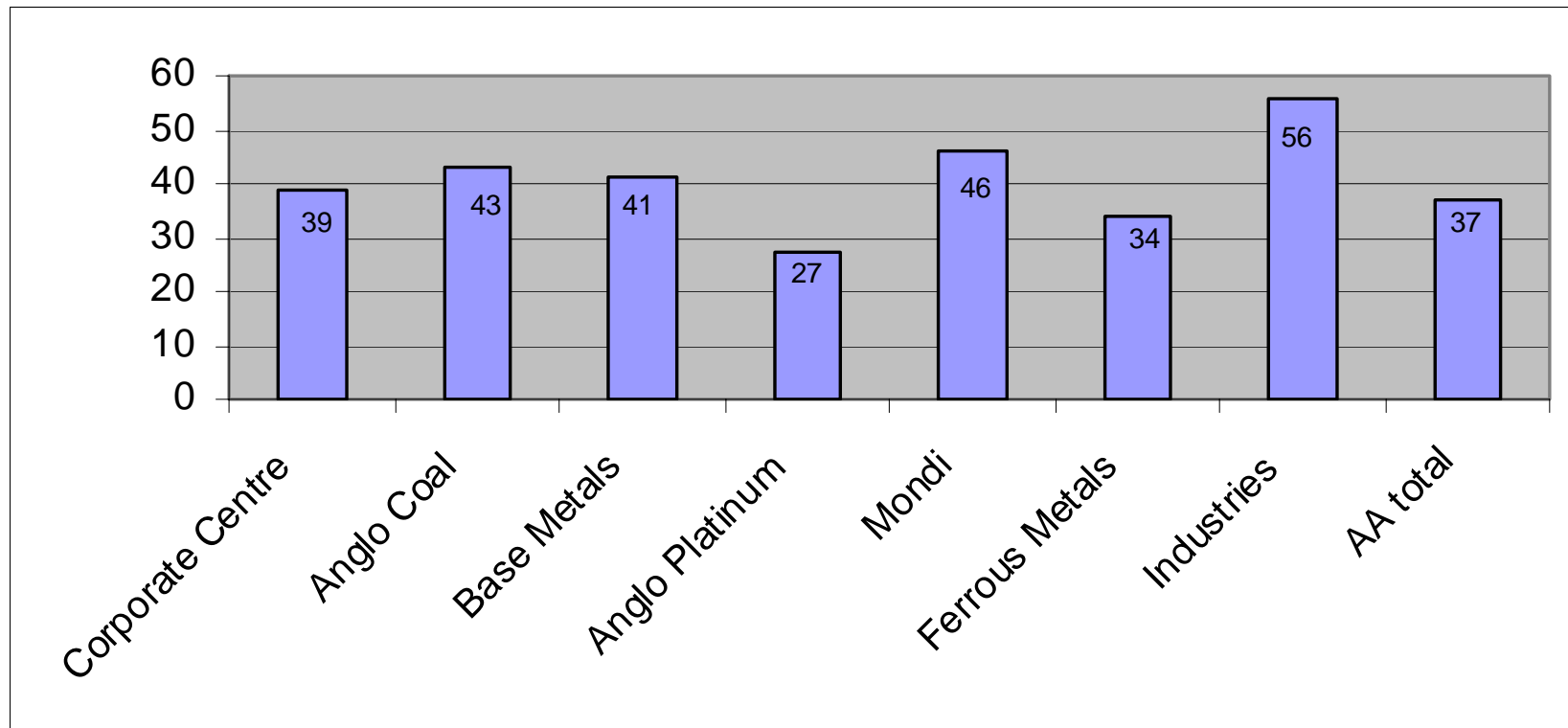
Key Data

- 132,000 employees in managed operations
 - Africa = 77,000
 - Europe = 42,000
 - The Americas = 8,000
 - Australasia = 5,000
- 33,000 contractors in managed operations
- 2003 – no major industrial disputes
- Support freedom of association – 70% union membership

SA Employment Equity

**% of HDSA employees in
management/supervisory ranks**

Target = 40% by 2007



Philosophy

- Business Unit commitment to talent decisions that support best interests of Group
- OPCO responsible for stewardship, development and retention of talent

Process

- Annual Group Talent Review
- Process starts with each BU/function conducting annual review
- All strategic appointments subject to AA EXCO and/or OPCO sign-off

People

- Every employee should have a 'performance contract' and an annual 'performance and development' review

- BU and corporate programmes to improve employee communication
- Repeat of Managers' Communication Survey end 2004
- Roll-out of Enterprise Information Portal
 - Knowledge sharing platform
 - Create greater Anglo identity
 - Support communication and training programme

John Groom

- *Environment Overview*
- *Biodiversity*
- *Energy/Carbon Risk*
- *Air and Water*
- *Product Stewardship*
- *Occupational Health*

- ISO 14001 Certification
 - 61% certification of operations
 - Target 93% by end 2004 (recent acquisitions have up to two years)
- Incidents
 - Increasing number of incidents due to better reporting
 - No level 3 incidents since 2000
- Targets
 - Business units set clear and quantifiable environmental targets
 - The challenge is meaningful aggregation

- Committed to wise use of environmental resources and the active stewardship of land and biodiversity
- As member of ICMM we will not explore or mine in existing World Heritage sites
- 35% of operations have developed BAPs
- Biodiversity projects across the group include SKEP programme, Potgietersrust Platinum mine, Tarmac
- Forest Stewardship Certification: SA and Russia

- Energy usage 5% higher than 2002 – due to the inclusion of Syktyvkar and expansion programme at Anglo Platinum
- Biomass constitutes 43% of energy used in pulp mills
- Energy pilot project for 2004
 - Targets 12% saving over 10 years
 - 2m t/a CO₂ reduction
 - Major financial returns

Carbon Risk

- Carbon working group
- Estimated that period to 2010 could have negative impact on sales revenue offset by Platinum fuel cells
- Estimated that by 2012 compliance costs would be 1% of 2003 operating profit
- CO₂ and CH₄ emissions from countries that are signatory to the Kyoto protocol amounted to 3.9 million tons of CO₂ (e)
- Climate change strategy focuses on energy efficiency and emission reduction
- Methane capture in Australia, increased biofuels use in Mondi

Air & Water Quality

- 15 % reduction from 2002 in SO₂ emissions (282 thousand tonnes of SO₂)
- Project at Merebank could reduce their SO₂ emissions by 66% over 2 years
- Complaints regarding excessive emissions
- Innovation and technology strategies to target water
- Water management projects include, Las Tortólas, Namakwa sands smelter, Richards Bay, Swiecie and German Creek

- Better understanding and reporting of “environmental rucksack” of our products
- Active engagement in life cycle and eco-efficiency debates
- Our key focus is on “Process Stewardship”
- Mine Certification Evaluation Project
- Waste recycling in a number of operations -
Tarmac Paper, Platinum, Scaw, Zimbabwe Alloys

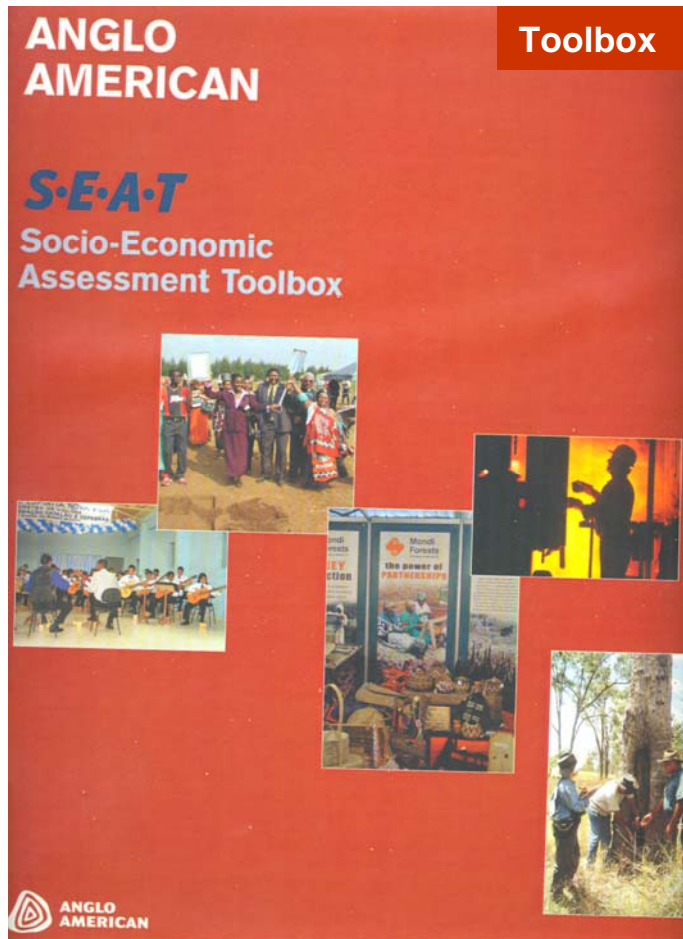
- Occupational Health Management: guideline compliance audited – 80%
- Half of the number of operations had independent third party certification – target by 2005 is 75% (usually OHSAS 18001)
- Self assessment of performance to UK Health & Safety Executive Occupational exposure limits
- Two thirds of workforce are potentially exposed to occupational health hazard
- Noise remains priority risk. Other risks include lung diseases, stress, malaria, hand-arm vibration (HAV), other tropical diseases and exposure to the sun
- 1257 new cases of occupational illness

Edward Bickham

- *Communities*
- *Local Business Development*
- *HIV/AIDS*
- *Social Investment*
- *Economic Impacts*

- 88% CEP coverage of significant operations
- 3-year time horizons; annually reviewed
- Each Community Engagement Plan (CEP) must include:
 - Stakeholder engagement
 - Issue management
 - Community projects
 - Resources and accountabilities
 - Complaints
- Total community social investment \$38.3m (1.5% pre-tax profit)

Socio-Economic Assessment Toolbox (SEAT)



- SIA/EIAs for new projects
- Improve social performance; build management capacity
- Engagement and assessment techniques → Action Plan
- Tools to support: local business creation; skills development; partnerships; community investment; mine closure; and conflict prevention
- Target – 20 SEAT appraisals in 2004

- Anglo Zimele
- Khula Mining Fund
- Mondi Black Gold Charcoal projects
- Latin American initiatives

- Pursue HIV prevention programmes with vigour
- Conduct voluntary, anonymous, unlinked HIV prevalence surveys at all operations annually
- Vigorously promote Voluntary Counselling and Testing
 - **set targets for annual VCT uptake**
- Implement wellness programs for HIV +ve employees
 - **set targets for wellness programme enrolment**
- Provide access to antiretroviral therapy (ART) at company expense when clinically indicated
- Extend workplace programmes into communities through partnership with government, unions, NGOs, CBOs and international donors
- Monitor and evaluate outcomes

- 1762 employees started on ART by end May 2004
- 1501 employees currently on ART;
- 3,300 on wellness programmes
- 95% of employees taking ART capable of normal work
 - Many of these would have died by now without treatment
- 91% reported adherence to treatment regimen
 - Viral Load Measurements are consistent with similar ART programmes
- Start-up costs are high (\$2.6k per patient p.a.); economies of scale will lower costs significantly
- Drug costs (33% of total) falling
- Expect to reach \$1.4k per patient p.a. soon

- Long-standing partnerships – PowerBelt; Carletonville; Western Cape
- loveLife public/private partnership for adolescent friendly clinics
 - \$4 million Anglo cash contribution
 - Spread workplace best practice
 - Capacity building partnerships at 7 Anglo operations
- PEPFAR application to extend ART to sme contractors, dependants and communities
- Support for vaccine initiatives

Value Added

Total: \$7.8bn

Of which: payments to employees \$3.9bn
 payments to providers of capital \$1.4bn

Developing countries 45%

Developed countries 55%

Total: \$1.76bn

Of which: payments by Anglo companies \$1060m
payments by Anglo employees \$
700m

payments to Africa \$ 650m

payments to South America \$ 150m