



ANGLO AMERICAN PLC/
ANGLO AMERICAN CAPITAL PLC
(each incorporated with limited liability in England)

U.S.\$15,000,000,000

Euro Medium Term Note Programme

unconditionally and irrevocably guaranteed in the case of Notes

issued by Anglo American Capital plc by

Anglo American plc

This Supplement (the “**Supplement**”) to the Offering Circular (the “**Offering Circular**”) dated 10 March 2020 which comprises a base prospectus, constitutes a supplementary prospectus for the purposes of Article 23 of the Prospectus Regulation and is prepared in connection with the U.S.\$15,000,000,000 Euro Medium Term Note Programme (the “**Programme**”) established by Anglo American plc (“**Anglo American**” and, in its capacity as guarantor of Notes issued by Anglo American Capital plc, the “**Guarantor**”) and Anglo American Capital plc (“**Anglo American Capital**”) (each an “**Issuer**” and together the “**Issuers**”). Terms defined in the Offering Circular have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with, the Offering Circular and any other supplements to the Offering Circular issued by the Issuers and the Guarantor from time to time.

The Issuers and the Guarantor accept responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuers and the Guarantor the information contained in this Supplement is in accordance with the facts and this Supplement makes no omission likely to affect the import of such information.

The Offering Circular and this Supplement can be viewed on the website of the Issuers at <https://www.angloamerican.com/investors/fixed-income-investors/emtn-investor-downloads>:

This Supplement has been prepared for the purpose of:

- (i) updating the section entitled “Risk Factors” in the Offering Circular to reflect risks relating to the economic effects of COVID-19 and other amendments;
- (ii) incorporating by reference in the Offering Circular the unaudited consolidated condensed financial statements of Anglo American Group for the six months ended 30 June 2020;
- (iii) updating the section entitled “Description of Anglo American plc and the Anglo American Group”; and
- (iv) updating the statement under the heading “Financial Position” in the section entitled “General Information”.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Offering Circular by this Supplement and (b) any other statement in, or incorporated by reference in, the Offering Circular, the statements in (a) above will prevail.

Save as disclosed in this Supplement, no other significant new factor, material mistake or inaccuracy relating to the information included in the Offering Circular which is capable of affecting the assessment of any Notes issued under the Programme has arisen or been noted, as the case may be, since the publication of the Offering Circular.

RISK FACTORS

- 1 The following change is made to the risk factor “*Damage to or breakdown of a physical asset, including due to fire, explosion, natural catastrophe, theft or terrorism may adversely affect the Group’s operating results and result in loss of revenue, loss of cash flow or other losses*”:

- 1.1 The first sentence is deleted and replaced with the following:

Damage to or breakdown or loss of a physical asset, including as a result of fire, explosion, natural catastrophe, theft of high value products, terrorism or other factors which restrict the ability to undertake maintenance including mandatory, regulatory, or court-ordered measures, can result in a loss of assets and subsequent financial losses.

- 2 The following risk factor is added on page 13 after the risk factor “*The business, results of operations, cash flows and financial condition of the Group have been and may continue to be adversely affected by commodity and diamond price fluctuations and adverse economic conditions*.”:

The COVID-19 global pandemic has had a negative impact on worldwide economic activity and is likely to adversely affect the Group’s business.

The rapid spread of COVID-19 has adversely affected the economies of many countries with many national economies having entered recessions and some having experienced material slowdowns in economic growth. In June 2020, three key multilateral organisations (International Monetary Fund, World Bank and Organisation for Economic Cooperation and Development) issued growth forecasts that indicated a significant global GDP decline in 2020. For example, the outlook for the US economy in 2020 according to such forecasts ranges between -6.1 per cent. and -8 per cent., while EU economic prospects for 2020 are expected to be more negative at -9.1 per cent. to -10.2 per cent. Financial markets were and continue to be volatile and the prices of the Group’s products were affected.

Government measures taken in response to the COVID-19 outbreak, including containment and lockdown restrictions, and other indirect effects that COVID-19 is having on economic activity, have resulted in economic downturns in the markets in which the Group sells its products and lead to reduced demand or even no demand in key jurisdictions for certain of its products in such markets, for example if its customers shut down their operations, and have required the Group, and may further require the Group, to curtail, reschedule or suspend operations, construction or development at its facilities and projects. The extension or intensification of such measures, other countries implementing similar measures, or any other mandatory, regulatory or court-ordered measures relating to COVID-19 would increase the impact on Anglo American’s operations, projects and production. For example, see a discussion of recent action by the public prosecutor of the State of Minas Gerais under “*Recent Developments – COVID-19 Pandemic – Impact of COVID-19 on operations*”. In addition, the Group’s customers or suppliers may seek to excuse their performance under their existing contracts with the Group by claiming that the ongoing pandemic, and government responses, constitute a force majeure event. Future spread of COVID-19, including in areas where the Group’s mining operations and its material facilities are located, may result in greater risk of exposure to the Group’s employees, and the Group may respond by curtailing, rescheduling or suspending its operations, construction or development at its facilities and projects or be required to do so. In addition, COVID-19 could represent a threat to maintaining a skilled workforce in the mining industry and could be a health-care challenge for the operations of Anglo American. The Group and the Group’s personnel may be, and may continue to be, impacted by this pandemic disease and the Group may ultimately see its workforce productivity reduced or incur increased medical costs/insurance premiums as a result of these health risks. For a more detailed

description of the Group's measures taken thus far in response to COVID-19, please see "*Recent Developments – COVID-19 Pandemic*".

The COVID-19 outbreak has also led to extreme disruption and volatility in the global capital markets, which could increase the Group's cost of capital and adversely affect its ability to access the capital markets. In addition, the uncertainty surrounding the magnitude of the impact of COVID-19 may cause certain financial institutions to reduce the amount of, or impose more unfavourable terms on, new credit lines they extend to companies. Therefore the Group's ability to raise future financing required for its operations may be severely restricted at a time when the Group would like, or need, to do so, which could have an adverse effect on the Group's ability to meet its current and future funding requirements and on its flexibility to react to changing economic and business conditions. Furthermore, the Group's customers' ability to pay may be impacted by the COVID-19 pandemic as such customers may have to curtail or shutdown their operations, potentially leading to increased credit risks if the current economic downturn and the measures to curb the spread of the pandemic continue for an extended period of time. See "*Risk Factors – The business of the Group may be adversely affected by liquidity and counterparty risk*".

In addition, the Group reviews its goodwill and assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. If there are indications that impairment may have occurred, the Group prepares estimates of expected future cash flows for each group of assets. Volatility of the prices for the Group's products, a significant reduction or absence of demand for diamonds, as well as operational developments due to COVID-19, may have an adverse impact on the Group's assessment of the recoverable amount of operating assets and could result in significant impairments, which could materially and adversely affect its results of operations or financial condition. See "*Risk Factors – Certain factors may affect the Group's ability to support the carrying value of its property, plants and equipment, acquired properties, investments and goodwill on the Group's balance sheet*" and "*Risk Factors – Inaccurate assumptions in respect of critical accounting judgments could adversely affect financial results*".

The COVID-19 outbreak is likely to continue to adversely affect the global economy during at least the remainder of 2020 and could result in a significant negative impact on the Group's business, financial condition, results of operations and prospects. The effects of the COVID-19 outbreak are highly uncertain, including the duration of the outbreak, new information that may emerge concerning the severity of the infection, the scope, duration and economic impact of actions taken to contain the spread of the virus or treat its impact, and the impact of each of these items on macroeconomic conditions and financial markets globally. Any of these factors could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

- 3 The following changes are made to the risk factor "*The business of the Group may be adversely affected by liquidity and counterparty risk*":

- 3.1 At the end of the third paragraph, the following is added:

For example, the recent COVID-19 pandemic has adversely impacted the global banking and capital markets and may adversely impact the Group's operating cash flows and increase its counterparty risk in light of measures taken to reduce capacity as a result of government measures to slow down the spread of COVID-19. See "*Risk Factors – The COVID-19 global pandemic has had a negative impact on worldwide economic activity and is likely to adversely affect the Group's business*".

- 3.2 The risk factor is moved to page 14 after the risk factor "*The Group's operations and development projects could be adversely affected by shortages of, as well as lead times to deliver, certain key inputs*".

- 4 The following change is made to the risk factor "*Safety, health and environmental exposures and related regulations may expose the Group to additional litigation, compliance costs, interruptions to operations, unforeseen environmental remediation expenses and loss of reputation*":

- 4.1 The first two paragraphs are deleted in their entirety and replaced with the following:

Mining is a potentially hazardous industry and is highly regulated by safety, health and environmental laws and regulations. Working conditions, including aspects such as weather, altitude and temperature, can add to the inherent dangers of mining, whether underground or in open pit mines. Failure to provide a safe and healthy working environment or an environmentally acceptable one in accordance with the relevant applicable legislation or regulations may result in government authorities, regulators or courts forcing closure of mines and ceasing of operations or maintenance of the Group's assets, in each case on a temporary or permanent basis or refusing mining right applications, among other measures. For example, see a discussion of recent action by the public prosecutor of the State of Minas Gerais under "*Recent Developments – COVID-19 Pandemic – Impact of COVID-19 on operations*".

Inability to deliver a sustained improvement in safety performance or occupational health may result from management interventions and training initiatives failing to translate into behavioural change by all employees and contractors. Non-compliance with critical controls is a common failure in safety incidents which can lead to loss of life, workplace injuries and safety-related stoppages, all of which immediately impact production and in the long term, threaten the Group's licence to operate. As a consequence of safety, health or environmental incidents, the Group could face civil or criminal fines and penalties, liability to employees and third parties for injury, illness or death, statutory liability for environmental remediation, mandatory operational changes and other financial consequences, which may be significant. See "*Recent Developments – Incident at Grosvenor*". The Group is currently subject to ongoing litigation relating to some of these areas of risk and may face additional litigation or prosecution in the future. In the last few years, local claimants in countries outside Europe and the U.S. have increasingly sought to raise claims arising from local environmental incidents in European (including UK) and U.S. courts. Although the success of these attempts remains uncertain, the Group could face the threat of similar claims.

- 5 The following change is made to the risk factor "*The Group is subject to risks associated with litigation and regulatory proceedings.*":

- 5.1 The third sentence is deleted and replaced with the following:

Among other matters, regulatory proceedings or litigation could occur in relation to a wide variety of matters such as contractual disputes, licence to operate challenges, environmental and human rights related matters, data breaches (including personal or sensitive data under relevant data protection legislation) or allegations of discrimination or harassment.

DOCUMENTS INCORPORATED BY REFERENCE

The following is added as bullet point (k) in the list of documents incorporated by reference:

- (k) the unaudited consolidated condensed financial statements of Anglo American Group for the six months ended 30 June 2020 (the "**Half Year 2020 Financial Statements**"), which can be found at pages 29 to 71 (inclusive) of Anglo American Group's Half Year Financial Report for the six months ended 30 June 2020 (the "**Half Year 2020 Financial Report**") (<https://www.angloamerican.com/investors/fixed-income-investors/issuer-document-downloads>)

A copy of the Half Year 2020 Financial Report has been filed with the Financial Conduct Authority and by virtue of this Supplementary Offering Circular, the Half Year 2020 Financial Statements are incorporated in, and form part of, the Offering Circular.

Any non-incorporated parts of the Half Year 2020 Financial Report referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in the Offering Circular.

DESCRIPTION OF ANGLO AMERICAN PLC AND THE ANGLO AMERICAN GROUP

- 1 In the section entitled “*Principal Activities of the Group*”, the following changes are made:

- 1.1 At the end of the “*De Beers*” paragraph, the following is added:

On 30 March 2020, the Group announced that, due to the public health restrictions relating to COVID-19 on the movement of people and product in Botswana, South Africa and India, which prohibit customers from travelling and prevent the shipment of goods to customers’ international operations, De Beers will not hold its third Sight of 2020. De Beers is enabling Sightholders to defer 100 per cent. of their Sight 3 allocations to later in the year, and will continue to seek innovative ways to meet Sightholders’ rough diamond supply needs.

- 1.2 The second and third sentences of the “*Copper*” paragraph shall be deleted and replaced with:

In Peru, the Group has a 60 per cent. interest in the Quellaveco project, which was approved for development in mid-2018.

- 1.3 A new paragraph shall be added underneath the “*Nickel and Manganese*” paragraphs as follows:

Crop Nutrients. The Woodsmith project (100% owned) in north east England, part of the Group’s Crop Nutrients business which also incorporates the further development of global demand for POLY4, is expected to be a world class supplier of premium quality fertiliser certified for organic use and with a low carbon footprint, intended to help meet food demand from a fast-growing global population.

- 2 In the section entitled “*Board of Directors*”, Dr Mphu Ramatlapeng’s name, title and principal activities outside the Anglo American Group shall be removed from the table of Directors of Anglo American plc, and the following sentence shall be added underneath the table:

At the conclusion of Anglo American’s Annual General Meeting on 5 May 2020, Dr Mphu Ramatlapeng, a non-executive director since 8 July 2018, stepped down from the Board.

- 3 In the section entitled “*Recent developments*”, under the heading “*Disposals*”, the following sub-heading and paragraph is added:

Thermal Coal

The Group has recently communicated its initial plans to work towards an exit of its thermal coal operations in South Africa, with a demerger being the Group’s likely preferred exit option, currently expected in the next two to three years, with a potential primary listing on the Johannesburg Stock Exchange for the demerged business. The Group will continue to consider other exit options as it engages with stakeholders as part of its commitment to a responsible transition but as of now there is no final plan in place for the eventual exit.

- 4 In the section entitled “*Recent developments*”, under the heading “*Acquisitions and Investments*”, the following changes are made:

- 4.1 The paragraph “*Quellaveco (Copper)*” is replaced in its entirety with the following:

Anglo American announced, on 26 July 2018, that its Board had approved the development of the Quellaveco copper project in Peru. This follows the completion of the transaction announced in June 2018, whereby Mitsubishi Corporation (“**Mitsubishi**”) increased its interest in Anglo American Quellaveco S.A. (“**AAQSA**”), which owns the Quellaveco project, to 40 per cent via the issuance of shares. See “*Recent developments – COVID-19 Pandemic – Projects update*” for details of the current impact of COVID-19 on the Quellaveco project.

4.2 The paragraph “*Debmarine joint venture (De Beers)*” is replaced in its entirety with the following:

On 16 May 2019 the Group announced the approval by Debmarine Namibia, a 50:50 joint venture between De Beers Group and the Government of the Republic of Namibia, of the construction of a new custom-built diamond recovery vessel. At a currently expected total capital cost of U.S.\$468 million (U.S.\$234 million attributable to Anglo American), this new vessel will become the seventh in the Debmarine Namibia fleet, currently. It was initially expected to begin production in 2022 with the capacity to add 500,000 carats of annual production, a 35 per cent. increase above Debmarine Namibia’s current levels.

4.3 The paragraph “*Acquisition of Sirius Minerals plc*” is replaced in its entirety with the following:

On 17 March 2020, Anglo American completed the acquisition of Sirius Minerals plc which has been developing a major new polyhalite project in the United Kingdom. Anglo American is continuing to develop what is now known as the Woodsmith project in the north east of England to access the world’s largest known deposit of polyhalite, a natural mineral fertiliser product containing potassium, sulphur, magnesium and calcium – four of the six nutrients that every plant needs to grow. The mine is being constructed approximately three kilometres south of Whitby and the entire operation is designed to be sympathetic to its natural surroundings. Ore will be extracted via two 1.6 kilometre deep mine shafts and transported to the port at Teesside on a conveyor belt in a 37 kilometre underground tunnel, thereby minimising any impact on the surface above. The ore will then be granulated at a materials handling facility, with the majority of the product – known as POLY4 – expected to be exported to a network of customers in overseas markets. See “*Recent developments – COVID-19 Pandemic – Projects update*” for details of the current impact of COVID-19 on the Woodsmith project.

5 In the section entitled “Recent developments”, under the heading “*Other developments*”, the following changes are made:

5.1 The paragraphs in the section entitled “*South African Mining Charter*” are replaced in their entirety with the following:

A new mining charter (known as “**MCIII**”) was published in the Government Gazette in South Africa on 27 September 2018. Anglo American is encouraged by MCIII which includes a number of improvements when compared to previous mining charters, most notably provisions exempting holders of existing mining rights from a requirement to undertake any further Black Economic Empowerment (“**BEE**”) transactions for the remainder of the duration of the mining right, but have identified a number of ongoing concerns:

- The 2018 High Court of South Africa judgement in the matter of the *Chamber of Mines of South Africa v Minister of Mineral Resources and Others* affirmed the view that a mining charter gazetted under section 100 of the Mineral and Petroleum Resources Development Act 2003 (“**MPRDA**”) is a Policy Instrument rather than a binding and enforceable Legal Instrument. The Minister of Mineral Resources and Energy had initially noted an appeal against this judgement, but withdrew that appeal in August 2020, with the result that the judgment now forms part of settled law. However, MCIII retains several provisions which are constructed as if MCIII were a Legal Instrument rather than a Policy Instrument. Until these provisions are revised by the Department of Mineral Resources and Energy (“**DMRE**”) (in line with the 2018 judgement) or reviewed by the Courts, their existence will continue to create confusion and, consequently, contribute to ongoing regulatory uncertainty;
- The purported application of MCIII to licences and permits granted under the Precious Metals Act and the Diamonds Act, some of which must be renewed annually. The Precious Metals Act regulates certain aspects of the Anglo American Platinum business and the Diamonds Act regulates certain aspects of De Beers’ South African operations; and

- The inclusion of provisions in MCIII suggesting that new and further BEE ownership transactions will need to be concluded at the point of renewal of a mining right, which is contrary to the provisions of the MPRDA.

The ongoing concerns with the content of MCIII listed above form the basis of an application for a judicial review of MCIII instituted by the Minerals Council against the Minister of the DMRE in the High Court of South Africa. That application was commenced in early May 2020. The Minister contended that the Minerals Council had failed to join certain parties to the application and this argument was successful. While the Court is yet to deal with the substance of the judicial review application, the Minerals Council has been ordered to join these additional parties and thereafter return to Court to argue the judicial review. A delay of up to nine months in determining the judicial review is anticipated. Anglo American continues to engage with the Government of South Africa around resolving these concerns.

5.2 The third paragraph in the section entitled “*Minas-Rio*” is replaced as follows:

In January 2020, Anglo American and the State of Minas Gerais received a citizen claim requesting a declaration that the operating licence for the heightening of the tailings dam to level 689 be declared null and void. Both the State of Minas Gerais and Anglo American opposed the relief and the injunction was denied. The claimant has now withdrawn its claim. In March 2020, the Public Prosecutor of Conceição do Mato Dentro filed a public civil claim against Anglo American and the State of Minas Gerais in similar terms to the aforementioned January 2020 civil claim, seeking an injunction to suspend the implementation of the tailings dam heightening operating license, as well as additional relief. Both the State of Minas Gerais and Anglo American have opposed the injunction application, and a decision from the Court is awaited. See also “*Recent Developments – COVID-19 Pandemic – Impact of COVID-19 on operations*” for a discussion of the claim by the Public Prosecutor’s Office of the State of Minas Gerais on 2 September 2020 for a preliminary injunction against Minas-Rio in relation to compliance with the COVID-19 requirements established by the Conceição do Mato Dentro Municipality in the State of Minas Gerais.

5.3 The third and fourth paragraphs in the section “*Changes in regulations related to tailings disposal in Brazil*” is replaced as follows:

On 25 February 2019, the State of Minas Gerais issued State Law nr. 23.291/2019 providing for a new policy for tailings disposal in the State. The new rules include stricter procedures for tailings storage facilities and eliminate the possibility of upstream heightening of tailings storage facilities. Federal laws, Minas Gerais state laws and the Municipality of Conceição do Mato Dentro laws are under continued scrutiny and additional regulations are expected to be issued and may impose restrictions and/or create additional challenges in relation to mining operations, including the provision of guarantees for reclamation and damages should an incident occur.

5.4 The final sentence of the paragraph entitled “*Appointment of external auditors*” is replaced as follows:

The appointment of PwC was approved by the shareholders of Anglo American at its Annual General Meeting on 5 May 2020.

5.5 The paragraphs in the section entitled “*Anglo American Platinum ACP plant shutdown*” are replaced in their entirety with the following:

On 6 March 2020, Anglo American Platinum announced the temporary shutdown of the entire Anglo Converter Plant (the “ACP”), part of the chain of processing facilities, and the need to declare force majeure.

Anglo American Platinum's ACP phase A converter plant, at Waterval smelter in Rustenburg, was damaged following an explosion within the converter on 10 February 2020. Nobody was injured in the incident.

As per normal business procedure, the phase B unit was commissioned to take over from the phase A plant and was in the process of ramping up to steady state when water was detected in the furnace. Notwithstanding extensive testing being conducted to determine the source of the water, and a number of circuits being isolated, water continued to be observed in the furnace. This posed a high risk of explosion and Anglo American Platinum determined that it had no other option but to temporarily shut down the phase B unit, to ensure the safety of all employees, and avoid a catastrophic event. ACP phase B returned to operation on 12 May 2020 and, following a further two-week shut-down at the beginning of June 2020 due to localised damage to a single cooler tube resulting in a further water leak, has ramped up and is operating at full capacity. The leak was unconnected to the repair work recently completed on ACP phase B.

Increased monitoring will likely result in intermittent stoppages to inspect the plant until the repairs to the ACP Phase A unit are completed. The repairs to the ACP Phase A unit are progressing and are expected to complete towards the end of 2020 due to the successful accelerated procurement of key long-lead time items. Other maintenance continues to be carried out and additional controls were put in place whilst the ACP Phase B unit was off-line in order to provide greater operational stability.

During the period the ACP was down, there was a build-up in work-in-progress inventory, which is currently expected to be refined to normalised levels through the second half of 2020 and into 2021. Anglo American Platinum will continue to receive concentrate from third parties and joint ventures under the purchase of concentrate and toll agreements and will continue to deliver metal to customers.

- 5.6 The following sub-heading and paragraph is added following the "*Anglo American Platinum ACP plant shutdown*" section:

Kapstevél South Project at Kolomela approved

On 28 July 2020, Kumba announced the approval of its Kapstevél South project at its Kolomela mine by the boards of Kumba and Anglo American. The total capital cost of the project is currently expected to be approximately R7 billion, including pre-stripping. The project entails the development of a new pit, Kapstevél South and associated infrastructure at Kolomela. The pit is a conventional truck and shovel operation producing high quality direct shipping ore.

- 5.7 The following sub-headings and paragraphs are added at the end of the "*Other developments*" section:

COVID-19 Pandemic

In relation to the COVID-19 pandemic, Anglo American is following the advice from the government and health authorities in its different operating jurisdictions and is also implementing additional measures across its offices and operations, guided by the World Health Organisation and national public health authorities along with the Group's own expertise and experience, as appropriate.

The nature of Anglo American's business is such that much of its work cannot be done remotely, so the Group's focus is on reducing the risk of the virus spreading into and across its sites. Operational continuity is considered by Anglo American to be critical for jobs, for the communities around its operations and for the local and global economies. Anglo American's sites and offices therefore have escalation plans to accommodate the ongoing impact of the pandemic and these will continue to be revised as the situation evolves.

Anglo American is taking all appropriate measures, often tailored to the specific nature and location of a particular site, to protect the safety, health and wellbeing of its people and all those who interact with its business around the world. Anglo American believes that it has a clear responsibility to protect the security and integrity of its business and assets for the long term, preserving its ability to restart and ramp up any affected operations safely and as quickly as possible once permitted to do so. This approach is intended to minimise any interruption of supply to its customers and to place Anglo American in a position to support what will be a vital economic recovery phase for the countries in which it operates and the global economy.

Impact of COVID-19 on operations

Anglo American continues to support the actions taken by governments in its host countries to curb the spread of COVID-19 and safeguard people's health and wellbeing. The Group has implemented appropriate measures across its operations, with a focus on de-densification of the workforce, rigorous health screening, and isolation where needed. Across southern Africa, operational disruptions as a result of the COVID-19 pandemic were primarily due to the implementation of a national lockdown by the South African government from 26 March 2020 and the Botswanan government taking similar action from 2 April 2020. These restrictions affected Platinum Group Metals, Kumba, De Beers and Thermal Coal significantly throughout the second quarter of 2020, as further described below. Since the imposition of the restrictions, however, the Group's operations have built up production levels from around 60 per cent. of total capacity in April 2020, to approximately 90 per cent. by the end of June 2020.

- The COVID-19 outbreak has had a major impact on the diamond industry, affecting all stages of the diamond supply chain and resulting in a 45 per cent. decrease in rough diamond sales volumes at De Beers in the six months ended 30 June 2020 ("**H1 2020**"), compared to the six months ended 30 June 2019 ("**H1 2019**"). Jewellery retailer restocking has therefore been very limited, with many jewellers suspending all polished purchases and/or delaying payments to their suppliers. In addition to the impact on consumer markets, most of the Indian and southern African diamond cutting and polishing centres closed due to the lockdown restrictions. A gradual opening of diamond cutting and polishing centres started at the end of May 2020; however, COVID-19 restrictions have remained in place, particularly in India, limiting capacity. De Beers increased flexibility in response to this lower demand. Rough diamond sales have also been materially affected by lockdowns and travel restrictions, delaying the shipping of rough diamonds into cutting and trading centres and preventing buyers from attending sales events. China has seen strong diamond jewellery sales post-lockdown, with sales for May and June 2020 above those for the comparable periods in 2019. Recovery in the United States will be dependent on the reopening of its economy.
- At the Group's copper operations in Chile, including Los Bronces and Collahuasi, disruption to operations as a result of COVID-19 has been limited, with measures in place to help safeguard the workforce and local communities.
- At Platinum Group Metals, during H1 2020 platinum and palladium metal in concentrate production decreased by 25 per cent. and 21 per cent., respectively, compared to H1 2019. The decrease in production was primarily due to COVID-19 related lockdowns in southern Africa which reduced operating capacity for most of the second quarter of 2020, although Mogalakwena had ramped up towards normal levels by the end of June 2020, with Amandelbult currently expected to reach 85 per cent. production levels by the end of 2020. Regarding the American Platinum ACP plant repairs and the impact on refined production, see "*Description of Anglo American plc and the Anglo American Group – Other Developments – Anglo American Platinum ACP plant shut down*".
- At the Kumba Iron Ore operations in South Africa, iron ore production decreased by 11 per cent. in H1 2020, compared to H1 2019, mainly due to lower workforce levels in response to the COVID-19

lockdown. However both Sishen and Kolomela had ramped up to normal run rates by the end of June 2020.

- At the Minas-Rio iron ore operation in Brazil, the COVID-19 measures in place to help safeguard the workforce and local communities did not significantly affect production in H1 2020. The scheduled one-month production stoppage to carry out routine internal scanning of the pipeline was deferred to the second half of the year (previously scheduled for Q2 2020) owing to prevailing COVID-19 related constraints. On 2 September 2020, the Public Prosecutor's Office of the State of Minas Gerais filed a claim against Minas-Rio for a preliminary injunction requesting the ceasing of mining operations for a period of 30 days and the postponement of the Minas-Rio pipeline inspection until Anglo American can demonstrate compliance with the requirements in relation to COVID-19 established by the Conceição do Mato Dentro Municipality in the State of Minas Gerais. Anglo American believes that it continues to comply with the COVID-19 related requirements and has opposed the injunction application and a decision from the Court is awaited.
- Disruption to operations from COVID-19 at the Group's metallurgical coal operations in Australia has been limited, with measures in place to help safeguard the workforce and local communities. Open cut operations have been scaled back at Dawson and Capcoal in response to reduced demand for lower quality metallurgical coal. Despite the limited disruption due to COVID-19, metallurgical coal production decreased by 22 per cent. in H1 2020, compared to H1 2019, principally as a result of two incidents underground that affected Moranbah and Grosvenor (see "*Incident at Grosvenor*"), as well as longwall moves at Grosvenor and Grasstree.
- Thermal coal total export production decreased by 20 per cent. in H1 2020, compared to H1 2019, largely due to the impact of COVID-19 lockdown restrictions. In South Africa, operations operated at 50 per cent. throughout the lockdown period and have ramped up to operate at approximately 80 per cent. since June 2020 as a result of COVID-19 measures implemented to help safeguard the workforce. In Colombia, operations restarted in May 2020 and are progressively ramping up towards planned levels in the third quarter of 2020.
- The Barro Alto and Codemin nickel operations in Brazil are continuing at normal levels with measures in place to help safeguard the workforce and local communities.

Projects update

In Peru, prior to the COVID-19 pandemic, project execution at the Quellaveco copper project was ahead of schedule, with all applicable milestones achieved. At the Vizcachas dam, part of the water-source infrastructure located approximately 90 kilometres from the plant, water impoundment had started as scheduled and construction works across the mine, plant and tailings areas were also progressing to plan. However, the project has been affected by the implementation of Peru's national quarantine since 15 March 2020.

On 17 March 2020, Quellaveco withdrew the majority of the project's 10,000-strong workforce from site after the Peruvian government's announcement of an initial 15-day national quarantine. Construction work was significantly slowed, maintaining only limited critical works. Following subsequent extensions of the quarantine, on 23 April 2020, Anglo American announced the suspension of non-critical works for an expected period of up to three months in support of the government's continuing efforts to control the spread of COVID-19, allowing for a safe and responsible restart to be planned.

During the suspension, the focus has been on the safety of the Group's workforce and the local community, as well as on the development of a restart and updated construction plan. These plans incorporate leading health protocols which have been approved by the Peruvian authorities, enabling a gradual and safe restart of site activities. From the beginning of July 2020, activities have recommenced on site and are currently expected to ramp up during the second half of 2020, subject to further COVID-19 related impacts.

Costs have been recast taking into account the demobilisation and the current remobilisation. Total project capital expenditure guidance was updated in the Half Year 2020 Financial Report to U.S.\$5.3 billion to U.S.\$5.5 billion, of which the Group's share is U.S.\$2.7 billion to U.S.\$2.8 billion. Since March 2020, the team has also taken the opportunity to optimise the project development and mine plans in order to help mitigate the effects of the suspension and protect value. Despite the COVID-19 related slowdown, Anglo American still currently expects first production in 2022.

Key project activities in the second half of 2020 will be the construction of an approximately 95-kilometre water pipeline from the water-source area to the Quellaveco site, the start of pre-stripping activities to remove surface waste material, and assembly of the mills.

At the Woodsmith polyhalite project in the United Kingdom, integration activities have progressed well and the development of the project has continued in line with Anglo American's currently expected U.S.\$300 million capital expenditure on the project for 2020. The impact of COVID-19 on the project's development has been limited due to the successful implementation of all appropriate health measures. By the end of June 2020, the first drive of the project's 37 kilometre tunnel to accommodate the underground mineral transport system had reached 7.3 kilometres and continues to progress well. At the mine head, the first shaft-boring machine is being assembled within the service shaft (where the early shaft-sinking work has taken place), with works at the production shaft also progressing well. During the second half of 2020, a review of the project's overall development plan will continue, making any appropriate adjustments to further optimise the project and align it with Anglo American's technical and other standards.

Supporting the Group's employees and host communities

Anglo American has implemented an extensive health awareness and support programme called "WeCare", specifically to protect the health and wellbeing of its employees and full-time contractors, as well as measures in support of its host communities, around the world during the COVID-19 pandemic. As part of this programme, Anglo American is helping colleagues better understand how to protect themselves and others from catching the virus, to monitor their health to pick up early symptoms, and to manage their health if they test positive for COVID-19. For example, all operational colleagues are self-monitoring for symptoms, including checks prior to, during and after their shift, with any symptoms being reported via an app that triggers medical assistance.

Further spread of COVID-19

Anglo American continues to take all appropriate preventative measures to reduce the probability of the virus spreading, including by reducing the density of people on its sites. However, the rapid spread of COVID-19 has adversely affected the economies of many countries and has resulted in extreme disruption and volatility to capital and financial markets and the prices for many of Anglo American's products. Government measures taken in response to the COVID-19 outbreak, including containment and lockdown restrictions, and other indirect effects that COVID-19 is having on economic activity, are likely to result in economic downturns in the markets in which Anglo American sells its products and lead to reduced demand or even no demand in key jurisdictions for certain products in such markets, and have required, and may further require, the Group to curtail, reschedule or suspend operations, construction or development at its facilities and projects. The extension or intensification of such measures, or other countries implementing similar measures, would increase the impact on Anglo American's operations, projects and production. The COVID-19 outbreak has had and is likely to continue to have an adverse effect on the global economy during at least the remainder of 2020 and could result in a significant negative impact on the Group's business, financial condition, results of operations and prospects. For further discussion of risks associated with the COVID-19 pandemic and its potential impact on Anglo American's business, financial condition, results of operations

and prospects, see “*Risk Factors—The COVID-19 global pandemic has had a negative impact on worldwide economic activity and is likely to adversely affect the Group’s business*”.

Incident at Grosvenor

At the Grosvenor metallurgical coal mine in Australia, operations have been suspended since the beginning of May 2020 following a gas ignition incident underground, which caused serious injuries to five miners. The internal investigation into the incident at Grosvenor is ongoing. The affected longwall panel is being sealed off for safety reasons to facilitate works to prepare the mine for restart, resulting in a U.S.\$75 million write-down relating to the lost equipment in that area.

The Queensland Government has constituted a Board of Inquiry, and that Board of Inquiry is currently conducting an inquiry into the Grosvenor incident and various other high potential incidents involving longwall-related exceedances of methane that occurred in the Queensland coal mining industry from 2019 and will make recommendations based on its findings. Mining operations will restart only when it is safe to do so, with the benefit of learnings from the internal investigation and the Board of Inquiry, and with any additional safety measures in place. Grosvenor is therefore currently expected to return to operation in the second half of 2021.

Disposal of TEMCO

On 13 August 2020, South32 announced that Groote Eylandt Mining Company Pty Limited (“**GEMCO**”), owned by Samancor, had entered into a binding agreement for the sale of its shareholding in Tasmanian Electro Metallurgical Company Pty Limited (“**TEMCO**”) to an entity within GFG Alliance (“**GFG**”). Completion of the transaction is subject to approval from Australia’s Foreign Investment Review Board. Upon satisfaction of this condition, GFG will make a nominal payment to GEMCO to acquire 100 per cent. of the shares in TEMCO. As a condition to the completion of the transaction, the parties have entered into an ore supply agreement from GEMCO to TEMCO.

De Beers employee consultation

De Beers has recently communicated that it is proceeding with a company transformation intended to support the implementation of its vision of being pioneers in the diamond industry, but as a lower cost business. De Beers currently expects that this transformation will be generally completed by the end of 2020. Whilst the De Beers transformation may result in some headcount reduction, this is subject to a formal consultation (where required) and engagement process with employees and is intended to be conducted in a manner that will ensure De Beers retains the skills, knowledge and competence required to maximise future value opportunities.

GENERAL INFORMATION

In the section entitled “*General Information*”, paragraph 7 “*Financial Position*” is replaced as follows:

There has been no significant change in the financial performance or financial position of (i) Anglo American or the Group since 30 June 2020; and (ii) Anglo American Capital since 31 December 2019, being the respective dates of the last published financial statements and, save as disclosed under “*Recent Developments – COVID-19 Pandemic*”, there has been no material adverse change in the prospects of Anglo American or Anglo American Capital since 31 December 2019.