AngloAmerican

Integrated Annual Report 2023

Re-imagining mining to improve people’s lives

Transforming the very nature of mining for a safer, smarter, more sustainable future.

Using more precise technologies, less energy and less water, we aim to reduce our environmental footprint for every ounce, carat and kilogram of precious metal or mineral.

We are combining smart innovation with operational excellence and the utmost consideration for our people, their families, local communities, our customers, and the world at large – to better connect precious resources in the ground to all of us who need and value them.

And we are working together to develop better jobs, better education and better businesses, building brighter and healthier futures around our operations in host communities and ultimately for billions of people around the world who depend on our products every day.

Our metals and minerals help unlock a cleaner future for our planet and meet the needs of a growing population, from homes and electronics, to food and luxuries – these are future-enabling products.

Revenue
$30.7 bn

2023	$30.7 bn
2022	$35.1 bn

Underlying EBITDA◊
$10.0 bn

2023	$10.0 bn
2022	$14.5 bn

Operating profit
$3.9 bn

2023	$3.9 bn
2022	$9.2 bn

Underlying earnings per share◊
$2.42

2023	$2.42
2022	$4.97

Profit attributable to equity shareholders
$0.3 bn

2023	$0.3 bn
2022	$4.5 bn

Net debt◊
$10.6 bn

2023	$10.6 bn
2022	$6.9 bn

Total dividends per share
$0.96

2023	$0.96
2022	$1.98

Attributable free cash flow◊
$(1.4) bn

2023	$(1.4) bn
2022	$1.6 bn

Group attributable ROCE◊
16%

2023	16%
2022	30%

Number of fatalities
3

2023	3
2022	2

Total recordable injury frequency rate (TRIFR)
1.78

2023	1.78
2022	2.19

Level 4-5 environmental incidents
0

2023	0
2022	0

Cover image
At our Quellaveco copper mine in Peru, around two-thirds of the drilling team, and 30% of the blasting team, are women – all from the neighbouring Moquegua community.

◊ Alternative Performance Measures
Words with this symbol ◊ are defined in the Alternative Performance Measures section of the Integrated Annual Report on pages 318–323.

Contents

The Strategic Report forms part of the Anglo American plc Integrated Annual Report for the year ended 31 December 2023 and should be read in conjunction with the Governance section and Financial Statements of the Integrated Annual Report.

Our reporting suite

You can find this report and others, including the Sustainability Report, the Climate Change Report, our Tax and Economic Contribution Report, and the Ore Reserves and Mineral Resources Report, on our corporate website.

▶ For more information, visit:
angloamerican.com/investors/annual-reporting

Social channels

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Basis of reporting
The Anglo American plc Integrated Annual Report for the year ended 31 December 2023 is produced in compliance with UK regulations. Additionally, we have compiled this report using the Guiding Principles and Content Elements set out in the International Integrated Reporting Council's <IR> Framework.

Integrated Reporting aims to demonstrate how companies create value sustainably over time, for a range of stakeholders – consistent with Anglo American's Purpose, business approach and strategy. This report, therefore, includes a comprehensive overview of our material matters, in the eyes of our stakeholders, and the impact these matters have on the value we create.

Measuring performance
Throughout the Strategic Report we use a range of financial and non-financial measures to assess our performance. A number of the financial measures are not defined under IFRS so they are termed 'Alternative Performance Measures' (APMs). We have defined and explained the purpose of each of these measures on pages 318–323, where we provide more detail, including reconciliations to the closest equivalent measure under IFRS. These APMs should be considered in addition to, and not as a substitute for, or as superior to, measures of financial performance, financial position or cash flows reported in accordance with IFRS.

Units
'Tonnes' are metric tonnes, 'Mt' denotes million tonnes, 'kt' denotes thousand tonnes, 'Mct' denotes million carats and 'koz' denotes thousand ounces; '$' and 'dollars' denote US dollars and 'cents' denotes US cents.

Forward-looking statements, third-party information and Group terminology
This document includes references to the Anglo American Group, forward-looking statements and third-party information. For information regarding the Anglo American Group, forward-looking statements and such third-party information, please refer to the IBC of this document.

Non-Financial and Sustainability Information Disclosures
Non-financial and sustainability information in this report includes subsidiaries and joint operations over which the Anglo American Group has management or acts as operator. It does not include independently managed operations, such as Collahuasi and Samancor, nor does it include De Beers' non-managed joint operations in Namibia and Botswana, unless specifically stipulated.

We continue to evolve our non-financial disclosures in line with emerging recommendations and principles, ensuring we continue to comply with the reporting requirements contained in sections 414CA and 414CB of the Companies Act; the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD); and the Streamlined Energy and Carbon Reporting (SECR) rules. The tables on pages 130 and 132–138 are intended to guide stakeholders to where the relevant non-financial and sustainability information is included within our Strategic Report and other externally available Anglo American plc publications.

Our business at a glance

Anglo American is a leading global mining company with a world class portfolio of mining and processing operations and undeveloped resources, providing tailored materials solutions for our customers, with around 60,000 employees working for us around the world.

North America
1,200 employees(1)
$102 m wages and benefits paid(2)
$66 m taxes and royalties(3)
$166 m local procurement spend(4)

Peru
1,400 employees(1)
$164 m wages and benefits paid(2)
$324 m taxes and royalties(3)
$797 m local procurement spend(4)

Chile
4,200 employees(1)
$488 m wages and benefits paid(2)
$503 m taxes and royalties(3)
$3,295 m local procurement spend(4)

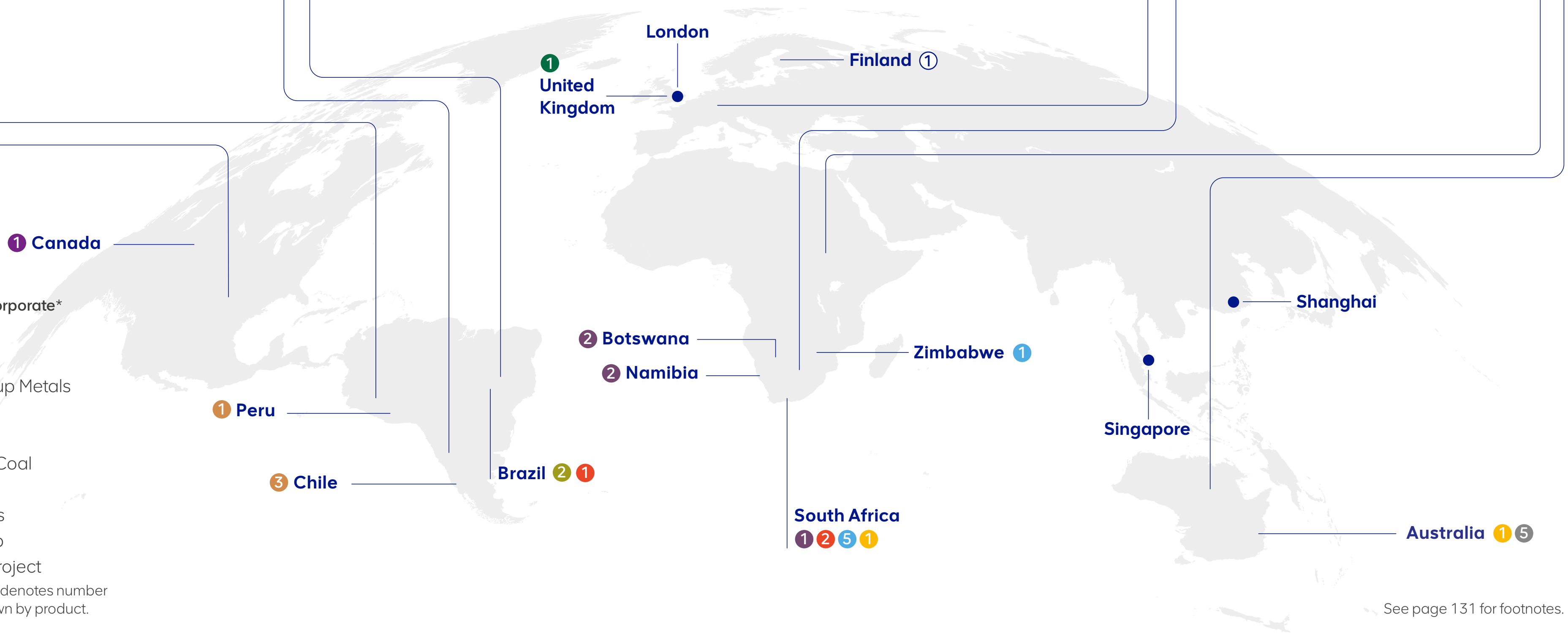
Brazil
4,000 employees(1)
$187 m wages and benefits paid(2)
$397 m taxes and royalties(3)
$1,257 m local procurement spend(4)

South Africa
36,100 employees(1)
$1,628 m wages and benefits paid(2)
$1,210 m taxes and royalties(3)
$4,268 m local procurement spend(4)

Europe
2,900 employees(1)
$557 m wages and benefits paid(2)
$459 m taxes and royalties(3)
$953 m local procurement spend(4)

Australia/Asia
3,600 employees(1)
$629 m wages and benefits paid(2)
$1,279 m taxes and royalties(3)
$1,687 m local procurement spend(4)

Other Africa
6,500 employees(1)
$385 m wages and benefits paid(2)
$844 m taxes and royalties(3)
$596 m local procurement spend(4)



Product groups/corporate*
- Copper
- Nickel
- Platinum Group Metals
- De Beers
- Iron Ore
- Steelmaking Coal
- Manganese
- Crop Nutrients
- Marketing hub
- Early-stage project

* Number within dot denotes number of operations, shown by product.

See page 131 for footnotes.

Our business

We provide many of the essential metals and minerals that are fundamental to the transition to a low carbon economy and enabling a cleaner, greener, more sustainable world, as well as meeting the growing consumer-driven demands of the world's developed and maturing economies, from homes and electronics to food and luxuries. And we do so in a way that not only generates sustainable returns for our shareholders over the long term, but that also strives to make a real and lasting positive contribution to society as a whole.

More detailed information and maps can be found in the business reviews
See pages 94–129

Our overview video gives a complete introduction to what we do and our ambitions for the future
See https://www.youtube.com/watch?v=cYUz_h97X0A

Copper

$3,233 million
Underlying EBITDA◊

32%
Group underlying EBITDA◊

826 kt
Production: Copper

Nickel

$133 million
Underlying EBITDA◊

1%
Group underlying EBITDA◊

40 kt
Production: Nickel

PGMs

$1,209 million
Underlying EBITDA◊

12%
Group underlying EBITDA◊

3,806 koz
Production: PGMs

De Beers

$72 million
Underlying EBITDA◊

1%
Group underlying EBITDA◊

31.9 Mct
Production (100% basis)[5]

Iron Ore

$4,013 million
Underlying EBITDA◊

40%
Group underlying EBITDA◊

35.7 Mt
Production: Iron ore – Kumba

24.2 Mt
Production: Iron ore – Minas-Rio

Steelmaking Coal

$1,320 million
Underlying EBITDA◊

13%
Group underlying EBITDA◊

16.0 Mt
Production: Steelmaking coal

Manganese (Samancor)

$231 million
Underlying EBITDA◊

2%
Group underlying EBITDA◊

3.7 Mt
Production: Manganese ore

Crop Nutrients

$(60) million
Underlying EBITDA◊

Woodsmith is a greenfield project

Corporate and other

$(193) million
Underlying EBITDA◊

Re-imagining mining to improve people's lives

We have been taking clear steps to improve competitiveness and resilience, while continuing to progress our highly attractive growth options.

The energy transition; an expanding global population, with an increasingly aspirant middle class; and the need to improve agricultural productivity in a sustainable way, all require mined products to be delivered on an unprecedented scale. Anglo American is focused firmly on value-led business decisions so that we are set up to deliver enduring value for decades to come.

Safety

Safety is our paramount priority, and keeping our people safe is an unremitting endeavour. So, it was deeply saddening that three people died in 2023 following accidents at our managed operations: one at our Kumba Iron Ore business in South Africa, and two at Copper in Chile.

We are devoting ever more time and resources to creating an environment where serious incidents simply don't happen. A key focus is on Visible Felt Leadership (VFL), connecting operational leaders on a one-to-one or small-group basis around a task or activity to ensure that it is done safely. This is being complemented by a new Contractor Performance Management framework designed to provide the foundation for safe and stable production by creating a physically and psychologically safe workplace where employees, contractors and suppliers all have the confidence to speak up if they have any concerns around safety.

Sustainable mining

Mined products are ever more central to the prosperity of our planet and society and we recognise our role in ensuring they are delivered as sustainably as possible. Our Sustainable Mining Plan stretches us across the three dimensions of ESG and includes our plans to reduce our own greenhouse gas (GHG) emissions, reduce fresh water abstraction, and deliver net-positive impacts in biodiversity wherever we operate. We aim to be carbon neutral (Scope 1 and 2 GHG emissions) across our operations by 2040 and have an ambition to at least halve our Scope 3 emissions by the same date.

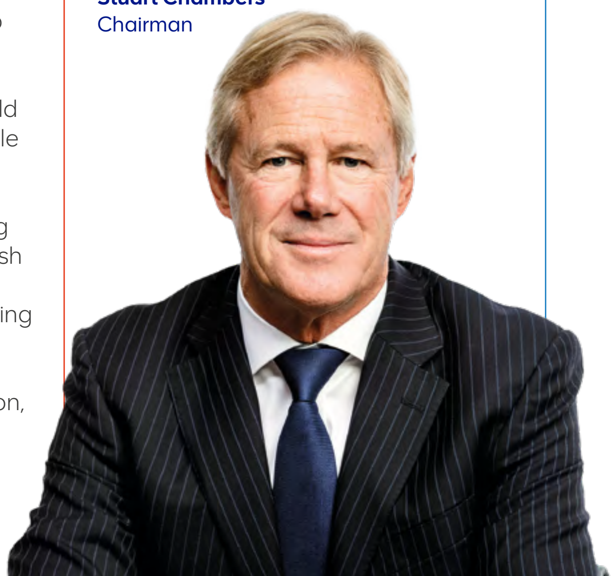
Notwithstanding a 2% increase in production volumes, our total Scope 1 and 2 GHG emissions were 6% lower than in 2022. From April 2023, when our new Quellaveco copper mine in Peru was supplied with 100% renewable electricity, all our operations in South America now draw their electricity from renewable sources. With our Australia assets moving to renewable supply from 2025, we then expect to draw around 60% of our global grid supply from renewables. In southern Africa, where we are developing a regional renewable energy ecosystem through our partnership with EDF Renewables, known as Envusa Energy, we are gathering significant momentum in the development of a number of wind and solar projects.

As part of our ambition to reduce our Scope 3 emissions, we are focusing on hard-to-abate sectors such as steel – from which most of our value-chain emissions derive. We have joined forces with steelmakers in Europe and Asia to research efficient feed materials. As methane emissions from our Steelmaking Coal operations represent the largest component of our Scope 1 emissions, we are also exploring processes such as regenerative thermal oxidation to manage and abate these emissions.

Highly attractive portfolio

Anglo American has a highly attractive, diversified portfolio, with a number of well-sequenced growth options, in copper, crop nutrients and high quality iron ore. We are custodians of some of the world's most valuable, long life mineral deposits – a world class set of copper assets with considerable growth potential, coupled with platinum group metals (PGMs), diamonds and high quality iron ore – and crop nutrients coming through later in the decade – that distinguish us from our diversified peers. The vast majority of the portfolio is geared to supplying products that are fundamental to enabling a low carbon economy and meeting the expectations of a growing global population, in terms of living standards and food.

> "2023 saw a significant downturn for both PGMs and diamonds, leading to weaker financial outcomes. Against that background and with continuing geopolitical turbulence and a number of constraints specific to our business, we have been taking decisive action to improve margins and returns to ensure the sustained competitiveness of our top calibre assets."
>
> **Stuart Chambers**
> Chairman



Quellaveco's successful development has transformed our exposure to copper, a metal critical to economic development and implementing the energy transition, and we will continue to progress further growth options at Los Bronces, Collahuasi and Sakatti. In PGMs, our flagship Mogalakwena open pit mine presents competitive advantage in terms of cost and grade, while in north east England, we are developing the Woodsmith mine, to introduce a highly effective, comparatively low carbon fertiliser product called POLY4 to the global industry. POLY4's physical characteristics help solve the three interconnected challenges faced by the agricultural industry: the increasing demand for food from less available land; the need to reduce the environmental impact of farming; and the deteriorating health of soils.

Operating and financial performance

Buffeted by geopolitical and economic headwinds, and their effect on PGMs and diamonds revenues in particular, Anglo American experienced a much more difficult year. A number of temporary operational constraints added to a considerably weaker financial performance, resulting in a poor return for shareholders, with a negative Total Shareholder Return (TSR) for the year of 36%, compared with the FTSE 100 Index average of +8%, predominantly reflecting the down cycles in the two businesses that differentiate Anglo American – PGMs and diamonds.

Group underlying EBITDA decreased by 31% to $10.0 billion (2022: $14.5 billion), reflecting lower prices for certain products and global cost inflation. In line with our payout-based dividend policy, the Board has recommended a final dividend of $0.41 per share, equal to 40% of underlying earnings, bringing total dividends for the year to $0.96 per share or $1.2 billion.

As we look to 2024 and beyond, the management team has taken decisive action to improve cost performance and cash generation by reconfiguring certain production and wider operational plans to ensure they are realistic.

Governance

Free-market systems need a robust governance framework if they are to retain the trust of investors and society. I believe that the full breadth of sustainability considerations should always underpin this framework and be at the heart of how responsible companies do business. Boards must take care not to be blown off course by short term trends and instead ensure that decisions are reached through holistic debate and with the company's values and purpose in sharp focus.

In recent years, our own Board has stepped-up its engagement level with the company's employees, to further widen its field of view. Leading this initiative is the Global Workforce Advisory Panel, which currently includes 12 colleagues drawn from across the Group and is chaired by non-executive director Marcelo Bastos. In 2023, the panel met on three occasions, one of which was in person in South Africa. Other Board members and myself were also able to engage directly with panel members during our Board and director site visits.

Our Board

On 1 April 2023, Magali Anderson joined the Board as a non-executive director, and as a member of the Board's Sustainability Committee. As things stand, four of the 10 directors on the Board are female and two are minority ethnic. Stephen Pearce stepped down as finance director after serving on the Board for almost seven years and was succeeded by John Heasley on 1 December.

I am always keen that our non-executive directors experience our operations at first hand and engage face to face with colleagues. So, it was pleasing to have our Board visit the Woodsmith project in September 2023, with the Sustainability Committee also spending time at Venetia in South Africa, the Audit Committee meeting with Marketing leaders at our corporate office in Singapore, and three non-executive directors visiting Steelmaking Coal operations in Australia.

Outlook

There is widespread consensus that 2024 may be another low growth year for the global economy; there is the possibility of a mild recession in the US, coupled with a torpid Eurozone, albeit with China's economic output forecast to increase by around 4–5% – which may offer some relief given the absolute size of that economy and the potential for further stimulus. We also expect India's demographics and growth trajectory to play an increasing role in raw materials demand over the coming decades. We must also overlay the potential for more geopolitical dislocations affecting global trade given current conflicts and the effects of elections across many of the world's largest democracies in 2024.

But looking through these challenging macro factors, many mined products continue to have strong fundamentals, with supply likely struggling to meet demand over the long term. With Anglo American set up to be more agile and resilient, with an exceptional metals and minerals portfolio, and considerable growth optionality, we are well positioned to capitalise on the irrefutable demand trends that will characterise the next several decades.

Thanks

I would like to express my appreciation to all our employees, the senior leadership team and the Board for their outstanding efforts in a difficult year.

Our Strategic Report

Our 2023 Strategic Report, from pages 2–138, was reviewed and approved by the Board on 21 February 2024.

Stuart Chambers
Chairman

A safer, smarter future for mining

We are focused on delivering sustainable value through operational excellence, our differentiated capabilities and proactive portfolio choices.

Safety – our first priority

We are unconditional about safety and strive continuously to create a workplace where every colleague returns home safe and well at the end of their working day. 'Always safe' is our safety vision, and safety is our number one value and priority. While our emphasis on leadership time in the field helped us achieve our best ever total recordable injury frequency rate in 2023, it was deeply saddening that three colleagues died in the year following two accidents at our managed operations: at our Kumba Iron Ore business and at our Los Bronces copper operation in Chile. We extend our deepest condolences to their families, friends and colleagues.

In addition to rigorously investigating each of these tragic incidents, we are committed to sharing the learnings both internally and across the industry so that action can be taken to help prevent repeats. We are also continuing to implement our targeted safety strategy, investing in systems and technology, standards, and training our people, with a particular focus on leaders spending time in the field with their teams.

2023 – a volatile backdrop

Over the past 12 months the macro picture across geopolitics and the global economy has certainly been volatile, with prolonged inflationary pressure that has continued to impact costs across our industry. Coupled with cyclical lows for our PGMs and diamonds businesses and temporary operational challenges at Kumba, due to third-party rail constraints, and at Los Bronces, we have reoriented our production profile due to lower grades to focus on safe, profitable and repeatable volumes. We are ensuring that Anglo American is set up to be resilient over the longer term to seize the tremendous growth opportunities presented by the quality of our resource endowments and the major demand trends.

We are implementing the right set of actions to enhance value both now and longer term. By doing so, we are positioned to capitalise on our attractive suite of products that play such a critical role in enabling: decarbonisation; improving global living standards; and food security. From the foundations of renewed stability and value-led discipline, the long term outlook has rarely looked better.

Focus on value to enhance returns

Operational stability and cost control represent our biggest margin levers, supported by sustainable production plans that prioritise value over volume and thereby enhance margins and returns. Our focus has been on achieving safe, repeatable and consistent operational performance and working towards positioning the majority of our assets squarely in the first half of their respective cost curves. Against that backdrop, we expect to reduce annual run rate costs by c.$1 billion and capital spend by $1.6 billion over the next three years, while also cutting out unprofitable volumes.

We have streamlined our global business support activities, removing duplication and layers, enabling more effective decision making and more efficient service delivery. By resetting organisational design, we have moved decision making closer to the operations to improve both agility and accountability and reduce duplication, resulting in a 25% reduction in the cost of senior head office roles. As part of these streamlining initiatives, we have significantly concentrated our focus onto those technologies and other capabilities that bring most benefit to our operations, thereby optimising the benefits from our investment in FutureSmart Mining™ of recent years.

Operationally, in Chile, for example, we are working through a more constrained phase of the mine plan and are aiming to improve cash flow by reducing production and moving to use only the larger and more efficient of the two copper concentrators at Los Bronces. This is expected to reduce both operating and capital costs for the asset while preserving optionality for when we are through this constrained phase of the mine plan. In PGMs, we are focusing on higher margin own production through our world class processing assets. While in Australia, our focus for Steelmaking Coal is on safe and stable operations in line with new operating protocols and ongoing challenging ground conditions at Moranbah.

For 2023 as a whole, we were delighted to see our new Quellaveco copper operation in Peru ramp up to full capacity in the fourth quarter, while ore grades at our copper assets in Chile and in nickel were lower, as expected. Operationally, both PGMs and De Beers performed solidly, albeit with downstream prices at cyclical lows. Minas-Rio set a number of performance records, while Kumba also performed well operationally – though limited by third-party rail availability.

"We have a world class suite of assets and a number of leading market positions, coupled with technical and socio-political capabilities, all underpinned by disciplined capital allocation and organic growth options in the right products."

Duncan Wanblad
Chief Executive

Group underlying EBITDA decreased by 31% to $10.0 billion (2022: $14.5 billion), reflecting a 13% lower basket price for our products and a 4% unit cost increase – a strong cost performance that beat inflation. Against this backdrop, we delivered a return on capital employed of 16% and a mining EBITDA margin of 39%. Net debt increasing to $10.6 billion, 1.1 x underlying EBITDA, reflects the portfolio investments we are making in line with our belief in the strong long term fundamentals, and a build in working capital of $1.2 billion at the year end. Reflecting our latest market view of global GDP growth and consumer demand, we have written down the book value of De Beers by $1.6 billion, principally relating to goodwill, while also impairing the value of our nickel asset in Brazil, Barro Alto, by $0.8 billion. Our $1.2 billion total dividend of $0.96 per share is in line with our 40% payout policy.

World class portfolio offering growth in the right products

We actively manage the portfolio – always led by value – to continuously improve its overall quality, reduce complexities, and ensure that capital is allocated to the most value-accretive assets and growth opportunities, including those with industry partners in respect of adjacent assets where there is significant value to be unlocked. Each of our assets must pull its weight in playing a dynamic role to support the portfolio as a whole.

While most industry voice is generally given to the metals needed for the increasingly urgent transition to cleaner energy, we should not forget that uplifting global living standards for a still fast growing global population requires an unprecedented level of economic development. This underlying driver will continue to represent the baseload of demand growth – with copper and the high quality steelmaking ingredients of iron ore, steelmaking coal and manganese front and centre.

Similarly, to feed and provide improved nutrition to the world's population will require unparalleled volumes of more effective and environmentally sustainable fertiliser – a need that we will be well placed to fill as we develop a crop nutrients business around a truly differentiated product from Woodsmith. As we progress Woodsmith's development towards Board approval and continue to firm up our views on the enormous potential of our product in the market, so we are taking steps to identify potential syndication partners with a focus on keeping our investment in Woodsmith proportionate. This is consistent with our approach in relation to multi-billion dollar greenfield projects, being to develop one at a time and to syndicate for value at the right time, as we did with Quellaveco.

Sustainability key to unlocking opportunities

One of our greatest challenges as an industry is to bridge the clear gap between increasing recognition of the need for ever greater volumes of mined materials and society's acceptance of the activity required to produce them. Our experience in delivering improved sustainability outcomes from successful projects such as Quellaveco is part of the solution and is integral to how we make our strategic and investment choices – across our current operations and projects in design and development – and to unlocking enduring value for all our stakeholders.

Building on our FutureSmart Mining™ blueprint we established at Quellaveco, we are deploying the next generation of technology and sustainability innovation at Woodsmith, setting a new benchmark for modern mining – out of sight, safe, reliable, and catering to our customers' and society's needs. Likewise, we then expect to take these learnings to our polymetallic project – Sakatti, in Finland, for which we received the all-important environmental impact assessment approval in August 2023. Sakatti is set to be a remotely operated, low carbon underground mine, thereby contributing to a sustainable supply of critical minerals to support the energy transition in Finland and the EU. We see such capabilities as essential to our and the mining industry's ability to successfully develop new supply, particularly as orebodies dictate that we operate in more complex socio-economic and environmentally sensitive areas.

In parallel, we are also moving towards our goal of carbon neutral operations by 2040, evolving our pathways as we progress, learn, and as technologies develop. We have transitioned to 100% renewable electricity supply across our South America operations, with Australia to follow in 2025. In southern Africa, where renewable alternatives are not yet available at any scale, we are making good progress in partnership with EDF Renewables to build a 3–5 GW renewable energy ecosystem of wind and solar generation capacity, designed to tackle our largest remaining source of Scope 2 emissions and support energy reliability and grid resilience.

An inclusive and rewarding workplace for our people

Our people are critical to all that we do, and always front of mind are their safety and health, employees and contractors alike. We believe, too, in creating an inclusive workplace where every colleague can bring their whole self to work and fulfil their potential. We have a robust strategic approach in place which focuses on valuing and respecting our diverse colleagues, inclusive leadership, providing an involving, fair and supportive workplace and having a safe, effective and enabling work environment.

This year we were awarded a Living Wage accreditation that formally recognises Anglo American's status as a committed global Living Wage employer. We are the first mining company to reach this milestone. Similarly, I was also pleased that Anglo American was recognised in the Inclusive Top 50 UK Employers in 2023 for the fifth year in a row.

Outlook

We have fundamentally reorganised and reoriented the business during 2023, including to shift our production mindset to one that is driven by value rather than volume and with plans that are both safety-led and deliverable repeatedly. We have been systematically reviewing our assets and organisation over the last 18 months to drive greater effectiveness and sustainable performance in the face of the uncertain macro picture that has been emerging – and which has had a particularly significant impact on PGMs and diamonds.

The actions we have taken combine specific asset performance plans and Group-wide initiatives that we believe will offer an evergreen investment proposition that generates attractive returns through the cycle. Together with our technical capabilities and our approach to sustainability, we are setting ourselves up to deliver significant value upside from our current assets and our considerable growth options that are concentrated in copper, crop nutrients and high quality iron ore, given the structurally attractive fundamentals presented by the major demand trends.

I'd like to thank the Board for its unwavering support and all our workforce for their hard work and resilience over the past year.

Duncan Wanblad
Chief Executive

Our business model

Anglo American draws upon a number of key inputs that, through targeted allocation, development, extraction and marketing, create sustainable value for our shareholders and our diverse range of stakeholders.

Our inputs

Ore Reserves and Mineral Resources
Our high quality, long life mineral assets provide a range of organic options for long term value delivery.

Other natural resources
We aim to effectively manage the water and energy requirements of our mining and processing activities.

Know-how
We use our industry-leading technical, sustainability and market knowledge to realise optimal value from our assets.

Plant and equipment
We form strong relationships with suppliers, many of whom are located in the countries where we operate, to deliver tailored equipment and operating solutions.

Financial
A strong focus on productivity, cost discipline and working capital management helps deliver sustainable positive cash flows, with balanced capital allocation to optimise returns.

Our value chain

We invest in those parts of the value chain that provide us with the best return on our investment, holding ourselves to the highest standards through our holistic and integrated approach to sustainable business practices.

Outputs

We deliver many of the metals and minerals that enable a cleaner, greener, more sustainable world and that meet the fast growing consumer demands of developed and maturing economies. We strive to minimise our environmental footprint through our use of technologies and bring enduring social benefits through our approach, encompassed in our ambitious Sustainable Mining Plan.

Attributable free cash flow
$(1.4) bn

Group attributable ROCE
16%

CO_2 equivalent emissions (Scope 1 and 2)
12.5 Mt

Mined product shipped by our fleet
>75 Mt

Production in 2023
- Copper: **826 kt**
- Nickel (from Nickel and PGMs): **61.8 kt**
- Platinum: **1,749 koz refined**
- Palladium: **1,269 koz refined**
- Rhodium: **226 koz refined**
- Diamonds: **31.9 Mct**
- Iron ore: **59.9 Mt**
- Steelmaking coal: **16.0 Mt**
- Manganese ore: **3.7 Mt**

▶ For more on the value we create for stakeholders **See pages 11–13**

Governance

Our governance controls ensure we respond effectively to those matters that have the potential to cause financial, operational or reputational harm, while acting ethically and with integrity.

▶ For more information **See pages 139–177**

Materiality and risk

Identifying and understanding our material matters and risks is critical in the development and delivery of our strategy.

▶ For more information **See pages 20–23**

How we measure the value we create

Safety and health
Socio-political
Environment
People
Production
Cost
Financial

▶ For our pillars of value **See pages 86–89**

Stakeholder engagement

Open and honest engagement with our stakeholders is critical in gaining and maintaining our social and regulatory licences to operate. Working within our social performance framework, it is our goal to build and sustain constructive relationships with host communities and countries that are based on mutual respect, transparency and trust.

▶ For more information **See pages 16–19**

Our value chain

Across every aspect of our value chain, we are thinking innovatively about how we work to ensure the safety of our people, enhance our sustainability performance, and deliver industry-leading margins and returns.

Discover

Our geologists search for and discover new sources of the minerals that make our modern lives possible. We benefit from developing and using world class expertise and leading technologies, often that we have developed ourselves, to find deposits we can develop and mine in a safe and sustainable way.

Plan and build

Before we put a spade in the ground, our geologists and engineers work together using virtual mine planning systems to design the most effective, cost-efficient and environmentally sound construction and operational mine plan.

Mine

In extracting the products that we all need in our daily lives, we draw on over 100 years of mining experience. Safety comes first: our whole way of working is focused on keeping our people safe. We plan for the lifecycle of the mine and beyond and use our own technologies for reducing waste and protecting environments.

Process

By processing, converting and refining our raw materials, we produce what our customers need and value. Our processing technologies also enable us to reduce energy and waste, recycle more water, increase efficiency, drive innovation and, by adding value to our products, further support economic activity in the areas we mine.

Move and market

After processing, we then transport our metals and minerals to where they are needed, to our customers. We use the latest technologies to co-ordinate and optimise our global shipping needs. And we use our scale and detailed knowledge of the demand and uses for our products to offer our customers a reliable supply, tailored to their requirements and expectations – adding value for them every step of the way and, ultimately, for billions of consumers who rely on our products every day.

End of life plan

We don’t only plan for the lifecycle of the mine – we also take great care to look beyond and determine the rehabilitation of the site and the real benefits that will help sustain local communities, long after the site is closed.

Purpose to value

We are guided by our Purpose – re-imagining mining to improve people's lives – to deliver sustainable value for all our stakeholders.

Our Purpose

Re-imagining mining to improve people's lives

Transforming the very nature of mining for a safer, smarter, more sustainable future.

Our Values

Anglo American's Values and behaviours are at the heart of everything we do. Guided by our Purpose and our Values, we enable high performance and purposeful action. Our Values and the way in which we, as individuals, are expected to behave are the foundation of our Code of Conduct.

Our Strategy

Guided by our Purpose, our strategy is to secure, develop and operate a portfolio of high quality and long life mineral assets, from which we aim to deliver sustainable shareholder returns. We achieve this through innovative practices and technologies built upon the foundations of operational excellence – in the hands of our world class people.

Capital allocation

Underpinning our strategy, we have a value-focused approach to capital allocation, with clear prioritisation. Our Sustainable Mining Plan outlines ambitious targets that our projects must support to ensure a Healthy Environment, Thriving Communities and our position as a Trusted Corporate Leader.

▶ For more on capital allocation
See pages 76–78

Measuring delivery of our strategy

We track our strategic progress holistically – spanning non-financial and financial performance using KPIs that are based on our seven pillars of value:

Safety and Health
To ensure our workforce is safe and healthier for working with us

Environment
To have a net positive and sustainable impact on climate change, water and the natural environment

Socio-political
To build thriving communities and develop trust as a corporate leader

People
To create a sustainable competitive advantage through capable people and an effective, purpose-led, high performance culture

Production
To supply and increase volumes of profitable products for our customers

Cost
To continuously improve our margins and competitive position through operational excellence

Financial
To deliver industry-leading sustainable returns to our shareholders

Value

Delivering sustainable value for all our stakeholders

We are working together to generate sustainable and competitive shareholder returns by developing better jobs, better businesses and better education, building brighter and healthier futures around our operations in host countries and ultimately for billions of people who depend on our products every day.

- **Investors**
- **Workforce**
- **Communities**
- **Natural environment**
- **Suppliers**
- **Customers**
- **Host countries**

Balanced reward

Anglo American's directors' remuneration policy is designed to encourage delivery of the Group's strategy and creation of stakeholder value in a responsible and sustainable manner, aligned to our Purpose.

The main elements of the remuneration package are basic salary, annual bonus and Long Term Incentive Plan (LTIP).

▶ For more on remuneration
See pages 178–211

Creating value for our stakeholders

Anglo American is re-imagining mining to improve people's lives.

Mining has a safer, smarter, more sustainable future. Using more precise technologies, less energy and less water, we aim to reduce our environmental footprint for every ounce, carat and kilogram of precious metal or mineral.

We are combining smart innovation with operational excellence and the utmost consideration for our people, their families, local communities, our customers and the world at large – to better connect precious resources in the ground to all of us who need and value them.

And we are working together to develop better jobs, better education and better businesses, building brighter and healthier futures around our operations in host countries and ultimately for billions of people around the world who depend on our products every day.

Our metals and minerals help unlock a cleaner future for our planet and help meet the needs of a growing population, from homes and electronics, to food and luxuries – these are future-enabling products.

Investors

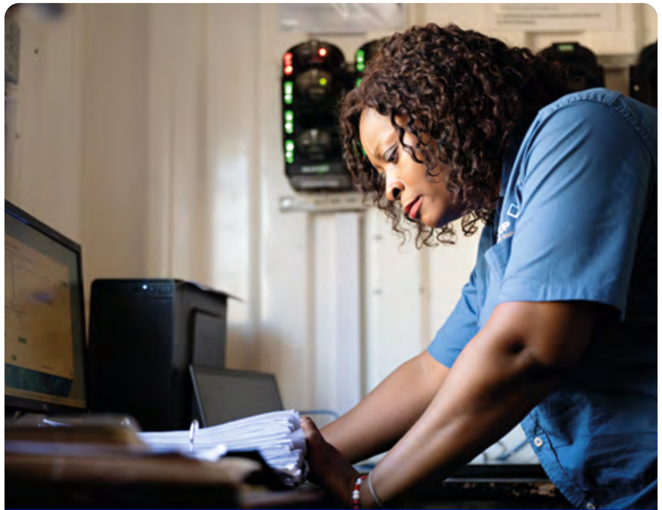
Delivering sustainable financial returns

Underpinning our strategy, we have a value-focused approach to capital allocation, with clear prioritisation: sustaining capital to maintain asset integrity; payment of base dividends; and then the allocation of discretionary capital to either growth investments, upgrades to our portfolio, or additional returns to shareholders.

▶ For more information
Visit angloamerican.com/investors

$1.2 bn
Total returns to shareholders

4.2%*
Dividend yield



Workforce

People are at the heart of our business, and that means our first priority is always workforce safety

Our people are critical to all that we do. And always front of mind is the safety and health of our employees and contractors; we train, equip and empower our people to work safely every day. We believe, too, that creating an inclusive and diverse working environment and culture that encourages and supports high performance and innovative thinking gives our business a competitive advantage.

▶ For more information
Visit angloamerican.com/employees

$4.1 bn
Total wages and benefits paid

* Calculated using average share price of $30.69 for the year ended 31 December 2023.

Communities

Helping to create thriving communities

We are committed to delivering a lasting, positive contribution to host communities, beyond the life of our mines. This starts with understanding and responding to their needs and priorities. We manage the relationship with host communities through our social performance system, the Social Way, and aim to drive shared value through our Sustainable Mining Plan commitments.

▶ For more information
Go to pages 60–65

$148 m
Total Community Social Investment (CSI)

139,308
Total number of jobs supported off site

Natural environment

Protecting our natural environment

We apply holistic thinking to address the interconnectivity of nature, the environment and the ecosystems in which we operate as we work towards delivering positive biodiversity outcomes and addressing global challenges such as climate change.

Some of the targets we have set include:

- To be carbon neutral across our operations (Scope 1 and 2 GHG emissions) by 2040
- Net-positive biodiversity outcomes across our managed operations
- Reducing absolute fresh water withdrawals by 50% in water scarce areas by 2030, relative to the 2015 baseline.

Suppliers

Responsible sourcing aligned to our Purpose

Our approach to responsible sourcing defines the minimum sustainability requirements and decent work principles required by our 13,000+ suppliers. Our vision is to create a more inclusive supply chain as we seek to generate more equitably shared and sustainable prosperity in host countries, where over 70,000 jobs are supported by our procurement worldwide.

▶ For more information
Go to pages 64–65

$13.0 bn
spent with local suppliers in 2023

91%
of total supplier spend of $14.4 bn

Customers

Understanding our customers' needs

We work closely with our customers, who are increasingly interested in sourcing responsibly mined materials. In 2022, we met our Sustainable Mining Plan target of 50% of our mining operations to be audited against recognised responsible mining certification systems and are on course to have all our operations audited by 2025. In 2023, our Minas-Rio iron ore and Barro Alto nickel mines in Brazil were assessed against the Initiative for Responsible Mining Assurance's (IRMA) mining standard, achieving the IRMA 75 level of performance. In South Africa, our Amandelbult and Mototolo PGMs mines scored IRMA 50 and 75, respectively. In addition, two operations have undergone the Responsible Jewellery Council certification and we have adopted the Copper Mark certification at Los Bronces and El Soldado.

▶ For more information
Visit angloamerican.com/about-us

Host countries

Playing our role in society

Anglo American contributes to economies and society both directly and indirectly, through the taxes and royalties we pay, the jobs we create, the local workforces we upskill, the local business opportunities we generate, and the education and community health initiatives we support.

▶ For more information
See our Sustainability Report 2023

$5.1 bn

Total taxes and royalties borne and taxes collected

▶ For more information
See our Tax and Economic Contribution Report 2023

Stay up to date

For more on our performance in the year, see the video link.
Visit youtube.com/watch?v=XFbvv9KvAbs

How we make decisions

In line with best-practice corporate reporting, Anglo American's Integrated Annual Report includes a comprehensive assessment of the principal risks we face, as well as those matters that we and our stakeholders believe have a material bearing on the success of the business in the near and long term – beginning with safety and environmental sustainability.

By engaging with our stakeholders and being aware of their perspectives, and by understanding the risks we know we face, we are better placed to make informed decisions that help support the delivery of our strategy.

Insights

Stakeholder engagement and topics raised

▶ **See pages 16–19**

Material matters

▶ **See pages 20–23**

Global trends

▶ **See pages 24–28**

Principal risks

▶ **See pages 79–85**

Strategy

To secure, develop and operate a portfolio of high quality and long life mineral assets, from which we will deliver leading shareholder returns. We achieve this through innovative practices and technologies built upon the foundations of operational excellence – in the hands of our world class people – towards our common Purpose.

▶ For more on our Strategy
See page 10

Board review

- Chief executive and the Executive Leadership Team formulate the Group's long term strategy.
- In addition to regular discussion on strategic topics, the Board dedicates a full meeting to a discussion of the Group's strategy, addressing critical short, medium and long term issues.
- Board approves critical strategic decisions and endorses the Group's strategy.
- Board reviews progress of delivery of the Group's strategic goals, as well as periodic business strategic reviews.

▶ For more on Board activity
See pages 153–155

Capital allocation

Underpinning our strategy, we have a value-focused approach to capital allocation, with clear prioritisation: sustaining capital to maintain asset integrity; payment of base dividends; and then the allocation of discretionary capital to either growth investments, upgrades to our portfolio, or additional returns to shareholders. All of our capital allocation decisions consider sustainability issues and impacts.

▶ For more information on our capital allocation approach
See pages 76–78

Chairman Stuart Chambers (left) in conversation with Crop Nutrients CEO Tom McCulley during the Board's visit to the Woodsmith site in north east England in September 2023.

Determining what is important

Identifying and evaluating matters that are of common material interest to our stakeholders and to our business, and understanding how they may affect our ability to create value over time, are integral to our planning processes and help support the delivery of Anglo American's strategy.

At the heart of decision making

Consideration of the wide spectrum of stakeholder and environmental interests is firmly embedded into Anglo American's culture, governance structures and management systems and is guided by our Purpose. Stakeholder concerns and considerations therefore feature prominently in the discussions of our Board meetings and those of its committees.

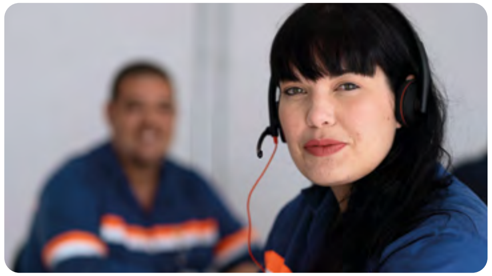
The Board, through its role in setting the tone from the top, provides leadership to the Group and is responsible for promoting and safeguarding the long term success of the business, supporting the Executive Leadership Team in its formulation and implementation of the Group's strategy.

The duties of directors with regard to ensuring there is effective dialogue between the Group and its shareholders and stakeholders are broadening in scope, while society's expectations of company boards also continue to grow. At Anglo American, those matters considered by the Board and our stakeholders to be of material importance, and the views of our stakeholders in relation to those matters, are integral to the Board's discussions and decision making, including in relation to the Group's strategy and its evolution.

Understanding our stakeholders

Healthy stakeholder relationships help us to better engage about how our business decisions, activities and performance are likely to affect or be of significant interest to our stakeholders, and provide the opportunity to co-create effective and lasting solutions to business and other challenges.

Investors
Our shareholders own the business, and their continued support is key to its long term sustainability. Regular meetings and occasional site visits with the investor and financial analyst community inform and help to shape our strategy, including our value-based approach to capital allocation.



Employees
Our people are critical to all that we do and are essential to our commercial success. We have more than 90,000 employees and contractors working for us around the world. We support labour rights, including the right to freedom of association and collective bargaining.

Communities
Building mutually respectful relations with the communities around our operations is essential to gaining and maintaining our licence to operate. We strive to deliver long term and sustainable economic growth and social progress to host communities, including beyond the life of our mine.

Suppliers and contractors
We work with suppliers to deliver tailored equipment, services and other solutions to enable best-in-class operating performance while remaining cost competitive. Our responsible sourcing programme defines the sustainability requirements expected of our 13,000+ suppliers.

Customers
We work closely with our customers to address their raw material needs in a way that is tailored to their requirements and expectations. With presence across key commercial hubs and close market contact, we have the industry understanding to provide the solutions customers want.

Civil society (NGOs, faith groups and academia)
Engagement with the elements that make up civil society brings a unique ethical and sustainability lens to our business. The cross-sector relationships we forge with NGOs and other groups enable us to be a more responsive and effective development player.

Governments and multilateral institutions
Our proactive relationships at local, national and international levels help us to be more effective in understanding areas of mutual interest and priority, including in relation to the evolution of regulation and permitting, infrastructure financing and debottlenecking, and maintaining our licence to operate.

Industry associations
Our advocacy role on the international stage, including our work with industry related organisations ranging from IRMA and the TNFD, to the Minerals Councils of South Africa and Australia, is helping to make mining safer, cleaner, more sustainable and more attuned to the modern world's expectations of the mining industry of the future.

Investors

How we engage

The Group, through its investor relations team, has an active engagement programme with its key financial audiences, including institutional shareholders. In October 2023, the investor relations team also hosted a site visit to our Woodsmith polyhalite fertiliser project for sell-side analysts and our largest shareholders.

Significant concerns raised by a shareholder are communicated to the Board. The Board receives a briefing at each meeting from the investor relations team. The chairman also hosts meetings with some of the Company's largest institutional investors through the year.

What was important to our stakeholders in the year

- Operational performance (including safety)
- Near-term outlook for our products
- Sustainability, including climate change (strategy, targets and progress), water, nature and biodiversity, and safety
- Progress of major projects, including Woodsmith
- Executive management transition

Employees

How we engage

The Group undertakes global employee engagement surveys, the results of which are communicated to the Executive Leadership Team and the Board. The Group's Global Workforce Advisory Panel meets during the year to discuss a range of topics. Feedback from the meetings is shared with the Board and the Executive Leadership Team.

Every business has formal points of contact for union engagement, and material matters are routinely reported to various boards. In 2023, we had one dialogue session with IndustriALL Global Union. In South Africa, our Tripartite structure (comprising South African businesses, recognised trade unions, the Department of Mineral and Energy Resources and industry councils) met to continue its focus on topics primarily related to health and safety. A similar structure has been formed at our Steelmaking Coal business in Australia.

What was important to our stakeholders in the year

- Physical and psychological safety and health
- Job security
- Organisation and workforce restructuring
- The future of work

Communities

How we engage

Our Social Way engagement requirements and commitment to local accountability that forms part of our Sustainable Mining Plan are at the heart of how we engage with local communities. We aim to always engage proactively, meaningfully and respectfully with all of our stakeholders in relation to impacts and risk and to maximise socio-economic development opportunities. The principles of informed consultation and participation are at the heart of our stakeholder engagement activities, focusing on an in-depth exchange of views and information in an organised and iterative process that is tailored to different stakeholders, including vulnerable groups.

The Sustainability Committee receives a report on social performance and community issues at each meeting. The Board is also updated via presentations from business leaders and visits operations, which usually include engagement with local community representatives.

The Social Way Policy sets out requirements for the management of grievances and incidents with social consequences. All incidents with Level 4–5 social consequences are reported to, and discussed by, the Board.

What was important to our stakeholders in the year

- Community health and safety
- Livelihoods and job creation
- Land access, displacement and resettlement
- Local accountability forums
- Grievances and incidents with social consequences
- Cultural heritage
- Collaboration in emergency preparedness planning

Suppliers and contractors

How we engage

The Group engages with suppliers through several channels, including: supplier events; host community procurement forums; supplier capability development initiatives; various digital platforms; and our responsible sourcing programme.

Material matters are reported to the Board through the chief executive's reports. Material supply contracts are approved by the Board. Reports to the Board from business leaders contain updates on contractor management.

What was important to our stakeholders in the year

- How to mitigate the risk of modern slavery and labour rights abuses within the supplier network
- Stimulating local manufacture of mining goods and increasing procurement opportunities for host community suppliers
- Promoting transparency and access to information
- Protecting the safety, health, well-being, human rights and dignity of workers employed by contracting companies and suppliers
- Understanding how suppliers can help us meet our Sustainable Mining Plan goals including commitments to decarbonisation to meet our Scope 3 ambitions

Civil society (NGOs, faith groups and academia)

How we engage

The Group's engagement includes one-on-one interactions (including with Executive Leadership Team members); various multi-stakeholder initiatives and partnerships; addresses at civil society gatherings; and open and ongoing dialogue on tax transparency, the future of resource taxation and responsible mining practices. The Group hosts accountability dialogues on the UN's Sustainable Development Goals (SDGs), which bring together a cross-section of stakeholders around our performance related to SDGs. Any key concerns or trends from these engagements are reported to relevant executive and/or Board structures.

Anglo American participates in the global Mining and Faith Reflections Initiative and the South African multi-faith 'courageous conversations' initiative, and also has longstanding partnerships with NGOs such as TechnoServe, Fauna & Flora International, Right to Care, HBGI and The Global Fund.

What was important to our stakeholders in the year

- Climate change and Just Transition
- Respect for human rights
- The future of resource taxation
- Our impact on water and biodiversity
- Avoiding/mitigating environmental harm
- Investing in social and community development
- Industry transparency and reporting initiatives
- Critical raw materials supply chains
- Ethical value chains/product provenance
- Free, prior and informed consent

Customers

How we engage

Our Marketing business engages with customers through direct personal engagements and via business and industry forums.

The CEO of Marketing provides an annual update to the Board on the Group's marketing strategy and activities, including customer engagement. The Board also receives a regular update on commodity markets from the Marketing team.

What was important to our stakeholders in the year

- Delivery of product on agreed timing and terms
- Decarbonisation roadmap and carbon management solutions
- Assurance that products have been responsibly mined or sourced
- Collaboration opportunities
- Participation in responsible mining certification systems
- Price risk management in an inflationary environment
- Continued engagement around key industry shifts

Governments and multilateral institutions

How we engage

The Group engages proactively with host governments at both local and national levels, as well as with other governments in countries of strategic interest – both directly and through industry bodies, and via participation in inter-governmental and multilateral processes.

The Board receives regular updates on key geopolitical factors relevant to the Group's operating and broader strategic interests, as well as updates on government engagements.

What was important to our stakeholders in the year

- Stable, secure supply of responsibly sourced critical raw materials for the energy transition in an increasingly challenging geopolitical context
- Wider sustainability and development agenda, including climate change
- Contribution to national and international developmental priorities
- Taxation policy, including national and international tax reforms related to digitalisation, globalisation and the environment against a backdrop of challenging fiscal scenarios for many governments
- Permitting of new technology for transformational change
- Compliance with mining licence and related requirements

Industry associations

How we engage

The Group participates in more than 130 industry associations worldwide. An audit of our memberships is undertaken and published biennially. The Group's participation is directed by our Government and International Relations Policy. The chief executive reports any matters of significance to the Board.

What was important to our stakeholders in the year

- Contributing constructively in business initiatives, with the aim of enhancing the collective business interest
- Contributing to shared responses to challenges faced by governments and societies in host jurisdictions and markets
- General knowledge sharing on our approach to managing material issues

Supervisors Jimmy Ip Lam (left) and Cristobal Ortiz at our Integrated Remote Operation Centre (IROC) in Santiago, Chile, which enables operation at Los Bronces copper mine, 67 km away, to be controlled in an integrated way, and in real time.

Our material matters

Determining what is important

Identifying and evaluating matters that are of common material interest to our stakeholders and to our business, and understanding how they may affect our ability to create value over time, are integral to our planning processes and help support the delivery of Anglo American's strategy.

We identify our material matters through an externally facilitated materiality assessment, which we expect to carry out every two to three years.

In previous years, we have sought to identify economic, social and environmental factors that were important to both Anglo American and our stakeholders. This year, however, we conducted a robust, stakeholder-driven double materiality assessment that seeks to capture the key material issues that impact society and the environment (external) and impact Anglo American (internal).

In 2023, our materiality assessment incorporated externally facilitated in-depth interviews with a range of internal and external stakeholders, supplemented by an internal survey sent to managers across the Group, and extensive desktop research. A third-party-led validation workshop then took place where subject matter experts were asked to validate the matters identified as most impactful on both Anglo American and wider society. The final materiality matrix was then approved by the Group's leadership and the Board.

Understanding our stakeholders

Healthy stakeholder relationships help us to better communicate how our business decisions, activities and performance are likely to affect or be of significant interest to our stakeholders, and provide the opportunity to co-create effective and lasting solutions to business and other challenges.

Anglo American's stakeholders include host communities, governments, our workforce, customers, business partners, multinational organisations, industry peers, broader civil society, trade unions, trade associations and suppliers, in addition to our shareholders who own the business. In some instances, we work with representatives from multi-stakeholder initiatives to provide a more collaborative and holistic view on the issues facing our industry.

Beyond the materiality process, we continually engage with our stakeholders at global, national and local levels to develop long term mutually beneficial relationships and respond to society's most pressing challenges.

▶ For more information on how we engage with our stakeholders
See pages 16–19

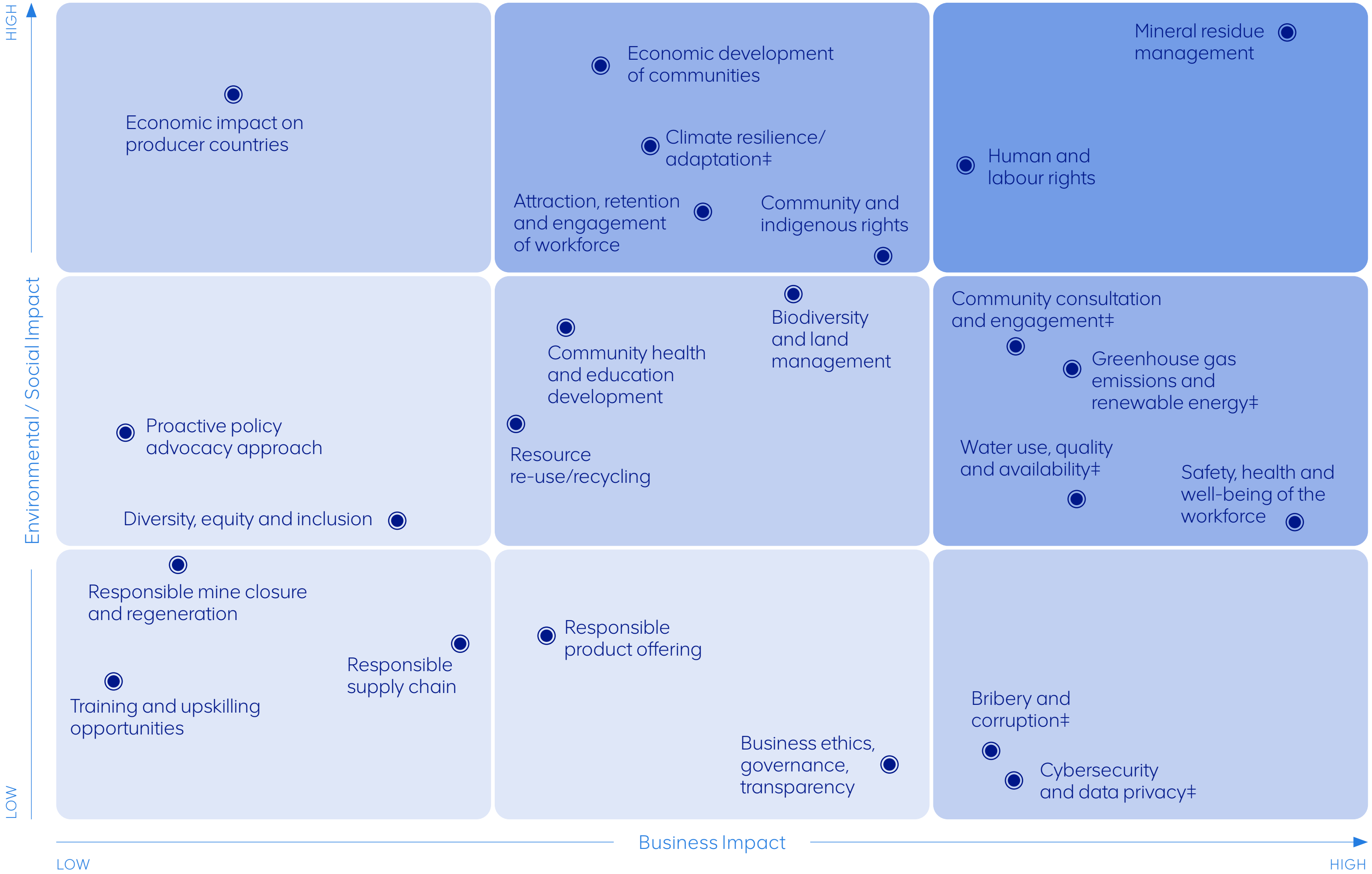
Material matters in 2023

The matters identified through our materiality process are naturally numerous and wide-ranging and can cover a number of topics and issues. Some also intersect with specific principal risks facing the Group, as identified in the Group Risk Register. Principal risks are those risks, or combination of risks, that would threaten the business model, future performance, solvency or liquidity of Anglo American and are shown with the following symbol (‡).

▶ For more information on our principal risks **See pages 81–85**

The material matters shown in the matrix are those that relate to sustainability outcomes, including across the three pillars of environment, social and governance (ESG). We are aware that there are numerous macro-economic and operational factors that can also impact both our stakeholders and Anglo American and these are discussed fully in the following pages of the Strategic Report:

▶ Looking at global trends **see pages 24–28**
▶ Group financial review **see pages 90–93**
▶ Business performance reviews **see pages 94–129**



To better demonstrate and communicate how our material matters link to our Sustainable Mining Plan, we have mapped each material matter to the plan's relevant Critical Foundations and Global Sustainability Pillars.

Critical Foundations

SMP elements	Material matters	Read more
Zero mindset	Safety, health and well-being of the workforce‡	Page 68
Leadership and culture	Business ethics, governance and transparency‡	Page 74
	Attraction, retention and engagement of workforce	Page 72
	Bribery and corruption‡	Page 74
	Cybersecurity and data privacy‡	Page 34*
	Training and upskilling opportunities	Page 72
Inclusion and diversity	Diversity, equity and inclusion	Page 72
Human rights	Human and labour rights	Pages 64–72
Governance and policies	Group standards and processes**	Page 47*
	Compliance with legal requirements**	Page 47*

* Page reference relates to the Sustainability Report 2023. For more information, see our Sustainability Report 2023 **www.angloamerican.com/sustainability-report-2023**
** While Group standards and processes and Compliance with legal requirements were not identified in our materiality analysis, they form part of the Critical Foundations of our Sustainable Mining Plan. We, therefore, include an overview of these topics in our Sustainability Report.

Global Sustainability Pillars

SMP elements	Material matters	Read more
Healthy Environment	Climate resilience and adaptation‡	Page 50
	Greenhouse gas emissions (GHGs) and renewable energy‡	Page 54
	Biodiversity and land management	Page 57
	Water use, quality and availability‡	Page 58
	Mineral residue management‡	Page 59
	Resource re-use/recycling	Page 70*
Thriving Communities	Community and indigenous rights	Page 85*
	Community consultation and engagement‡	Page 60
	Economic development of communities	Page 60
	Community health and education development	Page 62
	Responsible mine closure and regeneration	Page 88*
Trusted Corporate Leader	Proactive policy advocacy approach	Page 93*
	Responsible product offering	Page 47
	Responsible supply chain	Page 64
	Economic impact on producer countries	Page 63

* Page reference relates to the Sustainability Report 2023. For more information, see our Sustainability Report 2023 **www.angloamerican.com/sustainability-report-2023**

Looking at global trends

In considering the evolution of our long term strategic context, we identify and analyse a wide range of trends that are likely to influence our business.

We assess trends in terms of their potential impact on the value of our business while also considering the value created for, and impact on, all our stakeholders and the timeframe over which they could develop in significance. We recognise that individual trends do not unfold in isolation and that when they converge, there is potential for more pronounced effects.

Our strategy positions us well to navigate the many dimensions of our external context and, as trends develop, is flexible enough to allow us to adapt as required. Our high quality and diversified portfolio of assets, relentless approach to operational delivery, and talented people – combined with business decisions guided by our Purpose – set us up to take advantage of commercial and other opportunities, thereby unlocking our full potential for sustainable value creation.

1. Climate change and the environment

What are they?
Climate change is one of the defining challenges of our time and there is increasing focus across society on efforts to reduce carbon dioxide (CO_2) emissions and other greenhouse gases (GHGs). There is also growing awareness of the implications of climate change and the need to mitigate and adapt to its possible impacts across the economy.

The global response includes a transition towards renewable power generation, battery storage, electrification of transport, development of low carbon industrial processes and changes to agricultural practice. There is also a move towards more efficient use of materials and building more sustainable and/or circular supply chains.

At the same time, many countries are tightening air quality standards to mitigate other harmful emissions, while there is an increasing focus on measures to protect water supplies, biodiversity and local ecosystems.

What does it mean for our industry?

Increased demand for the metals and minerals essential to the low carbon transition and broadening awareness of the vital role that mining must play

Low carbon technologies, such as renewable power generation infrastructure and electric vehicles (EVs) powered by batteries and fuel cells, generate additional demand for many metals, including copper, nickel, PGMs and steelmaking raw materials (iron ore, steelmaking coal and manganese). Longer term, evolution away from carbon emitting technology could introduce downside demand risk for some materials. For example, while increased demand for battery electric vehicles poses a downside risk to demand for the PGM-containing catalytic converters used in internal combustion engine (ICE) vehicles, it is offset by hybrids, which require similar quantities of PGMs, and longer term, by fuel cell electric vehicles.

A focus on reducing the GHG footprint of the mining value chain, including for carbon intensive downstream sectors such as the steel industry

Steel will remain an essential building block of the modern economy, irrespective of pressure to develop lower carbon methods of steel production. Pathways to decarbonise the steel industry include technologies like electric arc furnaces that will favour higher quality steelmaking coal and iron ore (such as that produced by our operations), as well as the increased use of recycled material.

Adoption of circular economy practices

The mining industry has a role to play in supporting the development of more sustainable supply chains for basic raw materials. This includes an industry drive to support the sustainability performance of our downstream value chains to ensure raw material supply.

Supply side constraints

Increased regulatory scrutiny on all aspects of mining, from water use to environmental impacts, means that projects will be more costly and difficult to deliver.

Anticipating and preparing for the impacts of physical risks

Mining operations, their value chains and their broader social and environmental networks are already experiencing the impacts of climate change, including increased incidences of drought conditions, flooding, wildfires and supply chain disruptions. Identifying and assessing risks and putting in place mitigating measures to effectively respond to weather events, water stress and threats to biodiversity enhance the resilience of the industry and support surrounding communities.

Delivering value through our strategy

We produce many of the metals and minerals that are essential to the low carbon transition, including copper for EVs and renewable energy capacity, nickel for EV batteries, and PGMs for hydrogen fuel cells and green hydrogen production.

In recent years, the commissioning of our Quellaveco copper mine, our development of a Crop Nutrients business focused on a comparatively low carbon fertiliser product, and our progress towards developing a number of other copper and wider metals projects, together represent the latest phase of improving the quality and nature of our portfolio towards future-enabling products.

We have a target to be carbon neutral (Scopes 1 and 2) across our operations by 2040, with a 30% reduction (against a 2016 baseline) by 2030. We aim to achieve this through efficiency improvements, transitioning to renewable power supply across our operations and implementing several low carbon technologies through our FutureSmart Mining™ programme.

In addition, we have an ambition to reduce our Scope 3 (value chain) emissions by 50% by 2040. Emissions from the steel value chain make up most of our Scope 3 emissions and we are working closely with our customers and the broader industry to help achieve this ambition.

We are enhancing our systematic assessment of climate change physical risks across our operations and under different climate trajectories. This supports the ongoing refinement of our response and mitigation plans to identified material risks.

▶ For more on our Portfolio
See pages 30–39

▶ For more on our approach to climate change
See pages 49–57

2. Macro-economics and demographics

What are they?

Several developing economies, most notably China, have experienced a period of rapid urbanisation and industrialisation over the past two decades, resulting in an unprecedented number of households entering the wealthier middle class.

More recently, the economic fallout of the pandemic and energy security challenge has impacted poverty reduction efforts in some regions, increasing levels of inequality.

Several countries and regions are expected to experience greater economic maturity in the coming decades, particularly India, south east Asia, South America and Africa.

In the developed world and globally, consumption patterns may also change due to changing demographics, fertility rates and ageing populations.

What does it mean for our industry?

As the global population grows (at least for the next four decades; current rate c.70 million per year) and as economies develop, so the need for food supply and infrastructure (e.g. housing and transport) grows, resulting in higher demand for crop nutrients, steel and base metals. Likewise, as disposable incomes increase, demand for metals used in a wide array of consumer products will increase, as well as for diamonds. Metals are also essential for economic development, itself an enabler of decarbonisation.

Delivering value through our strategy

Anglo American has a diversified product portfolio, increasingly focused on products that enable lower carbon economic development and that serve the needs of the expanding global consumer class.

We have exposure to some of the largest resource bases in both PGMs and diamonds. We also have world class copper assets in Collahuasi, Quellaveco and Los Bronces. We have exposure to nickel through Barro Alto and as a co-product of our PGMs mines. Our high quality iron ore and steelmaking coal assets are well placed to support demand for cleaner steelmaking, and we expect our Crop Nutrients business to be well positioned to support sustainable, high yielding, low carbon, organically certified food production.

▶ For more on Portfolio
See pages 30–39

▶ For more on Innovation
See pages 40–65

3. Emerging technologies

What are they?

New technologies constantly emerge, focused on improving existing solutions, solving global challenges, or addressing society's unmet needs. These have the potential to significantly disrupt the status quo in some sectors of the economy, while unlocking opportunities for new products and services.

Essential areas of technological development include those related to digital and big data, the application of automation and artificial intelligence, and the opportunities presented by blockchain and digital finance.

Meanwhile, innovation in the materials sciences will continue to influence applications for metals and minerals. This could create both demand upside through new use cases and downside risk from substitution.

Increasing sustainability challenges, notably access to water and clean energy, are often at the heart of these emerging technologies.

What does it mean for our industry?

Technology will play a major role in identifying new mineral deposits, managing costs of production, improving productivity and minimising the environmental impact of mining.

Innovation in materials science has the potential to significantly impact demand, presenting both opportunities and risks for metals and materials. For example, there is growing potential for the use of PGMs in fuel cells and for applications in medical science.

Blockchain technologies, enabling secure, centralised and transparent data, will change the nature of industry supply chains, and will support the needs of our customers and consumers, for whom the provenance of materials is increasingly important.

Delivering value through our strategy

Our participation across the value chain allows us to apply our innovations in technology and sustainability more widely, looking beyond upstream production to examine other opportunities in the value chains in which we participate. For example, in 2023 we launched Valutrax™, a proprietary digital traceability solution designed to provide customers with greater assurance about the provenance of the products they purchase. De Beers is equally a pioneer in blockchain-based traceability with its Tracr™ platform, applying the technology to the diamond value chain.

▶ For more on our Valutrax™ digital traceability technology
See page 47

4. Geopolitical shifts

What are they?

China's economic growth has shifted the balance of economic and political influence eastwards. A resulting shift in patterns of global trade has seen the emergence of new regional trade agreements, as well as more widespread use of protectionist trade measures.

In the aftermath of the pandemic, geopolitical instability has intensified, highlighted by Russia's invasion of Ukraine and conflict in the Middle East. This period has also been marked by shifts in the structure of global alliances.

Rising inequality, high levels of inflation, stagnant economic growth and a perceived failure of governments to deliver meaningful improvements in quality of life have, in some countries, led to an increase in populism, polarisation and protest, weakening democratic norms and government functioning. This has further increased geopolitical, political and policy uncertainty.

What does it mean for our industry?

The realignment of regional trading blocs and greater socio-political complexity can shift centres of demand, and consequently, the flow of raw materials to them. Trade restrictions and interstate conflict can impact strategically important raw materials, bringing a renewed focus on supply chain resilience and alternative sources of supply. This offers challenges and opportunities to the mining industry as new sources and routes are found while the world adjusts.

In countries where sources of mineral supply are located, governments can introduce both certainty and uncertainty to the legislative and regulatory environment. At the same time, constitutional change can lead to delays in licensing and permitting and to tax regime changes, which can affect operational continuity and influence investment in those countries.

Reigniting economic growth and combating the threat of stagflation will reduce the attractiveness of zero sum, 'beggar thy neighbour' economic policies. This will require increased investment and global capital formation. Mining can play an essential role in this by supplying the materials at the heart of economic development.

Delivering value through our strategy

Our successful track record of developing and operating projects in multiple jurisdictions makes Anglo American a partner of choice for countries looking to develop their natural mineral deposits. Our innovation-led pathway to sustainable mining – FutureSmart Mining™ and, within it, our Sustainable Mining Plan – helps us to work with governments to advocate for progressive regulatory frameworks that encourage and support investment in modern, sustainable mining. We have sought to invest, over many years, in long term relationships and sustainable economic development within host communities so that we have the relationships in place to manage periods of complexity.

Our Marketing business focuses on providing tailored materials solutions for our customers and, by drawing together our longstanding relationships, market insight and analytics capability, we can respond to demand shifts and redirect flows to fulfil the needs of our customers and stakeholders.

▶ For more on Innovation
See pages 40–65

Reflecting stakeholder views in our Board decision making

Anglo American has long understood the role of its business in society. This is encapsulated in our Purpose as: re-imagining mining to improve people's lives.

Anglo American provides many of the metals and minerals our modern society needs, combining integrity, creativity and innovation with due consideration for all our stakeholders to better connect precious resources to the people who need and value them. We work together to provide people with better jobs, a better education and better businesses, and we are building brighter and healthier futures around our operations, in host countries and ultimately for billions of people around the world who depend on our products every day.

Our Values

Safety; Care and Respect; Integrity; Accountability; Collaboration; and Innovation shape our culture and guide our behaviour, and are fundamental to creating enduring benefit for all our employees, shareholders and stakeholders in a way that demonstrably improves people's lives.

Understanding our employees

Our people are critical to everything we do. We create safe, inclusive and diverse working environments that encourage and support high performance and innovative thinking. We are acutely aware that to get the best from our people we need to understand their viewpoints and address any concerns they may raise about working for us.

We consider workforce engagement to be a priority for every leader at Anglo American and we run regular surveys available to all employees to identify areas where, for example, we need to do more to ensure that colleagues feel cared for and respected. Our Global Workforce Advisory Panel aims to give employees more of a voice in the boardroom so their views can be better understood and considered when decisions are being made about the future of the business. In 2023, the panel met three times – with one of the meetings taking place in person – and the panel chair, non-executive director, Marcelo Bastos, shared the key messages from those meetings with the Board and the Executive Leadership Team. The People and Governance sections of this report provide more detail on these engagements and explain the resultant outcomes.

▶ For more information on our Global Workforce Advisory Panel
See pages 161–162

Section 172 statement

The Anglo American plc Board is cognisant of its legal duty to act in good faith and to promote the success of the Group for the benefit of its shareholders and with regard to the interests of a broad range of stakeholders. These include the likely consequences of any decisions we make over different time horizons; the need to foster the relationships we have with all our stakeholders; the interests of our employees; the impact our operations have on the environment and local communities; and the desire to maintain a reputation for high standards of business conduct. The new directors appointed to the Board in 2023 received tailored, individual briefings on these duties, and the Board received updates in 2023.

As a major global mining company, the Board understands that our wide range of stakeholders (identified on page 16) is integral to the sustainability of our business, underpinning our social licence to operate. In addition, the Board is conscious that expectations around our performance and contribution to society – from local to global – are both diverse and continuously evolving.

By listening to, understanding and engaging with our stakeholders, the Board endeavours to live up to their expectations, by staying true to our Purpose, acting in accordance with our Values, and supporting management in the delivery of our strategy.

Stakeholder considerations are integral to the discussions at Board meetings and the decisions we make take into account any potential impacts on them and the natural environment. Like any business, we are aware that some of the decisions we make may have an adverse impact on certain stakeholders.

The Board holds management to account for the delivery of our Sustainable Mining Plan – a key component of our FutureSmart Mining™ programme. We are committed to a series of ambitious medium and longer term goals that are aligned with the UN's SDGs. These goals are designed to make a comprehensive and lasting contribution that we expect will positively transform how our stakeholders experience our business.

The Board and its committees took a broad range of factors and stakeholder considerations into account when making decisions in the year. Decisions are made within the context of the long term factors that may impact the Group, including key competitive trends and disruptions; technology capability; and climate change considerations. For more detail on Board activity in the year, see pages 153–155. For more on the global trends that influence the mining industry and our business, see pages 24–28, and for more on our approach to climate change, see pages 49–57.

The Board (through its Sustainability Committee) monitors progress towards our Sustainable Mining Plan targets and how these may affect future decision making.

Portfolio

The quality and long life of our mineral assets are the foundations of our global business. We actively manage our asset portfolio to improve its overall competitive position, providing metals and minerals essential for a cleaner, greener, more sustainable world and that meet the needs of a growing global population, from homes and electronics, to food and luxuries.

Hydrogen in the driving seat

The global response to climate change, particularly the decarbonisation of energy, transport and industry, is driving a major and accelerating transition.

The growing role of hydrogen

Hydrogen is increasingly being seen as a key enabler of this transition. It is a clean, versatile, energy carrier of almost infinite supply that can be employed in sectors where emissions are hard to abate, such as heavy-duty transport, chemicals, steel, cement, aviation and shipping.

Mining has a critical role to play in supplying many of the metals and minerals needed to decarbonise the global economy. Anglo American is a leading producer of PGMs such as platinum, palladium and rhodium, which will continue to be used in internal combustion engine (ICE) vehicles' catalytic converters to 'scrub' noxious exhaust gases. And, as a major producer of the platinum, along with sister metal iridium, needed as a catalyst in fuel cells and electrolysers, we have been an early supporter of fuel cell electric vehicles (FCEVs) and an advocate of, and investor in, the emerging hydrogen economy.

Hydrogen – opening up the market for FCEVs

As global energy demand continues to grow and consumers look for alternatives to fossil fuel powered transport, electric vehicle (EV) adoption is growing rapidly. The International Energy Agency estimates that EVs will have a 35% share of the global vehicle car market by 2035. A range of electric vehicle technologies will likely be required to meet the expected demand and breadth of applications, with some more suited to battery electric vehicles (BEVs) and others to FCEVs.

FCEVs work by chemically fusing hydrogen gas (stored in a fuel tank within the vehicle) with oxygen from the air to produce electricity that is used to power an electric motor – with the only waste product being water. One major advantage of FCEVs over BEVs is their quick refuelling time, as well as their longer range. Fuel-cell refuelling is similar to a conventional filling-station experience; a vehicle can be filled in a few minutes for a range of 500 kilometres or more for most FCEVs.

FCEVs are particularly well suited to vehicle fleets, such as taxis and buses, as well as to heavy-duty trucks that require long range and rapid refuelling times. Increasingly, FCEVs are being seen as the preferred option for long-haul trucks, because batteries – which would represent most of the weight, and take up most of the space, in such vehicles – would be too big, heavy, and costly. This is particularly relevant given growing concerns about the global availability of battery critical raw materials.

3 million

kilometres completed by H2 Moves Berlin FCEV taxis across 250,000 customer journeys

Aligning with our strategy to help accelerate zero-emission transport through the deployment of PGMs-enabled hydrogen FCEVs, Anglo American has driven several initiatives. In China, we launched the Foshan FCEV project which aims to deliver three hydrogen refuelling stations and deploy 500 multi-model FCEVs by the end of 2026. We also co-launched a BMW iX5 FCEV demonstration project with BMW and Sasol at the South Africa Green Hydrogen Summit, held in Cape Town, in October 2023.

FCEV taxis on the streets of Berlin

In Germany, we launched H2 Moves Berlin, together with Toyota Germany and leading taxi operator SafeDriver Group-ENNOO, at the end of 2022. H2 Moves Berlin makes use of Berlin's well developed existing hydrogen-refuelling infrastructure and the Uber ride-hailing platform to operate the country's largest hydrogen-powered FCEV fleet. On track to expand to as many as 200 vehicles, the taxis have now driven some 3 million kilometres and completed over 250,000 customer journeys.

"Passengers are very enthusiastic about the comfort and sustainability that FCEVs can provide. Our drivers and their cars cannot afford to be off the road, and they appreciate the driving performance of an electric car with the range and refuelling speed of a combustion engine. As a fleet operator looking to minimise vehicles' downtime while delivering zero-emission mobility, FCEVs simply make sense."

Thomas Mohnke
Managing Director of the SafeDriver Group

President and Managing Director of Toyota Germany, André Schmidt, comments: "H2 Moves Berlin proves that alternative drivetrains and everyday use go hand in hand. These milestones underline the reliability of hydrogen-powered vehicles – and everyone benefits from reducing air and noise pollution on Berlin's streets."

Next steps

Many governments are looking to hydrogen to support their decarbonisation objectives, and the focus now is on overcoming the barriers that currently exist to deploying hydrogen more widely. These include improving the cost-competitiveness of producing zero carbon hydrogen using renewable energy, building supporting infrastructure and the necessary supply chains, as well as promoting scale deployment in key industries. Anglo American is working with third parties such as car makers and liaising with governments to actively support the hydrogen economy.

Anglo American's head of market development, Benny Oeyen, says: "The successful deployment of hydrogen-powered taxis in Berlin demonstrates FCEVs' performance in high usage, real-life driving conditions, and we are continuing to support Germany's emerging ecosystem of hydrogen-powered transport. Looking further ahead, and afield, Anglo American is identifying additional light-duty FCEV deployment opportunities in Europe, China, the US, and South Africa."

Unique portfolio supplying three major demand trends

The outlook for demand for many mined metals and minerals has rarely looked better due to three major demand trends: the urgent need to decarbonise the global economy; the pull for improved living standards from a growing and urbanising global population; and the need for greater food security and nutritional standards as available productive farmland struggles to keep up.

60
new copper mines the size of Quellaveco needed by 2040 to enable the energy transition

3.5 tonnes
of copper per MW of electricity are required in solar PV panels – compared with c.1 tonne per MW in conventional electricity production

4.6 Mt
forecast annual consumption of nickel in battery electric vehicles compared with 0.5 Mt in 2022

1. Copper is critical to decarbonisation, in particular to the transition of the global energy system. Increased electrification will lift electricity demand significantly, requiring greater investment in copper intensive electricity grids. Furthermore, electricity generation will shift from carbon intensive to renewable sources, which require many times more copper per unit of electricity supply.

2. Nickel has become a crucial metal in the global transition to green energy. It is a key component in lithium-ion batteries that are commonly used in EVs. High nickel content batteries offer greater energy density and longer range, making EVs more viable for widespread adoption. Nickel is also integral to the production of other green energy technologies, including solar panels and wind turbines.

3. Demand for PGMs will continue to be driven by low and zero-emission transport, on the back of more stringent global emissions legislation. The demand for ICE vehicles is expected to grow in developing countries owing to the significant costs related to BEVs and their supporting infrastructure. PGMs demand is expected to be augmented by emerging new applications, including hydrogen fuel cell electric transport.

But, as an industry, we need to transform the way we operate – by re-imagining processes and technologies to minimise our physical footprint while maximising our positive social impact. Anglo American's diverse portfolio and innovation-led approach through our FutureSmart Mining™ programme positions us to live up to our Purpose and meet the world's needs in a safe and responsible way.

140 bn tonnes

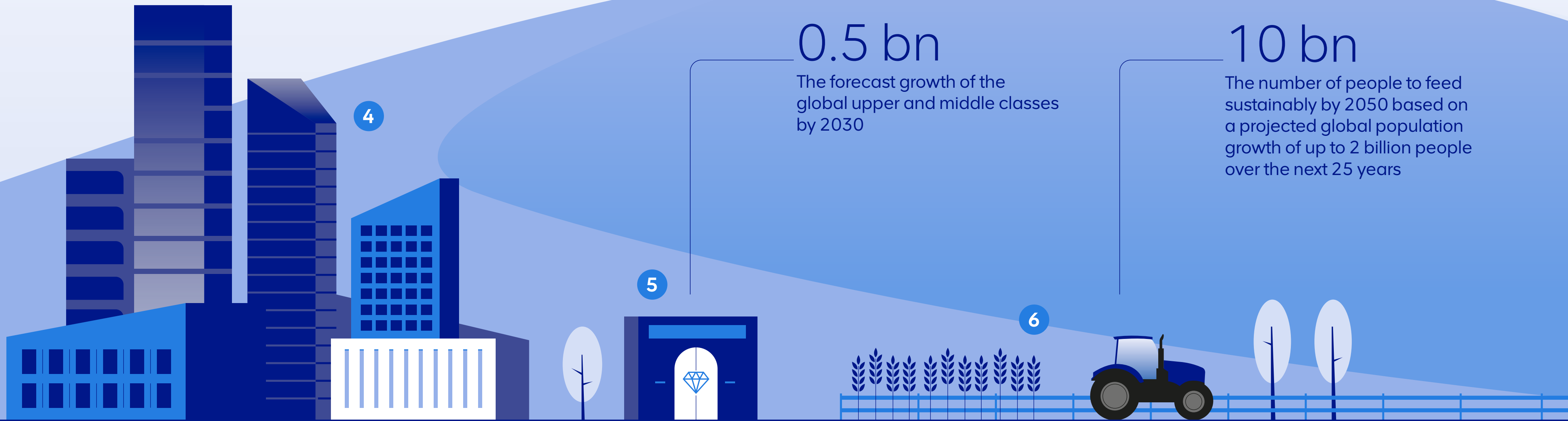
The amount of steel required to deliver the equivalent living standards across the whole world as currently enjoyed by the developed world, from a current global stock-in-use base of c.34 billion tonnes

0.5 bn

The forecast growth of the global upper and middle classes by 2030

10 bn

The number of people to feed sustainably by 2050 based on a projected global population growth of up to 2 billion people over the next 25 years



4. Steel is essential for almost all infrastructure, including the low carbon economy – literally in the case of the electricity grid and wind turbines which won't stand up without steel. While new clean steelmaking technologies are in development, the amount of primary iron units required is largely unaffected. Furthermore, technologies that require less or no steelmaking coal will take many years to reach scale and, therefore, high quality steelmaking coal will be required to support infrastructure development for decades to come.

5. The demand for ethically sourced natural diamonds is expected to continue to grow, particularly in the fast-developing economies of Asia. The world's upper and middle classes are forecast to grow by 0.5 billion by 2030, with an associated 30% increase in spending to an estimated $50 trillion annually.

6. Feeding a predicted global population of nearly 10 billion by 2050 will require up to a 40% increase in crop production. But, despite the intense pressure to raise agricultural output, there is a growing awareness that this has to be achieved using less land and with less impact on the environment. Our low carbon POLY4 fertiliser product is perfectly placed to play a significant role to help farmers improve crop yield and quality, while improving soil health.

3–5%

Increase in crop yields through the use of POLY4 – the fertiliser product from our Woodsmith polyhalite project

Anglo American is a leading global mining company and our products are the essential ingredients in almost every aspect of modern life.

Our portfolio of world class operations, development projects and undeveloped resources provides many of the metals and minerals that enable a cleaner, greener, more sustainable world through a lower carbon global economy and that meet the fast growing consumer-driven demands of developed and maturing economies. We are a responsible producer of copper and nickel, PGMs, diamonds (through De Beers), and the steelmaking ingredients of high quality iron ore and steelmaking coal. In recent years, the commissioning of our new Quellaveco copper project, our development of a Crop Nutrients business focused on a low carbon fertiliser product, and our progress towards developing a number of other copper and wider metals projects, together represent the latest phase of improving the quality and nature of our portfolio towards future-enabling products.

The scale and diversity of our portfolio allow us to optimise our financial resources, technical expertise and supplier relationships to deliver on our potential, for the benefit of all our stakeholders. The portfolio's depth and breadth create a measured risk profile that is financially resilient in a low carbon world, and support sustainable returns through spreading our investments across diverse asset geographies and end markets.

Building strategic advantage

The primary source of competitive advantage in the mining industry is owning high quality, large scale, long life mineral assets, and operating them more effectively (productivity) and efficiently (cost) than other comparable assets. There is then room for further enhancement when those assets deliver products into structurally attractive markets.

The evolution of the Anglo American portfolio is guided by our strategy. Specific choices with respect to our portfolio are governed by a set of strategic principles. These principles also inform our capital allocation and investment appraisal processes, ensuring consistency of strategic decision making across the Group, as we work towards embedding climate-related and broader sustainability considerations at each stage.

In assessing our asset portfolio, the strategic principles we consider include:

- The stand-alone quality of individual assets, including their relative cost position, asset life and growth potential
- Our global competitive position within the individual product groups
- The asset's specific role and contribution to the portfolio as a whole
- The additional value potential generated through leveraging our internal capabilities.

A future-enabling portfolio*

* Based on attributable copper equivalent production which is calculated using long term parameters. Future production levels, based on information available at December 2023, are indicative and subject to final approval.

Our product groups

Future-enabling metals and minerals constitute approximately 85% of current production. That trend is set to continue in the coming years as we bring new copper production on stream and introduce low carbon fertiliser into our global customer offering.

Copper

Anglo American has a world class position in copper, built around its interests in three of the world's largest copper mines. In Chile, we have interests in Collahuasi (44% interest in the independently managed joint operation) and Los Bronces (a 50.1% owned and managed operation), with Reserve Lives of 74 and 33 years, respectively – all tier one assets. Quellaveco copper mine, located in Peru, started production in mid-2022. It has one of the world's largest untapped copper orebodies and is expected to add around 300,000 tonnes per annum of copper equivalent production (100% basis) on average in the first 10 years of production. The significant resource base of these assets underpins our future near-asset growth opportunities, in addition to the polymetallic Sakatti deposit, which is being evaluated extensively by our Projects team in Finland.

Copper is critical to decarbonisation, in particular to the transition of the global energy system. The transition from fossil fuel energy production to electrified and renewable alternatives relies on a reliable and significantly increased supply of copper, including the transformation of energy grids and distribution, as well as the transition to hybrid and electric vehicles.

Across the copper mining industry, many companies are expected to struggle to increase production to meet longer term demand growth, as declining grades and more challenging physical and environmental conditions, along with tougher licensing and permitting requirements, are expected to limit the industry's ability to deliver new copper supply.

Nickel

Anglo American produces two types of nickel. Our Barro Alto and Codemin nickel assets (both 100% owned) are located in Brazil and produce ferronickel, the majority of which is used in the production of high quality stainless and heat resistant steels. Our PGMs operations produce nickel as a co-product, amounting to 21,800 tonnes in 2023. This co-product – battery grade nickel – can be used in lithium-ion batteries that are integral to multiple carbon abatement technologies, including BEVs.

Platinum Group Metals (PGMs)

Our PGMs business (held through an effective 79.2% interest in Anglo American Platinum Limited) is a leading producer of PGMs — platinum, palladium, rhodium, iridium and ruthenium. We mine, process and refine the PGM basket of five precious metals from its high quality resource base, located in the biggest known PGM deposit in the world – the Bushveld Complex in South Africa. We also own and operate Unki mine – one of the world's largest PGM deposits outside of South Africa, on the Great Dyke in Zimbabwe. Our flagship mine, Mogalakwena, is designed to be one of the world's highest margin PGM producers, in part due to being the only large open pit PGM mine that exists.

We are continuing to reposition the business around a leaner, best-in-class operating footprint at our Mogalakwena, Amandelbult and Mototolo mines in South Africa, and

Outside Quellaveco copper mine's molybdenum plant warehouse, a flotation concentrator operator's radio allows him to stay in touch at all times with his team in the flotation area.

Molybdenum – another valuable product from Quellaveco

Quellaveco, one of the world's most technologically advanced mines, which we commissioned in mid-2022, now has a new plant that has been producing molybdenum since April 2023. Once constructed, the facility completed its testing regime and started production in under a month – an industry record.

Molybdenum is only found in small proportions in Quellaveco's copper-bearing ore, but there is enough of it to make its processing into a concentrate of around 52% purity commercially viable. To separate it from the copper, the molybdenum goes through a flotation process, before being dried, bagged as a powder and dispatched to end-users. Although relatively simple and compact, the processing facility is equipped with state-of-the-art technology and automated processes, which are controlled remotely from the Integrated Operations Centre. The plant, which is now operating at full capacity, is set to produce more than 5,000 tonnes of contained molybdenum annually, on average, over the next five years.

Molybdenum's properties and many uses

Molybdenum is a silver-grey metal that is usually extracted as a by-product of copper and tungsten mining. Its melting point of 2,610°C is one of the highest of all the elements, a characteristic that gives molybdenum many valuable uses.

Demand from the steelmaking industry accounts for around 80% of the total consumption of molybdenum. Its primary use is as a valuable alloying agent, with the metal improving the strength of steel at high pressures and temperatures, as well as increasing hardness; electrical conductivity; and corrosion, acid and wear resistance. It can also be incorporated into the production of stainless steel; for example, steel with 4–5% molybdenum content is often used in the manufacture of marine and chemical equipment. Downstream, molybdenum's applications include its use in the manufacture of jet engines for aircraft, automotive engine parts, power-generation turbines, drills and saws.

Molybdenum's other main applications are in the chemical industry, where it is used in catalysts and lubricants, including as a catalyst in petroleum refineries to help remove sulphur from natural gas and refined petroleum products. Other important applications include the electrical and electronics, medicine, fertiliser, and paint sectors.

Next steps

Quellaveco's technical vice president, Justo Enriquez, comments: "We have now installed a digital twin so that, using smart sensors, we can digitally replicate the entire process of extracting molybdenum – including its functionality, features, and behaviour – in a virtual environment. This will optimise the safety and efficiency of the molybdenum plant, putting our people out of harm's way. In the eight months of operation it has completed, the plant has delivered very reliable results, with excellent recovery percentages achieved. And, as a Peruvian, I am pleased that our flagship Quellaveco mine is adding to Peru's production of this important, future-enabling metal."

Unki mine in Zimbabwe, alongside our joint operation interest in the Modikwa mine in South Africa.

Demand for PGMs is forecast to remain healthy, helped by the ongoing trend towards cleaner-emission vehicles, driven by more stringent global emissions legislation. Strong demand from the automotive industry is likely to be augmented by growing opportunities for emerging new applications, including hybrid (which require similar quantities of PGM loadings as ICE vehicles) and hydrogen fuel cell electric transport. Meanwhile, emerging economies, such as India, offer the potential of developing, from a relatively low base, into significant platinum jewellery markets. The versatility of the basket of metals is highlighted too in the breadth of applications for the lesser-known PGMs.

We are well positioned to proactively stimulate demand for PGMs, including through targeted campaigns in emerging jewellery markets; through direct investment in a number of companies developing new technologies that are expected to drive industrial demand for PGMs; and creating new investment demand for these precious metals as a store of value.

Diamonds

De Beers is a global leader in diamonds, producing around a third of the world's rough diamonds, by value, across four countries: Botswana, Canada, Namibia and South Africa. Within its portfolio, De Beers (Anglo American: 85% interest), in partnership with the Government of the Republic of Botswana – through a 50:50 joint operation known as Debswana – has one of the richest diamond mines in the world at Jwaneng, and one of the largest resources, in terms of total carats, at Orapa.

De Beers' major diamond mining assets have large, long life and scalable resources and we are continuing to invest in the existing operations to extend mining activities. The Cut-9 expansion of Jwaneng will extend the life of the mine and, in South Africa, Venetia is transitioning to an underground operation, extending the life of mine to 2045.

The lack of significant kimberlite discoveries globally over recent years, combined with the ongoing trend of growth in consumer demand for diamond jewellery in both mature and developing markets, points to good prospects for the diamond business in the long term, despite the current short term challenges being experienced across the industry. The continued investment in diamond mining support technologies will enhance De Beers' portfolio of high quality and high margin assets, and the ability of the business to flex production to prevailing demand.

Through its differentiated rough diamond distribution model, which includes Sightholders, De Beers has a range of insights into its customers' demand patterns. The company seeks to stimulate consumer demand for diamonds through its retail brands and through its participation in the Natural Diamond Council. Rigorous ethical standards are underpinned by De Beers' Best Practice Principles (BPP) programme, while the business also provides source assurance through its proprietary Tracr™ blockchain platform.

Although diamonds have a limited role in the transition to a low carbon economy, our mined diamond production is highly aligned with a low carbon future – aiming to be carbon neutral by 2030 – while continuing to contribute significantly to the local economies that host our mines, most notably in Botswana and Namibia. De Beers has a longstanding commitment to sustainability and environmental protection and restoration.

Iron Ore

Steel is an essential material for almost all infrastructure and provides the backbone of the low carbon economy and wider, long term socio-economic development. Steelmaking is currently carbon intensive, but our high quality iron ore and steelmaking coal products support efficient – and therefore lower emitting – steelmaking today and are well positioned to support the transition of the sector to lower carbon production methods centred around the use of hydrogen.

Anglo American's iron ore operations provide customers with high iron content ore, a large percentage of which is direct-charge product for steelmaking blast furnaces. In South Africa, we have a 69.7% shareholding in Kumba Iron Ore, whose Sishen and Kolomela mines produce high grade and high quality lump ore and also a fine ore.

In Brazil, our Minas-Rio operation (100% ownership), consisting of an open pit mine and beneficiation plant, produces a high grade pellet feed product, with low levels of contaminants. The iron ore is transported through a 529 km pipeline to the iron ore handling and shipping facilities (50% owned) at the port of Açu.

As steel producers in China and elsewhere face ever-tighter emissions regulation and are seeking ways to make their furnaces cleaner and more efficient, so the demand for higher quality iron ore products increases. The lump iron ore produced from Kumba's operations commands a premium price, owing to its excellent physical strength and high iron content (63–65% average Fe content), as well as its suitability for lower carbon, direct reduction steelmaking. Minas-Rio's pellet feed product also commands a premium price, as its ultra-low contaminant levels and high iron content (c.67% Fe content) are sought after by steel producers who are seeking to minimise emissions while boosting productivity.

Steelmaking Coal

We are the world's third largest exporter of steelmaking coal and our operations, located in Australia, serve customers throughout Asia, Europe and South America.

Our steelmaking coal assets, located in Queensland, include the Moranbah and Grosvenor mines (both 88% ownership). The mines are underground longwall operations and produce premium quality hard coking coal. More stringent environmental and safety regulations have led to a requirement for many steel producers to run cleaner, larger and more efficient blast furnaces which, combined with a number of mine closures in recent years, results in increased global structural demand for high quality coking coal, such as that produced by our Australian mines.

Manganese

We have a 40% shareholding in the Samancor joint venture (managed by South32, which holds 60%), with operations based in South Africa and Australia.

Alongside copper, manganese is a critical material, enabling the growth of concentrated solar energy and the increased penetration of battery technology. Nickel-manganese-cobalt is one of the leading battery technologies.

Geologist, Emil Andersson, inspects a drill core at our Sakatti polymetallic project in northern Finland.

Sakatti – a significant source of future-enabling minerals

The Sakatti orebody is located in Finnish Lapland. It is primarily a nickel-sulphide deposit, though it contains an array of other metals, including copper, cobalt, platinum and palladium, gold, and silver. Its high copper-equivalent grade of c.4% marks it out as one of the most promising sources of copper and nickel – two metals critical to the battery and automotive value chain – in the heart of Europe.

A FutureSmart mine
At Sakatti, Anglo American is planning its next generation of the FutureSmart mine – an underground mine that will reflect the company's integrated approach to delivering improved sustainability outcomes through technology and innovation. Many of the mine's operations will be conducted remotely and autonomously; use renewable energy; not require wet tailings storage; and have only a small on-surface footprint. It will be distinguished by its fully electronic, non-diesel-powered vehicles and equipment; low CO_2 emissions and water usage; and zero waste generation.

But it's all in the permitting
As with many potential new mining projects around the world, permitting is a long and detailed process. This is no different for Sakatti, as it is located on land designated as 'Natura 2000' territory – a network of protected areas covering Europe's most valuable and threatened species and habitats. For example, the need to protect the region's unique biodiversity has restricted the amount of exploration drilling that we can do; we have safeguarded reindeer-migration routes; and purchased forestry land in compensation for our planned activities.

In order to progress the project towards development, Anglo American has engaged closely with local and national government, as well as a continuous dialogue – guided by our Social Way – with local communities and other interested parties.

The appropriateness of this approach was endorsed in August 2023 when the Lapland Centre for Economic Development, Transport and the Environment approved Sakatti's environmental impact assessment (EIA), marking a major milestone for the development of Sakatti. The EIA process, initiated in 2017, and rooted in extensive baseline studies since the orebody's discovery in 2009, received recognition for its level of detail, particularly in hydrogeological modelling and water management, and for its overall comprehensiveness. The EIA also covered factors such as extractive-waste management, noise, vibration, dust, socio-economics, Sakatti's use of eDNA to identify reindeer movement, stakeholder engagement and logistics.

What's next?
We are making progress on several fronts. Notably, we are carrying out further work to augment the existing studies in order to secure a Natura 2000 derogation from the Finnish government, given the location of Sakatti in an ecologically sensitive area. At the same time, we are continuing to explore the orebody, progress the technical studies and engage with stakeholders.

"Without secure and sustainable access to the necessary raw materials, our ambition to become the first climate-neutral continent is at risk … Without critical raw materials, we will not lead the digital decade and will not be able to develop our defence capabilities either."

Ursula von der Leyen
President of the European Union, State of the European Union address 2022

Crop Nutrients

Anglo American is progressing the development of 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.

Our fertiliser product – known as POLY4 – will be exported to a network of customers overseas from our port facilities at Teesside. As we develop the mine and associated infrastructure, we are also developing demand for its product. POLY4 continues to demonstrate the significant benefits of its multi-nutrient, low chloride characteristics on a wide variety of crops at commercial scale. Beyond its crop yield and quality benefits, the value of the product is also expected to be enhanced by its positive environmental properties – a comparatively low carbon footprint (given minimal processing requirements), its natural ability to improve soil health, and its suitability for organic use.

This long life, tier one asset fits well with our established strategy of securing and developing world class assets, particularly in the context of Anglo American's trajectory towards products that support a fast growing global population – in this case, to meet ever growing demand for food – and enable a cleaner, greener, more sustainable world.

Portfolio update

We continue to seek to refine and upgrade the quality of our asset portfolio, including reducing its complexity, to ensure that our capital is deployed effectively to generate enhanced and sustainable returns for our shareholders over the long term.

Anglo American has transformed the quality and performance of its portfolio over the last decade, producing significantly more physical product from a far smaller number of larger and higher quality assets.

Portfolio management

During 2023, our focus was on progressing the Woodsmith polyhalite project.

Woodsmith is a large scale, long life, tier one fertiliser project being developed in north east England, with a final design capacity of c.13 Mtpa of polyhalite ore, subject to studies and approval. Polyhalite is a naturally occurring mineral that, via a simple granulation process, is converted to a multi-nutrient product – POLY4 – an organic, comparatively low carbon, environmentally responsible crop nutrition solution that contains four of the six key nutrients that all plants need for healthy growth. The project will add greater diversity and long term value-adding growth to the portfolio, in a low risk jurisdiction. Core infrastructure activities of shaft sinking and tunnel boring continue to progress well. In parallel, and as previously communicated, we are enhancing the project's configuration to accommodate higher production volumes of c.13 Mtpa, an optimised phased development, and to enable more efficient, scalable mining methods over time. The required studies are progressing well. Following conclusion of the study programme, we expect the project to be submitted for Board approval in the first half of 2025, with first product to market expected in 2027. Capital expenditure in 2023 was $0.6 billion and is expected to be c.$0.9 billion in 2024.

In October 2022, Anglo American formalised a partnership with EDF Renewables (EDFR) to form a new jointly owned company, Envusa Energy, with the aim of developing a regional renewable energy ecosystem (RREE) in South Africa. Significant progress has been made in the pathway to deliver wind and solar power to our operations in the country, where the RREE is expected to meet 100% of Anglo American's operational power requirements, as well as support the resilience of the local electricity supply systems and the country's wider decarbonisation.

▶ For more on progress of our regional renewable energy partnership
See page 55

Construction progress of the material transport tunnel that will connect the Woodsmith mine site to the materials handling and port infrastructure.

Future growth

Anglo American offers an attractive long term organic growth profile with significant optionality focused on future-enabling metals and minerals, predominantly in copper, crop nutrients and high quality iron ore. Quellaveco alone increased our global production base by 10%[(6)] and serves as the cornerstone of our sequence of value-adding potential growth projects. We are sequencing options appropriately, based on capital efficiency and returns, cognisant of balancing current macro-economic uncertainties with the compelling longer term supply and demand dynamics.

The fundamental demand picture for mined metals and minerals is ever stronger as most of the world's major economies accelerate their decarbonisation efforts and as the global population increases and continues to urbanise. We aim to keep growing our business into that demand, drawing on the range of margin-enhancing organic options within our business.

Discovery

Discovery and Geosciences, including our exploration activities, is consolidated and centrally co-ordinated, covering near-asset and greenfield discovery activities, projects and operations. The integrated team represents a strategic differentiator, enabling the detailed understanding of our world class assets to inform our pursuit of discoveries.

Anglo American was founded on world class mineral discoveries. Building on the Group's strategy and long track record of discovery success, we continue to shape a global, diversified, risk-balanced portfolio focused on new discovery search spaces and mineral system thinking. This effort is enhancing our position as a discoverer of superior-value deposits that have the potential to improve materially our production profile, over time.

Quality discovery portfolio

We are concentrating on the discovery of mineral deposits in existing and new district-scale positions that are capable of delivering:

- Sustainable returns to the business, on a material scale
- Further improved diversification and optionality for the business, especially with respect to future-facing products that will enable a cleaner, greener, decarbonised world.

Our robust and diverse discovery portfolio includes:

Near-asset discovery projects

Our near-asset discovery projects are focused on the district-scale mineral tenure around Anglo American's existing operations. Innovative geoscientific thinking and sustained effort have yielded notable discoveries over the past years that continue to grow and provide development optionality with further drilling. For example, production from the Los Bronces Underground discovery (Copper Chile) gives the operation an option to replace future lower grade ore by accessing higher grade ore from a new underground section of the mine. Continued drilling of this discovery has increased contained copper in Mineral Resources by 160% to c.45 million tonnes since these were first reported in 2009. Similarly, drilling at the Northern Limb of the Bushveld complex (South Africa) is helping to enhance optionality by materially increasing the confidence in Mineral Resources that support a potential underground development pathway. In other districts such as Quellaveco (Peru), and Sakatti (Finland), additional copper and PGM prospects respectively have been identified and are currently being evaluated.

Greenfield discovery projects

Greenfield discovery projects are those that identify and secure district-scale mineral tenure covering strategic, highly prospective search space in established and frontier settings. Our greenfield discovery focus includes copper, nickel, PGMs and diamonds. The mineral-system focus also brings the potential for co/by-products, including gold, cobalt, silver, molybdenum and zinc. The Group has active greenfield programmes in Australia (Queensland and Western Australia), Canada, Greenland, South America (Brazil, Chile, Ecuador and Peru), Europe and sub-Saharan Africa (Angola, Botswana, Namibia and Zambia).

Taking Discovery under cover

While many explorers limit their search to traditional and now well-explored search spaces, Anglo American's Discovery function recognises the strategic significance in exploring for mineral deposits concealed beneath younger rocks and sediments deposited after the mineral deposits formed in the geological past. The opportunity lies in the discovery potential in this vast, still poorly explored, covered search space. Anglo American's discovery portfolio includes many district-scale holdings that are partially or wholly covered. Deeply buried mineral deposits are commonly not accessible using traditional open-pit mining methods.

The tilt towards new covered search spaces brings with it the opportunity to turn 'under cover' discoveries into safe, highly efficient underground operations with a minimal surface footprint that is harmonious with the landscape and with local communities. Current such examples include finding further mineral deposits deeper underground at our near-asset Los Bronces underground copper project in Chile, and our discovery of polymetallic ores at Sakatti in northern Finland.

Innovation

Across every aspect of our business, we are thinking innovatively to ensure the safety of our people, to enhance the sustainability of our business, and to deliver enduring value in its many forms for all our stakeholders.

CPR and HDS – transforming the future of tailings

The mining industry uses significant amounts of water and energy in its processing of ore. Traditionally, much of this water has been combined with 'fines' (finely crushed rock) to form a slurry material known as 'wet' tailings.

These frequently require large, expensive tailings storage facilities, or TSFs – which present the mining industry with potentially catastrophic risks from tailings dam failure. During the past decade, two major such failures have tragically occurred within the mining industry, causing significant loss of life and environmental damage.

With more than 80% of Anglo American's operations being situated in water-constrained areas, along with the huge expense involved in constructing, maintaining and monitoring wet TSFs, there has been a clear imperative to identify alternative solutions – to conserve water and energy, and to remove risk.

Anglo American has been trialling and developing two technologies: coarse particle recovery (CPR) and hydraulic dewatered stacking (HDS). CPR allows the separation of the valuable ore from larger-size rock particles to be processed – grains of sand rather than fine dust. This reduces the amount of energy required to crush and grind the ore, and saves water since the resulting tailings are free draining, allowing for greater water recycling and instead delivering unsaturated, drier tailings for storage. HDS is a newer, complementary, technology, patented by Anglo American, developed from the company's experience with CPR in base-metal sulphide operations. HDS is an engineered co-disposal method which combines free-draining sands from CPR and other processes in a layered 'sandwich' for the 'dry' stacking of material traditionally regarded as waste.

Following an 18-month pilot period at our El Soldado copper mine's technology-testing hub in Chile, the two processes, working in tandem with each other, have accelerated dewatering times significantly and yielded water recoveries of around 80%, while considerably lowering the liquefaction risk of stored tailings, as well as delivering significant energy savings. Moreover, with a reduced and dry, re-usable area needed for tailings storage, mine closure-related activities can be carried out in months, rather than years, and the land can be repurposed for community benefit, as appropriate.

c. 80%
Water recoveries of around 80% at our El Soldado CPS/HDS trial

What's next?
From being piloted at El Soldado, full-scale CPR plants are at an advanced stage of construction at Mogalakwena (PGMs) and Quellaveco (Copper), which was completed and handed over to operations in November 2023. Additionally, an HDS demonstration trial has just been completed on a portion of an existing TSF at Mogalakwena; and both types of plant are being planned elsewhere in the Group. Looking further afield, we have established an HDS Working Group to lead our outreach to other industry participants – from original equipment manufacturers to other mining groups – to create opportunities for CPR and HDS across the mining industry.

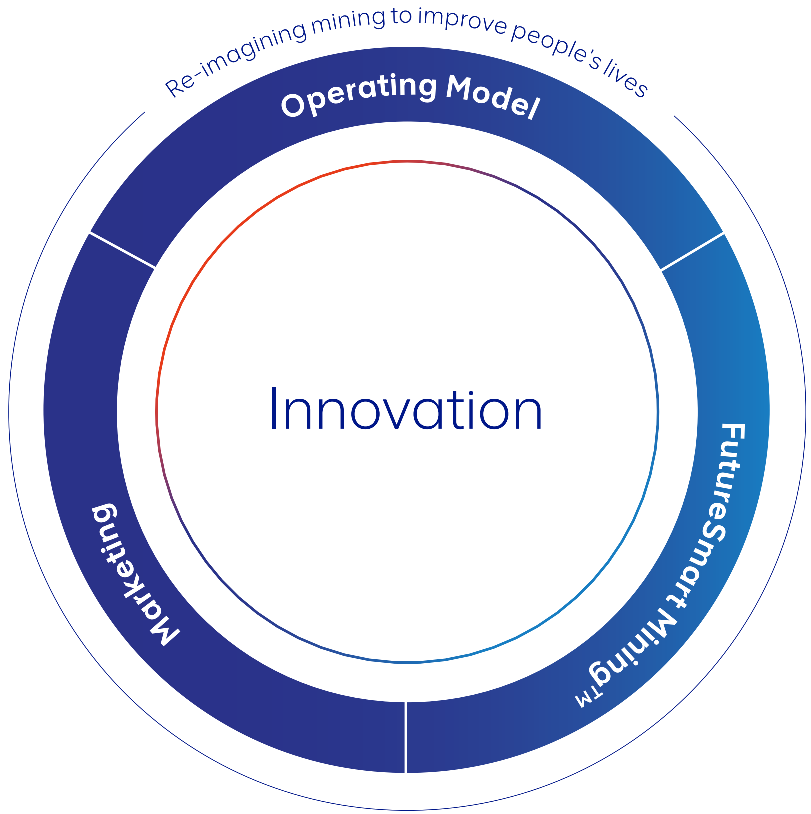
Neatly landscaped hydraulic dewatered stacking (HDS) tailings at El Soldado. The tailings are able to be remediated into dry and economically viable land following the mine's closure.

"Safe storage and management of tailings are essential if mining is to maintain its licence to operate. Through repurposing the so-called 'waste' stream, we are changing the mindset on tailings from being one of risk management, to considering it as a recycling opportunity, avoiding sterilisation of large tracts of land, with significant benefits in the areas of processing, safety, sustainability, safety, and public accountability."

Phil Newman
Anglo American Lead – Innovation

Our approach to innovation

Across every aspect of our business, from mineral exploration to delivering our products to our customers, we are thinking innovatively to ensure the safety of our people, to enhance the sustainability of our business, and to deliver enduring value in its many forms for all our stakeholders.



The combination of operational improvements provided by the stable platform of our Operating Model and through FutureSmart Mining™ – our innovation-led pathway to sustainable mining – is fundamentally changing the way we extract, process and market metals and minerals, together providing our next step-change in operating and financial performance.

Marketing

Our Marketing business optimises the value from our mineral assets and product offerings. We do this by fully understanding and addressing our customers' specific needs and optimising our capabilities in the financial and physical markets to drive the right commercial decisions across the value chain – from mine to market.

► For more information
See pages 47–48

Operating Model

We believe we can build a long term sustainable competitive advantage by securing access to the best resources and through operating assets more effectively (productive) and more efficiently (cost competitive) than our competitors.

Our Operating Model is the foundation to support us by providing structure, stability and predictability in the way that we plan and execute every task. Planned work is inherently safer and more cost effective than unplanned work.

P101 is our asset productivity programme that builds on the stability provided by our Operating Model. It is about improving the performance of our most value-accretive mining and other processes to best-in-class benchmarks in terms of safety, efficiency and productivity.

► For more information
See page 48

FutureSmart Mining™

FutureSmart Mining™ is our blueprint for the future of our business. The intrinsic links between technology and many of our sustainability outcomes are driving the innovations that will transform the nature of mining and how our stakeholders experience our business. A future in which broad, innovative thinking, enabling technologies and collaborative partnerships are helping to shape an industry that is safer, more sustainable and efficient, and better harmonised with the needs of host communities and society. This is about transforming our physical and societal footprint.

Technology

Through step-change technologies and digitalisation, our mining operations are becoming safer and more water- and energy-efficient. FutureSmart Mining™ is enhancing our performance across the entire mining value chain, from the discovery of new mineral deposits, to mining equipment and processing techniques, to tailoring products to our customers.

► For more on technology and digitalisation
See pages 44–45

Sustainability

Our Sustainable Mining Plan, integral to FutureSmart Mining™, is built around three Global Sustainability Pillars and sets out our commitment to stretching goals – driving sustainability outcomes through technology, digitalisation and our innovative approach to sustainable economic development.

Our Sustainable Mining Plan is designed to be a flexible, living plan and we will continue to evolve it as we learn and make progress and as technologies develop, while also ensuring it stays relevant and suitably stretching, in tune with our employees' and stakeholders' ambitions for our business. We are currently exploring a number of areas of the Sustainable Mining Plan that we feel may benefit from being updated to align more closely with our stakeholder expectations or deliver improved sustainability outcomes and will update the plan when we have developed these options more fully.

► For more on our Sustainable Mining Plan
See page 46

Technology

By integrating technology and data intelligence with our Sustainable Mining Plan commitments, we are creating new systems that optimise value for our stakeholders. We expect this integrated and holistic approach to deliver increasingly significant safety, environmental and social benefits, while reinforcing the ethical credentials of our products.

FutureSmart Mining™ has systemic thinking at its core – with additional value being realised through multiple new technologies working together. The framework for our approach to technology and digitalisation is set out as follows:

Concentrating the Mine™

We are optimising mining processes through technologies that target the required metals and minerals more precisely, with reduced water, energy and capital intensity, and producing less waste. These technologies include bulk ore sorting (BOS), coarse particle recovery (CPR), fines flotation, dry processing and novel classification, with their implementation integrated into resource development planning.

Progress in 2023

A full-scale BOS unit is operational at our PGMs' Mogalakwena North concentrator (c.70% of complex feed). The unit is configured to reject waste prior to entering the concentrator, increasing plant feed grade.

A modular ultrafines recovery plant was installed at Mogalakwena to address the industry-wide challenge of reducing ultrafine mineral losses. Results of the trial indicate that the use of ultrafines recovery technology significantly increases product grades at equivalent metal recoveries. In 2024, ultrafine recovery modules will be implemented at Mogalakwena and Amandelbult. The project allows for ease of transportation and lowers our energy footprint, with 30% less mass transported to high intensity downstream smelters.

The sensor fusion loop in South Africa has been used to support BOS operations globally, enabling the development of intellectual property on selective mining and ore sorting.

WaterSmart Mine

With more than 80% of our assets located in water scarce areas, we must reduce our dependence on water and associated tailings facilities. We will always need water, but we can get closer to full recovery recycling. Through an integrated system of technologies, including CPR and hydraulic dewatered stacking (HDS), we are reducing fresh water usage, moving to closed loop and, potentially, the ultimate aim of fresh water-less processing in our operations, thereby eliminating the need for saturated tailings storage; instead creating stable, dry, economically viable land available for re-purposing for the benefit of stakeholders.

Progress in 2023

The HDS pilot at Copper's El Soldado mine received its first CPR sand in November 2022. Water recovery has already been measured at c.80% (our initial target), and dewatering is continuing. The tailings are currently being measured as unsaturated, which is critical for the impact of the project. The trial is still ongoing and is expected to continue into the third quarter of 2024. A brownfield trial to assess benefits from water quality and quantity improvements started at Mogalakwena in the first quarter of 2023.

A full-scale CPR plant has been constructed at the Mogalakwena North concentrator. The project is currently in the commissioning and optimisation phase. Construction of a full-scale CPR plant at Quellaveco (Copper) to treat flotation tailings was slurry commissioned in November 2023, and early signs are promising. In 'tails scavenging' mode, it is projected to add c.12,000 tonnes of copper production per annum.

Modern Mine

Safety is our number one priority and we are committed to achieving zero harm, so that all of our colleagues return home safely, every day. We are developing a new generation of engineered controls to reduce exposure to risk in work processes. We are using existing modernisation technologies, introducing remotely operated machinery, such as automated drilling and blasting, and continuous hard rock cutting, to remove people from harm's way.

Progress in 2023

A full-scale continuous hard rock cutting system was installed underground at our Mototolo PGMs mine. It is remotely operated, and consists of continuous cutting and material transport with integrated ground support.The system provides a number of benefits, including: improved productivity; a safer working environment, with fewer people working in the production stopes area, and reducing ore dilution. During 2024, the system will contribute to production at Mototolo and demonstrate a pathway to transition from conventional to fully mechanised operations in steeply dipping, narrow, tabular orebodies.

Anglo American's first fleet of 30 autonomous mining trucks is fully operational at our Quellaveco copper mine in Peru, where they are working alongside six autonomous production drills controlled from the Integrated Operations Centre (IOC) some 20 km by road from the mine. During 2023, control of the autonomous truck system transitioned to the operations centre.

Intelligent Mine

We are transforming how we make best use of data, through integrated digital tools for planning, simulation, execution and monitoring, from resource definition to the output of processing plants. Our integrated digital transformation platform is bringing the full mining value chain together in a digital form to help our people make data-driven decisions in the most efficient manner, predicting outcomes and driving safety, environmental and productivity improvements.

Progress in 2023

During 2023, we made considerable progress on the digitalisation of our business – bringing digital technologies to our mines to make them safer, to connect our people and support their productivity. Our digital strategy is based around connecting what we can – our vehicles, machinery, equipment and plants – to our control systems to help us automate processes and continuously monitor and improve them.

We run a range of advanced automation initiatives for the business:

Advanced Process Control (APC)

In 2023, we made significant progress on our multi-year programme, delivering on average three new 'virtual controllers' a week across our mines and plants. At Quellaveco, where we have one of the largest single site APC systems in the world, we have added the automation of the CPR plant and the new molybdenum recovery plant.

APC allows us to tune the controllers using historical data to provide predictive insights, increasing the speed of the tuning process and stabilising operations by mitigating the impact of variability from individual operator preference.

Digital twins

Over the past few years, we have introduced digital twins that allow us to comprehensively model many of our plants. These twins allow us to produce virtual copies of our major infrastructure for the purpose of scenario analysis, operator training and detailed virtual 3D reconstructions of plant infrastructure to improve operational maintenance planning. Our twins are linked to our plant control systems and maintenance planning systems to support hazard reduction and minimise plant downtime. These models are also used to tweak and adjust variables – at a fraction of the cost of making changes on our installed infrastructure.

Machine learning

We leverage machine learning to harness our data, including from a range of geoscience sources, such as soil samples, drill results and chemical assays.

Machine learning allows us to model complex processes and we are using this capability across the business. For example, we are applying machine learning to deliver a step-change in our drill core interpretation practices using Assisted Core Logging (ACL).

ACL uses advanced sensing, machine robotics, the interconnectedness of in-field equipment and the scalability of cloud-based computing to improve the efficiency of our drilling workflow, augmenting expert knowledge with machine learning. Geologists are now able to search for similar textural patterns across multiple cores and log numerous zones simultaneously. This has reduced the time it takes create a lithology log by approximately 90%.

Our Sustainable Mining Plan

Our Sustainable Mining Plan, integral to FutureSmart Mining™, is built around our Critical Foundations and three Global Sustainability Pillars and sets out our commitment to stretching goals – driving sustainability outcomes through technology, digitalisation and our innovative approach to sustainable economic development.

Partnership and engagement

Environment

Healthy Environment

Climate change

2030: Reduce absolute Scope 1 and 2 GHG emissions by 30%, relative to the 2016 baseline; improve energy efficiency by 30%; carbon neutral at 8 sites

2040: Carbon neutral at all operations; reduce Scope 3 emissions by 50%, relative to the 2020 baseline

Biodiversity

2030: Deliver net-positive impact (NPI) on biodiversity across our managed operations

Water

2030: Reduce absolute withdrawal of fresh water by 50% in water scarce areas, relative to the 2015 baseline

▶ For more information **See pages 49–58**

Social

Thriving Communities

Health and well-being

2030: Relevant SDG3 targets for health to be achieved in our host communities (operations to be halfway to target by 2025)

Education

2025: Host community schools to perform within top 30% of state schools nationally

2030: Host community schools to perform within top 20% of state schools nationally

Livelihoods

2025: Three jobs supported off site for every job on site

2030: Five jobs supported off site for every job on site

▶ For more information **See pages 60–65**

Governance

Trusted Corporate Leader

Accountability

2030: Establish open and accountable dialogue with host communities and wider society, leading to greater mutual trust and recognition of the benefits/challenges of mining

Policy advocacy

2030: Recognition of our leadership in policy advocacy. Strong levels of engagement in policy debates

Ethical value chains

2025: All operations to undergo third-party audits against responsible mine certification systems

▶ For more information **See pages 90–101 of our Sustainability Report 2023**

Partnership and engagement

Collaborative Regional Development

Our innovative partnership model to catalyse independent, scalable and sustainable economic development in regions around our operations – the objective being to improve lives by creating truly thriving communities that endure and prosper well beyond the life of the mine.

▶ For more information **See pages 61–62**

Our Critical Foundations

These form the common and minimum requirements for each of our operations and our business as a whole. The Critical Foundations are essential to the long term credibility and success of both the Sustainable Mining Plan and our social licence to operate.

Zero mindset
▶ For more information **See pages 66–70**

Leadership and culture
▶ For more information **See pages 70–75**

Inclusion and diversity
▶ For more information **See page 72**

Human rights
▶ For more information **See page 64**

Group standards and processes
▶ For more information **See page 50 of our Sustainability Report 2023**

Compliance with legal requirements
▶ For more information **See page 48 of our Sustainability Report 2023**

Our Marketing business

Our Marketing business optimises the value from our mineral assets and product offerings for the benefit of all our stakeholders, with a focus on shaping long term, direct commercial relationships that place the expectations of our customers firmly at the centre of our approach.

Whether from our own mine portfolio or sourced through complementary third-party production, we offer a reliable supply of essential resources to our customers and the industries they support, which are key to the development of a cleaner and more connected future.

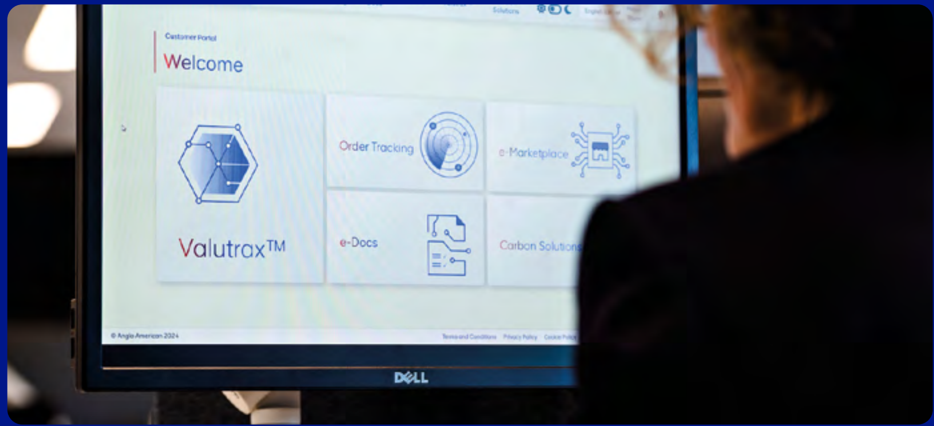
By understanding, addressing and anticipating our customers' specific needs, and evolving our capabilities in the financial and physical markets, we are taking an active role in building customised solutions and successfully bringing them to the industries we serve.

Our approach in action

Across our activities, we harness the potential of our diversified portfolio to provide a commercial offering that responds to customer requirements, is supported by consistently high quality service, and reflects society's increasing expectations for responsible production and sourcing.

Our trading activities have continued to evolve, allowing us to use our scale and market insight to help ensure security of supply and mitigate risk. Through our third-party sourcing framework, we can flex and expand our supply capabilities, responding to evolving industry demand while also helping partners bring their resources to market and extend their reach.

We endeavour to match our commitment to reliable supply with robust assurance around responsible production, prioritising ethical decision making across our entire supply



Valutrax™, developed by our Marketing Team, provides customers with a comprehensive picture of a product's origin and sustainability credentials.

Driving greater value chain visibility

At Anglo American, our Sustainable Mining Plan outlines our vision to be part of a value chain that supports and reinforces positive human rights and sustainability outcomes.

With the ever-growing focus on sustainability, customers want to feel reassured by understanding the ethical origins of the products they buy. That is why Anglo American is a founding member of the Initiative for Responsible Mining Assurance (IRMA) and plays a leading role in the Responsible Jewellery Council (RJC), which bring together a range of stakeholders to help provide independent assurance around the provenance of the metals and minerals we mine and market. Taking this further, our Group businesses have initiatives of their own – such as Copper, PGMs, Iron Ore, Nickel and De Beers aligning with internationally recognised assurance standards for the responsible sourcing, production and refining of their products.

Valutrax™

In November 2023, Anglo American launched Valutrax™, a digital traceability platform developed by our Marketing business, to drive greater transparency across our value chain. Valutrax™ is an easy-to use, single point of access platform that is designed to provide customers with relevant sustainability data and policies about the metals and minerals they buy from us.

How does it work?

Valutrax™ uses proven blockchain technology to build a decentralised system that is immutable and fully auditable, and gives participating customers access to a comprehensive view of a product's core information via a user-friendly portal. A digital label can be downloaded for each delivery, offering an at-a-glance view of key data – from provenance and carbon emissions intensity to safety and the social impact of our operations.

Looking ahead

Paul Ward, executive head of base metals marketing, comments: "We know that in their purchasing decisions, our customers value Anglo American's longstanding reputation as a leader in sustainable mining, and our commitment to responsible business practices. Through driving greater transparency across the entire production and logistics chain, Valutrax™ allows our customers direct access to indicators that determine their compliance with requirements in their specific industries or jurisdictions, and to then make the appropriate decisions in support of their sustainability strategies and other value drivers. Already, Valutrax™ is available to customers purchasing Anglo American ferronickel, copper concentrates and iron ore mined products, with plans under way to integrate mined products from our other businesses."

Product manager – digital and innovation, marketing, Maya Sturm: adds " What started as a blockchain initiative has become so much more than the underlying technology. Valutrax™ has required us, as a business, to be very clear about our strategy with regard to traceability and transparency. It sets the foundation of what we want to do in this space, which is to collaborate with our customers and reinforce our commitment to sustainable, responsible mining."

chain. With reference to Anglo American's Responsible Sourcing Standard, we are building a consistent and comprehensive approach to sustainability screening, due diligence and post-deal management of sustainability risks and opportunities so that, when buying Anglo American products, our customers know that our processes are underpinned and guided by our Values and focus on Ethical Value Chains.

We also recognise the value of independent assurance to verify these aspects of our performance, against which we can test our internal criteria for alignment with best practice, as demonstrated by our goal to have all our operations assessed against an independent, globally recognised, third-party mining standard by 2025. Our support for the Initiative for Responsible Mining Assurance (IRMA) and the Responsible Jewellery Council (through De Beers) are key examples of this approach in action. In 2023, our Minas-Rio iron ore and Barro Alto nickel mines in Brazil were assessed against IRMA's comprehensive mining standard and achieved the IRMA 75 level of performance – the first iron ore and nickel mines in the world to complete an IRMA audit. And in South Africa, our Amandelbult and Mototolo PGM mines scored IRMA 50 and 75 respectively, following our Unki PGMs mine in Zimbabwe, which also achieved IRMA 75 in 2021.

Work continues on developing digital solutions that can help us trace the journey of our products – part of our efforts to drive visibility of the provenance and value chain, of the metals and minerals we produce. In 2023, we launched Valutrax™, our proprietary digital traceability solution. Built on blockchain, it provides a single point of access to core information about our products, helping to trace metals and minerals from source to customers through a tailored selection of key provenance and sustainability indicators.

Collaborating across industry to decarbonise our value chain
As part of the Group's ambition to reduce our Scope 3 emissions by 50% by 2040, we are focusing on hard-to-abate sectors such as steel – from which most of our value chain emissions derive. We are working with steelmakers in Europe and Asia to research efficient feed materials – capitalising on the premium physical and chemical qualities of our minerals, including iron ore pellets and lump iron ore. These premium products are suited for use in the direct reduced iron (DRI) process, a technically proven and significantly less carbon intensive steel production method. In 2023, we continued building our network of collaboration with steelmakers to include Sweden's H2 Green Steel, Singapore's Meranti Steel and China's Baosteel.

We continue to make headway in our roadmap to deliver on our ambition to achieve carbon neutrality by 2040 for our controlled ocean freight with the delivery and launch of eight of our 10 dual-fuelled Ubuntu dry bulk carriers. The fleet cuts emissions by up to 35% when running on LNG, coupled with advances in ship design and technology. The final two vessels will be delivered in the first quarter of 2024. The shipping team continues to explore alternative fuels and newer technologies that drive greater efficiencies and safety onboard our vessels.

We have developed trading capabilities which allow us to deliver carbon compensation projects and offsets for our customers, which can be packaged together with our existing product and service portfolio to meet our clients' needs. Finally, through focused investment, industry collaborations and stakeholder engagement, we are looking to unlock the potential of technology development, materials science and circularity to discover, accelerate and scale-up climate positive innovations for long term decarbonisation, with a focus on those industry sectors which most contribute to our Scope 3 emissions profile.

Making targeted interventions for new and sustainable demand
We continue to nurture additional sources of sustainable demand for our products, with a focus on PGMs. Our integrated approach includes advancing, financing and backing new technologies, from the spark of an idea through to commercialisation, to create and sustain scale.

Beyond our wide-ranging, long-lasting focus on developing the hydrogen economy – from promoting the adoption of hydrogen-fuelled solutions for the electrification of transport to researching the use of hydrogen as a reductant in steel production – our efforts to capitalise on the unique qualities and unparalleled versatility of PGMs continue to grow in a variety of future-focused applications. These include investing in the development of palladium-containing lithium battery technologies; support for the creation of new materials and technologies, such as alloys and 3D printing, to serve industries ranging from jewellery to aerospace; and programmes aimed at accelerating the adoption of PGM-containing memory chips to enable low energy consumption and high performance computing.

Operating Model

We believe we can build a long term sustainable competitive advantage by securing access to the best resources and through operating assets safely, more effectively (productive), and more efficiently (cost-competitive) than our competitors.

The Anglo American Operating Model is the foundation that provides structure, stability and predictability in the way that we plan and execute every task. Planned work is inherently safer and more cost-effective than unplanned work. We have implemented the Operating Model across all managed assets and cemented a strong foundation for safe and sustainable business performance.

We continue to build organisation capability across the core disciplines of operational planning, work management and performance improvement, supported by a comprehensive set of advanced learning resources which enable all our employees to understand, adopt and sustain our Operating Model.

P101

P101 is our asset productivity programme that builds on the stability provided by our Operating Model. It improves the performance of the most value-accretive processes in our value chain to achieve best-in-class benchmarks in terms of safety, efficiency and productivity. Our programmatic approach seeks to identify, prioritise and ultimately eliminate operational instability and system constraints that prevent the realisation of full value from assets.

FutureSmart Mining™

FutureSmart Mining™ has systemic thinking at its core – with the greatest value being realised through multiple new technologies working together. We envisage a much-reduced environmental footprint from new ways of mining, including by using a number of precision mining technologies and data analytics, while our collaborative approach to regional economic development and our ambitious global stretch goals, aimed at delivering improvements to areas such as health and education, are at the heart of how we will create truly sustainable and thriving communities.

We are working on a number of key initiatives that show our FutureSmart Mining™ approach in action, including:

- Envusa Energy – our regional renewable energy ecosystem in South Africa.
- Coarse Particle Recovery (CPR) – the innovative flotation process, which permits material to be ground to a larger particle size, allowing the early rejection of coarse waste and greater water recovery, has enabled a 16% increase in copper production without the need for additional energy at El Soldado. Additional CPR units have been installed at Quellaveco and Mogalakwena, with further deployment planned at other operations.
- Hydraulic Dewatered Stacking (HDS) – we have successfully demonstrated HDS at the El Soldado mine which, combined with CPR, can help deliver significant water savings and reduce the need for wet tailings.
- SandLix™ – our novel heap leach process, currently in development, allows heap leach treatment of low-grade, complex ores, including chalcopyrite. By optimising particle size, temperature and chemistry for each ore, highly permeable heaps are formed and precisely controlled to achieve high copper recoveries. The process has roughly half the water and energy intensity of flotation and smelting and produces no wet tailings. The technology has been proven at laboratory scale and the current focus is on scale-up.

Climate change

Climate change is one of the defining challenges of our time and our commitment to being part of the solution to climate change is embedded across the business. We continue to align our portfolio with the needs of a low carbon world; we are transforming our operations towards carbon neutrality; we are pushing for decarbonisation along our value chains; and we are considering carefully the social and wider environmental inter-relationships associated with our decarbonisation journey.

Approach and policies

Mining's critical enabling role in providing the metals and minerals needed for a low carbon world is increasingly recognised. Against this backdrop, we know that understanding the implications of climate change for our business is imperative and as such, we consider climate change to be a principal risk. Being resilient as a company however, is not enough. We also recognise our responsibility to understand the impact of our business, to minimise our footprint and maximise the value we create for all our stakeholders. Doing so is right for the long term sustainability of our business and the right thing for society.

Our aim is to increasingly entrench our climate change strategy across the business. Informed by robust analysis and constant engagement with stakeholders, we continue to work to align our asset and product portfolio with the needs of a low carbon world; we are re-orientating our operations towards carbon neutrality – and doing so in a value accretive way; we are pushing for decarbonisation along our value chains; and we are considering carefully the social and wider environmental interrelationships associated with our decarbonisation journey – doing what we can to support a Just Transition.

In 2015, we demonstrated our commitment to the Paris Agreement through our signature of the Paris Pledge for Action. That pledge demonstrates our willingness to work to support efforts in meeting and exceeding the ambition of governments to keep the world on a trajectory that limits the global warming temperature rise to well below 2°C.

Governance

Anglo American applies a principled and consistent approach throughout our climate change governance and management systems.

At Anglo American, the Board approves the Group's strategy on climate change. Climate-related activities, including decarbonisation plans are discussed by the Board throughout the year as standalone agenda items and as part of strategic discussions. The Board is updated on progress against our targets through management reports at each scheduled Board meeting. The Board's Sustainability Committee is responsible for addressing climate change-related topics. The Committee oversees, on behalf of the Board, material policies, processes and strategies designed to manage safety, health, environment, social and climate-related risks and opportunities.

Matters relating to climate change are included in quarterly reports to the Committee at each of its meetings and as dedicated items on its agendas throughout the year. The chairman of the Sustainability Committee provides a summary of the Committee's discussions at Board meetings, which addresses the most material issues raised by the Committee. Other non-executive directors on the Board regularly attend meetings of the Committee, at the invitation of the chair.

▶ For more information and the work of the Board and its committees
See pages 139–177

Executive remuneration

For senior leaders, a proportion of their variable pay each year is tied to the delivery of climate-related goals. This is predominantly incorporated into the performance measures through the Group Long Term Incentive Plan (LTIP). The LTIP is awarded to our most senior leaders across Anglo American, in total around 400 employees across our jurisdictions.

We have linked 20% of the 2023 LTIP to environmental, social and governance (ESG) measures, specifically the delivery of our 2030 Sustainable Mining Plan goals. This is broken down as follows: renewable energy production from approved projects (8% of award); all mines assured against a recognised responsible mine certification (6% of award); social responsibility measure on the number of off site jobs we help to create in the communities where we operate (6% of award).

In addition to the measures as outlined above for the 2023 LTIP, a portion of our in-flight 2021 and 2022 LTIPs is also linked to climate-related measures. For 2021, this includes reducing our GHG emissions. For 2022, it includes a renewable energy production target, with three sites to have approved renewable energy projects in operation by the end of 2024.

▶ For more information on our executive remuneration
See pages 178–211

Assessing climate-related risks

The scientific evidence of human-induced climate change is clear. However, the longer term impacts to our business remain subject to extreme uncertainty. As a consequence, our risk management processes embed climate change in the understanding, identification and mitigation of risk. We have aligned ourselves with the Task Force on Climate-related Disclosures (TCFD) recommendations on climate-related risks and we are committed to disclosing in alignment with the recommendations of the UK's Transition Plan Taskforce.

We assess risks to support the achievement of our business objectives and consider them against our risk appetite – the nature and extent of risk Anglo American is willing to accept in relation to the pursuit of our strategic objectives. We look at risk appetite from the context of severity of the consequences should the risk materialise, likelihood of the risk materialising, any relevant internal or external factors influencing the risk and the status of management actions to mitigate or control the risk. If a risk exceeds our appetite, it will threaten the achievement of objectives and may require a change to strategy. Risks that are approaching the limit of the Group's risk appetite may require management actions to be accelerated or enhanced to ensure the risks remain within acceptable levels.

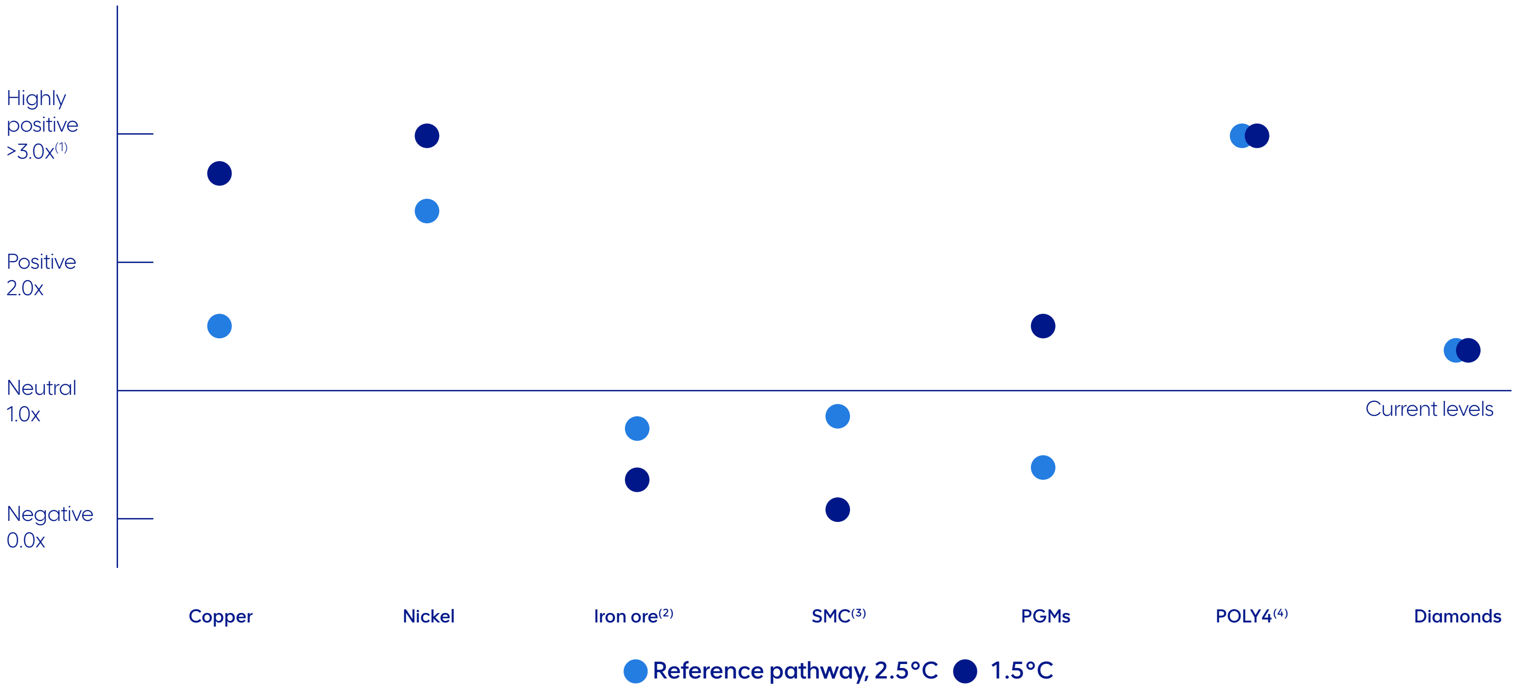
The main physical climate-related risks that have the potential to affect the continued operation of our assets include the availability of water, operating temperatures and the exposure to extreme weather events. In addition, the context within which the business operates may change as the world transitions to a lower carbon economy; this could include access to finance or changes in demand for our products.

Testing our resilience

While the exact future pathway is uncertain, we expect climate change to affect the mining industry through risks and opportunities in two broad areas:

- **Transition risks/opportunities:** The potential impact on demand for different products, given assumptions on the regulatory, technological and behavioural changes in both the transition to a low carbon economy (e.g. lower-carbon power generation) and the mitigation of the impact of climate change (e.g. carbon capture and storage). Second-order impacts to adapt to climate change are not considered, such as measures to manage temperature changes or rising sea levels.

Outlook for mining commodity profit pools (Indexed 2050 vs 5 year average (2019–2023))



(1) Maximum impact shown is 3x, some products may see a greater impact (e.g. nickel and polyhalite).
(2) Global iron ore market.
(3) Seaborne steelmaking coal market.
(4) Early view on nascent market.

- **Physical risks/opportunities:** The potential impact on our operations and surrounding communities from both acute extreme weather events and chronic shifts in climate patterns and the required adaptations to minimise these effects.

▶ For more on Anglo American's principal risks, including Climate change
See pages 79–85

▶ For our TCFD disclosures
See pages 132–137

Transition risks and opportunities in a 1.5°C scenario

To consider potential transition impacts and inform our strategic choices, we have used the Wood Mackenzie Energy Transition Outlook (ETO) as the reference case scenario, one that is expected to result in 2.5°C warming. We contrast this with the Wood Mackenzie Accelerated Energy Transition (AET) scenario which limits an increase in global warming to 1.5°C. Our judgement is that these two scenarios cover the appropriate range of outcomes within which to assess the impacts of transition risks. The Wood Mackenzie scenarios do not, however, include agriculture, forestry and other land use (AFOLU) developments and emissions. To account for this, we have supplemented the Wood Mackenzie forecasts with various scenario outlooks vetted by the IPCC for AFOLU.

▶ For more information on our climate scenario work
See our Climate Change Report 2023, Resilience to transition impacts section

Low carbon transition risks and opportunities*

Commodity	Industry change	AA impact and impact timing	Description of impact
Iron ore	Increased collection and use of scrap steel	Risk, Medium to long	An accelerated use of scrap steel would limit demand growth for primary iron ore
	Shift to direct reduced iron (DRI)	Opportunity, Medium to long	Shift to low carbon direct reduced iron – electric arc furnace (DRI-EAF) routes will rapidly grow demand for higher quality iron ore pellet feed
	Increased steel demand	Opportunity, Short to long	Steel is critical in the construction of power generation facilities and the grid, contributing to the growth in demand for iron ore
Steelmaking coal	Increased collection and use of scrap steel	Risk, Medium to long	An accelerated use of scrap steel would limit demand growth for steelmaking coal
	Maturing of carbon capture and storage (CCS)	Opportunity, Short to long	High-quality steelmaking coal will remain a key input into steel production in the short to medium term and adoption of CCS/CCUS could support demand in the long term
	Shift to DRI	Risk, Medium to long	An emphasis on decarbonising steel supply chains could move the production methods away from steel-using blast furnaces and towards other methods
	Lack of maturing of CCS	Risk, Medium to long	Limited development and deployment of CCS could accelerate the shift to EAF and away from blast furnace iron
	Increased steel demand	Opportunity, Short to long	Steel is critical in the construction of power generation facilities and the grid, contributing to the demand for steelmaking coal
Copper	Growth in power demand and increase of renewables	Opportunity, Short to long	Copper is a key material used in renewable power generation and the necessary expansion of power grids
	Shift to electric vehicles	Opportunity, Short to long	Copper is a key material for enabling increased electrification across sectors including the shift from ICE vehicles to BEVs
	Lower energy intensity of development	Risk, Short to long	As energy efficiency improves, energy intensity of development decreases. This decreased energy intensity could have a negative impact on copper demand, which is a central commodity in power generation
	Reduced demand for personal vehicles	Risk, Medium to long	Greater adoption of public transportation, ride sharing and other mobility levers could limit demand for personal vehicles
	Increased collection and use of scrap copper	Risk, Long	A greater than expected improvement in scrap collection could offset demand growth for primary copper
Nickel	Increased demand for batteries	Opportunity, Short to long	Nickel is widely used in lithium-ion batteries which are, in turn, used in multiple carbon abatement technologies, including BEVs and could provide a solution for energy storage in the context of intermittent power generation
	Change to low or no nickel batteries	Risk, Medium to long	Uncertainty of battery chemistry outlook introduces downside demand risk if low or no nickel battery cathode chemistries become the preferred technological pathway
	Reduced demand for personal vehicles	Risk, Medium to long	Greater adoption of public transportation, ride sharing and other mobility levers could limit demand for personal vehicles
	Maturing of battery recycling	Risk, Medium to long	As secondary battery supply reaches scale, demand growth for primary nickel could slow

Commodity	Industry change	AA impact and impact timing	Description of impact
PGMs	Increased demand for catalytic converters	Opportunity, Short to medium	With potential further tightening of air quality legislation, PGMs play a crucial role in reducing pollution from ICE vehicles, through PGM-containing catalytic converters. This is expected to be an interim step towards more comprehensive transportation decarbonisation
	Shift to hydrogen economy	Opportunity, Medium to long	As intermittent renewable power generation accounts for an increasing share of power grids, hydrogen is a potential energy storage solution. PGMs will play a major role across the upstream, midstream and downstream segments of the hydrogen value chain. PGMs are required upstream for polymer electrolyte membrane (PEM) electrolysis; the synthesis, dehydrogenation and cracking in the midstream; and the separation, purification and compression downstream
	Growth in heavy-duty FCEVs	Opportunity, Medium to long	As FCEVs become necessary to decarbonise heavy-duty vehicles, demand for PGMs is expected to grow
	Increased demand for hybrid vehicles	Opportunity, Short to long	Hybrid vehicles, which contain similar quantities of PGMs as ICE vehicles, are expected to play a role in the decarbonisation of vehicles, even in the longer term
	Shift to battery electric vehicles	Risk, Medium to long	An accelerated shift away from ICE vehicles towards BEVs poses a downside risk for PGMs which are contained in ICE catalytic converters and in FCEVs
	Reduced demand for personal vehicles	Risk, Medium to long	Greater adoption of public transportation, ride sharing and other mobility levers could limit demand for personal vehicles
Polyhalite	Decreasing crop land availability	Opportunity, Medium to long	As reforestation efforts grow, available land for crop development will decrease, leading to an increase in fertiliser use to improve crop yield
	Increasing efforts to decrease emissions from farming	Opportunity, Short to long	Polyhalite may also support efficient use of nitrogen fertilisers to reduce excess nitrous oxide soil emissions, as well as reverse the degradation of soil and the resultant carbon emissions. All else being equal, the lower carbon nature of polyhalite may justify a price premium over higher emission alternatives
Diamonds	Evolving consumer preferences	Risk, Opportunity, Neutral	Across scenarios, there is high uncertainty related to future consumer behaviours and attitudes to diamond jewellery as well as historical cyclicity in demand, although we expect carbon neutral diamond producers, such as De Beers, to benefit from evolving consumer preferences. However, these factors are not directly influenced by the differences across the scenarios. Due to this, we believe that the net impact on rough diamond demand is likely to be immaterial across scenarios

Key

Risk
Opportunity

Short to medium
Short to long
Medium to long
Long
Neutral

Short term = 0–5 years
Medium term = 5–15 years
Long term = 15+ years**

* This table only includes risks we consider to be of sufficient magnitude to require monitoring.
** Long term time frame of 15+ years chosen to align to typical time frame for commodity supply response to major demand shifts.

The evolution of the industry sectors our products serve could create risks and opportunities for our portfolio. Similarly, the technological developments that underpin the transition of each sector could also present risks and opportunities for our products. For example, the speed and technology mix of the transition towards low carbon vehicles – specifically, the mix of BEVs, FCEVs and hybrid vehicles – will impact the outlook for the PGMs we produce. The table on page 51 summarises the risks and opportunities we have identified between the reference case and the 1.5°C scenario against which we have assessed our resilience.

Resilience to a low carbon temperature pathway

In assessing our resilience to alternative climate scenarios, we pressure test whether our strategy is robust and our financial position resilient across those climate scenarios. We consider a number of dimensions and assess risks identified against our internal risk appetite threshold. We test resilience on a first-order effect basis, meaning that we do not include any adaptive measures we may take as we see indications of industry shifts or the effects of megatrends. This assessment therefore shows a 'worst case scenario' test of our resilience because, in reality, we would be able to shift the focus, capital and effort of the business depending on the nature of the transition risk.

Through this assessment, we have concluded that our business is resilient in the 1.5°C pathway. Our profit pools remain attractive and our diversified portfolio allows us to make changes and grow as needed as the world transitions. We are committed to playing a role in supporting, and our portfolio contains several materials critical to, the transition to a low carbon economy. Our balance sheet, free cash flows and value of the business remain robust – both at the 2050 scenario end-point and throughout the transition period.

Across the two scenarios, we assessed cash flow development through to 2050. We expect our cash flow to remain resilient under both the reference pathway and the 1.5°C pathway, while the range of cash flow change across the scenarios falls within our risk tolerance, giving us confidence in our business resilience.

While we have assessed the strategic and financial resilience of our portfolio under 1.5°C and 2.5°C scenarios, it should be noted that these scenarios are not used for financial reporting purposes as no single scenario is representative of management's best estimate of the likely assumptions that would be used by a market participant when valuing the Group's assets.

Physical risk – adapting to a changing climate

Our global footprint means we operate in places which are experiencing differing effects of climate change. To understand and monitor these risks and plan for any necessary short, medium, and long term adaptive measures, we have established a robust Physical Climate Change Risk and Resilience (PCCRR) framework. Our PCCRR framework combines top-down climate change projection models with bottom-up assessments of the local vulnerabilities and adaptive capacities to anticipate emerging impacts. This builds upon and standardises work undertaken previously at our sites on physical climate risk, as detailed in our 2022 Climate Change Report. Our aim is to ensure that the resilience of our operations, communities and partners today continues into the future.

Underpinning our process are robust, science-based climate analytics. Utilising multiple blended global climate models, dynamically downscaled to our operating sites, we obtain future climate change projections across a broad set of climate variables for our chosen future scenarios.

Aligning the model's outputs with the on-the-ground reality, we also assess historical weather data for each site, in addition to any extreme weather events that may have already occurred. In regions where previous predictive climate change assessments have been undertaken, we compare the results with our own model outputs. To further increase accuracy, where comprehensive site-based weather data sets already exist, we establish these as the baseline from which we project the percentage change over both the life of that facility and for 20 years beyond (or at maximum until 2100) to include closure. We also seek to identify the particular vulnerabilities and adaptive capacities of the region and site, in order to complete a holistic local context assessment.

Implementing our PCCRR framework

To facilitate the implementation of our framework, we have split it into two phases. Phase one is a high level risk screening using the SSP5 (~4.4°C) scenario, to ensure that we identify and prioritise all plausible risks. The most significant risks identified proceed through to phase two of the framework, involving a secondary assessment to aid understanding and quantification against SSP2 (~2.7°C).

We model SSP1 (~1.8°C) as a best-case scenario, although we believe that this appears to be a low likelihood pathway. As a result, we do not use this scenario in our present planning.

Operational resilience

During 2023, our focus has been on embedding adaptation and climate resilience into our operations and processes. By doing so, we are deepening our understanding of the impacts of climate change across our entire value chain, helping us identify how best to prepare to be more operationally resilient in response to a changing climate. We rolled out our updated PCCRR risk screening process at our Sishen iron ore operation in South Africa and also began implementing the framework at our nickel and iron ore operations in Brazil. Our intention is that all sites will complete phase one of the updated process by the end of 2024 and phase two of the framework by the end of 2025.

▶ For more on the key physical risks facing our assets
See page 53

Water and tailings risk

Most of our operations are in water scarce regions – such as Chile and Peru; southern Africa; and Australia. Yet operations in these regions can also experience extreme precipitation events – both our steelmaking coal operations in Australia and Kumba's iron ore sites in South Africa have been exposed to serious flooding in recent years, impacting production.

Our initial work to determine physical climate change risks at our sites confirmed that water is the greatest risk factor at most of our operations; there is likely to be either too much or too little. In recognition, we established the need for quantified assessments of the impacts of climate change on water balances and flood risk at each site, to allow for a tailored approach to climate change-related water management across all operations. In 2023, we initiated an update of asset water balances and flood risk models with climate change projections, starting with sites that have Very High and Extreme Consequence Classification Ratings, as defined by the Global Industry Standard on Tailings Management (GISTM) – 12 facilities across eight of our operations.

The findings have been incorporated into our design basis and are part of all current and future water management assessments. Further information on our GISTM approach and our results can be found on page 68 of our 2023 Sustainability Report.

Community resilience

The impacts of climate change will also affect the lives and livelihoods of host communities around our operations. Our responsibility is to support our operations with the tools to understand how climate change could affect vulnerabilities in host communities, exacerbate or create new impacts and present opportunities for us to proactively support those closest to our operations to adapt.

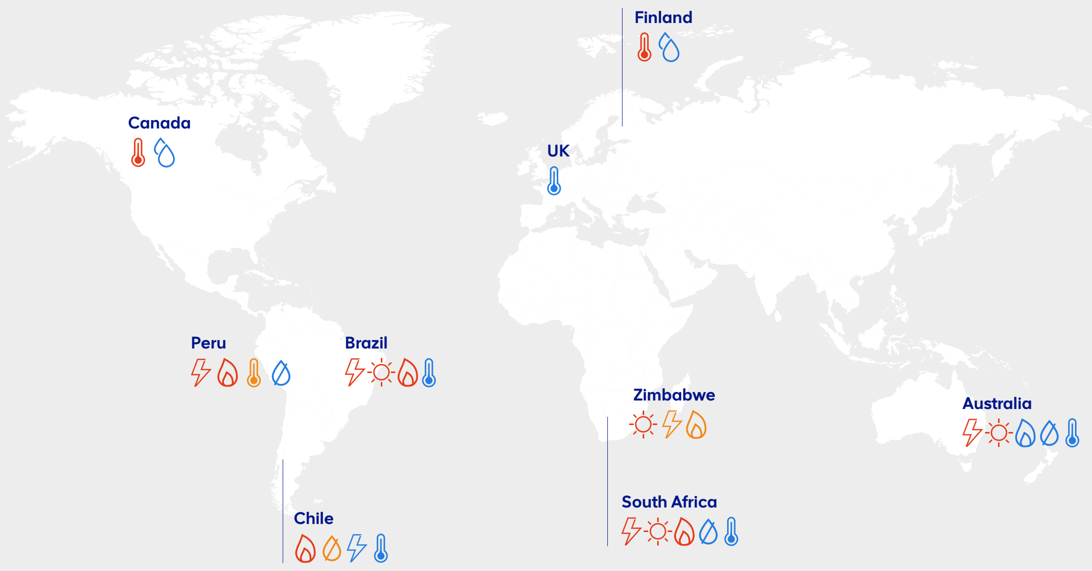
Driven through our existing Social Performance management system – the Social Way – we are integrating climate-related social and community impacts into individual site management approaches. The inclusion of a community climate vulnerability risk assessment considers how host communities can build climate resilience and adaptation measures and how Anglo American and its partners can support their development and implementation. This includes refining our approaches to social and human rights risk and impact identification and analysis, livelihood-based vulnerability assessments using a sustainable-livelihoods model, and building informed consultation through stakeholder engagement.

Logistics

Part of our PCCRR process includes working with our logistics partners to assess the vulnerabilities of our logistics routes, which are in some cases already facing climate-related impacts. For example, the rail line from our Sishen mine to the Saldanha port, critical to our Kumba iron ore operations in South Africa, is a bottleneck that continues

Identified potential hazards in 2050: managed operations and key greenfield projects

The following is based on a top-down hazard assessment, conducted in 2023, using climate hazard metric projections for the SSP5–8.5 scenario in the year 2050. We use this scenario to inform phase one of our PCCRR process, to ensure we capture all potential risks, i.e. the potential impacts resulting from a particular hazard. These risks are further studied in phase two against the SSP2–4.5. scenario to ascertain risk significance. We have full, detailed hazard assessments for each of our assets across all three SSP temperature scenarios detailed above, in five-year increments from 2020 until the year 2100. Below is a simplification of this data for reporting purposes.



Physical hazard

- Extreme weather events
- Water stress/drought
- Extreme heat (days over 35°C)
- Increase in average annual precipitation
- Wildfires
- Rise in average annual temperature

Change in hazard

- >15% Extreme change
- 10%–15% Significant change
- 5%–10% Material change

Key physical climate change risks across our operations

Through the PCCRR assessments conducted to date, we have identified a range of risks that are relevant across many of our sites. Most of the risks arising are already impacting our operations today, and we recognise that over the next decades, their likelihood and consequence will be exacerbated by climate change. Through the site level PCCRR work, we are improving controls and implementing adaptation actions to address these risks and continue to strive for resilience in the context of a changing climate.

Change in annual precipitation
- Change in availability of water
  - Ecological impacts

Water stress/drought
- Disruption from lack of access to water for operations
- Impact on ecosystems and agriculture
- Reduced community access to water
- Compromised viability of vegetation on rehabilitation
- Challenges managing dust impacts

Extreme weather events
- Operational disruption from heavy winds, lightning, heavy rains
- Inadequate design parameters on key infrastructure (tailings, dams, water treatment etc)
- Rehabilitation stability impacted through intense rains
- Delays at ports due to impacts on docking and loading and offloading operations

Extreme heat
- Increased heat exposure leading to reduction in workforce efficiency and increase in fatigue
- Exceeding equipment design criteria leading to breakdowns and downtime
- Increase in energy consumption for ventilation and cooling
- Impact on railways (rail buckling)

Rise in average annual temperature
- Impact on ecosystems, ecological shifts
- Potential spread of pests/diseases to wider ranges

Wildfires
- Safety and health risks
- Impact on biodiversity and communities

to cause disruptions. Analysis of our internal data on the current causes indicates that over the period 2020–2022, 21% of the disruptions on the Sishen-Saldanha rail were weather related. The projected increase in extreme weather across South Africa will further increase the pressure on this railway, potentially increasing the rate of wash-aways, derailments and traffic stoppages due to extreme temperatures and excessive rainfall. Engagement with Transnet, the entity managing the railway, has therefore been initiated to explore the climate resilience of the railway.

A strategy to deliver a future-enabling portfolio

The evolution of Anglo American's portfolio is guided by our strategy. Specific choices with respect to our portfolio are governed by a set of strategic principles. These principles also inform our capital allocation and investment appraisal processes, ensuring consistency of strategic decision making across the Group, and embedding climate-related considerations at all stages.

In addition to these principles, we also assess the alignment with and resilience of our portfolio and opportunities to a range of long term trends including, critically, the implications of climate change. We explore how the world might develop under a range of climate change pathways and the potential outcomes for mining profit pools and for our business.

Our portfolio comprises future-enabling products that support the transition to a cleaner, greener, more sustainable world and that cater to demand trends of a growing global population. Our growth capital expenditure is earmarked for projects in key future-enabling metals and minerals, including copper, polyhalite and high quality iron ore.

Allocating capital to achieve our targets

Anglo American's Purpose to re-imagine mining to improve people's lives is brought to life in the composition of our portfolio, supplying materials that enable a more sustainable, lower carbon future and the demand to improve living standards and nutrition for a growing global population. We draw on multiple sources to judge the contribution that individual assets would make to the portfolio under different climate scenarios and, amongst other things, this informs the way that we allocate capital. As a result, the mix of our portfolio is predominantly towards future-enabling metals and minerals. More than 90% of our growth capital expenditure is allocated to projects in these future-enabling products.

Ensuring the continued resilience of our portfolio to the physical impacts of a changing climate is also a key priority in our allocation of capital. Investments in maintaining this resilience are driven by our continuing climate change risk management processes and, for example, include investments related to reducing the consumption of fresh water where it is expected to become scarcer, or where there is a risk of future disruption owing to flooding. These investments are subject to the Group's robust investment evaluation criteria and to technical and financial assurance.

Carbon pricing

Our major investments take into account the potential future cost of carbon by embedding forward-looking carbon price assumptions, which are developed in conjunction with leading external providers and are differentiated by geography and time horizon, into our multi-faceted investment decision making considerations. The aim is to reflect our best estimate of the level of carbon pricing likely to prevail in the respective jurisdictions over time. We forecast carbon prices to be between $20 and $95 per tonne on a 2023 real basis across regions by 2030. This approach ensures that project returns are evaluated on a realistic basis alongside consideration of a project's impact on carbon abatement and portfolio resilience to the effects of climate change.

Accounting judgements and estimates

Climate change potentially impacts a number of the judgements and estimates made when preparing the Group's financial statements. Potential impacts arise in three principal areas: physical risk such as extreme weather events; transition risk as demand shifts between products; and the Group's climate ambitions, as the financial impact (both risks and opportunities) of climate targets is reflected in operational decisions and cost structures.

The estimation of recoverable amount for the Group's non-current assets is currently the only judgement or estimate which is materially impacted by climate change. Further information about this estimate, together with additional information in other areas which may be impacted in the medium to long term, can be found on pages 234–236 of this report.

▶ For more information on how we allocate capital
See pages 76–78

Our pathway to operational carbon neutrality by 2040

Achieving our target of carbon neutrality[7] across our operations is a complex, multi-dimensional challenge. It begins from a clear and detailed understanding of current emissions sources. This understanding allows us to take decisions on the best means of abatement. The target of a 30% reduction in Scope 1 and 2 GHG emissions by 2030 is an interim target on our journey to carbon neutrality.

Progress in 2023

In 2023, our total Scope 1 and 2 emissions decreased by 6% to 12.5 Mt CO_2e (2023: 7.5 Mt CO_2e and 5.0 Mt CO_2e respectively, 2022: 8.3 Mt CO_2e and 5.0 Mt CO_2e respectively). This equates to a 7% reduction compared with the 2016 baseline on which our 2030 target is set. The emissions intensity of our production (Scopes 1 and 2) reduced by 4% compared with 2022 (2023: 5.8 t CO_2e/t CuEq and 6.1 t CO_2e/t CuEq).

Compared with 2019, when our emissions peaked, we have delivered a 26% reduction in our total Scope 1 and 2 emissions (2019: 16.8 Mt CO_2e) and a19% reduction in our emissions intensity.

Improvements in the management of methane in our steelmaking coal business have made the largest contribution to this reduction in emissions. Completing the roll-out of renewable energy in South America in 2023 was also a significant milestone. Nevertheless, the associated Scope 2 emissions reductions were offset by an increase in electricity consumption in South Africa, as a result of restarting a number of processing plants initially shut down in 2022.

Progress to 2030

Scope 1 – methane

Methane emitted from our Australian steelmaking coal operations makes up the largest component of the Group's Scope 1 emissions. In 2023, we reduced our methane emissions by 19% to 3.8 Mt CO_2e (2022: 4.7 Mt CO_2e).

We have two predominant categories of methane emissions: rich gas, which we capture and use for power generation and ventilation air methane (VAM). As we mine deeper, we are producing more gas, including both rich gas and VAM.

The reduction seen in 2023 has been achieved primarily through improved operational practices aiming to eliminate venting of rich gas by leveraging improved infrastructure. This has also allowed us to increase further the beneficial use of gas with third parties. Our aim is to eliminate methane venting from our operations, while safe to do so.

We have invested significantly, c.$100 million per annum, in methane pre-drainage infrastructure at our underground steelmaking coal operations. In 2023, across these operations, we abated approximately 60% of methane emissions, including 5.3 Mt CO_2e emissions through the capture and delivery of methane to gas-fired power stations with our partner and third-party operator, EDL. These power stations have an electricity generation capacity of 145 MW – enough to power more than 100,000 homes in Queensland each year.

The remaining 40% of methane emissions are principally in the form of lower concentration VAM. The lower concentrations make it more difficult to capture and use safely than rich gas. Through concept studies, we are increasing our levels of confidence of how we can manage these emissions in an economic, safe, and technologically viable way. A frontrunning technology is the use of regenerative thermal oxidation (RTO), which has now progressed to the pre-feasibility stage. RTO is an air pollution control process that destroys hazardous air pollutants, volatile organic compounds and odorous emissions created through industrial processes. A key feature of the process is regenerative heat recovery, which makes the system extremely fuel efficient.

▶ For more on how we are capturing methane at our steelmaking coal operations
See page 56

Scope 1 – energy efficiency

Our electrification programme and the transition away from fossil fuels will contribute to the energy efficiency of our operations. The technologies we deploy through our FutureSmart Mining™ programme and our continued focus on improving operational and production efficiencies are reducing energy demand and costs and helping us avoid GHG emissions. These technologies, underpinned by our energy and CO_2 management (ECO2MAN) programme, are pivotal to ensuring continuous energy management and optimisation at our sites.

In 2023, our energy consumption increased by 7% to 89.0 m GJ (2022: 83.3 m GJ). This increase was driven mainly by the ramp-up of our Quellaveco operation towards full production, anticipated as part of our updated trajectory, which was supplied by 100% renewable energy sources.

Scope 2 – powered by renewables

In 2023, we sourced 53% of our electricity supply from renewable sources. We are committed to working towards decarbonising the balance of our electricity supply via the use of power purchase agreements and self-developed generation at site.

With our Quellaveco operation in Peru reaching 100% renewable energy through its supply partnership with Engie in April 2023, all our South American operations (Brazil, Chile and Peru) are now powered by 100% renewable electricity. Building on this progress, as announced last year, we have secured 100% renewable supply to meet all our electricity needs in Australia from 2025. Partnering with the Queensland government-owned provider of electricity and energy solutions, Stanwell Corporation, we will effectively remove all Scope 2 emissions from our Steelmaking Coal business. This new agreement brings significant environmental benefits and is net present value (NPV) positive compared with our current energy mix, while underwriting a large investment in 650 MW renewable energy generation for Queensland, materially impacting emissions in the region.

This means that from 2025, we expect to be drawing approximately 60% of our global electricity requirements from renewable sources, transforming our Scope 2 emissions profile.

In October 2022, Anglo American formalised a partnership with EDF Renewables (EDFR) to form a jointly owned company, Envusa Energy. Envusa Energy is expected to develop a regional renewable energy ecosystem in South Africa with the aim of meeting 100% of Anglo American's operational power requirements, with excess electricity aimed to be supplied to the grid to add capacity.

Climate change performance

Scope 1 emissions 2023

7.5Mt CO_2e

(2022: 8.3 Mt CO_2e)

Scope 2 emissions 2023

5.0 Mt CO_2e

(2022: 5.0 Mt CO_2e)

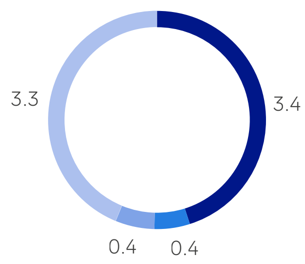
Scope 3 emissions 2023*

96 Mt CO_2e

(2022: 105 Mt CO_2e)

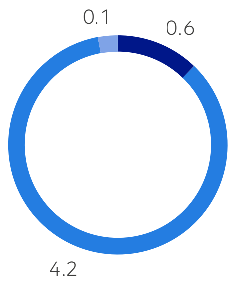
Anglo American GHG emissions 2023

Scope 1 (Mt CO_2e)



- CO_2e from fugitive emissions from coal mining
- CO_2e from methane flaring
- CO_2e from processes
- CO_2e from fossil fuel consumption

Scope 2 (Mt CO_2e)



- Australia
- South Africa
- Other

* Scope 3 emissions include each of the 15 categories included in the Greenhouse Gas Protocol's methodology.

Envusa Energy has made significant progress in the delivery of its mature pipeline of more than 600 MW of solar and wind power to our operations. Financial close on the three projects that form the Koruson 2 project on the border of the Northern and Eastern Cape provinces in South Africa is expected in the first quarter of 2024. Once operational, Koruson 2 aims to supply 520 MW of renewable power (240 MW of solar and two 140 MW wind projects) to our operations, displacing 12% of our global Scope 2 emissions, approximately 1.5 Mt CO_2e.

Anglo American's businesses with operations in South Africa (Anglo American Platinum, Kumba Iron Ore, and De Beers) have committed to 20-year electricity offtake agreements with Envusa Energy. These agreements will see Anglo American Platinum receiving 461 MW of supply, Kumba's Kolomela mine 11 MW, and De Beers' Venetia mine 48 MW. All projects are to reach commercial operation during 2026.

On-site solar projects at both our Sishen (65 MW) and Unki (35 MW) operations are also progressing, targeting the end of 2024/ early 2025 to commence construction, with a mature pipeline of additional projects following shortly thereafter.

In 2023 Envusa Energy was also granted a licence to trade electricity in South Africa.

Progress to 2040

Transitioning from diesel consumption is a notable challenge; we have therefore, prepared a technology development roadmap, including hydrogen, battery and other forms of diesel fuel alternatives. Working in conjunction with First Mode, as announced in 2022, we are developing multiple pathways to deliver operational decarbonisation, comparing technologies across different time horizons. We remain

Gas plant at Grosvenor. Around 60% of the methane gas from our underground coal mines is captured, and then supplied to Queensland's electricity grid.

Capturing and recycling methane

Coal mining everywhere creates methane emissions. Methane is produced during the coal mining process when the gas, which is trapped in coal seams, is released. At our Steelmaking Coal operations in Queensland, Australia, we encounter two predominant sources of methane emissions: rich gas, which we seek to capture and use for power generation, and ventilation air methane (VAM). Given the limits of current technology, however, the low methane concentrations in VAM cannot currently be captured for beneficial use.

As part of our constant endeavour to improve safety, Anglo American since 2006 has been capturing methane, a greenhouse gas (GHG) some 80 times more potent than carbon dioxide (CO_2) over a 20-year period. Methane is being captured at Moranbah, Grosvenor and Capcoal mines' underground coal seams through a series of shafts and pipeline networks. The methane-capture infrastructure, which includes third-party-owned power stations on our sites, captures around 60% of the methane produced, which is supplied to power generators for the production of electricity for the grid, powering 100,000 Queensland homes. This reduces emissions by around 5.3 Mt CO_2e per year.

Ventilation air methane (VAM) abatement

Initial concept studies have been undertaken to identify the best approaches to VAM abatement and methane emission reduction.

A frontrunner is our engineering study using regenerative thermal oxidation (RTO), which has now progressed to the pre-feasibility stage. RTO is an air pollution control process that destroys hazardous air pollutants, volatile organic compounds and odorous emissions created during industrial processes. A key feature of the process is regenerative heat recovery, which makes the system extremely fuel efficient.

We are also partnering with Low Emission Technology Australia to study possible solutions for VAM abatement as well as actively participating in several industry methane management forums and supporting the UN Environmental Programme's International Methane Emissions Observatory measurement trials through 2023.

Steelmaking coal – stronger for longer

CEO of our Steelmaking Coal business, Daniel van der Westhuizen, comments: "Methane emissions represent the largest component of Anglo American's Scope 1 emissions, and how successful we are in methane mitigation will be crucial to meeting our goal of reducing our Scope 1 and 2 GHG emissions by 30% by 2030. This process must be ongoing because even in low-carbon pathways, steelmaking coal is likely to remain a key input into steel until at least the 2040s."

technology agnostic in our drive to evolve and transform our operations. We are also looking at options to transition mining underground in various operating regions and are developing electrified, lower impact equipment and mining methods to help deliver sustainable and profitable operations.

Our approach to emissions reduction has always been guided by the mitigation hierarchy: Avoid – Reduce – Substitute – Sequester – Inset – Offset. In anticipation of the fact that we do not yet see a pathway to absolute zero for our Scope 1 and 2 emissions, we are working to address our harder-to-abate residual emissions in line with this hierarchy, while permanent solutions are sought.

▶ For more on our carbon abatement projects
See pages 33–37 of our Climate Change Report 2023

Scope 3 – our commitment to decarbonising our value chains

Anglo American remains committed to working across value chains to reduce emissions. We have set an ambition to reduce our Scope 3 emissions by 50% by 2040, on an absolute basis, against a 2020 baseline. Each year we improve our understanding of how decarbonisation can be achieved across our value chains and the role we can play in supporting this.

In 2023, our Scope 3 emissions reduced by 8% compared with 2022 (2023: 95.8 Mt CO_2e; 2022: 104.5 Mt CO_2e; 2021: 98.5 Mt CO_2e). This equates to a reduction of 17%, compared with our 2020 baseline. No changes were made to our Scope 3 methodology when calculating our emissions for 2022 and 2023.

We continue to make progress in reducing emissions from our primary source of Scope 3. The processing of our iron ore remains the largest contributor to our emissions profile, with category 10 emissions from steelmaking accounting for 50.9 Mt CO_2e, or 47% of total emissions, in 2023 (2022: 47.8 Mt CO_2e and 54% of total emissions; 2021: 47.2 Mt CO_2e and 52% of total). The emissions intensity of our iron ore* has fallen by 5% in 2023 versus the 2020 baseline.

To deliver on our ambition of reducing Scope 3 emissions by 50% by 2040, we are focused on collaborating with our highest emitting customers and supplier partners to work towards a common goal of emissions reduction through efficiency savings and technological advancements.

Steel is a critical foundational material for almost all infrastructure and will provide the backbone of the low carbon economy and wider, long term socio-economic development. In 2023, an estimated 1.9 billion tonnes of crude steel were produced globally.

Despite increased interest in the use of recycled steel in the industry, c.70% of steel production is dependent on primary iron ore supplies. This is expected to remain at around 60% out to 2050. The steel industry is continuing to develop and grow new technologies to provide lower carbon steel and iron. This includes the use of more efficient processing, natural gas and hydrogen fuelled DRI, which are reliant on high-quality iron ore feed. We are growing our share of high-quality pellet feed and premium lump ore to support the scaling of these technologies and lower emissions from the steelmaking industry.

In 2023, we agreed several MoUs with our customers, including H2 Green Steel, Meranti Green Steel and Baosteel, with a focus on reducing emissions within the steel value chain. These new MoUs join ongoing MoUs with counterparties including Nippon Steel, Salzgitter, and Thyssenkrupp. The collaborations focus on accelerating the adoption of less carbon intensive production technologies, such as in the DRI and electric arc furnace (EAF), using Anglo American's premium quality iron ore products from Kumba Iron Ore's mines in South Africa and Minas-Rio in Brazil.

Our activities with suppliers and our operations contributed approximately 5% of Anglo American's Scope 3 footprint in 2023, predominantly through the procurement of mining equipment, services and capital goods.

We have set an ambition to achieve carbon neutrality across our controlled ocean freight activities by 2040, with an interim 30% reduction in emissions by 2030. Emissions reductions up to 2030 will largely come from existing or emerging technology. We anticipate a large proportion of the reductions will come from existing alternative fuels, such as LNG and biofuels, with the rest coming from energy-saving devices and commercial optimisation strategies, wherever applicable.

▶ For more on how we are decarbonising our shipping fleet
See pages 36–37 of our Climate Change Report 2023

Protecting our natural environment

Protecting our natural environment is material to us and is increasingly expected by our stakeholders and society. As custodians of the land and ecosystems around our operations, we seek to improve the footprint of our operations and direct our efforts towards delivering positive and lasting environmental outcomes for host communities and our wide range of stakeholders. Our environmental work involves protecting the biodiversity of areas in which we operate, accounting for and optimising our water use, supporting the circular economy throughout the value chain and across our business, and addressing quality of the air around our operations.

Our approach and policies

Our approach to the environment is a blend of helping nature by protecting and restoring it, while simultaneously investing in innovative technology and nature-based solutions to mitigate impacts, develop a circular economy, drive sustainable value chains and create an enabling policy environment to address challenges and unlock opportunities.

Our Sustainable Mining Plan outlines our strategic approach to sustainability and upholds our commitment to being stewards of the natural environment in which we operate.

In particular, the Sustainable Mining Plan focuses on a mindset of causing zero harm to the environment and delivering a net positive impact (NPI) for biodiversity and, at the same time, a lasting positive legacy for society. We also look beyond what we can achieve alone, collaborating globally with a diverse range of partners to develop and implement sophisticated solutions that support our sustainability goals. We believe that delivering positive outcomes for the environment in turn delivers positive outcomes for people and our business. This is consistent not only with our Purpose and our Sustainable Mining Plan, but also with the UN SDGs and Kunming-Montreal Global Biodiversity Framework.

Our approach is to prioritise the environment throughout the lifespan of our operations. We look at the entire ecosystem to understand the intertwining relationships of people, nature, climate, air, water, land and the economy.

Aligned with our Purpose, Values, and internationally recognised safety, health and environmental standards (ISO 45001 and 14001), our Safety, Health and Environmental

* Intensity based on dry metric tonnes sold.

(SHE) Policy embodies three guiding principles: zero mindset; no repeats; and non-negotiable minimum standards. Our SHE Way V.2 is the tool we use to manage and improve performance across safety, health and the environment.

▶ For more information on the SHE Policy
Visit angloamerican.com/policies-and-data

Governance
The Board's Sustainability Committee has oversight of the Group's nature and biodiversity related programmes of work and is updated on a pre-planned schedule and, as needed, on progress against those programmes and delivery of targets.

Progress against the Group's biodiversity management programmes is included in the chief executive's scorecard on a quarterly basis.

The chief executive's scorecard offers a succinct, yet comprehensive view of our business performance closely aligned with Anglo American Operating Model principles. It is a management tool used by the chief executive to track business performance through a focused set of financial and non-financial measurements. Each business, asset and function are also responsible to set their own scorecard aligned with the Group scorecard and report against performance on a quarterly basis to the Executive Leadership Team. The Group scorecard is shared with the Board and performance against sustainability metrics shared with the Sustainability Committee of the Board.

Land rehabilitation (reshaping and seeding completed) performance is embedded in our executive remuneration arrangements and is reflected in executive director bonus payouts. This metric is also subject to external assurance as part of the year end reporting process.

We classify environmental incidents on five levels, according to their impact. Our chief executive reports all Level 3–5 incidents (from moderate to significant) to the Board, which discusses them through its Sustainability Committee.

Performance
In 2023, our managed operations completed 905 hectares of rehabilitation out of a planned 1,124 hectares. The completion target was missed due to inclement weather and difficulty in sourcing sufficient seed resources.

In 2023, we saw no Level 3 and above environmental incidents. We were also not issued with any material environment-related fines.

Water
Mining remains a water-intensive industry and we anticipate global water supplies to remain stressed amid the ongoing impact of climate change and variability, with increasing extreme weather events. To address these challenges, we have made water stewardship an integral part of how we operate across all our sites, including our target of a 50% reduction in fresh water withdrawals in water scarce areas by 2030, relative to the 2015 baseline.

Approach and policies
Our approach to water management is embedded in our business plans and aligned with the Social Way, which recognises that access to water is a priority for our stakeholders. We are guided in our work by our Group Water Policy and the Group Water Management Standard. The standard incorporates water issues into the lifecycle of any project, from site selection and early studies, through design to operation, closure and post-closure.

In Limpopo province, South Africa, a water pipe undergoes inspection at the south concentrator plant at our Mogalakwena PGMs mine, which regularly experiences prolonged periods of drought.

Governance
The Board's Sustainability Committee has oversight of the Group's water-related programmes of work and is updated on a pre-planned schedule and, as needed, on progress against those programmes and delivery of targets. Progress against our water targets is also included in the chief executive's quarterly scorecard.

Fresh water withdrawal data is subject to external assurance as part of the year end reporting process.

Performance
Our fresh water withdrawals (for target sites) increased by 6% to 38,040 megalitres (ML) (2022: 35,910 ML), reflecting a rise in dewatering required for mining to progress into new areas at our Kolomela iron ore mine in South Africa, increased water demands due to higher operational requirements for the underground operations at Moranbah-Grosvenor steelmaking coal mine in Australia, and higher precipitation at Los Bronces copper mine in Chile. Such annual variability is expected until such time as major fresh water savings and replacement projects are completed.

Mineral residue management
The management and storage of waste rock and processed mineral residue remains a critical issue for the global mining

industry. Mineral residue management presents us with social, safety and environmental challenges throughout the lifecycle of our mining operations and, as such, we welcome the introduction of the comprehensive Global Industry Standard on Tailings Management (GISTM). In 2023, we made significant progress towards bringing our 12 tailings storage facilities (TSFs) that are currently within the two highest potential consequence categories into conformance with the GISTM, while also working to develop and implement technological solutions – including enhanced and standardised control systems – across our operations.

Our approach and policies

Our Group Mineral Residue Facilities and Water Management Structures Standard and Policy address the risks of both processed mineral residue and water management facilities, as well as waste rock dumps. The standard sets out requirements for design, monitoring, inspection and surveillance of our processed mineral residue facilities, which we follow as a minimum requirement practice in each jurisdiction where we operate. It is aligned with current best practice, including the requirements of the GISTM where applicable.

As a member of the ICMM, Anglo American has adopted the ICMM Conformance Protocols that enable progress towards conformance with the GISTM to be assessed.

We make available publicly our Processed Mineral Residue Facilities and Water Management Structures Standard, and Policy, which have been approved by the Board and include all the technical requirements of the GISTM.

▶ To view the full standard and policy
Visit angloamerican.com/esg-policies-and-data/download-centre

Governance

To ensure proper management and oversight of our TSFs, we seek to build in additional lines of internal and external operational support and assurance.

As part of our GISTM implementation, Anglo American requires the appointment of an accountable executive who is responsible for safety and emergency management at each TSF. An accountable executive has been appointed at all managed operations and the majority of our non-managed operations.

The GISTM also requires the appointment at each TSF of an internal engineer to be the competent person responsible for the integrity of a facility, known as the responsible tailings facility engineer (RTFE); and an external engineer, known as the engineer of record (EoR), which entails the engagement of a specialist engineering firm. All of our TSFs with a consequence rating of 'major' have an RTFE and EoR in place.

In addition, the GISTM requires an independent tailings review board (ITRB) to be in place for additional oversight. All major TSFs have appointed an ITRB.

Our Risk, Assurance and Governance Policy implements a model based on the 'three lines of defence model': the first line comprises of the accountable executive, RTFE and EoR, who own and manage the risk. The second is an internal corporate team, which provides expertise and support, and challenges the assumptions of the first line. Conformance with the standard and associated technical specifications is approved by the accountable executive, then verified and reported to the technical & operations director, the chief executive, and the Board and Sustainability Committee. An independent third line is provided by Anglo American's internal audit function, which could include external and independent consultants based on the objectives of the audit. Findings are reported to the Board's Audit Committee.

▶ For more information and disclosure
Visit angloamerican.com/tailings

Mogalakwena PGMs mine in South Africa is piloting the first brownfield application of hydraulic dewatered stacking (HDS) tailings at Anglo American.

Performance

Anglo American played an active role in the multi-stakeholder process of developing the GISTM, which covers standards and practices over the entire tailings facility lifecycle and sets a high bar for the mining industry to achieve strong social, environmental and technical outcomes. The GISTM is intended to be applied to existing and future tailings facilities, wherever they are found, and to whomever operates them.

We have made very significant progress towards conformance with the GISTM over the past three years, building upon our already high technical standards.

We are continuing to work towards full conformance with the requirements of the GISTM, as well as the social and community aspects that are already encompassed in our comprehensive Social Way management system. As set out in our 2023 GISTM disclosure, we are addressing the few outstanding areas for the tailings facilities with Very High and Extreme Consequence Classification Ratings, and have set out the work needed to get us there.

▶ To view our Tailings database
Visit angloamerican.com/esg-policies-and-data/tailings-summary/tailings-database

Playing our role in society

As a global business, we see it as our role to make a positive contribution to society. We are continuing to implement our industry-leading social performance management system for the global extractive sector, the Anglo American Social Way. It represents a comprehensive and innovative approach to how we interact with host communities that prioritises respect and mutual benefit for all stakeholders.

Through our Collaborative Regional Development (CRD) approach, we work to catalyse independent, scalable and sustainable economic development in regions around our operations to support our Sustainable Mining Plan commitments. We also transparently and continuously engage stakeholders to collaboratively find solutions to the most pressing issues of our time. We set our standards high, embedding them into our Code of Conduct. We also have high expectations of our suppliers, and provide guidance and support to emerging companies to meet those expectations, ensuring we address sustainability matters throughout the entire value chain.

Engaging with local communities

Engaging with local communities plays a pivotal role throughout the lifecycle of a mine, from exploration through to project development, the production phase and finally mine closure.

By understanding community concerns and actively involving residents, indigenous groups and other local stakeholders in decision making processes, we identify the best ways to share the benefits of mining with the communities that host our operations.

Our approach and policies

The Social Way provides a social performance management framework for all Anglo American-managed sites, at all phases of development. Aligned with our Purpose and our strategic business objectives, the Social Way embeds international standards and best practice and sets out clear minimum requirements to:

- Engage with affected and interested stakeholders
- Avoid, prevent, and, where appropriate, mitigate and remediate adverse social impacts
- Maximise development opportunities.

The Social Way emphasises the integration of social performance into our core operational planning and processes, including our Operating Model and Sustainable Mining Plan. The Social Way Management System is one of the main vehicles through which we are working to achieve some of our ambitious Sustainable Mining Plan commitments. We have made the Social Way publicly available for other companies to use, and, just as importantly, so stakeholders know what our standards are and what they can expect of us.

Our Sustainable Mining Plan site-level local accountability goal has been incorporated into our Social Way stakeholder engagement requirements.

Governance

Progress against the Group's implementation of the Social Way, including local accountability strategies and mechanisms, is included in the chief executive's scorecard on a quarterly basis and is reviewed by the Board's Sustainability Committee at least annually. Incidents with social consequences are also reported to the chief executive and Sustainability Committee.

The Social Way requires an integrated and cross-disciplinary approach to the management of social performance at site level.

Performance

Due to internal organisational change and the resultant need to respond to an internal assurance efficiency review, our 2023 Social Way assurance programme was completed via self-assessment, rather than third-party review. The site level self-assessments were supported by a verification exercise with the relevant members of the business and Group Social Impact team to stress-test the results and gaps, and support improvement planning. Data from this exercise shows that 73% of Social Way requirements had been implemented across relevant sites. Although sites are assessed annually against all requirements applicable to their context, for consistency during the transition period, this metric reflects performance against the Social Way foundational requirements.

Grievances and incidents

We define a grievance as a complaint from an external stakeholder relating to the site, its policies, activities, real or perceived impacts, or the behaviour of its employees or contractors. Grievances are an expression of dissatisfaction with the company on the part of stakeholders.

Incidents with social consequences are the unwanted events related to site activities that have an adverse impact on the health and safety, economic welfare, personal and political security and/or cultural heritage of stakeholders. An incident with social consequences may arise from a site's technical failure or accident, or a failure to anticipate, prevent or mitigate an impact.

Our objective is to avoid incidents, but also to encourage stakeholders to raise their grievances or concerns with us in a free and open manner. Because of this, while we keep a track of the number of grievances received, we do not use this as a performance indicator. An increase in the number of grievances may reflect greater confidence that grievances will be heard and acted upon. As a metric of performance, we prefer to focus on the number of actual incidents with social consequence. We rate the seriousness of incidents according to the consequences experienced by stakeholders, the most significant being Level 5.

In 2023, we recorded one incident with social consequences (2022: zero).

Economic development of local communities

We are committed to working with other businesses and organisations that support local economies. This includes, but is not restricted to, helping businesses and organisations to strengthen the skills and capabilities needed to enable an area to diversify its economic activities beyond mining and become more resilient. Partnering with governments, communities, other private sector companies, academia, financial development institutions and NGOs through our CRD work, we jointly identify opportunities for long term social and economic development, which we then collectively deliver.

Sustainable job creation

Our approach and policies

Our operations are often located in remote or rural areas with limited alternative economic activities and high levels of unemployment, particularly youth unemployment. Joblessness dominates many domestic policy agendas and is a frequently cited issue in community consultations. It also represents a major financial pressure on the fiscal resources of many countries in which we operate.

We seek to ensure residents in host communities have access to employment opportunities that will allow them to improve their standard of living and their livelihoods. The nature of mining, involving the stewardship of finite resources, means that transitions are an integral part of our work, especially with respect to mine closure. Creating off site non-mining-related job opportunities is particularly important in mitigating risks to changing workforce skill and quantum.

The socio-economic contribution we make to the communities in which we operate takes various forms:

– The royalties and taxes we pay (and collect on behalf of governments) add economic value to a country
– Business operations that deliver economic value to communities, enhanced by policies on inclusive procurement, local recruitment and supporting local suppliers
– Long-running socio-economic development interventions, in collaboration with local partners, which address local needs, building and strengthening sustainable local economies that are less dependent on our mines.

Taking a long term view, we design our operations and community development initiatives so that communities and economies continue to thrive, particularly after our mines have closed.

Governance

The Thriving Communities pillar of our Sustainable Mining Plan includes a livelihoods stretch target to support five jobs off site for every job on site by 2030. We have an interim target to achieve three jobs off site for every job on site by 2025. The Group's off site jobs supported ratio is included in the chief executive's scorecard that is reviewed on a quarterly basis, and is then reviewed and discussed by the Sustainability Committee.

Taking onions to market in Limpopo province, South Africa. Agriculture is a key area where the IFN is helping to make a real difference, at scale, to economic upliftment.

Our Impact Finance Network – uplifting regional economies

How to foster lasting and sustainable socio-economic development in the poorer, mainly rural, regions around mining operations is a constant challenge for the mining industry.

At Anglo American, we have longstanding experience in the business of uplifting communities and improving people's lives. Aligned and closely integrated with the goals of our Sustainable Mining Plan, and our innovative Collaborative Regional Development partnership model, our Impact Finance Network (IFN) is our tailored technical assistance and matching programme designed to mobilise third-party impact capital to create positive, sustainable social and environmental change in host countries and regions around our mines.

Helping high-impact entrepreneurs

Impact investing is thriving. It is estimated to be worth $1.2 trillion globally. There are, however, still significant barriers that prevent the flow of capital to impact enterprises: for instance, entrepreneurs often lack knowledge and experience in presenting their businesses to potential investors, which makes closing impact-investing deals challenging for both businesses and investors.

That is why the IFN is partnering with experienced enterprise-development consultants such as Impact Capital Africa and Edge Growth in southern Africa, and Fundación Chile and Andes Impact in Chile and Peru. Concentrating primarily on jobs and opportunities 'beyond the mine', the IFN is helping to accelerate the process of supporting enterprises to become 'investment ready' by identifying impact businesses with the potential to grow and scale up, and then matching them with potential impact investors.

Delivering impact in southern Africa – and beyond

Anglo American's impact investment manager, Emma Parker, comments: "Our PGMs business is exploring how it could modify the IFN standard operating model to deliver greater impact in South Africa's Limpopo province. We have already taken a close interest in several promising companies in Limpopo, and are building our network there through initiatives like roadshows and our recent impact investment conference in Polokwane, which brought together impact and sustainable investors. We are also partnering with banks and non-bank credit providers to support host-region business growth by making available affordable debt funding to businesses in non-mining sectors, thereby unlocking value, impact and jobs.

"Since 2021, we've identified a pipeline of businesses with operations in South Africa, Namibia, Botswana, Zimbabwe, Zambia and Chile and brought them together with a network of impact investors seeking social investment opportunities. We've provided technical assistance to more than 80 social and environmental impact companies in our operating markets, supported 22 companies to close deals with a cumulative value of $25.5 million, and projected to support over 13,000 livelihoods.

"And we are just getting started. Our plans are to expand our geographic reach and we are now implementing a pilot in Peru and planning a Brazil pilot in 2024. We see huge potential to expand the IFN's scope and influence."

The off site jobs supported ratio is embedded in our executive remuneration arrangements, with the executive director and senior management LTIP arrangements, including targets related to achievement of the ratio.

The off site jobs supported ratio is subject to external assurance as part of the year end reporting process.

Performance

By the end of 2023, we had supported 139,308 jobs through socio-economic development programmes since the launch of our Sustainable Mining Plan in 2018. In 2023, we supported 2.4 off site jobs for every on site job (2022: 1.8).

Community development – education and health

We recognise that living our Values and achieving our Purpose of re-imagining mining to improve people's lives requires us to be innovative, inclusive and ambitious in our support for host communities.

We are committed to supporting local community education and health owing to its direct impact on both our workforce and their families. By investing in local education and health capacity and preventative healthcare measures, we can help secure a more stable and supportive operational environment and help foster positive relationships with local stakeholders.

Our approach and policies

Community education

Our approach to community engagement and working in partnership with host communities and other stakeholders to deliver education programmes is guided by the Social Way.

As part of the Thriving Communities pillar of our Sustainable Mining Plan, we aim to drive systemic and long term gains through our education goals. We believe that education is essential to address the triple evils of poverty, inequality and unemployment because it increases students' abilities to access economic and employment opportunities while preparing them with the skills for the future.

Our vision in education is for all children in host communities to have access to excellent education and training. We have established targets of helping schools in host communities to perform within the top 30% of public (state) schools nationally by 2025 and within the top 20% by 2030. To achieve this, we aim to enhance school governance and education practices and, provide the space, didactic tools and technological solutions to deliver quality education.

Our education programmes focus primarily on eight countries: South Africa, Zimbabwe, Peru, Brazil, Chile, the UK, Australia and Canada. We are also exploring programmes for Botswana and Namibia as part of De Beers' Building Forever goals.

Community health

Our approach to community health is informed by guidance and investment targeting that are aligned to the World Health Organization's (WHO) whole of society approach to community health.

Community health programmes involve, but extend beyond, our workforce and their dependants to support the wider community, which means that targeted individuals do not necessarily have a connection to Anglo American, as these initiatives view our communities holistically and strive to achieve equitable access. All stakeholder engagement processes are conducted in line with the Social Way.

Governance

Community education and health

Progress against our community education and health targets are included within the chief executive's quarterly scorecard and shared with the Sustainability Committee as required.

Performance

Community education

We continue to make progress against our Sustainable Mining Plan targets for host community education.

In 2023, we continued to focus on implementing proactive education programmes that deliver measurable impacts and outcomes tailored to the unique needs of young learners in each host community. A key area of focus for our work during the year, particularly in South Africa, has been on driving the long term sustainability of our programmes through supporting parental and school leadership involvement, and providing ICT resources to students and communities.

Community health

As part of the Thriving Communities pillar of our Sustainable Mining Plan, we plan to achieve prioritised SDG 3 targets for health in host communities by 2030. We also have an interim milestone where all our operations should be halfway to closing the gap between the baseline and our 2030 target.

In order to achieve this stretch goal, a robust process of prioritisation of relevant SDG 3 sub-goals was undertaken in each host community, and three priorities per community were identified. Progress is being made towards the 2025 milestone, with programmes in place to address identified health priorities by the close of 2025. Our operations in Australia, Canada, South Africa, the UK and Zimbabwe already have fully functional programmes in place. Priority regions for 2024 include Brazil, Chile and Peru.

The economic value we add

By employing people, paying and collecting taxes, spending money with suppliers and undertaking community and social investments, we make a significant positive contribution to both host communities and their regional and national economies. Most of these are in developing countries. Thanks to the multiplier effect, our total economic contribution extends far beyond the direct value we add. And our contribution does not stop there, with payments to providers of capital also providing returns to lenders and shareholders.

In 2023, we distributed $26.8 billion of cash value to our stakeholders, as detailed in the charts on page 63.

▶ For more information
See our Tax and Economic Contribution Report 2023

Women from the local Gweru community. The work Unki is doing in Zimbabwe is helping to strengthen both local community-health and education systems.

Unki – Enhancing communication and information around health services

Southern Africa continues to suffer from a challenging combination of widespread poverty, high unemployment, elevated levels of HIV infection, and prevalent violence against women. This is taking a heavy toll on people's everyday lives, with health and education systems in particular experiencing many challenges.

Forging partnerships to strengthen health and education systems

In Zimbabwe, health issues, including HIV and other sexually transmitted diseases, and lack of capacity in, and under-delivery by, health systems are serving to undermine both the state and its people. To help address the situation, Anglo American is working with government and third-party institutions to improve equitable access to quality care, and to support individuals to seek care when they need it. To this end, our Unki PGMs mine is working with the Ministry of Health and Child Care, the Zvandiri NGO, and the National AIDS Commission in supporting children and adolescents living with HIV to improve health outcomes through peer and family support, and health systems strengthening.

Building capacity on the ground

In the rural Shurugwi district community around Unki, there are high levels of school drop-out, particularly in the case of girls. This makes girls vulnerable to negative sexual and reproductive health outcomes – a situation aggravated by the transient nature of Shurugwi's contractor and migrant workforce. To help keep pupils in schools longer, and boost their life chances, Unki has invested $2.8 million in education in Shurugwi through a programme named Step-Up.

Working in conjunction with community organisations and NGOs, Unki is not only building physical infrastructure such as classrooms and bringing solar power to schools, but is also funding peer-to-peer social behaviour change communication, counselling and information programmes for Shurugwi's children and youth. Sexual and reproductive health information is particularly important in this respect, and there is a strong emphasis on peer-counselling for girls and young women, who are able to meet up and participate in social and behaviour-change communication programmes designed to strengthen their agency to prevent HIV and pregnancy, and enhance their physical and mental health. Adolescent boys, migrant/contract workers and artisanal miners are also benefiting from community health initiatives that use peer mentors and role models to help provide psychological and social support, as well as clinical support, to enable HIV and sexual and reproductive health associated testing and access to care.

Anglo American's Head of Community Well-being, Alexandra Plowright comments: "The work we are doing in strengthening community health in Zimbabwe is inextricably interwoven with our determination to boost the country's education systems. We are working with young women to support them to access information and knowledge that can inform health seeking behaviour, particularly on sexual and reproductive health issues that concern them, and on ensuring they get the counselling and advice needed to empower them to take control of their future."

Cash value distributed to stakeholders[1]

	$ billion	
Employees	4.0	15%
Taxes and royalties	5.1	19%
Suppliers (including capital investment)	14.4	53%
Community social investment	0.1	1%
Providers of capital	3.2	12%
Total	**26.8**	

[1] Computational discrepancies may occur due to rounding.

Social investment

In 2023, our Community Social Investment (CSI) reached $148 million (2022: $175 million), which represents 2% of underlying earnings before interest and taxes (EBIT), less underlying EBIT of associates and joint ventures.

Since the beginning of the pandemic in 2020, we have increased our CSI investment and slightly readjusted our funding priorities, investing more in health.

Anglo American Foundation

The Anglo American Foundation puts youth at the heart of everything it does, giving young people the tools to create positive impact within their communities and around the world. The Foundation believes a green and fair future relies on an empowered, supported and engaged generation to unlock their full potential and seize sustainable economic opportunities.

Together with its partners, the Anglo American Foundation works closely with young people to understand the challenges they face and collaborate on innovative approaches to drive transformative change.

Human rights

Consistent with our Values, we are committed to respecting human rights across every area of our business. We embed human rights as a foundation of the approaches and standards that we apply throughout our business and value chains.

Our approach and policies

Consistent with our commitments, we have enshrined human rights as one of the critical foundations of our Sustainable Mining Plan. Respect for human rights is stated explicitly in our Code of Conduct and is reflected in our Values. Specific commitments are expressed in our Group Human Rights Policy, which is aligned with the UN Guiding Principles on Business and Human Rights (UNGPs).

Our commitment to human rights is further expressed through our being a signatory to the UN Global Compact, the Voluntary Principles on Security and Human Rights, and the Business Network Commitment on Civic Freedoms and Human Rights Defenders.

Due diligence is central to Anglo American's approach to human rights. It includes the following four components: assessing potential and actual human rights impacts; integrating and acting on the findings from the assessment to prevent, mitigate or remediate the impacts identified; tracking the effectiveness of the actions taken to address impacts; and communicating externally about how impacts are addressed.

As part of the ongoing process to identify and manage key human rights risks, we have integrated due diligence into existing standards that apply to our critical risks and, increasingly, business activities that cut across several risk areas.

The primary Group standards and policies that support due diligence for salient issues – particularly for those matters where there is heightened risk of causing or contributing to adverse human rights impacts – include the Social Way, SHE Way, Responsible Sourcing Standard for Suppliers, Responsible Commodity Sourcing Policy and the Group Security Policy, as well as several labour-related policies (such as the inclusion and diversity; and anti-bullying, harassment and victimisation policies).

Human rights considerations are also routinely incorporated into due diligence for sourcing, origination, and business development opportunities, as well as divestments. Increasingly, contracts with other counterparties, such as joint ventures, include ESG and human rights clauses.

Human rights considerations were integrated throughout the development of our Contractor Performance Management Framework, including the specification of minimum labour rights standards.

We recognise and are committed to the ongoing work required to ensure that our policies and practices are fully aligned with these and other external commitments we have made.

▶ For more on our Contractor Performance Management Framework
See page 68

Governance

A human rights update is presented to the Executive Leadership Team and the Board's Sustainability Committee at least annually, with additional topics presented as the need arises. The Board also approves the Modern Slavery Statement.

Human rights metrics are considered at those operating sites which are undergoing IRMA assurance assessments. Our internal Social Way assessments also include human rights reviews.

Performance

Incidents and grievances can be reported in various ways, including through YourVoice, operational grievance mechanisms and internal reporting processes. Since human rights touches on almost every aspect of human life, a number of incidents relate in some way to human rights. Our focus is therefore on incidents with the most severe actual or potential human rights impacts. Such incidents are generally categorised as incidents with Level 4–5 safety, health, environment or social consequences.
In 2023, there were three recordable occupational safety losses of life, which constitute the most severe human rights impact. On social consequences, there was one significant Level 4 incident which involved the loss of life of a contractor, a community member, who was working off site in support of a livelihood programme. There were no health or environmental incidents with a human rights impact in 2023.

Adverse impacts on labour rights in the workplace outside of safety and health – such as discrimination, bullying, victimisation and harassment – are reported through YourVoice or human resources processes, but not currently categorised using the same 1–5 severity levels.

▶ For more on YourVoice
See page 74

Supply chain

Our approach to responsible sourcing is aligned to our Purpose. We expect all suppliers to meet applicable laws – while sharing our commitment to improve people's lives, society and our environment. Our programme defines minimum sustainability requirements and decent work principles required by our 13,000+ suppliers. This allows us to prioritise ethical decision making when selecting and managing the suppliers we work with, and to support and uphold fundamental human rights through our supply chain.

Our approach and policies

We require our suppliers to comply at a minimum with relevant laws and applicable industry regulations. We also expect them to meet Anglo American's policies, site requirements and other supply conditions, including those outlined in our Responsible Sourcing Standard. The standard sets out our conditions for working with our business. This includes our expectations of suppliers in relation to protecting the health and safety of workers and the environment, respecting labour and human rights, contributing to thriving communities, and ethical business conduct. It clarifies steps that suppliers must take to comply with the standard.

Global CSI expenditure by type[1]

	$m	
Community development	63	43%
Education and training	35	24%
Health and welfare	16	11%
Water and sanitation	12	8%
Other	11	7%
Institutional capacity development	4	2%
Sports, art, culture and heritage	3	3%
Disaster and emergency relief	3	2%
Environment	2	1%
Total	**148**	

[1] Discrepancies may occur due to rounding.

Global CSI expenditure by region[1]

	$m	
Africa	80	54%
Americas	56	37%
United Kingdom	7	5%
Rest of World	4	3%
Australia	1	1%
Total	**148**	

[1] Discrepancies may occur due to rounding.

Our Inclusive Procurement Standard seeks to provide guidelines that will ensure our employees and contractors are involved in sourcing decisions. It works to adequately equip and advance meaningful inclusion of host communities and other marginalised groups into our supply chain to generate shared, sustainable prosperity in those communities. The standard ensures an effective, consistent approach and commitment towards inclusive procurement across all our operations.

Global supply chains can generate economic growth and contribute significantly to social development – many businesses, therefore, seek to diversify sources of supply or further integrate into new jurisdictions or local economies. However, as some markets or regions may not have safe workspaces and labour protection as a non-negotiable imperative, there is an increased risk of potential for human rights violations, including the use of child labour, modern slavery, forced labour and human trafficking.

In their onboarding process, suppliers are required to confirm agreement to, and may be required to provide further evidence of, compliance with Anglo American policies – including Inclusive Procurement, Business Integrity, Safety, Environment, and Responsible Sourcing. As part of the contracting process, these requirements are included in supplier agreements. We also require suppliers to provide information and attestations on a range of ESG topics.

Governance

Our supply chain leadership team tracks a number of performance metrics on a monthly basis across inclusive procurement and responsible sourcing. These include, procurement spend with host community suppliers, the number of high-risk suppliers where responsible due diligence was conducted, the number of high risk issues under management, and the number of small- and medium-sized suppliers on capacity development programmes.

Performance

In 2023, our operations spent approximately $14.4 billion ($14.8 billion) with suppliers, of which $13.0 billion was with local suppliers (2022: $13.6 billion). Our expenditure with designated suppliers (Black Economic Empowerment in South Africa, Indigenous communities in Canada and Aboriginal Suppliers in Australia) was $3.7 billion (2022: $3.4 billion), representing 26% of total supplier expenditure, including $2.4 billion with host communities in the direct vicinity of our operation (2022: $1.9 billion).

People

Our people are critical to all that we do. The partnerships we build, both within Anglo American and with our stakeholders – locally and globally – are central to maintaining our regulatory and social licences to operate and our commercial success.

A more engaged and inclusive approach to safety leadership

Central to our Purpose is our relentless endeavour to keep our people safe and well.

So, alongside our introduction of new technologies that are making Anglo American a safer and healthier place to work, we are building a stronger safety culture, based on the established concept of Visible Felt Leadership (VFL), to help leaders, at all levels, demonstrate in a personal way how much they care about their teams' safety and well-being in the workplace.

At Anglo American, we see VFL as an active, practical and highly visible expression of living our Values, connecting, in the field, on a one-to-one or small-group basis around a task or activity, and ensuring that it is done safely and effectively. Unlike traditional 'top-down' interventions, which were generally regarded by both leaders and front line workers as "looking to see what's wrong", our approach to VFL recognises people for doing the right things, and encourages them to stand up for safety and speak up if they see something that doesn't look or feel right.

VFL is central to improving safety
Applying the concept of VFL provides the opportunity for leaders to see for themselves what is really happening on the front line, to understand and influence employee behaviours, and help to instil a safety ethic. These conversations enable managers and supervisors alike to demonstrate their team commitment, foster understanding, break down barriers, and are vital to building greater trust with our workforce.

When we ask our leaders to engage directly with front line personnel, we want to create not just physical, but also psychological safety. By encouraging our operational leaders to create a psychologically safe working environment, our workforce feels more empowered to speak up about unsafe work practices and to stop unsafe work. As well as improving

At our Minas-Rio iron ore mine in Brazil, senior manager – operations, Bruno Cipriani, talks with members of his team about the day's operational plans.

overall safety, this approach brings further benefits such as enhanced levels of engagement, better morale, and higher productivity.

How VFL is being implemented
Building a safety culture in any organisation can be a slow and painstaking task – and it demands more of everyone's time. So, how is the time our leaders spend in the field, an essential component of this, being rolled out?

At a Group level, we are monitoring our newly introduced Leadership Time in Field key performance indicator (KPI) which now forms part of management bonus structures for all sites. That said, the focus is on leaders spending quality time in the field engaging in a meaningful way rather than on collecting data. For example, following a VFL engagement, the information collected, which may include critical safety aspects such as the identification of high-potential hazards, is captured in a central system for any necessary follow-up actions and further analysis.

Since introducing the KPI, we are seeing a more encouraging overall improvement in our total recordable injury frequency rate (TRIFR), and this correlates well with the greater amount of quality time being spent by our leadership with the frontline at site level.

Next steps
We are exploring how best to use various technology options such as data analytics and artificial intelligence (AI) to help identify safety trends across the organisation and to measure the impact of leadership time in the field across our sites and operations.

Roll-out of a new mobile app to leaders is under way; this will make capturing records of VFL engagement and communicating insights gained in the field a more efficient process. We have also introduced an operational guide to provide additional guidance and support to leaders in conducting meaningful, quality VFL engagements that support the culture shift we are looking for.

"Visible Felt Leadership (VFL) is a key component of improving our safety culture. What distinguishes it today from earlier approaches is the greater amount of time leaders, at all levels of the organisation, spend in the field – and the fact that it is interactive, in that it encourages two-way dialogue with colleagues to speak up for safety. VFL is also underpinned by the latest developments in technology, which are able to identify potential hazards and incidents, along with safety trends, and capture them on a central data base. This is allowing us to measure VFL's impact across the company and to get a comprehensive perspective of the positive difference it is making at our operations."

Tony Brock
Group Head of Safety, Health and Environment

Safety comes foremost in everything we do; we train, equip and empower our people to work safely every day. We believe, too, that creating an inclusive and diverse working environment and culture that supports high performance and innovative thinking gives our business a competitive advantage.

Adopting a zero mindset

Anglo American's number one value is safety, and it is our first priority, always. We are committed, and believe it is possible, to stop our people from being harmed at work and strive to create an environment where everybody, everywhere comes home safe at the end of their working day.

In 2023, we renewed our focus on three key safety levers: supporting operational leaders to spend more time in the field; using our Operating Model principles to deliver planned work, with risk identification and mitigation at the heart of that work; and implementing our new Contractor Performance Management framework across the business.

Governance

Site general managers are accountable for the delivery of safe and responsible production, and ensuring that minimum occupational safety expectations, as laid out in our policies and procedures, are met.

Business safety data is reviewed by the Executive Leadership Team on a monthly basis, and is then reviewed and discussed by the Board and its Sustainability Committee at each meeting.

Safety performance continues to be embedded in our executive remuneration arrangements, with the short term incentives of the executive directors impacted by safety performance across the Group, as outlined in our Remuneration Report and determined by our Remuneration Committee. Executive director bonus payouts reflect performance for Group TRIFR and Operational Excellence in Safety metrics – comprising Visible Felt Leadership (VFL) time in field and scheduled maintenance activities.

Safety data (fatal injuries and TRIFR) is subject to external assurance as part of the year end reporting process.

Our approach and policies

Our overarching approach to safety is incorporated in our Safety, Health and Environmental management framework, covered in our SHE Policy and SHE Way.

▶ For more information on the SHE Policy
Visit angloamerican.com/policies-and-data

Contractor performance management

To deliver safe, responsible production, we know that we need to be better at how we work with our contractors and how we support their safety on our sites, ensuring they feel valued and respected as a critical contributor to everyone's safety.

As part of our broader Elimination of Fatalities programme, we worked with our Supply Chain function to build an integrated Contractor Performance Management (CPM) framework. Launched in 2023, this framework will support the implementation of an industry best-practice approach to contractor performance management across our business, focusing on the delivery of improved risk-based planning and work execution.

The CPM framework incorporates people, processes and systems and provides the foundation for safe and stable production by helping to create a psychologically and physically safe, healthy and productive work environment for everyone who works for us.

Group safety performance

It is with deep sadness that we report three colleagues – all contractors – lost their lives in work-related incidents at our managed operations in 2023. These losses leave a lasting impact on many lives and serve as a constant reminder to be unconditional about safety, every day.

Nico Molwagae was fatally injured in February 2023, in a drilling incident at Kolomela iron ore mine in South Africa and, in August 2023, Jorge Navarrete and Gerardo Cariman were fatally injured while investigating a communication failure in an electrical room at Los Bronces copper mine in Chile. Both incidents were investigated by independent experts and actions were agreed to mitigate the risks identified and to prevent these types of tragic incidents from reoccurring.

We have made solid progress in our safety journey, recording our lowest TRIFR of 1.78 in 2023 (2022: 2.19).

Health

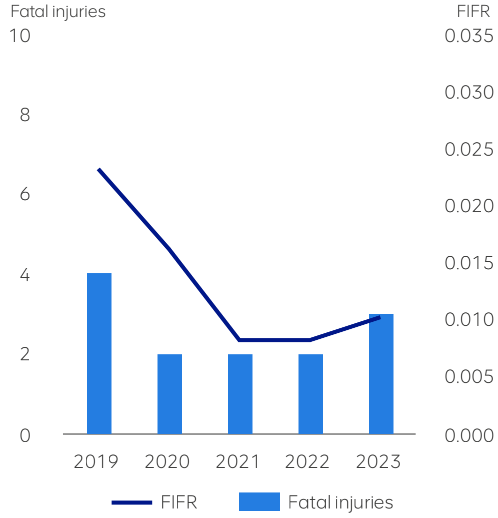
Our concern for the health of our workforce extends throughout and beyond the workplace. While the threat of the Covid-19 pandemic may have lessened, we continue to build on the important lessons learned. We are now focusing on preparedness measures that will ensure our resilience to future health threats.

A crucial aspect of our work in 2023, therefore, has been a continued focus on strengthening individual health, including the physical and mental well-being, and quality of life, of every employee and contractor, their families and host communities.

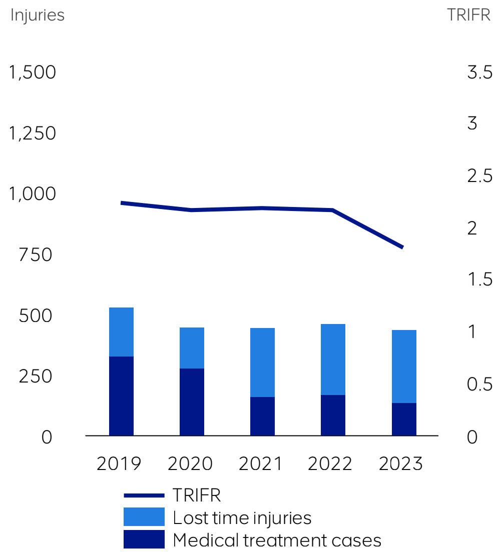
Governance

Site general managers, supported by occupational health and hygiene managers, are accountable for ensuring that minimum

Total number of fatal injuries and fatal injury frequency rate (FIFR) 2019–2023



Lost time injuries, medical treatment cases and TRIFR 2019–2023



occupational health expectations, as laid out in our policies and procedures, are met.

Business occupational health data is reviewed by the Executive Leadership Team on a quarterly basis, and is then reviewed and discussed by the Board and its Sustainability Committee at each meeting.

Occupational health performance is embedded in our executive remuneration arrangements. Executive director short term incentives reflect performance for total number of employees potentially exposed to noise over the occupational exposure limit (OEL), total number of employees potentially exposed to inhalable hazards over the OEL, and total number of employees potentially exposed to carcinogens over the OEL.

Occupational health data is subject to external assurance as part of the year end reporting process.

Our approach and policies

Our overarching approach to health is covered by the SHE Policy and SHE Way, our Safety, Health and Environment management framework.

In 2023, we continued to implement our Health and Well-being strategy in line with the World Health Organization (WHO) Healthy Workplace model and framework covering employee health. This strategy, supported by our WeCare well-being and livelihoods support programmes, requires us to work together to support our people and achieve our health and well-being goals.

Our many years of work with employees and host communities on HIV/AIDS and TB, and some four years on Covid-19, have positioned us to extend our learnings from managing communicable diseases to non-communicable diseases, a major focus in 2023. We are committed to delivering effective interventions that reduce health risks, including occupational disease-causing exposures and addressing unhealthy lifestyles such as smoking, excess alcohol consumption and poor nutrition.

Our Global Mental Wellness Framework

Our Global Mental Wellness Framework is a key part of our Health and Well-being strategy and outlines our approach to supporting the mental health of our colleagues.

Under the framework, we have focused on making immediate mental health support available to our people when they need it. We have trained more than 500 employee mental health first aiders to ensure coverage across our global operations. We also offer counselling, available through employee assistance programmes, while using apps and other platforms to provide additional options for relaxation and mindfulness that aid mental wellness.

Workplace Health Standard

Our standard defines the minimum workplace health requirements aimed at preventing harmful workplace exposures and related occupational illness, and improving the wellness of our workforce. An enhanced Total Health Standard was approved in January 2024, replacing our previous Workplace Health Standard. We expect all operations to complete a self-assessment against the new standard in 2024.

The Total Health Standard continues to require each operation to provide all personnel, including contractors, any information, instruction, training or supervision that is necessary to enable them to perform their work without risk to health. It extends the focus to workplace welfare requirements and health promotional activities and requires operations to create links between these efforts to community health activities.

Performance

Occupational disease

In 2023, there were 15 reported new cases of occupational disease, of which 14 were related to noise exposure (2022: 5, all related to noise exposure). A significant challenge in reporting occupational disease is that many hazards do not cause immediate symptoms or measurable health harms. Occupational disease is often not detectable or definable until many years after exposure. This means cases reported in a given year are most likely to reflect accumulated past working conditions. This latency challenge underscores the importance of long term environment monitoring, comprehensive worker occupational health surveillance, and proactive risk assessment – preventative management strategies that are an ongoing focus at Anglo American.

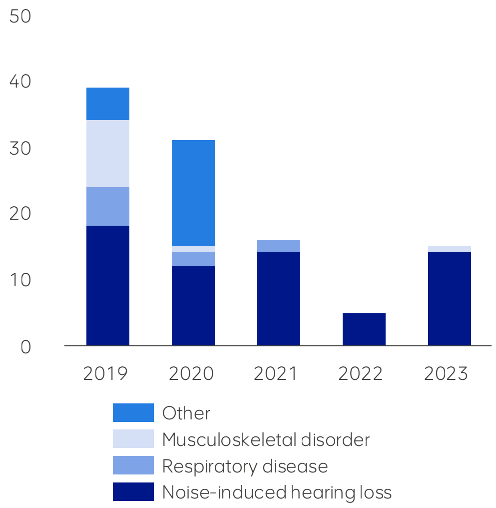
Occupational exposures

We target a year-on-year reduction in workforce occupational hazard exposure. Reduction targets are set taking into consideration operational risk profiles and delivery of work plans within an annual cycle, thus ensuring that the targets we set drive continuous improvement.

At the beginning of 2023, we changed the definition of our occupational exposure metrics to reduce the threshold of definitions of exposure to inhalables and carcinogens in line with the Occupational Health and Safety Act 85 (1993) South Africa. This change to the reporting basis has led to an increase in the number of exposure incidents captured, resulting in 2023 data being incomparable to that reported in 2022.

Although it is not possible to compare year-on-year exposure levels, there has been a reduction in the number of employees exposed to occupational hazards above the occupational exposure limit over the course

New cases of occupational disease 2019–2023



of 2023. Occupational noise exposure enhancements were driven by acoustic improvements at both PGMs and Copper. Advancements in relation to employees exposed to inhalables and carcinogens were largely driven by enhanced local exhaust ventilation controls at our PGMs processing operations and retrofitting of diesel exhaust after-treatment systems on a range of diesel-powered equipment at our underground operations.

Non-communicable diseases

Having exceeded our 2022 non-communicable disease goal of assessing 62.5% of the global workforce for cardiovascular risk factors, including smoking, heart health and obesity, we have increased our target to have assessed 90% of our employees over a rolling three-year period by the end of 2026.

Heart disease is a common non-communicable disease, with enormous impacts on our people and host communities. It is the leading cause of premature death and shortened life expectancy in most of our operating countries. However, it is also preventable and treatable when diagnosed properly and in a timely manner. Hence, in 2023, we continued our Healthy Hearts programme, including offering all employees annual health checks and a heart health score to help them make informed decisions about their health and lifestyles. We have also expanded the scope of the healthy heart score to incorporate other cardiovascular risk factors such as blood cholesterol, alcohol consumption, physical activity and hours of sleep.

Managing HIV and TB

One of the top-line pathways towards meeting the UNAIDS goal of ending the AIDS epidemic by 2030 includes the 95-95-95 treatment target: 95% of people living with HIV knowing their HIV status; 95% of people who know their status on treatment; and 95% of people on treatment with suppressed viral loads.

Our HIV Workplace programme in South Africa, which is informed by the UNAIDS targets, covers the three interlinked areas below:

- The enabling environment: addressing social and structural barriers to HIV prevention, testing and treatment
- Treatment targets and service access: achieving the 95-95-95 treatment targets and improving access to reproductive health services
- Service integration: expanding the service offering for people living with HIV to ensure access to mental health support, preventing and addressing gender-based violence, and management of communicable and non-communicable diseases.

Infection numbers continue to rise in many of the countries where we operate, and we recognise that the collective effort of also addressing social issues can help to reverse this trend.

Under our community health and well-being programme, there are multiple initiatives designed to increase access to treatment and testing that are being implemented across geographies, with a focus on southern Africa. These initiatives are guided by the SDG framework, prioritising the SDG 3 goals which are relevant to each host community.

In 2023, 88% of our employees in southern Africa knew their status (2022: 90%), with 95% (2022: 89%) of those employees living with HIV on anti-retroviral therapy at the end of the year. We recorded 124 new cases of HIV and no HIV/AIDS-related deaths.

In 2023, the TB incidence rate was 313 per 100,000 compared with 154 per 100,000 in 2022, reversing the downward trend witnessed up to the emergence of the Covid-19 pandemic. In addition to the work we are doing to meet the 95-95-95 treatment targets for HIV/AIDS, we are intensifying our TB screening and prevention therapies, including community-wide health screening to identify individuals with active TB disease.

Helping our people thrive

We aim to attract the best people in the industry, putting them into the right roles to suit their talents, and meet our business objectives – now and into the future. Empowering our employees through professional and personal development opportunities, we give them the support they need to thrive and, by continuously engaging with our employees, we are able to build relationships based on trust. Living our Values, we aim to be an inclusive workplace where everyone – without exception – can bring their full selves to work.

Attracting, retaining and developing our talent

Governance

The Group people & organisation director is accountable for the delivery of our talent work programmes, managed though the Group head of talent. The Executive Leadership Team is updated on talent management and succession on a regular basis, with a particular focus on succession planning and diversity of the talent pool. Executive appointments and succession plans are reviewed by the Nomination Committee and the Board as appropriate.

Our Global Workforce Advisory Panel

Our Global Workforce Advisory Panel helps the Board to better understand the views of our workforce, in line with the recommendations of the UK Corporate Governance Code. The Panel is currently made up of 12 employees, representing the countries where the Group has a significant presence. Panel members are nominated using agreed criteria set out in its terms of reference and selected to ensure representatives throughout the organisation are appropriately balanced across the areas of gender, ethnicity, age and seniority. In 2023, the panel met on three occasions – one of which was in person in South Africa – and the panel chair, non-executive director, Marcelo Bastos, shared the key messages from those meetings with the Board and Executive Leadership Team.

Featured in Crop Nutrients' bespoke cybersecurity classroom is apprentice Lydia Kynman.

Our Crop Nutrients business – a cybersecurity incubator

Helping to revitalise the local economy

Woodsmith, the biggest mining project in the UK in decades, makes Anglo American a major new employer in an area of north east England that has long suffered from limited well-paid job opportunities. We are committed to creating significant employment opportunities outside, and ultimately beyond the mine, so we are engaging with key stakeholders to support the creation of new high-value jobs by stimulating growth in key regional growth sectors, such as tourism, the bio economy and cybersecurity.

Cybersecurity – a regional growth opportunity

The region around the Woodsmith project has distinct cybersecurity advantages, including, most notably, GCHQ, the UK's intelligence, security and cyber agency, which has a satellite ground station near Scarborough, about 30 kilometres from the Woodsmith mine site. Leveraging on this, Anglo American is determined to enhance the region's standing in the business-critical field of cybersecurity. Consequently, over the past few years, we have supported GCHQ's National Cyber Security Centre (NCSC), including collaborating with the NCSC to open the world of cybersecurity to schoolchildren and young people and develop a cybersecurity network within the region.

Developing cybersecurity expertise from within

As part of our plans to help to boost the skills of a local workforce through our ongoing apprenticeship programme – as well as our work in schools to promote careers in science, technology, engineering and maths – we identified that there was a pressing need to train people in cybersecurity ourselves, so that we have the talent, both within our own business and across the region.

In November 2021, Anglo American launched its own cybersecurity two-year, Level 4, apprenticeship programme to teach trainees how to thwart a range of cybersecurity threats and also learn general business skills, while gaining valuable experience of working in a large multinational organisation. The programme started out with one apprentice, Billy Chambers. While Billy continued into his second year, a new cohort of seven apprentices joined the programme. During that period, we also invested in a state-of-the-art cyber classroom in Crop Nutrients' headquarters in Scarborough.

Billy became our first cybersecurity graduate in November 2023. There are now 13 apprentices in the programme: six in year one and seven in year two. We aim to recruit another four apprentices in 2024.

A final word comes from Olivia Procter, an apprentice in the 2nd-year cohort: "Cybersecurity is opening up the world for me ... To be able to do this in a global organisation, but staying so close to home in Scarborough, is fantastic."

Our approach and policies

Our Organisation Model

Our Organisation Model ensures we have the right people in the right roles doing the right work, with clear accountabilities and minimal duplication of work. Along with our Values and our Operating Model, the Organisation Model supports the delivery of positive outcomes through a set of structures, systems and processes. The model creates consistency in how we approach organisational issues, by providing a common language and approach about organisations and management.

To support Organisation Model capability development, we have created enhanced learning materials that are available for all employees through our Learn+ platform, complemented by tailored workshops with leaders across the business.

Our performance management programme, Team+, creates the conditions for high performing teams where every member takes accountability not only for their individual success, but also for the success of the team. This is supplemented with regular feedback conversations to ensure that all employees are clear on what is expected of them and how they are performing.

Employee engagement and workplace relations

The strategy that governs our employee relations and engagement efforts has five pillars: trade unions, HR excellence, psychological safety, physical safety and authentic leadership.

Mental wellness questions form a part of our regular employee engagement surveys. The data from these surveys is also used to establish progress in our Inclusion and Psychological Safety indexes, as well as to analyse gaps where we can focus initiatives to improve safety and inclusion for all our people.

We take a decentralised approach to working with trade unions, works councils and other representative bodies, enabling our businesses to address specific issues and concerns affecting them.

We continue to engage with IndustriALL, the global union federation, on topics such as health, safety and gender based violence; our Sustainable Mining Plan and the UN SDGs; our Code of Conduct; and policy matters of shared interest.

Following on from the success of the South African Tripartite Structure – a partnership between the mining regulator, organised labour and industry councils to jointly address health and safety issues in the workplace, our Steelmaking Coal business launched a similar structure in March 2023.

Promoting a learning culture

We strive to enable a continuous learning culture and a passion for breakthrough performance and innovative thinking, driven by agile people development approaches that unlock the full capabilities of our people.

Learn+, our main learning platform, offers a single, user-friendly interface that makes it easy for our employees to access a growing range of online learning resources. This learning experience platform feeds from other areas to provide learning experiences, with a focus not only on what people learn, but how learning can be delivered in the line of work, at the time of need.

Performance

Talent attraction

In 2023, our focus on refining our talent attraction model extended beyond leveraging external platforms. We prioritised the development of the candidate experience and the crucial role of our Talent Acquisition team as ambassadors for Anglo American.

Our strategy moved beyond recruitment by aligning Talent Acquisition and Talent Management functions more closely. This integration drives an 'internals first' philosophy, which leverages our talent management and succession planning processes, while delivering on our career proposition for our employees. In 2023, 59% of new hires came from our internal talent pool (2022: 44%).

Our graduate development programme is intentionally designed to recruit and develop the future leaders of Anglo American. In 2023, we increased our global graduate intake by 41% in response to future demand planning.

In addition to our graduate programme, we also offer internships, apprenticeships and vacation work experience across our operating regions. In the UK, a cybersecurity apprenticeship aligned to the UK government cybersecurity skills framework was launched in 2021, and continues to run successfully.

Our Marketing business also runs a highly successful internship for our China and Singapore offices, while our Australian and South African businesses have a strong track record of offering meaningful vacation work for students engaged in Science, Technology, Engineering and Maths (STEM) related undergraduate studies.

▶ For more information on our cyber security apprenticeship scheme
See page 71

Learning and development

In 2023, Anglo American invested $60 million in direct training activities (2022: $69 million).

Users of our Learn+ platform conducted 51,339 searches during the year, the large majority of which targeted non-role-specific skills. Of those, there was a heavy skew towards user-level technical skills, such as support for commonly used office software applications. In addition, a total of 607,659 learning course completions (comprising e-learning, virtual classroom and classroom learning) were recorded on our global Learning Management System, covering a range of topics across technical, non-technical and compliance courses – a 29% increase on 2022.

Employee engagement

Our Pulse survey was launched in April 2023, aimed primarily at our more senior and functional colleagues. Over 8,000 colleagues answered questions covering engagement, advocacy, accountability, collaboration, and communication. This survey suggested an employee engagement score of 90%, consistent with previous global surveys. The findings were shared with the Executive Leadership Team, country CEOs, and their respective HR leadership teams.

Our employee voluntary turnover rate for the year was 3.5% (2022: 3.6%). New hires represented 12% of our permanent employees in 2023, compared with 14% in the prior year.

Labour relations

Approximately 71% of our permanent workforce was represented by worker organisations and covered by collective bargaining agreements. During 2023, there were no recorded incidents of industrial action at our managed operations.

There were also no reported incidents of under-age or forced labour at our operations during 2023.

Several successful wage agreements were concluded during the year at our businesses and operations, resulting in acceptable salary increases and productivity improvements. Other engagements with unions in South Africa related to consultation on our restructuring process.

An inclusive and diverse environment

We continue to strive for a workplace culture that is fair and supportive; where the well-being of our people is prioritised and all colleagues feel able to contribute fully and thrive at work, regardless of gender, sexual orientation, age, race, ethnicity, religion, national origin or disability, including mental wellness. We also recognise our responsibility to positively influence and contribute towards progress on inclusion and diversity issues within our broader sector and work closely with bodies such as the ICMM and Women in Mining to help achieve this.

Governance

Across our businesses and functions, we have inclusion and diversity employee representatives who provide inputs into the Inclusion and Diversity Working Group. The working group is made up of senior representatives from each of our businesses and Group functions. It also includes heads of people & organisation and is chaired by the people & organisation director. All feedback from the working group, including progress on inclusion and diversity targets and initiative highlights, is reported to the Board and chief executive on a quarterly basis by the people & organisation director.

Tania Alvarez Pulleches supervises drilling and blasting operations at Quellaveco from the safety of the Integrated Operations Centre (IOC), several kilometres away from the blasting area.

Quellaveco – where women are helping to shape the future

Quellaveco is widely regarded as Peru's most technically advanced mine to date. It is a highly digitalised and automated operation, with all data integrated and accessible in real time. This is transforming the way we mine, transport and process the copper-bearing ore, and is creating a far safer workplace.

And females from local communities are showing the way

What is less well-known is the growing role of women in shaping this new work environment. In an industry that has been overwhelmingly male-dominated in the past, things are changing. At Quellaveco, from the outset, there has been a focus on training females from the neighbouring Moquegua community so that they are able to take up roles in all areas of the business – from starter positions to senior management. Today, women represent around 22% of the mine's workforce – including 30% of leadership roles.

A day in the life of an all-women drilling team

Females – nearly all Moqueguans – make up around 65% of the mine's drilling controllers, while some sub-teams are composed entirely of women. A typical day starts at the Integrated Operations Centre (IOC), several kilometres away from the designated blasting area in the open pit. Here, Blasting technical assistant Melody Echegaray prepares the drilling plan for the day, including determining the drill sequencing. She inputs all the data on an in-house-developed Work Execution Platform app, which is downloaded by the drilling team on to their mobile phones. The drilling team then carries out both a remote and on-site check of all in-pit equipment needed, as well as verifying that the area to be blasted meets all of Quellaveco's safety standards. Once this has been completed, Drone operator Aynne Anchante conducts an aerial topographic survey to confirm that conditions are suitable.

At the IOC, each drill rig controller, who can monitor up to six rigs simultaneously, directs the autonomous drilling machines to make holes for explosives. A specialist explosives company, Enaex (where the workforce comprises about 30% women), then fills the drill holes with explosives, sets detonators and initiates the blasting protocol – while a drone is again employed to record the blasting operation.

A new world in mining opens up

Melody Echegaray comments: "Anglo American has opened our eyes to what we, as women, can achieve in the future. The company is giving us the opportunity and the tools to succeed in jobs we never thought would ever be open to us." Those sentiments are echoed by Aynne Anchante, who says: "Before Quellaveco came into being, many of us had only low-paid jobs such as cleaners or working in the hospitality business. Now we work in a place where there is a culture of encouraging continuous learning and upskilling and promoting female talent."

Anglo American's inclusion and diversity team is responsible for the overall monitoring and delivery of Group-wide targets, initiatives and policies. Our agile reporting mechanisms allow us to capture progress quickly and in detail.

Our approach and policies

We strive to achieve our aims through an emphasis on inclusion, diversity and well-being. This approach is governed by a suite of policies that we regularly update and supplement to ensure continued alignment with current best practice. Our Inclusion and Diversity Policy is supported by our Global Enabling You Strategy; Group Policy on Bullying, Harassment and Victimisation; and our Group Policy on Recognising and Responding to Domestic Violence. Other aspects of our approach are captured in our Group Family Friendly and Carer Leave Policy and Group Flexible Working Policy. These policies and initiatives across inclusion and diversity are helping to build psychologically and physically safe work environments.

Our zero-tolerance approach

We are committed to eliminating all forms of bullying, harassment and victimisation across our organisation, through our global policy and Stand Up for Everyone campaign. All reported incidents are anonymised and shared with the highest level of the organisation. Our zero-tolerance approach extends to include domestic violence and abuse that might occur outside the immediate workplace. We provide mandatory bullying, harassment and victimisation training for our colleagues to ensure they are aware of our zero-tolerance approach, are familiar with our reporting structures, and feel confident to act as inclusion and diversity advocates.

Performance

By the end of 2023, we exceeded our consolidated target of 33% female representation across the business for our management population*, reaching 34%. However, for female representation for those on the Executive Leadership Team and for those reporting into an Executive Leadership Team member, we achieved 25% and 29%, respectively. The company is committed to building female representation in our Executive Leadership Team and those reporting to them. We have seen positive improvements year on year on other key performance metrics such as the percentage of women in the workforce which increased to 26% in 2023 (2022: 24%).

At 31 December 2023, there were four female directors and six male directors serving on the Board. In 2023, on average, the Group had 30 female senior managers and 71 male senior managers and 14,959 female and 44,941 male employees.

We report on our gender pay gap in UK operations, in line with legislative requirements. As of 5 April 2023, our UK average (mean) gender pay gap for Anglo American Services (UK) Ltd was 32% and our median pay gap was 23% (2022: 39% mean and 29% median). This was primarily due to the high representation of men in the most senior management roles in our UK head office – an issue mirrored across our sector, and one that we continue to address.

At year end, the proportion of our permanent employees aged under 30 was 11%, 70% were aged between 30 and 50, and the remaining were over 50 years of age.

In South Africa, historically disadvantaged South Africans held 85% of our management positions (2022: 71%).

Building a purpose-led culture

We understand that ethical reputation is a critical asset for building trust with our stakeholders. We expect our employees and business partners alike to show integrity, care and respect for colleagues, communities and the environment in which we operate, by acting honestly, fairly, ethically and transparently when conducting our business. These non-negotiable foundations are central to our Code of Conduct and Business Integrity Policy.

Our Code of Conduct is an example of our Values in action. Serving as a single point of reference for everyone associated with us, it brings together in one place, and in a clear way, the commitments and standards that determine how we conduct business. It explains the basic requirements and behaviours we all need to live up to every day.

Governance

Anglo American's chief executive is accountable for the Code of Conduct and for ensuring that its related policies are implemented.

The Group Compliance Committee assists the Board, the Board's Audit Committee and Executive Leadership Team in overseeing the implementation of an annual compliance management programme that supports building and sustaining a culture of compliance with business-integrity-related policy requirements.

Regular updates are provided to the Group Compliance Committee on progress against businesses compliance management plans.

Our approach and policies

Our Code of Conduct

We recognise that our responsibilities and commitments as a business must extend above and beyond compliance if we are to build relationships of trust with stakeholders. Our overriding approach to the ethical business conduct that underpins our reputation as a reliable and dependable partner is outlined in our Code of Conduct.

Our Code of Conduct also serves as a guide that directs us to policies, standards and further information sources that can support us, and all those associated with us, to choose to do the right thing.

Business integrity

Our Business Integrity Policy sets out the standards of ethical business conduct that we require at every level within our business – including our subsidiaries and those joint operations we manage – in combating corrupt behaviour. For non-managed joint operations, we seek to influence the adoption of a framework commensurate with the requirements of our policies and procedures and, at a minimum, to comply with local laws and associated requirements. In line with this approach, our intention is that industry associations of which we are a member work on a similar basis.

Anglo American is a signatory of the UN Global Compact and is committed to its 10 principles of business, including fighting corruption, extortion and bribery. We use our annual performance in the Business Conduct and Ethics categories of the Dow Jones Sustainability Index and Sustainalytics as an opportunity to benchmark best practice and continuously improve our internal processes and level of disclosure.

Whistleblowing

Our Whistleblowing Policy sets out our approach to reporting issues and concerns confidentially or, if preferred, anonymously. Anglo American does not tolerate any form of retaliation against anyone raising or helping to address a concern. This policy also outlines the availability and use of our YourVoice confidential reporting service, which empowers employees, contractors, suppliers and other stakeholders to raise concerns anonymously about potentially unethical, unlawful or unsafe conduct or practices that conflict with our Values and Code of Conduct. YourVoice is operated by an independent multilingual whistleblowing service provider.

Performance

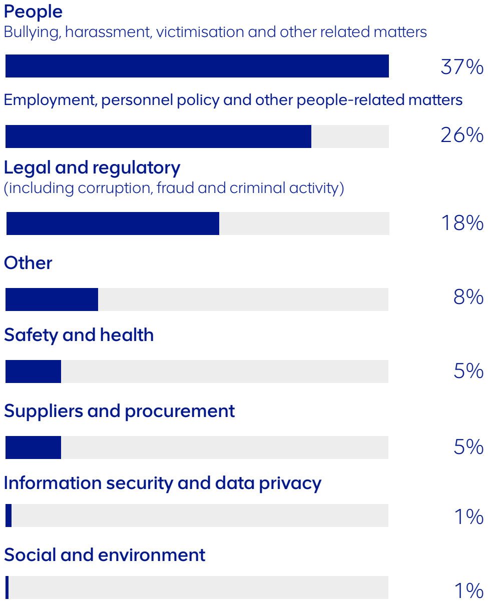
Using YourVoice

During 2023, we received 1,403 reports through YourVoice, a 29% increase over 2022. The increase can be attributed to several awareness initiatives, including running an 'Action for Integrity' campaign in August 2023 to raise the awareness and use of the YourVoice channel.

An independent investigation team reviews the allegations. In 2023, 25% of those received were substantiated or partially substantiated. Corrective actions were taken against substantiated allegations in accordance with our policies, resulting in 182 sanctions against employees and contractors, which include 55 exits from the organisation.

* Management includes middle and senior management across the Group.

Breakdown of YourVoice reports received (%)[1]



[1] Computational discrepancies may occur due to rounding.

Benchmarking anti-corruption initiatives

Our collaboration with the Transparency International Corporate Anti-Corruption Benchmark continued, and we used the result of its annual benchmarking to support improvement efforts.

Engaging and training our people

We developed and launched a new online training module for employees at the manager level. This module on Doing Business with Integrity, combined several business integrity-related topics providing practical examples and showing the connections between the compliance areas. By the end of 2023, 12,355 of our colleagues had completed the training.

At Anglo American we strive to enable a continuous learning culture, and unlock our people's full capabilities. Studying our Code of Conduct in the Johannesburg office is Zimele team assistant Thozama Lucky Khumalo.

Capital allocation

Underpinning our strategy, we have a value-focused approach to capital allocation, with clear prioritisation: first to sustaining our operations and maintaining asset integrity (including Reserve Life); secondly to the base dividend to our shareholders, determined on a 40% underlying earnings-based payout ratio.

A strong focus on capital discipline

All remaining capital is then allocated to discretionary capital options in line with strategic priorities, which include organic and inorganic growth options, as well as additional shareholder returns. In all cases, discretionary projects are robustly assessed against financial and non-financial metrics, including their delivery of net-positive benefit to our shareholders and the communities in which we operate, and their ability to improve and upgrade our portfolio in line with the transition to a low carbon economy and global consumer demand trends.

Capital allocation is prioritised to ensure we maintain balance sheet flexibility, with our near term objective to ensure the Group's net debt does not exceed 1.5 x underlying EBITDA, using bottom of the cycle pricing, without there being a clear plan to recover. Further detail on balance sheet discipline and our credit can be found on page 93.

Capital is allocated in support of the execution of our strategy. Our Sustainable Mining Plan outlines ambitious targets that our projects must support to ensure a healthy environment, thriving communities and Anglo American's position as a trusted corporate leader.

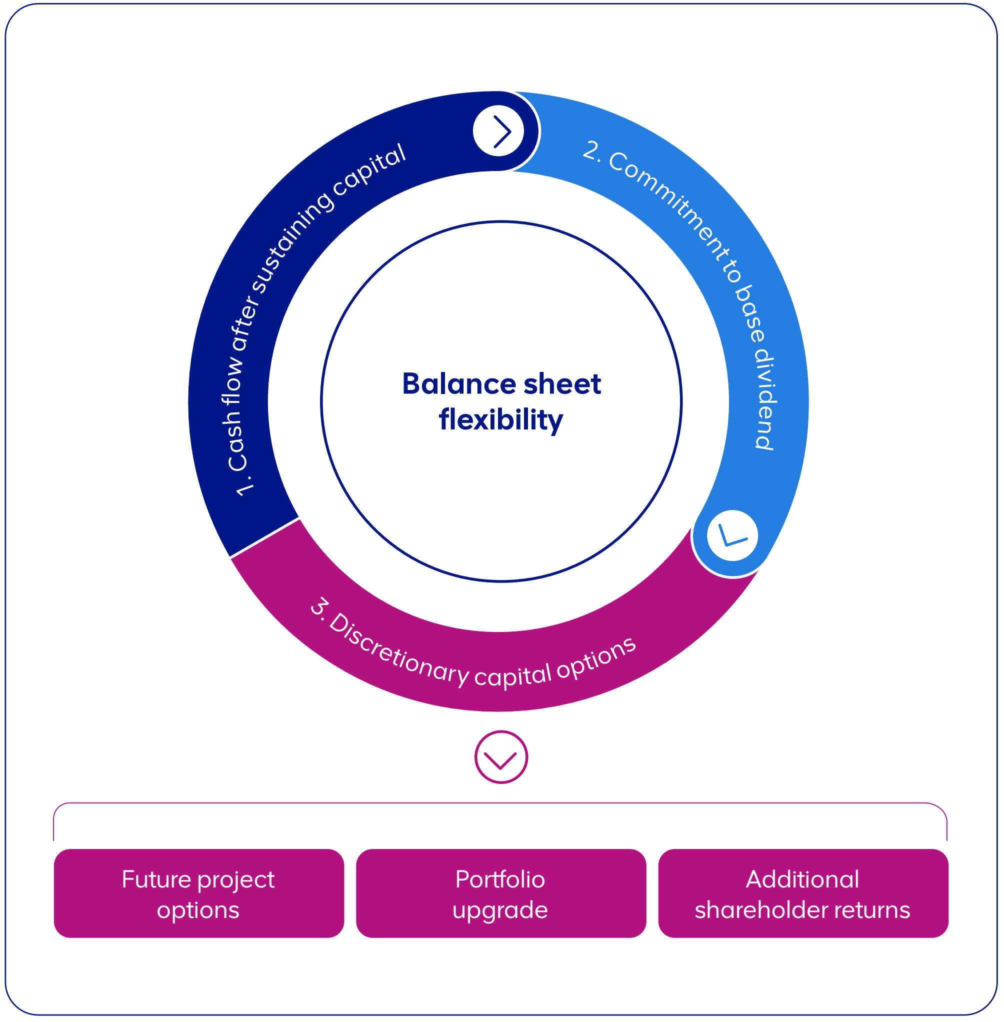
For more on our Sustainable Mining Plan
See page 46

Surplus capital is returned to shareholders in the form of either special dividends or through a share buyback programme.

During 2023, we have taken deliberate action to right size our capital expenditure, as part of our broader cost and capital discipline efforts to improve cash generation. Significant capital savings of c.$1.6 billion were identified across 2024–2026, while still prioritising the integrity of our operations and investments in high quality organic growth optionality in the portfolio.

Sustaining capital

We continue to focus on capital discipline and sustaining capital efficiency, while maintaining the operational integrity of all our assets. Sustaining capital comprises stay-in-business, capitalised development and stripping, and life-extension expenditure, less the proceeds from disposals of property, plant and equipment.



We expect sustaining capital expenditure of c.$4.5 billion in 2024 to reduce to c.$4.0 billion in 2026 as a result of the cost out efforts. The 2024–2026 spend includes our c.$0.6 billion share of the remaining construction of the Collahuasi desalination plant and $0.5–0.7 billion per annum expenditure on life-extensions. Life-extensions primarily relate to the ongoing Venetia underground project at De Beers and the underground development of our Mogalakwena PGMs mine.

Commitment to base dividends

Our clear commitment to a sustainable base dividend remains a critical part of the overall capital allocation approach and is demonstrated through our dividend policy of a 40% payout ratio based on underlying earnings, paid each half year.

Our dividend policy provides shareholders with increased cash returns upon improvement in earnings, while retaining balance sheet flexibility during periods of lower earnings.

Shareholder returns

In line with the Group's established dividend policy to pay out 40% of underlying earnings, the Board has proposed a final dividend of $0.41 per share (2022: $0.74 per share), equivalent to $0.5 billion (2022: $0.9 billion).

Discretionary capital options

Strict value criteria are applied to the assessment of Anglo American's organic growth options, which are strategically focused on copper, crop nutrients and high quality iron ore, and support our sustainability commitments.

For major greenfield projects, we will sequence their development to prevent overlap of peak construction and will look to syndicate at the right time, for value.

Woodsmith is a large scale, long life, tier one fertiliser project being developed in north east England, with a final design capacity of c.13 Mtpa of polyhalite ore, subject to studies and approval. Polyhalite is a naturally occurring mineral that, via a simple granulation process, is converted to a multi-nutrient product – POLY4 – an organic, comparatively low carbon, environmentally responsible crop nutrition solution that contains four of the six key nutrients that all plants need for healthy growth. The project will add greater diversity and long term value-adding growth to the portfolio, in a low risk jurisdiction. Core infrastructure activities of shaft sinking and tunnel boring continue to progress well. In parallel, and as previously communicated, we are enhancing the project's configuration to accommodate higher production volumes of c.13 Mtpa, an optimised phased development, and to enable more efficient, scalable mining methods over time. The required studies are progressing well. Following conclusion of the study programme, we expect the project to be submitted for Board approval in the first half of 2025, with first product to market expected in 2027. Capital expenditure in 2023 was $0.6 billion and is expected to be c.$0.9 billion in 2024.

We continue to progress permitting and studies on organic growth opportunities, primarily within our high quality copper business, that will further enhance our portfolio.

This new solar plant, and the hydrogen plant (nearing completion) it will supply, is making Mogalakwena a strategically important centre for hydrogen production in South Africa's developing hydrogen valley.

The recently commissioned fifth ball mill at the independently managed joint operation, Collahuasi, is the first step of this growth pathway, adding c.15 ktpa, with ramp-up expected to conclude in the second quarter of 2024. Additional debottlenecking options to further increase production remain under study and are expected to add c.25 ktpa (44% share) between 2025–2028. Further expansions are in early-stage study to increase plant capacity beyond 210 ktpd, delivering up to c.150 ktpa of copper from c.2032 (44% share).

Allocating capital for a sustainable future

Our capital allocation process underpins the execution of our strategy and our goal to become a leader in sustainable mining – with over 90% of our growth capital expenditure allocated to future-enabling products.

Our major investments take into account the potential future cost of carbon by embedding forward-looking carbon price assumptions, which are developed in conjunction with leading external providers and are differentiated by geography and time horizon, into our multi-faceted investment decision making considerations. The aim is to reflect our best estimate of the level of carbon pricing likely to prevail in the respective jurisdictions over time. We forecast carbon prices to be between $20 and $95 per tonne on a 2023 real basis across regions by 2030. This approach ensures that project returns are evaluated on a realistic basis alongside consideration of a project's impact on carbon abatement and portfolio resilience to the effects of climate change.

Ensuring the continued resilience of our portfolio to the physical impacts of a changing climate is a key priority in our allocation of capital. These investments, for example in infrastructure related to managing water where it is expected to become scarcer, or where there is a risk of future disruption due to flooding, are driven by our risk management processes. These investments are subject to the Group's investment evaluation criteria, and to independent technical and financial assurance.

An example of how we tailor our approach to capital allocation for our decarbonisation goals is the sourcing of electricity. In jurisdictions where there is a plentiful supply of renewable power, we have negotiated renewable power purchase agreements with suppliers. More than 60% of our global electricity supply will be sourced from renewables from 2025 without significant capital expenditure on power generation infrastructure. The transition to these renewable arrangements not only contributes to our emissions reduction targets, but also represents a significant source of economic value given the increasingly competitive cost of renewable energy and volatility of fossil-based energy supply.

Where we deploy capital in pursuit of sustainability goals, we seek to do so in a way that, wherever possible, generates economic returns, and we consider syndicating our investment where appropriate. For example, in partnership with EDF Renewables, we have formed Envusa Energy to develop a regional renewable energy ecosystem (RREE) in South Africa. The ecosystem is expected to meet our operational electricity requirements in South Africa through the supply of 3–5 GW of 100% renewable electricity (solar and wind) and storage by 2030, with excess electricity supplied to the grid to help improve its capacity. The work is progressing well and we expect to reach a key milestone – financial close – on the three Koruson 2 (K2) projects in the first quarter of 2024. We have provided for community participation and secured project financing debt that is consistent with high quality renewable energy projects.

This syndicated structure will help manage both our risk and total capital deployed, while enabling a significant reduction in our Scope 2 emissions.

For more on Envusa
See pages 55–56

Capital expenditure

$ million	2023	2022
Stay-in-business	**2,902**	2,558
Development and stripping	**920**	1,010
Life-extension projects	**598**	582
Proceeds from disposal of property, plant and equipment	**(16)**	(7)
Sustaining capital	**4,404**	4,143
Growth projects	**1,330**	1,595
Total capital expenditure	**5,734**	5,738

Group capital expenditure

Capital expenditure remained in line with prior year at $5.7 billion as higher sustaining capital was offset by reduced growth capital.

Sustaining capital expenditure increased to $4.4 billion (2022: $4.1 billion), driven by additional stay-in-business expenditure for Copper Chile related to the Collahuasi desalination plant project, the new tailings filtration plant for Minas-Rio (Iron Ore) in Brazil, and increased expenditure at Quellaveco as it transitioned into operations.

Growth capital expenditure of $1.3 billion primarily related to the Woodsmith project and the remaining spend on completing Quellaveco. This was lower than the prior year (2022: $1.6 billion) as the Quellaveco project was successfully delivered in July 2022, and reached commercial production levels in June 2023.

Managing risk effectively

The effective management of risk is integral to good management practice and fundamental to living up to our Purpose and delivering our strategy. By understanding, prioritising and managing risk, Anglo American safeguards our people, our assets, our values and reputation, and the environment, and identifies opportunities to best serve the long term interest of all our stakeholders. As understanding our risks and developing appropriate responses are critical to our future success, we are committed to an effective, robust system of risk identification, and an effective response to such risks, in order to support the achievement of our objectives.

How does risk relate to our strategy?

Risks can arise from events outside of our control or from operational matters. Each of the risks described on the following pages can have an impact on our ability to deliver our strategy.

Viability statement

Context

An understanding of our business model and strategy is key to the assessment of our prospects. Our strategy is to:

- Secure, develop and operate a portfolio of high quality and long life assets safely, effectively and efficiently to deliver sustainable and competitive shareholder returns
- Apply a clear set of technical, sustainability and commercial capabilities to deliver competitive advantage from the portfolio, from discovery through to delivering products to customers
- Create an inclusive and diverse working environment to encourage and support a high performance culture.

Details of our business model are found on pages 8–9 and more information on our strategy is provided on page 10.

Continued geopolitical and macro-economic uncertainty were the key drivers of the price volatility experienced across our diversified product portfolio in 2023, most pronounced in PGMs and diamonds (predominantly driven by mix), contributed to a 13% decrease in the Group's realised basket price across all products. Against that background, the Board maintains a cautious appetite for major new projects and investments. Large greenfield projects will be considered for syndication with other investors at the appropriate stage of a project's development, and for value, as a means of reducing our risk profile and capital requirements.

The assessment process and key assumptions

Assessment of the Group's prospects is based upon the Group's strategy, its financial plan and principal risks. During 2023, the focus was on driving efficiencies through regaining operational stability and targeted incremental performance improvement, upgrading the quality of our portfolio in order to improve cash flow generation, maintaining a strong balance sheet and creating sustainable value through disciplined allocation of capital.

A financial forecast covering the next three years is prepared based on the context of the strategic plan and is reviewed on a regular basis to reflect changes in circumstances. The financial forecast is based on a number of key assumptions, the most important of which include product prices, exchange rates, estimates of production, production costs and future capital expenditure. In addition, although planned as part of the ordinary course of business, the forecast does not assume the renewal of existing debt or the raising of new debt. A key component of the financial forecast and strategic plan is the life of asset plans created for each operation, providing expected annual production volumes over the anticipated economic life of mine.

The principal risks are those that we believe could prevent the Group from delivering its strategic objectives. A number of these risks are deemed catastrophic to the Group's prospects, including the impacts of a tailings dam failure, fire and slope wall failure risks, and have been considered as part of the Group's viability.

Assessment of viability

The assessment of viability has been made with reference to the Group's current position and expected performance over a three-year period, using budgeted product prices and expected foreign exchange rates. Financial performance and cash flows have then been subjected to stress and sensitivity analysis over the three-year period using a range of severe, but plausible, downside scenarios. Scenarios were selected for stress testing based upon an assessment of the Group's principal risks, and each includes a risk deemed catastrophic to the Group. Risks chosen for modelling were those considered to have the greatest financial impact upon the Group's financial statements, and have been linked to the principal risks below. The scenarios tested include:

- Phased product price reductions of up to 30% from conservative budget prices (Principal Risk 2)
- Operational incidents that have a significant impact on production at key sites in the Group (Principal Risks 1, 6 and 12)
- The impact of a cyber attack upon the Group's key information technology systems (Principal Risks 3, 6 and 12)
- Market and product developments affecting demand for diamonds (Principal Risks 2 and 13)
- Technology developments in the automobile industry affecting demand for PGMs (Principal Risks 2 and 13)
- The impact of a reduction in water supply in Chile, being a physical risk associated with climate change (Principal Risks 7 and 10)
- Logistics constraints on certain operations in South Africa impacting sales (Principal Risk 12).

The Group's liquidity (defined as cash and undrawn committed facilities) was $13.2 billion, comprising cash and cash equivalents of $6.1 billion (see note 21 to the Consolidated financial statements), and undrawn committed facilities of $7.2 billion (see note 25 to the Consolidated financial statements) as at 31 December 2023. The most severe scenario considered by management, albeit unlikely, considers the combined financial impact of pricing and production downsides throughout the assessment period, and an operational incident materialising at the start of the assessment period. This scenario would result in negative attributable free cash flows over the assessment period. The Group has a range of management actions available in such a scenario to preserve resilience, including accessing lines of credit (including bank and debt capital markets), reducing capital expenditure, reviewing capital allocation and production profiles, and raising debt while maintaining the shareholder return policy.

Viability statement

The directors confirm they have a reasonable expectation that the Group will continue in operation and meet its liabilities as they fall due for the next three years. This period has been selected as the volatility in commodity markets makes confidence in a longer assessment of prospects highly challenging.

Emerging risks

We define an emerging risk as a risk that may become a principal risk in time but is not expected to materialise in the next five years. Emerging risks that are currently being monitored are:

- Future demand for metals and minerals deviating from assumptions as a result of efforts to reduce global warming
- Failure to replace Ore Reserve depletion in key businesses through exploration, projects or acquisitions
- Liabilities incurred as a result of environmental harm
- Failure to deliver certain elements of the Sustainable Mining Plan, which could cause reputational damage, threaten the organisation's licence to operate, affect future growth, and may also result in increased costs and a negative effect on the Group's financial results
- Unexpected mine-closure liabilities that have the potential to increase costs.

The above risks are closely monitored and actively managed to minimise their threat.

Principal risks

We define a principal risk as a risk or combination of risks that would threaten the business model, future performance, solvency or liquidity of Anglo American. In addition to these principal risks, we continue to be exposed to other risks related to currency, inflation, community relations, environment, litigation and regulatory proceedings, changing societal expectations, infrastructure and human resources. These risks are subject to our normal procedures to identify, implement and oversee appropriate mitigation actions, supported by internal audit work to provide assurance over the status of controls or mitigating actions. These principal risks are considered over the next three years as a minimum, but we recognise that many of them will be relevant for a longer period. The principal risks and uncertainties facing the Group are unchanged from those reported in 2022.

▶ For more on principal risks
See pages 81–85

Catastrophic risks

We also face certain risks that we deem catastrophic risks. These are very high severity, very low likelihood events that could result in multiple fatalities or injuries, an unplanned fundamental change to strategy or the way we operate, and have significant financial consequences. We do not consider likelihood when assessing these risks, as the potential impacts mean these risks must be treated as a priority. Catastrophic risks are included as principal risks.

▶ For more on catastrophic risks
See page 81

Risk appetite

We define risk appetite as 'the nature and extent of risk Anglo American is willing to accept in relation to the pursuit of its objectives'. We look at risk appetite from the context of severity of the consequences should the risk materialise, any relevant internal or external factors influencing the risk, and the status of management actions to mitigate or control the risk. A scale is used to help determine the limit of appetite for each risk, recognising that risk appetite will change over time.

If a risk exceeds appetite, it will threaten the achievement of objectives and may require a change to strategy. Risks that are approaching the limit of the Group's risk appetite may require management actions to be accelerated or enhanced to ensure the risks remain within appetite levels.

For catastrophic and operational risks, our risk appetite for exceptions or deficiencies in the status of our controls that have safety implications is very low. Our internal audit programme evaluates these controls with technical experts at operations and the results of that audit work will determine the risk appetite evaluation, along with the management response to any issues identified.

▶ For more on the risk management and internal control systems and the review of their effectiveness
See pages 176–177

Summary

Our risk profile evolved in 2023, mainly due to external factors. Macro-economic uncertainty remained as a result of the Russia – Ukraine conflict, global inflation and weak economic growth in key markets. The regulatory environment in which we operate remains impacted by political and societal changes in key countries, which could affect future production and delay the deployment of new technologies to support future production and sustainability objectives. Operationally, reliance on third-party infrastructure and power supply remain ongoing risks, particularly in South Africa. Climate change remains one of the defining challenges of our era and our unequivocal commitment to being part of the global response presents both opportunities and risks. A number of our principal risks are directly or indirectly related to climate change and our strategies to reduce its impact on our business, and the planet.

Our catastrophic risks are the highest priority risks, given the potential consequences.

Principal risks

Pillars of value

Safety and health
Environment
Socio-political
People
Production
Cost
Financial

1. Catastrophic and natural catastrophe risks

We are exposed to the following risks we deem as potentially catastrophic: tailings dam failure; geotechnical failure; mineshaft failure; and fire and explosion.

Root cause: Any of these risks may result from inadequate design or construction, adverse geological conditions, shortcomings in operational performance, natural events such as seismic activity or flooding, and failure of structures or machinery and equipment.

Impact: Multiple fatalities and injuries, damage to assets, environmental damage, production loss, reputational damage and loss of licence to operate. Financial costs associated with recovery and liability claims may be significant. Regulatory issues may result and community relations may be affected.

Mitigation: Technical standards exist that provide minimum criteria for design and operational performance requirements, the implementation of which is regularly inspected by technical experts. Additional assurance work is conducted to assess the adequacy of controls associated with these risks.

Risk appetite: Operating within the limits of our appetite.

Commentary: These very high impact but very low frequency risks are treated with the highest priority.

Pillars of value:

2. Product prices

Global macro-economic conditions leading to sustained low product prices and/or volatility.

Root cause: Factors that could contribute to this risk include a deep and protracted slowdown in economic growth, armed conflict involving major world powers, trade wars between major economies and a disrupted recovery from the Covid-19 pandemic.

Impact: Low product prices can result in lower levels of cash flow, profitability and valuation. Debt costs may rise owing to ratings agency downgrades and the possibility of restricted access to funding. The Group may be unable to complete any divestment programme within the desired timescales or achieve expected values. The capacity to invest in growth projects is constrained during periods of low product prices – which may, in turn, affect future performance.

Mitigation: Maintaining a conservative balance sheet, proactive management of debt and the delivery of cash improvement and operational performance targets are the key mitigation strategies for this risk. Regular updates of economic analysis and product price assumptions are discussed with the Executive Leadership Team and Board.

Risk appetite: Operating within the limits of our appetite.

Commentary: Macro-economic conditions remain uncertain; that may result in price volatility in the products mined, and marketed, by Anglo American.

Pillars of value:

3. Cybersecurity

Loss or harm to our technical infrastructure and the use of technology within the organisation from malicious or unintentional sources.

Root cause: Attacks motivated by fraud, ransomware, and/or access to sensitive data or information.

Impact: Theft or loss of intellectual property, financial losses, increased costs, reputational damage, operational disruption and compromise of safety systems.

Mitigation: We have a dedicated Global Information Management Security team with appropriate specialist third-party support to oversee our network security. We have aligned to the internationally recognised NIST Cybersecurity Framework, as well as ISO 27001 in sensitive areas. Additionally, we employ the IRAM2 risk assessment methodology to large scale projects and maintain an ongoing cyber awareness programme across the Group.

Risk appetite: Operating within the limits of our appetite.

Commentary: During 2023, our controls responded as planned and no cyber attack attempt resulted in significant impacts for Anglo American.

Pillars of value:

4. Political

Political decisions, events or conditions in locations where Anglo American operates or transacts could affect our ability to conduct normal business and meet anticipated profit or performance targets.

Root cause: Geopolitical disputes between major economic countries, regional and national political tensions. The effectiveness of national governance in countries in which we operate may be compromised by corruption, weak policy framework and ineffective enforcement of the law.

Impact: Global supply chains may be impacted by the threat of or actual disputes between major economies. Regional and national political tensions may result in social unrest affecting our operations and employees. Uncertainty over future business conditions leads to a lack of confidence in making investment decisions, which can influence future financial performance. Increased costs can be incurred through additional regulations or economic contributions to government, while the ability to execute strategic initiatives that reduce costs or divest assets may also be restricted, all of which may reduce profitability and affect future performance. These may adversely affect the Group's operations or performance of those operations.

Mitigation: Anglo American has an active engagement strategy with governments, regulators and other stakeholders within the countries in which we operate, or plan to operate, as well as at an international level. We make significant efforts to contribute to public policy objectives such as socio-economic development to demonstrate the broader value of our presence. We assess portfolio capital investments against political risks and avoid or minimise exposure to jurisdictions with unacceptable risk levels. We actively monitor regulatory and political developments at a national level, as well as global themes and international policy trends, on a continuous basis. See pages 16–19 for more detail on how we engage with our key stakeholders.

Risk appetite: Operating within the limits of our appetite.

Commentary: Global economic conditions can have a significant impact on countries whose economies are exposed to mining products, placing greater pressure on governments to find alternative means of raising revenues, and increasing the risk of social and labour unrest.

Pillars of value:

5. Community and social relations

Failure to maintain healthy relationships with local communities and society at large.

Root cause: Failure to identify, understand and respond to community and societal needs and expectations.

Impact: A breakdown in trust with local communities and society at large threatens Anglo American's licence to operate, potentially leading to increased costs, future growth being impacted, business interruption and reputational damage.

Mitigation: The Anglo American Social Way is our integrated management system for social performance, adopted and implemented at all managed sites. In addition, the commitments we have made as part of the Thriving Communities pillar of our Sustainable Mining Plan will deliver tangible and valued benefits to host communities.

Risk appetite: Operating within the limits of our appetite.

Commentary: Through the Social Way, we ensure that policies and systems are in place at all Anglo American managed sites to support effective engagement with communities, avoid or minimise adverse social impacts, and maximise development opportunities. For further information on how we engage with key stakeholders, see pages 16–19. For more information on our Sustainable Mining Plan commitments, see page 46.

Pillars of value:

Pillars of value

Safety and health | Socio-political | Production | Financial
Environment | People | Cost

6. Safety

Failure to eliminate fatalities.

Root cause: Fatalities may result from operational leaders, employees and contractors failing to apply safety rules and poor hazard identification and control, including non-compliance with critical controls.

Impact: A fatal incident is devastating for the bereaved family, friends and colleagues. Over the longer term, failure to provide a safe working environment threatens our licence to operate.

Mitigation: All operations continue to implement safety improvement plans, with a focus on: effective management of critical controls required to manage significant safety risks; learning from high potential incidents and hazards; embedding a safety culture; and leadership engagement and accountability. Our Elimination of Fatalities Taskforce oversees targeted improvement initiatives to further improve safety performance.

Risk appetite: Operating within the limits of our appetite.

Commentary: During 2023, there were three work-related fatalities in our managed operations. Management remains fully committed to the elimination of fatalities.

Pillars of value:

7. Climate change

Climate change is one of the defining challenges of our era and our commitment to being part of the global response presents both opportunities and risks.

Root cause: We are committed to the alignment of our portfolio with the needs of a low carbon world in a responsible manner; however, different stakeholder expectations continue to evolve and may not always be aligned. Long term demand for metals and minerals mined and marketed by Anglo American may deviate from assumptions based on climate change abatement initiatives. Changing weather patterns and an increase in extreme weather events may impact operational stability and our local communities. Our Scope 1 and 2 carbon emission reduction targets are partly reliant on new technologies that are at various stages of development, and our Scope 3 reduction ambition is reliant on the adoption of greener technologies in the steelmaking industry.

Impact: Potential loss of stakeholder confidence, negative impact on reputation, financial performance and valuation.

Mitigation: We have articulated our climate change plans, policies and progress and engage with key stakeholders to ensure they understand them. Our Sustainable Mining Plan includes operation-specific and Group targets for reductions in carbon emissions, power and water usage.

Risk appetite: Operating within the limits of our appetite.

Commentary: For more information on our Sustainable Mining Plan and approach to climate change, see pages 46 and 49–57, and for further information on how we engage with key stakeholders, see pages 16–19.

Pillars of value:

8. Corruption

Bribery or other forms of corruption committed by an employee or agent of Anglo American.

Root cause: Anglo American has operations in some countries where there is a higher prevalence of corruption.

Impact: Potential criminal investigations, adverse media attention and reputational damage. A possible negative impact on licensing processes and valuation.

Mitigation: A comprehensive anti-bribery and corruption policy and programme, including risk assessment, training and awareness, with active monitoring, are in place.

Risk appetite: Operating within the limits of our appetite.

Commentary: A Group Compliance Committee oversees the organisation's anti-bribery management system to ensure its continuing suitability, adequacy and effectiveness.

Pillars of value:

9. Regulatory and permitting

Failure to comply with permitting and other mining regulations.

Root cause: Regulations impacting the mining industry are evolving as a result of political developments, changes in societal expectations and the public perception of mining activities. Failure to comply with management processes will threaten the ability to adhere to regulations and permits.

Impact: Delays to projects and disruption to existing operations may impact future production, delays in deploying new technologies that support future growth and sustainability objectives, legal claims and regulatory actions, fines and reputational damage.

Mitigation: All operations must comply with our Minimum Permitting Requirements, which is a management system to ensure necessary permits and other regulatory requirements are identified and embedded in life of asset plans and management routines. Through our Sustainable Mining Plan, we make considerable efforts to meet community aspirations for socio-economic development and carefully manage the environmental impacts of our business to avoid causing harm and nuisance.

Risk appetite: Operating within the limits of our appetite.

Commentary: Annual assessments of compliance with the Anglo American Minimum Permitting Requirements are undertaken, as well as periodic independent audits.

Pillars of value:

10. Water

Inability to obtain or sustain the level of water security needed to support operations over the current life of asset plan or future growth options.

Root cause: Poor water resource management or inadequate on site storage, combined with reduced water supply at some operations as weather patterns change, can affect production. Water is a shared resource with local communities and permits to use water in our operations are at risk if we do not manage the resource in a responsible and sustainable manner.

Impact: Loss of production and inability to achieve cash flow or volume improvement targets. Damage to stakeholder relationships or reputational damage can result from failure to manage this critical resource.

Mitigation: Various projects have been implemented at operations most exposed to this risk, focused on: water efficiency; water security; water treatment; and discharge management; as well as alternative supplies. New technologies are being developed that will reduce water demand.

Risk appetite: Operating within the limits of our appetite.

Commentary: This continues to be a risk to the majority of our operations. For more information on our Sustainable Mining Plan, see page 46.

Pillars of value:

11. Pandemic

Large scale outbreak of infectious disease increasing morbidity and mortality over a wide geographic area.

Root cause: Human population growth, urbanisation, changes in land use, loss of biodiversity, exploitation of the natural environment, viral disease from animals, and increased global travel and integration are all contributory causes of health pandemics.

Impact: As has been witnessed by the Covid-19 pandemic, widespread consequences include the physical and mental health and well-being of our people and local communities; economic shocks and disruption; social unrest; an increase in political stresses and tensions; a rise in criminal acts; and the potential for increased resource nationalism.

Mitigation: Anglo American actively monitors global pandemic-potential diseases. In the event of a pandemic, our Group Crisis Management Team is activated at an early stage to direct the Group's response, prioritising the well-being of our people, their families and our host communities, and ensuring the continuity of the operations.

Risk appetite: Operating within the limits of our appetite.

Commentary: For more information on how we support the health and well-being of our workforce, see pages 68–70.

Pillars of value:

Pillars of value

Safety and health | Socio-political | Production | Financial
Environment | People | Cost

12. Operational performance

Unplanned operational stoppages affecting production and profitability.

Root cause: We are exposed to risks of interruption to power supply and the failure of critical third-party owned and operated infrastructure; e.g. rail networks and ports. Failure to implement and embed our Operating Model, maintain critical plant, machinery and infrastructure, and operate in compliance with Anglo American's Technical Standards, will affect our performance levels. Our operations may also be exposed to natural catastrophes and extreme weather events.

Impact: Inability to achieve production, cash flow or profitability targets. There are potential safety-related risks associated with unplanned operational stoppages, along with a loss of investor confidence.

Mitigation: We maintain ongoing engagement with critical power and infrastructure suppliers and have appropriate business continuity and emergency preparedness plans. Implementation of our Operating Model and compliance with Technical Standards, supported by operational risk management and assurance processes, are key to the mitigation against this risk. Regular tracking and monitoring of progress against the underlying production plans is undertaken.

Risk appetite: Operating within the limits of our appetite.

Commentary: In 2023, some of our operations in South Africa were impacted by power outages, water supply issues and logistics constraints.

Pillars of value:

13. Future demand

Demand for metals and minerals produced and marketed by Anglo American may deviate from our assumptions.

Root cause: Technological developments and/or product substitution leading to reduced demand, growth in the circular economy and shifts in consumer preferences.

Impact: Potential for negative impact on revenue, cash flow, profitability and valuation.

Mitigation: Regular reviews of production and financial plans, as well as longer term portfolio decisions, are based on extensive research. Our businesses invest in marketing and other activities to enhance the inherent value of the products we produce, including building consumer confidence in the ethical provenance of our products.

Risk appetite: Operating within the limits of our appetite.

Commentary: We monitor new business opportunities in line with our strategy to secure, develop and operate a portfolio of high quality and long life mineral assets, from which we will deliver leading shareholder returns. Our Ethical Value Chain commitments within the Trusted Corporate Leader pillar of our Sustainable Mining Plan ensure we operate in line with stakeholder expectations for responsible mining. For more information on our ethical value chains and responsible mining certification, see pages 64–65.

Pillars of value:

Key performance indicators

Safety and health

Strategic element: Innovation, People

Work-related fatal injuries(8)

ER

Target: Zero

Number of work-related fatal injuries

2023	3
2022	2
2021	2
2020	2
2019	4

Total recordable injury frequency rate(8)

ER

Target: Year-on-year reduction

TRIFR

2023	1.78
2022	2.19
2021	2.24
2020	2.14
2019	2.21

New cases of occupational disease(8)

Target: Year-on-year reduction

NCOD

2023	15
2022	5
2021	16
2020	30
2019	39

Workforce noise exposure(8)

ER

Target: Year-on-year reduction

Employees potentially exposed to noise > 85 dBA

2023	19,173
2022	23,179
2021	30,832
2020	33,253
2019	29,598

Workforce inhalable hazard exposure(8)

ER

Target: Year-on-year reduction

Employees potentially exposed to inhalable hazards over OEL

2023	533
2022	317
2021	1,796
2020	1,994
2019	2,151

Environment

Strategic element: Innovation

GHG emissions(8)

ER

Target: Reduce absolute emissions by 30% by 2030, relative to 2016 baseline

Measured in million tonnes of CO_2 equivalent emissions

2023	12.5
2022	13.3
2021	14.5
2020	15.4
2019	16.9

Energy consumption(8)

ER

Target: Improve energy efficiency by 30% by 2030, relative to 2016 baseline

Measured in million GJ

2023	89
2022	83
2021	84
2020	78
2019	83

Fresh water withdrawals(8)

ER

Target: Reduce the absolute withdrawal of fresh water in water scarce areas by 50%, relative to the 2015 baseline

Measured in million ML

2023	38,040
2022	35,910
2021	36,888
2020	37,247
2019	42,527

Level 4-5 environmental incidents(8)

Target: Zero

Number of Level 4-5 environmental incidents

2023	0
2022	0
2021	0
2020	0
2019	0

For full description and calculation methodology
See pages 316–317

ER KPIs with this symbol are linked to executive remuneration; for more information, see the Remuneration report on pages 178–211.

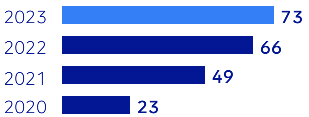
Socio-political

Strategic element: Innovation

Social Way implementation[9]

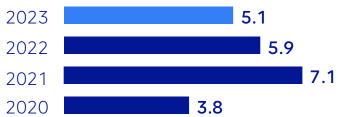
Target: Full implementation of the Social Way by end 2022

In 2023, 73% of Social Way requirements fulfilled



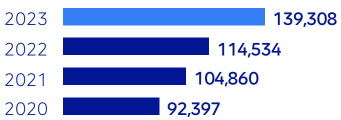
Taxes and royalties borne and taxes collected[3]

Spend in $ billion



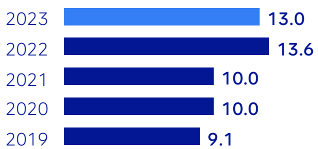
Jobs supported off site[10]

Cumulative number of jobs supported off site



Local procurement[4]

Spend in $ billion



People

Strategic element: People

Voluntary labour turnover

Target: <5%

Percentage of full-time employees

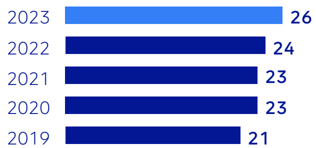
Women in management

Target: 33% by 2023

Women in management (B5 and above) (%)

Women in workforce

Women as a percentage of total workforce



Production

Strategic element: Portfolio, Innovation

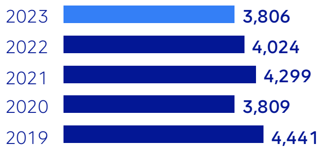
Production volumes

Copper equivalent production 2023 vs 2022: 2% increase

Copper – thousand tonnes

Nickel – thousand tonnes

PGMs – thousand ounces (5E+Au)

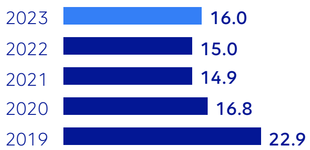


De Beers – million carats (100% production)

Iron ore (Kumba) – million tonnes (wet basis)

Iron ore (Minas-Rio) – million tonnes (wet basis)

Steelmaking coal (export coking and PCI) – million tonnes



Cost

Strategic element: Portfolio, Innovation

Unit cost of production

Copper equivalent unit cost 2023 vs 2022: 4% increase in $ terms

Copper – c/lb

2023	166
2022	154
2021	120
2020	113
2019	126

Nickel – c/lb

2023	541
2022	513
2021	377
2020	334
2019	380

PGMs – $/PGM ounce

2023	968
2022	937
2021	868
2020	713
2019	705

De Beers – $/carat

2023	71
2022	59
2021	58
2020	57
2019	63

Kumba – $/tonne (wet basis)

2023	41
2022	40
2021	39
2020	31
2019	33

Iron Ore Brazil – $/tonne (wet basis)

2023	33
2022	35
2021	24
2020	21
2019	21

Steelmaking Coal – $/tonne

2023	121
2022	107
2021	105
2020	86
2019	63

Financial

Strategic element: Portfolio, Innovation

Attributable return on capital employed (ROCE) ER

Group attributable ROCE (%)

2023	16
2022	30
2021	43
2020	17
2019	19

Underlying earnings per share (EPS) ER

Group underlying EPS – $

2023	2.42
2022	4.97
2021	7.22
2020	2.53
2019	2.75

Attributable free cash flow[11] ER

Group attributable free cash flow ($ billion)

2023	(1.4)
2022	1.6
2021	7.8
2020	1.2
2019	2.3

Group financial review

Anglo American's profit attributable to equity shareholders decreased to $0.3 billion (2022: $4.5 billion). Underlying earnings were $2.9 billion (2022: $6.0 billion), while operating profit was $3.9 billion (2022: $9.2 billion).

Production volumes increased by 2% on a copper equivalent basis, primarily driven by the ramp-up of our Quellaveco copper mine in Peru, a strong operational performance at our Minas-Rio iron ore operation in Brazil, as well as higher production from our Steelmaking Coal operations in Australia. Production was lower at De Beers, as the Venetia mine transitions from open pit to underground operations, and at PGMs due to lower production from the Kroondal joint operation (now sold) and planned infrastructure closures at Amandelbult. Lower grades impacted production at Los Bronces (Copper Chile).

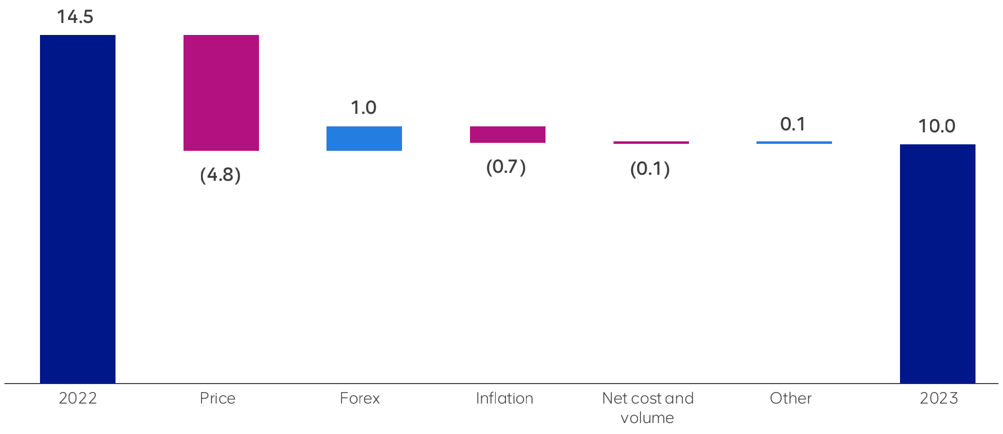
Underlying EBITDA◊

Group underlying EBITDA decreased by $4.5 billion to $10.0 billion (2022: $14.5 billion) due to lower commodity prices and inflationary cost pressures, which increased our input costs. As a result, the Group Mining EBITDA margin of 39% was lower than the prior year (2022: 47%). A reconciliation of 'Profit before net finance costs and tax', the closest equivalent IFRS measure to underlying EBITDA, is provided within note 2 to the Consolidated financial statements.

Financial performance

	2023	2022
Underlying EBITDA◊ ($ billion)	**10.0**	14.5
Operating profit ($ billion)	**3.9**	9.2
Underlying earnings◊ ($ billion)	**2.9**	6.0
Profit attributable to equity shareholders of the Company ($ billion)	**0.3**	4.5
Basic underlying earnings per share◊ ($)	**2.42**	4.97
Basic earnings per share ($)	**0.23**	3.72
Total dividend per share ($)	**0.96**	1.98
Group attributable ROCE◊	**16%**	30%

Underlying EBITDA reconciliation 2022–2023
$ billion



Underlying EBITDA◊ by segment

	2023	2022
Copper	3,233	2,182
Nickel	133	381
PGMs	1,209	4,417
De Beers	72	1,417
Iron Ore	4,013	3,455
Steelmaking Coal	1,320	2,749
Manganese	231	378
Crop Nutrients	(60)	(44)
Corporate and other	(193)	(440)
Total	9,958	14,495

Price
Average market prices for the Group's basket of products decreased by 13% compared to 2022, reducing underlying EBITDA by $4.8 billion. The PGMs basket price decreased by 35%, primarily driven by rhodium and palladium, which decreased by 58% and 37% respectively. Alongside this, the weighted average realised price for steelmaking coal reduced by 14%, and the De Beers consolidated average realised price for diamonds fell by 25%, predominantly driven by mix.

Foreign exchange
Favourable foreign exchange benefited underlying EBITDA by $1.0 billion, primarily reflecting the favourable impact of the weaker South African rand on costs.

Inflation
The Group's weighted average CPI was 5% in 2023 as inflation continued to increase in all regions, albeit lower than the 8% in 2022. The impact of CPI inflation on costs reduced underlying EBITDA by $0.7 billion (2022: $0.9 billion).

Net cost and volume
The net impact of cost and volume was a $0.1 billion decrease in underlying EBITDA, driven by lower sales volumes at De Beers due to weaker market sentiment, and lower sales at Copper Chile primarily as a result of lower grades and ore hardness at Los Bronces impacting production and costs. In addition, above-CPI inflationary pressures contributed to higher costs across the Group, particularly in South Africa at both PGMs and Kumba. These were largely offset by the ramp-up of volumes at Quellaveco and improved sales at Minas-Rio due to higher production volumes.

Underlying earnings◊
Group underlying earnings decreased to $2.9 billion (2022: $6.0 billion), driven by the lower underlying EBITDA, partly offset by a corresponding decrease in income tax expense and earnings attributable to non-controlling interests.

Reconciliation from underlying EBITDA◊ to underlying earnings◊

	2023	2022
Underlying EBITDA◊	9,958	14,495
Depreciation and amortisation	(2,790)	(2,532)
Net finance costs and income tax expense	(3,126)	(4,307)
Non-controlling interests	(1,110)	(1,620)
Underlying earnings◊	2,932	6,036

Depreciation and amortisation
Depreciation and amortisation increased by 10% to $2.8 billion (2022: $2.5 billion), largely due to Quellaveco commencing commercial production in June 2023, as well as a higher carrying value of our Steelmaking Coal assets due to the impairment reversal recognised in 2022.

Net finance costs and income tax expense
Net finance costs, before special items and remeasurements, were $0.6 billion (2022: $0.3 billion). The increase was principally driven by the impact of higher floating interest rates on the Group's interest expenses.

The underlying effective tax rate (ETR) was higher than the prior year at 38.5% (2022: 34.0%), impacted by the relative levels of profits arising in the Group's operating jurisdictions as well as the revaluation of deferred taxes in Chile following the enactment of the Mining Royalty Bill during the year, which contributed a 1.2 percentage point increase to the Group's ETR. The tax charge for the year, before special items and remeasurements, was $2.3 billion (2022: $3.6 billion), reflecting lower profit before tax.

Non-controlling interests
The share of underlying earnings attributable to non-controlling interests of $1.1 billion (2022: $1.6 billion) principally relates to minority shareholdings in Kumba (Iron Ore), Copper and PGMs.

Special items and remeasurements
Special items and remeasurements (after tax and non-controlling interests) are a net charge of $2.6 billion (2022: net charge of $1.5 billion), principally relating to the impairments after tax and non-controlling interests of $1.6 billion recognised in De Beers and $0.5 billion recognised in Barro Alto (Nickel).

Full details of the special items and remeasurements recorded are included in note 9 to the Consolidated financial statements.

Net debt◊

$ million	2023		2022	
Opening net debt◊ at 1 January	**(6,918)**		(3,842)	
Underlying EBITDA◊ from subsidiaries and joint operations		**9,241**		13,370
Working capital movements		**(1,167)**		(2,102)
Other cash flows from operations		**41**		621
Cash flows from operations		**8,115**		11,889
Capital repayments of lease obligations		**(309)**		(266)
Cash tax paid		**(2,001)**		(2,726)
Dividends from associates, joint ventures and financial asset investments		**382**		602
Net interest[1]		**(727)**		(253)
Dividends paid to non-controlling interests		**(978)**		(1,794)
Sustaining capital expenditure		**(4,404)**		(4,143)
Sustaining attributable free cash flow◊		**78**		3,309
Growth capital expenditure and other[2]		**(1,463)**		(1,724)
Attributable free cash flow◊		**(1,385)**		1,585
Dividends to Anglo American plc shareholders		**(1,564)**		(3,549)
Acquisitions and disposals		**200**		564
Foreign exchange and fair value movements		**21**		(238)
Other net debt movements[3]		**(969)**		(1,438)
Total movement in net debt◊	**(3,697)**		(3,076)	
Closing net debt◊ at 31 December	**(10,615)**		(6,918)	

(1) Includes cash outflows of $403 million (2022: outflows of $14 million), relating to interest payments on derivatives hedging net debt, which are included in cash flows from derivatives related to financing activities. For more information, please refer to note 21 to the Consolidated financial statements.
(2) Growth capital expenditure and other includes $133 million (2022: $129 million) of expenditure on non-current intangible assets.
(3) Includes the purchase of shares (including for employee share schemes) of $274 million; Mitsubishi's share of Quellaveco capital expenditure of $129 million; other movements in lease liabilities (excluding variable vessel leases) increasing net debt by $120 million; and contingent and deferred consideration paid in respect of acquisitions completed in previous years of $128 million. 2022 includes the purchase of shares under the 2021 buyback programme of $186 million; the purchase of shares for other purposes (including for employee share schemes) of $341 million; Mitsubishi's share of Quellaveco capital expenditure of $446 million; other movements in lease liabilities (excluding variable vessel leases) decreasing net debt by $33 million; and contingent and deferred consideration paid in respect of acquisitions completed in previous years of $165 million.

Net debt◊

Net debt (including related derivatives) of $10.6 billion increased by $3.7 billion since 31 December 2022, which includes a working capital cash outflow of $1.2 billion, primarily due to a reduction in payables. The Group generated sustaining attributable free cash flow of $0.1 billion. Further funding includes growth capital expenditure of $1.3 billion and dividends paid to Anglo American plc shareholders of $1.6 billion. Net debt at 31 December 2023 represented gearing (net debt to total capital) of 25% (2022: 17%). Net debt to EBITDA ratio of 1.1x (2022: 0.5x) remains well within our target range of <1.5x at the bottom of the cycle.

Cash flow

Cash flows from operations

Cash flows from operations decreased to $8.1 billion (2022: $11.9 billion), reflecting a reduction in underlying EBITDA from subsidiaries and joint operations, and a working capital build of $1.2 billion (2022: build of $2.1 billion). Payables reduced by $0.8 billion, largely driven by the impact of lower PGM prices on the valuation of the Purchase of Concentrate (POC) creditor as well as the PGM customer prepayment. Receivables increased by $0.4 billion led by higher price and volume across Iron Ore and Copper. Inventory was flat in the year, with price and volume led reductions at PGMs offsetting a build at De Beers driven by weak demand for diamonds and the impact of logistics constraints on Kumba's inventory levels.

Capital expenditure

Capital expenditure remained in line with prior year at $5.7 billion as higher sustaining capital was offset by reduced growth capital.

For more detail on capital expenditure
See page 78

Attributable free cash flow◊

The Group's attributable free cash flow decreased to an outflow of $1.4 billion (2022: inflow of $1.6 billion), mainly due to lower cash flows from operations of $8.1 billion (2022: $11.9 billion) and an increase in net interest to $0.7 billion (2022: $0.3 billion). This was partially offset by decreased tax payments of $2.0 billion (2022: $2.7billion) and a reduction in dividends paid to non-controlling interests to $1.0 billion (2022: $1.8 billion).

Shareholder returns

In line with the Group's established dividend policy to pay out 40% of underlying earnings, the Board has proposed a final dividend of $0.41 per share (2022: $0.74 per share), equivalent to $0.5 billion (2022: $0.9 billion).

Acquisitions and disposals

Net cash inflows on disposals of $0.2 billion principally relate to the settlement of the deferred consideration balance relating to the sale of the Rustenburg operations (PGMs) completed in November 2016.

Balance sheet

Net assets decreased by $2.3 billion to $31.6 billion (2022: $34.0 billion), reflecting dividend payments to Company shareholders and non-controlling interests as well as foreign exchange movements, partially offset by the profit in the year, which was impacted by the impairments at De Beers and Nickel.

Attributable ROCE◊

Attributable ROCE decreased to 16% (2022: 30%). Attributable underlying EBIT decreased to $5.4 billion (2022: $9.7 billion), reflecting the impact of lower realised prices for the Group's products and inflationary cost pressures. Average attributable capital employed increased to $33.2 billion (2022: $32.0 billion), primarily due to capital expenditure, largely at Quellaveco and Collahuasi (Copper), and shipping vessel lease additions and revaluations (Corporate and Other), partly offset by the reduction in capital employed following the De Beers and Nickel impairments recorded in 2023.

Liquidity and funding

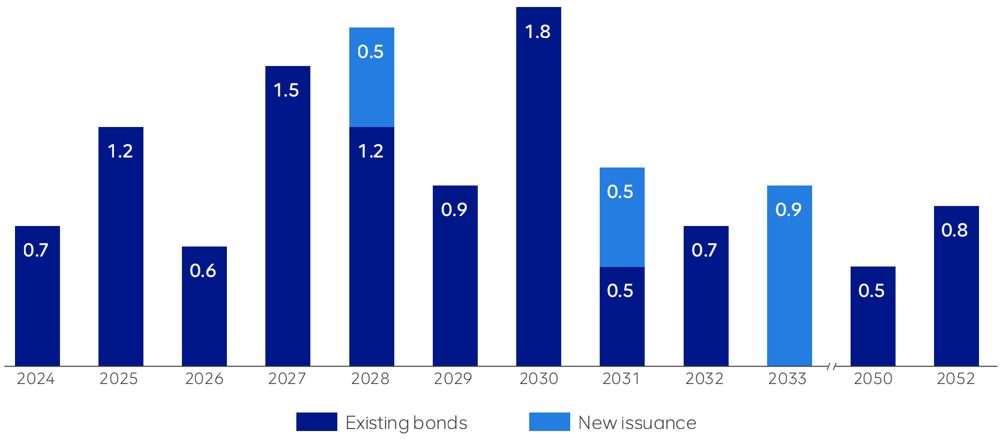
Group liquidity stood at $13.2 billion (2022: $16.1 billion), comprising $6.1 billion of cash and cash equivalents (2022: $8.4 billion) and $7.2 billion of undrawn committed facilities (2022: $7.7 billion).

During the first half of 2023, the Group issued $2.0 billion of bond debt. In March 2023, the Group issued €500 million 4.5% Senior Notes due 2028, €500 million 5.0% Senior Notes due 2031 and, in May 2023, $900 million 5.5% Senior Notes due 2033. These were swapped to US dollar floating interest rate exposures in line with the Group's policy.

Consequently, the weighted average maturity on the Group's bonds was broadly in line with the prior year at 7.4 years (2022: 7.7 years).

In the second half of 2023, the Group refinanced its $4.7 billion revolving credit facility maturing in March 2025, to a one year $1 billion facility maturing in November 2024, and a $3.7 billion five year facility maturing in November 2028.

Bond maturity profile
$ billion



Copper

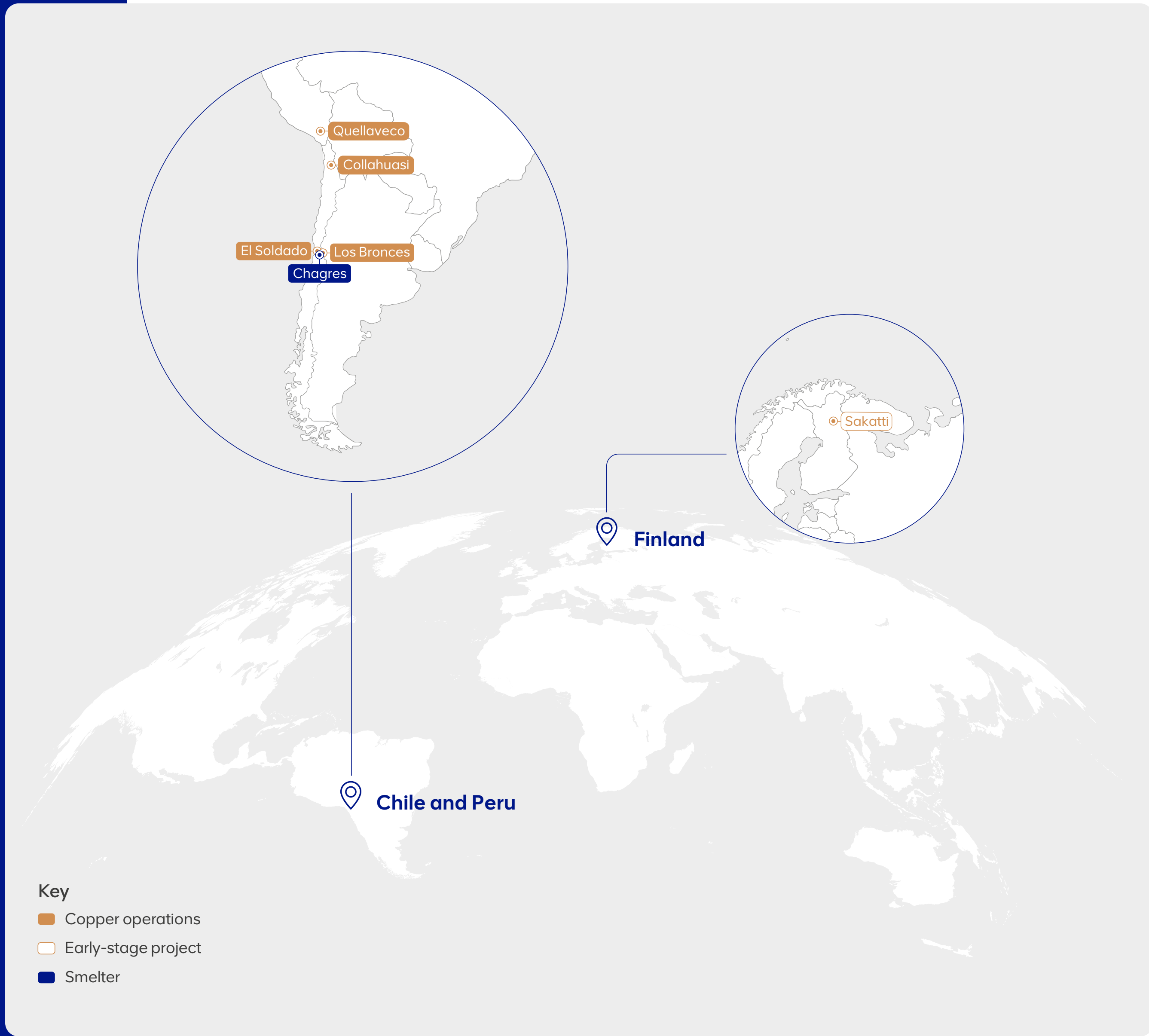
From our three mining operations in Chile and our newly commissioned Quellaveco mine in Peru, we produce copper, essential to modern living and the future of clean energy and transport. Our products include copper concentrate, copper cathode and associated by-products such as molybdenum and silver.

Management team

Ruben Fernandes
Regional Director, Americas

Patricio Hidalgo
CEO, Anglo American, Chile

Adolfo Heeren
CEO, Anglo American, Peru



Copper Chile

2023 summary

2
Fatalities

1.14
TRIFR

$1,452 m
Underlying EBITDA

31%
Mining EBITDA margin

507 kt
Production volume

On-site monitoring stations help to build a comprehensive picture of environmental conditions facing our operations.

Predictive environmental monitoring – shaping a new era for mining

Today, mining and processing operations are far safer, cleaner and less polluting than they were just a few years ago. Much of this can be attributed to the development and widespread adoption of digital technologies which provide operators with dynamic new tools to predict and mitigate risks, while also being able to continuously monitor mining's impact on the environment.

Predictive environmental monitoring (PEM) is a form of data management to identify trends and patterns to predict future environmental outcomes. It is proving to be a valuable tool to assist in maintaining compliance with increasingly stringent environmental legislation, as well as in anticipating, and consequently avoiding or minimising, production-related constraints.

Improving operational and environmental outcomes at Chagres
At our Chagres copper smelter in Chile, PEM allows control-room operators to input a range of climate, environmental and operational information, collected from our internal monitoring stations. They are then able to apply data analytics, machine learning and artificial intelligence (AI) tools to create a comprehensive picture of conditions facing the operation, and then build predictive models of future effects.

One of PEM's many benefits is that day-to-day mining operations can be planned more accurately. This has brought greater certainty and stability to our processes, and has led to a significant reduction in copper production losses.

Patricio Rojas, smelting superintendent, comments: "Because most copper-ores are sulphur-based, their smelting releases sulphur dioxide (SO_2), which has many harmful effects, along with noxious particulate matter. At Chagres, therefore, a key aim is to reduce dust emissions at source so that they do not spread to the surrounding communities and agricultural areas. Since implementing PEM, we have not had to shut down the smelter due to environmental conditions, or any exceedances in our emissions. And, importantly, being able to better manage, and reduce, environmental dust – and to be able to demonstrate this to the authorities and the local community – has led to a rise in stakeholder trust."

Next steps
PEM is an essential part of our Sustainable Mining Plan, and we will continue to extend it across the Group. This includes rolling out our operational emissions dashboards and forecasting tools, covering noise, vibration, particulates and other types of emissions, as part of our holistic approach to environmental management and to support positive health outcomes for our workforce and for the communities that neighbour our operations.

Our business

In Chile, we have interests in two major copper operations: a 50.1% interest in Los Bronces mine, which we manage and operate, and a 44% share in the independently managed Collahuasi mine; we also manage and operate the El Soldado mine and the Chagres smelter (50.1% interest in both).

Safety

Copper Chile, tragically, had two work-related fatalities in 2023. Jorge Navarrete and Gerardo Cariman, both employed by a contracting company, were fatally injured while investigating a communication failure in an electrical room situated in a remote area of Los Bronces mine. A team of independent experts performed a full investigation and actions were agreed to mitigate the risks identified.

As part of the response to the incidents and, aligned with the Group-wide focus on improving safety performance, the Copper CEO launched an Integrated Safety Plan for all Chilean operations, as well as an Integrated Safety Office to provide guidance, governance, and oversight for the successful implementation of the plan.

Some key initiatives of the plan include:

- Golden rules commitments were reinforced to employees and contractors
- Leadership interventions were conducted across all sites to review Priority Unwanted Events to assess the effectiveness of safety routines and operational risk management processes
- A 60-day safety plan was completed for all sites, including 35 field training sessions with the participation of more than 1,300 employees and contractors
- A catastrophic-risk taskforce was initiated, covering fire, electrical hazards, structural integrity risks and a pipeline integrity review.

Despite the fatal incidents, Copper Chile's TRIFR decreased by 20% to 1.14 (2022: 1.42). The TRIFR significantly improved following the introduction of the measures described above.

An emergency response taskforce was established and monitoring procedures are in place to ensure it performs properly. Safety routines are also being set up to ensure continuity of work already under way as part of the Integrated Safety Plan, including monitoring actions defined during the setting-up of the catastrophic risk taskforce and the technical standards governance review.

A number of other safety initiatives continue to be implemented, including reviewing and redefining safety routines, second-line assurance, improvements to the quality of Learning from Incidents investigations, and digital control monitoring of safety initiatives.

Environmental performance

At Copper's Chilean operations, energy use decreased by 3% to12.6 million GJ (2022: 13.0 million GJ), reflecting the decrease in production. Scope 1 GHG emissions remained consistent with the previous year at 0.4 Mt CO_2e (2022: 0.4 Mt CO_2e).

While GHG emissions were in line with the prior year, Copper Chile no longer records any Scope 2 GHG emissions, with all Chilean copper operations being wholly supplied by renewable power sources since 2021, resulting in an overall c. 60% reduction in GHG emissions over the period.

The decrease in energy use primarily reflects the reduction in copper production from Los Bronces mine.

2023 results – Copper Chile

	2023	2022
Production volume (kt)	507	562
Sales volume (kt)[(1)(2)]	505	563
Unit cost (c/lb)[(1)(3)]	200	157
Group revenue – $m[(1)(4)]	4,615	4,991
Underlying EBITDA – $m[(1)]	1,452	1,952
Mining EBITDA margin[(5)]	31%	40%
Underlying EBIT – $m[(1)]	893	1,387
Capex – $m[(1)]	1,268	1,217
Attributable ROCE	22%	32%
Fatalities	2	0
TRIFR	1.14	1.42
Energy consumption – million GJ	12.6	13.0
GHG emissions – Mt CO_2 equivalent	0.4	0.4
Total water withdrawals – million m^3	32.6	34.9
Employee numbers	4,000	4,400

(1) Results by asset and the consolidated results for Copper can be found in the Summary by operation on pages 307–308.
(2) Excludes 444 kt third-party sales (2022: 422 kt).
(3) C1 unit cost includes by-product credits.
(4) Group revenue is shown after deduction of treatment and refining charges (TC/RCs).
(5) Excludes impact of third-party sales.

Financial performance

Underlying EBITDA decreased by 26% to $1,452 million (2022: $1,952 million), driven by lower sales and higher unit costs. C1 unit costs increased by 27% to 200 c/lb (2022: 157 c/lb), reflecting the impact of lower production, cost inflation and a stronger Chilean peso, partially offset through cost control and higher by-product credits.

Capital expenditure increased by 4% to $1,268 million (2022: $1,217 million), mainly driven by expenditure at Collahuasi on the desalination plant and the fifth ball mill.

Markets

	2023	2022
Average market price (c/lb)	385	399
Average realised price (Copper Chile – c/lb)	384	386

The differences between the market price and the realised prices are largely a function of provisional pricing adjustments and the timing of sales across the year. At Copper Chile, 114,500 tonnes of copper were provisionally priced at 386 c/lb at 31 December 2023 (31 December 2022: 166,900 tonnes provisionally priced at 379 c/lb).

Copper prices were relatively stable during 2023, with LME prices averaging 385 c/lb, down 4% from last year (2022: 399 c/lb). Concerns over China's property sector weighed on market sentiment and copper prices, masking the solid underlying demand growth from China during the year, particularly from electric vehicles and the renewable energy sector. Copper prices remained sensitive to fluctuations in the strength of the US dollar throughout much of 2023, with prices benefiting in December from expectations that US interest rates have now peaked. Copper demand is well supported by ongoing global decarbonisation efforts and the infrastructure associated with the energy transition. However disruptions, mostly from social and environment concerns, continue to impact global mine supply.

Operational performance

Copper production of 507,200 tonnes was 10% lower than the prior year (2022: 562,200 tonnes), due to lower grades and ore hardness at Los Bronces.

At Los Bronces, production decreased by 20% to 215,500 tonnes (2022: 270,900 tonnes), due to lower ore grade (0.51% vs 0.62%) and continued ore hardness, as well as an electrical sub-station fire that interrupted plant facilities' power supply for 16 days. The unfavourable ore characteristics in the current area of mining will continue to affect the operation until the next phase of the mine, where the grades are expected to be higher and the ore softer. Development work for this phase is now under way and is expected to benefit production from early 2027 (refer to 'Operational outlook' below for further details).

At Collahuasi, Anglo American's attributable share of copper production increased marginally to 252,200 tonnes (2022: 251,100 tonnes), due to planned higher grades (1.17% vs 1.11%) and the ongoing commissioning of a fifth ball mill that started at the end of October, partially offset by lower copper recovery.

Production at El Soldado decreased by 2% to 39,500 tonnes (2022: 40,200 tonnes). Planned higher grades were offset by an existing geotechnical fault that was exacerbated by record levels of rain during the third quarter, resulting in the temporary closure of the mine. The production impact was partially mitigated by processing lower grade ore from stockpiles.

Chile´s central zone, where Los Bronces is located, faced dry conditions during the first half of the year followed by heavy precipitation. The increase in precipitation and the decision to place the smaller and less efficient of the two plants at the Los Bronces operation (the 'Los Bronces plant') on care and maintenance during 2024, has significantly reduced the risk in relation to water availability for Los Bronces in 2024. For Collahuasi, which is located in the north of the country, the outlook for 2024 remains dry; a desalination water solution is expected to be operational from 2026.

Operational outlook

Los Bronces

Los Bronces is currently mining a single phase impacted by ore hardness, and with expected lower grades. Additional mining phases and intermediate ore stockpiles that would typically provide operational flexibility have not been developed as a result of delays in mine development, permitting and operational challenges.

While the operation works through the challenges in the mine, and until the economics improve, the older, smaller (c.40% of production volumes) and more costly Los Bronces processing plant will be placed on care and maintenance from mid-2024. This value over volume decision will enable the business to significantly reduce operating costs and improve competitiveness, at both the mine and the plant, reduce overheads, and reduce capital spend, as well as reduce reliance on external water sources (such as transportation via truck). The expected annualised unit cost saving from this action is c.30–40 c/lb.

The development of the first phase of the Los Bronces integrated water solution is also ongoing, which will secure a large portion of the mine's water needs through a desalinated water supply from the beginning of 2026.

Los Bronces remains a world class copper deposit, accounting for more than 2% of the world's known copper resources. The environmental permit for the Los Bronces open pit expansion and underground development was issued by the authorities in November 2023. Development work for the next higher grade, softer ore phase of the mine, Donoso 2, is now under way and is expected to benefit production and unit costs from early 2027. Pre-feasibility studies for the Los Bronces underground expansion are ongoing and are expected to be finalised in mid-2025.

Collahuasi

Collahuasi is a world class orebody with significant growth potential. Near term grades are expected to be c.1.05% TCu, with the exception of 2025, where the grade temporarily declines to c.0.95% TCu. Various debottlenecking options are being studied that are expected to add c.25,000 tonnes per annum (tpa) (our 44% share) between 2025–2028. Beyond that, studies and permitting are under way for a fourth processing line in the plant and mine expansion that would add up to 150,000 tpa (our 44% share). Timing of that expansion is subject to the permitting process; assuming permit approval in 2027, first production could follow from c.2032.

A desalination plant is currently under construction that will meet a large portion of the mine's water requirements when complete in 2026, and has been designed to accommodate capital-efficient expansion as the fourth processing line project progresses.

El Soldado

Following the exacerbation of the geotechnical fault at El Soldado by the heavy rainfall in 2023, the mine plan was revised in the third quarter of 2023. Production in 2024 is expected to be broadly comparable to 2023, before declining to 30,000–35,000 tpa as the mine reaches end of life by mid-2028. Following receipt of the environmental permit for phase 5, options are being evaluated that may enable a life extension.

Copper Chile

Production guidance for Chile for 2024 is 430,000–460,000 tonnes, subject to water availability. 2024 unit cost guidance is c.190 c/lb.

Copper Peru

2023 summary

0
Fatalities

1.47
TRIFR

$1,781 m
Underlying EBITDA

65%
Mining EBITDA margin

319 kt
Production volume

Our business

In Peru, we have a 60% interest in the Quellaveco mine, which was successfully delivered on time and on budget during 2022. One of the largest mines to be developed across the mining industry in many years, it has ramped up and is expected to produce 300,000 tonnes of copper equivalent per year on average over the first 10 years of production, with a 35-year Reserve Life.

Safety

During 2023, Quellaveco recorded no fatalities and a 34% decrease in the TRIFR to 1.47 (2022: 2.23). This improvement in safety performance was driven primarily by an increase in leadership time in the field through our Visible Field Leadership (VFL) activities, as well as a Safety Stop in May, when work was halted across the site to discuss safety risks and the improvements and actions required to reverse the negative trend.

Safety performance was also discussed regularly with contractor management, identifying changes needed to reduce risk exposure and improve safety management. Quellaveco's safety culture is reinforced by safety campaigns addressing risk management and controls, people feeling empowered to say no if they deem work to be unsafe, and recognition programmes, where exemplary employees are rewarded for good safety practices.

Preventive safety management was a focus in the year, with a significant increase in high potential hazard (HPH) reports and learning and investigation of repeat high potential incidents (HPIs). Fatigue management was supported by the adoption of technology devices installed on vehicles; for example, Advanced Driver Assistance Systems that help to reduce risky behaviour such as using phones while driving, and speeding.

Environmental performance

Energy use amounted to 6.3 million GJ (2022: 3.4 million GJ), reflecting the increased production, following the start of operations in July 2022. GHG emissions totalled 0.2 Mt CO_2e (2022: 0.2 Mt CO_2e), as the benefit of renewable energy supply offset the impact of higher operational activity. In 2023, Quellaveco's power needs were fully supplied from renewable sources, via wind turbines from the supplier's (Engie) newly commissioned Punta Lomita wind farm.

Quellaveco has completed the pre-feasibility phase of the Group's Net Positive Impact (NPI) initiative, establishing the main offset options and key biodiversity species recognised as priorities to comply with the Group's Sustainable Mining Plan NPI goals.

Quellaveco continues to collect data to understand its water consumption baseline, as operations stabilise following first production.

Financial performance

The significant increase in underlying EBITDA to $1,781 million (2022: $230 million), reflects higher sales volumes and lower unit costs, as the operation ramped up. C1 unit costs decreased by 18% to 111 c/lb (2022: 136 c/lb), reflecting the benefit of higher production volumes.

Capital expenditure decreased by 49% to $416 million (2022: $814 million), reflecting the completion of major project spend for the construction of Quellaveco, which was successfully delivered in July 2022.

Markets

	2023	2022
Average market price (c/lb)	**385**	399
Average realised price (Copper Peru – c/lb)	**384**	379

At Copper Peru, 39,000 tonnes of copper were provisionally priced at 385 c/lb at 31 December 2023 (31 December 2022: 74,800 tonnes provisionally priced at 380 c/lb.

2023 results – Copper Peru

	2023	2022
Production volume (kt)	319	102
Sales volume (kt)[(1)]	339	78
Unit cost (c/lb)[(1)(2)]	111	136
Group revenue – $m[(1)(3)]	2,745	608
Underlying EBITDA – $m[(1)]	1,781	230
Mining EBITDA margin	65%	38%
Underlying EBIT – $m[(1)]	1,558	208
Capex – $m[(1)(4)]	416	814
Attributable ROCE	19%	2%
Fatalities	0	0
TRIFR	1.47	2.23
Energy consumption – million GJ	6.3	3.4
GHG emissions – Mt CO_2 equivalent	0.2	0.2
Total water withdrawals – million m^3	20.0	8.7
Employee numbers	1,000	1,000

(1) The consolidated results for Copper can be found in the Summary by operation on pages 307–308.
(2) C1 unit cost includes by-product credits.
(3) Group revenue is shown after deduction of treatment and refining charges (TC/RCs).
(4) Figures on a 100% basis (Group's share: 60%). Included in capex is the project capex which represents the Group's share after deducting direct funding from non-controlling interests. The Group's share of project capex was $138 million (on a 100% basis, $230 million). In 2022, the Group's share was $633 million (on a 100% basis, $1,055 million).

Operational performance

Quellaveco produced 319,000 tonnes (2022: 102,300 tonnes), reflecting the progressive ramp-up in production volumes since first production in July 2022, with commercial production achieved in June 2023.

Following first production from the molybdenum plant in April 2023, commercial production was achieved in November 2023.

With the mine operational, focus is on the commissioning of the coarse particle recovery plant, which started in November 2023, and will treat flotation tails, leading to improved metal recoveries.

Operational outlook

A localised geotechnical fault in one of the phases previously scheduled for mining in 2024 necessitated a revised mining plan in the latter part of 2023, as it was determined that a change in the inter-ramp angle of that phase was required to ensure safety standards. While this stripping work progresses, other lower grade phases will be mined. As a result, access to higher grade sectors that were previously planned to be mined in 2024 have been rephased to 2027. However, as a result of further optimisation work within the revised mine plan, an additional c.25,000 tonnes of copper is expected to be mined over the next five years. Given the current copper market outlook, higher real term prices for these volumes may be achieved; thereby negating, or even benefiting, the NPV impact of the revised mine plan.

While current focus remains on embedding safe, consistent and stable operational performance, there is significant expansion potential that could sustain production beyond the initial high grade area. The first step, subject to permitting, would be an increase in throughput rates to 150,000 tonnes per day (tpd) (from the currently permitted level of 127,500 tpd), with limited capital required and no additional water required. Beyond that, different expansion alternatives are under study, including a possible third ball mill. There is also interesting regional potential that our Discovery team is progressing – including the adjacent Mamut area, c.10 km away.

Production guidance for Peru for 2024 is 300,000–330,000 tonnes and 2024 unit cost guidance is c.110 c/lb. Production in Peru will be weighted to the second half of the year, primarily as a result of the grades temporarily declining to between 0.6–0.7% TCu in the first half of the year.

Nickel

Our nickel assets, based in Brazil, produce ferronickel – a key ingredient in the production of stainless steel.

Management team

Ruben Fernandes
Regional Director, Americas

Wilfred Bruijn
CEO, Anglo American, Brazil (until December 2023)

Ana Sanches
CEO, Anglo American, Brazil (from December 2023)

Nickel

2023 summary

0
Fatalities

5.65
TRIFR

$133 m
Underlying EBITDA

20%
Mining EBITDA margin

40,000 t
Production volume

Process engineer Naiara Nascimento holding a pregnant leach solution (PLS) enriched with soluble nickel, derived from comprehensive tests conducted in the leaching pilot plant.

Improving metal recovery in our Nickel business

The global steel industry uses two-thirds of the world's nickel production – and almost all the ferronickel produced each year. Over the past few years, however, the nickel grade has naturally declined at both Barro Alto, our main refining facility, and Codemin.

Reversing the downward trend
In order to halt, and then turn around, this declining trend, Anglo American's Technical team investigated the current production process, which led to the development of a new hybrid method. This involves combining the current pyrometallurgical process, whereby the physical and chemical characteristics of the ore are altered at high temperatures, with an innovative hydrometallurgical wet extraction technique that allows the separation of elements in the ore when they reach a liquid phase. Apart from the principal objective of improving nickel recovery, this novel approach allows the use of more marginal and ferruginous (iron-bearing) ores – with the additional prospect of releasing a range of by-products, such as copper, magnesium, cobalt (a vital battery metal) and scandium (used increasingly in the aerospace industry, and bicycle frames), that are currently unobtainable through the conventional pyrometallurgical process.

Progressing through partnership
Following extensive laboratory tests, which proved to be successful, the next step was to move to the pilot-plant testing phase. Director of Nickel operations, Eduardo Caixeta, points out that the Federal University of Goiás (UFG) was an essential partner in all this: "The partnership with UFG was formalised in 2022, enabling us to work closely together to install a leaching pilot plant in the university's Chemistry institute. The pilot testing, which lasted from October 2022 to March 2023, yielded very encouraging results, both in terms of increased nickel extraction and the recovery of other minerals of interest – with extractions of between 70–90% for marginal and ferruginous ores and extractions exceeding 90% for cobalt and manganese. We are now jointly engaged in simulating the process on a larger scale so that we can determine whether the hybrid processing approach will be viable commercially. If it is successful in real-world conditions – and I am optimistic it will be – this will make Anglo American's Nickel business a more efficient and attractive producer, offering a wider range of metals to customers, and it may well result in an extension of operational life at our Nickel sites."

Our business

Our nickel assets are wholly owned, consisting of two ferronickel production sites: Barro Alto and Codemin. Our Nickel business produces ferronickel – whose primary end use is in the global stainless steel industry.

Uses of nickel

The stainless steel industry uses two-thirds of the world's nickel production and virtually all ferronickel produced each year. The balance is used mainly in the manufacture of alloy steel and other non-ferrous alloys.

Stainless steel is a key input in high-tech construction, and most stainless steels contain about 8–10% nickel. As an alloying element, nickel enhances important properties of stainless steel such as formability, weldability and ductility, while increasing corrosion resistance in certain applications.

Safety

Our Nickel business has not had a fatal incident since 2012. Disappointingly, however, in 2023 the TRIFR continued its upward trend, reaching 5.65 (2022: 3.67). High workforce turnover and under-skilled contractor employees were the main reasons behind the increase.

Actions under way are concentrated on improving training quality and providing better oversight of peripheral activities. Nickel is also encouraging leaders to spend more time in the field, reflecting the focus on VFL being driven across the business, supporting the workforce by creating a psychologically safe work environment where they feel empowered to speak up when they encounter activities that they feel are unsafe. Contractors have been included in Anglo American Brazil's Safety Culture Programme; Nickel is also implementing the Group's Contractor Performance Management framework, designed to improve contractor performance management, with a focus on the delivery of improved risk-based planning and safe work execution.

Environmental performance

Energy consumption at Nickel increased marginally to 20.6 million GJ (2022: 20.3 million GJ) due to higher electricity consumption from the refinery process. Scope 1 GHG emissions were in line with the prior year at 1.1 Mt CO_2e (2022: 1.1 Mt CO_2e). Nickel has no Scope 2 GHG emissions as all power for the operation comes from renewable sources.

In 2023, the Nickel business partnered with COOPEAG (Agroecological Cooperative of Family Producers of Niquelândia) to restore approximately 170 hectares of degraded land through the planting of approximately 300,000 seedlings, including from endangered species.

Molten metal is poured from a furnace at our Barro Alto operation, an important producer of ferronickel for the stainless steel industry.

2023 results – Nickel

	2023	2022
Production volume (t)	40,000	39,800
Sales volume (t)	39,800	39,000
Unit cost (c/lb)[(1)]	541	513
Group revenue – $m	653	858
Underlying EBITDA – $m	133	381
Mining EBITDA margin	20%	44%
Underlying EBIT – $m	62	317
Capex – $m	91	79
Attributable ROCE	6%	24%
Fatalities	0	0
TRIFR	5.65	3.67
Energy consumption – million GJ	20.6	20.3
GHG emissions – Mt CO_2 equivalent	1.1	1.1
Total water withdrawals – million m^3	6.9	7.0
Employee numbers	1,000	1,400

(1) C1 unit cost.

Financial performance
Underlying EBITDA decreased by 65% to $133 million (2022: $381 million), primarily as a result of lower realised prices. C1 unit costs increased by 5% to 541 c/lb (2022: 513 c/lb), reflecting the stronger Brazilian real and the impact of higher costs of production due to lower grade ore, including planned maintenance costs to secure asset integrity and availability.

Capital expenditure increased by 15% to $91 million (2022: $79 million), mainly driven by higher deferred stripping costs capitalised.

Within special items and remeasurements, total impairments of $779 million (before tax) were recognised at Barro Alto in 2023 following revisions to the pricing outlook and the long term cost profile of the asset.

Markets

	2023	2022
Average market price ($/lb)	9.74	11.61
Average realised price ($/lb)	7.71	10.26

Differences between the market price (which is LME-based) and our realised price (the ferronickel price) are due to the discounts to the LME price, which depend on market conditions, supplier products and consumer preferences.

The average LME nickel price of $9.74/lb was 16% lower than prior year (2022: $11.61/lb), mainly due to significant supply growth of refined nickel products in Indonesia and China, along with the impact of higher interest rates on consumer inventory levels, resulting in consumer destocking and widening market discounts for ferronickel.

Offsetting this, global nickel consumption grew strongly year on year, particularly in China, which saw record volumes of nickel consumed in the stainless steel and battery sectors.

Operational performance
Nickel production increased marginally to 40,000 tonnes (2022: 39,800 tonnes), reflecting improved operational stability.

Operational outlook
Following safety improvements within the mine plan, certain geotechnical parameters have been revised, so the amount of material accessed from higher grade areas of the mine has reduced. The next higher grade area of the pit is currently going through permitting, with production expected from 2028 to blend with the lower grade areas of the existing pit. Also, bulk ore sorting has not yet delivered the scale that had previously been anticipated. While studies are ongoing to calibrate and adapt the technology, these benefits are no longer incorporated into guidance due to their early maturity. Additional drilling is under way to increase coverage and enhance confidence levels within the geological models.

Production guidance for 2024 is 36,000–38,000 tonnes, and 2024 unit cost guidance is c.600 c/lb.

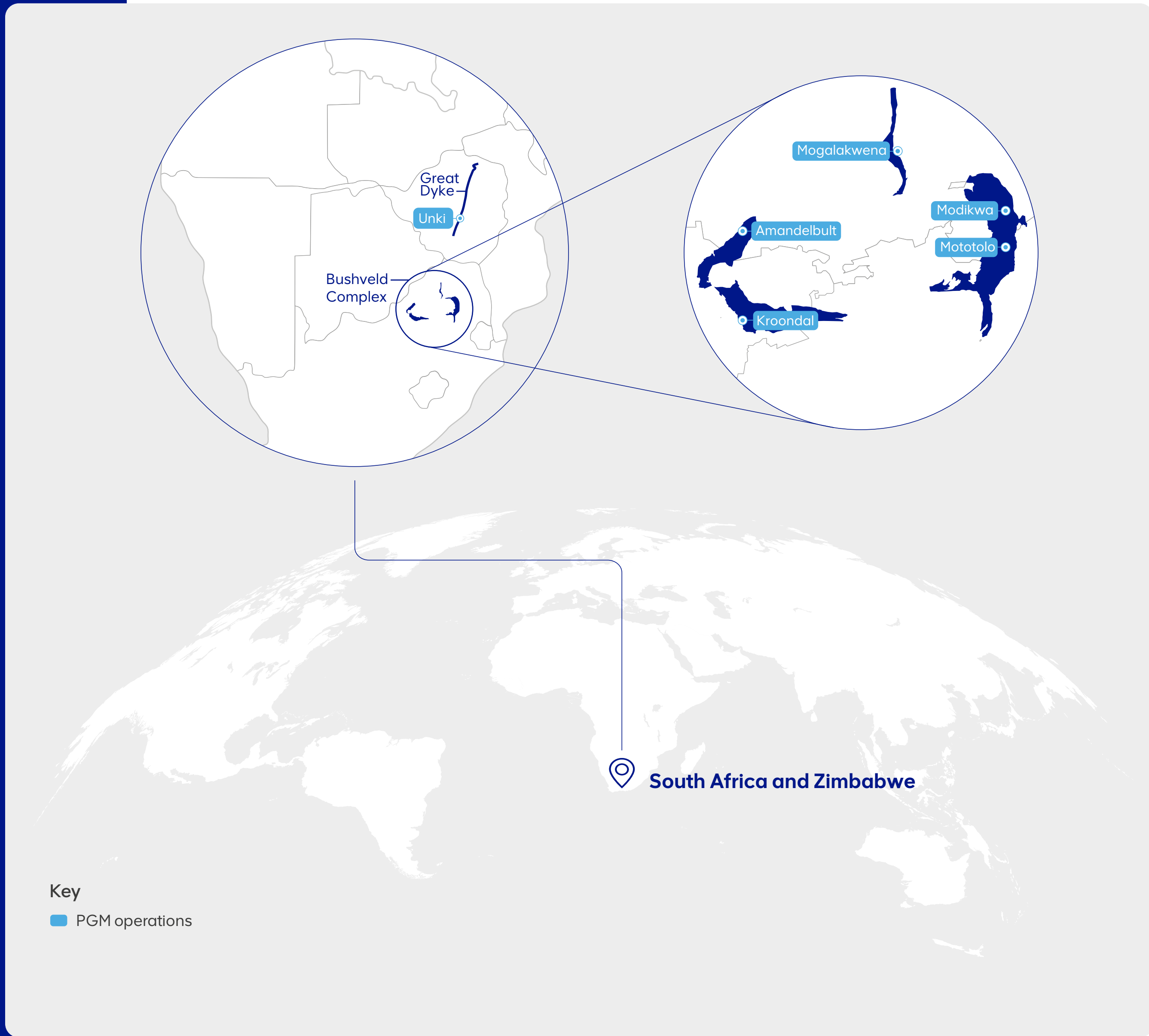
Platinum Group Metals (PGMs)

Our PGMs business (held through an effective 79.2% interest in Anglo American Platinum Limited) is a leading producer of PGMs, essential metals for cleaning vehicle exhaust emissions and as the catalyst in electric fuel cell technology.

Management team

Themba Mkhwanazi
Regional Director, Africa and Australia

Craig Miller
CEO, Platinum Group Metals



PGMs

2023 summary

0
Fatalities

1.61
TRIFR

$1,209 m
Underlying EBITDA

30%
Mining EBITDA margin

3,806 koz
Production volume – PGMs 5E+gold[(1)]

Our business

We wholly own and operate three mining operations in South Africa's Bushveld complex: Mogalakwena – the world's largest open pit PGMs mine – Amandelbult and Mototolo. We also own and operate Unki mine – one of the world's largest PGM deposits outside of South Africa, on the Great Dyke in Zimbabwe. We own smelting and refining operations, located in South Africa, which treat concentrates from our

(1) PGMs production is shown on a 5E+gold basis, i.e. platinum, palladium, rhodium, ruthenium and iridium plus gold.

The decline excavation to access underground ore at Mogalakwena, where the installation of high-tensile steel 'blast on mesh' (clearly visible on the stope wall) provides a vital extra layer of protection to development crews.

Preventing rockfalls underground

Advances in technology, improved operational practices and monitoring, and a positive shift in attitudes towards safety, are all helping to make mining safer. At Anglo American, over the past two decades, fatalities and serious injuries have steadily trended downwards.

But in spite of this progress, we are still not where we ultimately want to be – which is a work environment where it is impossible to get hurt.

Mitigating the hazards of mining underground

Underground mining generally carries more risk than operations on surface and, historically, rockfalls – mainly from the hanging wall/roof and sidewalls, but also from the stope face area – have been responsible for a high proportion of fatal and severe injuries.

Tackling rockfalls at Anglo American gained renewed traction in 2019, when our Group Mining team collaborated with several operating sites to instigate a Rockfall Fatality Elimination programme. Since then, fatalities from rockfalls have fallen sharply, and no one has died from a rockfall for three years running.

Group Mining's head of geotechnical, Lesley Munsamy, attributes much of this to a shift in mindset around safety culture: "It's fundamentally about not accepting that there's any situation where someone's life could be at risk while undertaking their day-to-day work. So, we examined how best to remove, or engineer out, risk and then we focused on making the right decisions more consistently through a combination of behaviour-based training, enhanced engineered controls, and embedding operational improvements."

Groupwide collaboration on new safety technology

In our PGMs business' underground mines, 'barring' (the removal of loose rock slabs from the hanging wall/roof and sidewalls) until recently has a been a critical safety issue. But PGMs, supported by Group Mining, is reducing the need for barring through installing 'blast on mesh', a high-tensile steel mesh that provides passive support and affords protection from rockfalls. A crucial extra benefit is that the mesh is designed to withstand the blasting process.

PGMs' chief geotechnical engineer, Lizelle Prinsloo, observes: "Blast on mesh has proved to be so effective that we're rolling it out on all PGMs' underground mines. But it's just one of the technologies we are using; 'moving the dial' often requires integrating a number of technologies. So, in conjunction with our colleagues in Group Mining, and also third parties, we are also developing innovative safety equipment such as an underground radar, no bigger than a mobile phone, that can detect rock movements and alert people at the working face to any danger, while also introducing new strata-displacement monitoring devices. Such technologies, working in combination, are setting new benchmarks in rockfall safety."

wholly owned mines, joint operations and third parties. In 2023, we also had an interest in two jointly owned, non-managed PGM mines – Modikwa and Kroondal, both located in South Africa. We disposed of our 50% interest in Kroondal in November 2023. Kroondal has now transitioned to a 100% third-party purchase of concentrate arrangement, which is then expected to transition to a toll arrangement at the end of the first half of 2024.

Uses of PGMs

PGMs are used in an extensive range of applications. In the automotive industry, they are used in catalytic converters and in fuel cell electric vehicle (FCEV) technology. Platinum, palladium and rhodium enable catalytic converters to reduce pollutants from car exhaust gases. FCEVs provide a zero emissions powertrain technology, particularly well suited to heavy duty, long range and fleet vehicles. Demand for PGMs from the car industry is forecast to remain healthy, helped by the ongoing trend towards cleaner-emission vehicles, driven by more stringent emissions legislation. While we recognise that increased demand for battery electric vehicles poses a downside risk to demand for the PGM-containing catalytic converters used in internal combustion engine vehicles, it is partly offset by hybrids, which require similar quantities of PGMs, and longer term, FCEVs.

With rising concerns about the environment and energy costs, there is also growing interest in platinum-based fuel cells as an alternative energy source. Fuel cell mini-grid electrification technology is an attractive, cost-competitive alternative to grid electrification in remote rural areas and could accelerate access to electricity.

Platinum is also widely used in jewellery owing to its purity, strength, resistance to fading and ability to hold precious stones securely.

Platinum, palladium and rhodium each have a wide range of other uses in the chemical, electrical, medical, glass and petroleum industries. PGMs enable efficient production of goods, ranging from glass to fertilisers, as well as a diverse range of other products, such as cancer-treatment drugs. Ruthenium is used as a catalyst in many chemical and electro-chemical processes, with properties that make it widely used in semiconductors and hard disks. Iridium is also widely used as a chemical and electro-chemical catalyst, for instance in chloralkali electrodes. Being highly corrosion-resistant, it is also used to make crucibles, in which crystals for the electronics industry are grown.

We are committed to developing demand for PGMs and invest both directly and through AP Ventures, an independent venture capital fund with a mandate to invest in the development of new applications for the full suite of PGMs. We are also a major participant in the Platinum Guild International, which plays a key role in supporting and growing platinum jewellery demand.

Safety

In 2023, and for the second successive year, PGMs recorded zero fatalities at its own managed and joint venture operations and reached a record-low TRIFR of 1.61. This represents a year-on-year improvement of 31% and an improvement of 85% since 2012. Mogalakwena, Mototolo and Unki mines have reported more than 11 years of fatality-free mining, with Amandelbult recording 9.6 million fatality-free shifts. PGMs continues to focus on working towards safe, stable and capable operations, as this as a critical foundation for safe production, as well as continuously improving its safety leadership and risk management practices.

Tragically, and in a non-work-related fatality in December 2023, Oupa Lazaros Mashego passed away when the bus he was driving while transporting employees from Mototolo mine was involved in a road traffic accident. The other employees on the bus were treated for minor injuries.

Environmental performance

Total energy consumption increased by 9% to 20.6 million GJ (2022: 18.9 million GJ) and GHG emissions increased by 5% to 4.3 Mt CO_2e (2022: 4.1 Mt CO_2e), driven by increased smelter production and higher than expected energy usage at our Mogalakwena and Amandelbult operations. Energy efficiency has improved by 9% over the 2016 baseline.

PGMs continues to invest in energy efficiency projects across all operations, while switching to low carbon energy sources and renewable energy to transition the energy mix. PGMs will benefit from the Group's partnership with EDF Renewables (Envusa Energy) to develop a regional renewable energy ecosystem in southern Africa, including the large-scale solar photovoltaic and wind generation plants that are currently under development.

Total water withdrawals decreased by 11% to 37.5 million m^3 (2022: 42.2 million m^3) as PGMs continued to focus on operational improvements and water efficiency, re-use, and conservation opportunities. The delivery of specific water reduction projects in 2024 and the implementation of new technologies that improve water reduction efforts, such as CPR and HDS, are expected to help PGMs meet its water withdrawal targets.

Financial performance

Underlying EBITDA decreased to $1,209 million (2022: $4,417 million), primarily driven by a lower basket price, which resulted in lower POC margins and affected the cost of POC inventory. Additionally, own-mined unit costs increased by 3% to $968/PGM ounce (2022: $937/PGM ounce), due to lower production and higher inflation, partly offset by the weaker South African rand.

Capital expenditure increased by 9% to $1,108 million (2022: $1,017 million), as planned higher stay-in-business expenditure was partially offset by the weaker South African rand.

	2023	2022
Average platinum market price ($/oz)	**965**	961
Average palladium market price ($/oz)	**1,336**	2,111
Average rhodium market price ($/oz)	**6,611**	15,465
US$ realised basket price ($/PGM oz)	**1,657**	2,551

Markets

Following record pricing in 2021–2022, a general easing of supply concerns that had arisen post Russia's invasion of Ukraine and end-user destocking saw sharp falls in palladium and rhodium prices. This drove the average realised PGM basket price down by 35% in 2023 to $1,657 per PGM ounce (2022: $2,551 per PGM ounce).

The average rhodium market price of $6,611 per ounce was 57% lower than in 2022, impacted in the first half of the year by persistent selling of excess stock from the glass industry, which had shifted to a lower rhodium, higher platinum mix. Palladium declined 37%, averaging $1,336 per ounce, as robust Russian metal flows met automotive industry destocking. Platinum was broadly flat at $965 per ounce. The minor PGMs, iridium and ruthenium, continued to make historically large contributions to the basket price. By the end of the year, PGM pricing was firmly into the cost curve, and several producers responded by restructuring existing mines or mothballing future plans.

2023 results

	2023	2022
PGM production volume (koz)(1)(2)	**3,806**	4,024
PGM sales volume (koz)(2)(3)	**3,925**	3,861
Unit cost ($/PGM oz)(2)(4)	**968**	937
Group revenue – $m(2)	**6,734**	10,096
Underlying EBITDA – $m(2)	**1,209**	4,417
Mining EBITDA margin(5)	**30%**	54%
Processing and trading margin	**(6%)**	24%
Underlying EBIT – $m(2)	**855**	4,052
Capex – $m(2)	**1,108**	1,017
Attributable ROCE	**15%**	86%
Fatalities	**0**	0
TRIFR	**1.61**	2.34
Energy consumption – million GJ	**20.6**	18.9
GHG emissions – Mt CO_2 equivalent	**4.3**	4.1
Total water withdrawals – million m^3	**37.5**	42.2
Employee numbers(6)	**27,000**	26,500

(1) Production reflects own-mined production and purchase of metal in concentrate. PGM volumes consist of 5E metals and gold.
(2) Results by asset can be found in the Summary by operation on pages 307–308.
(3) Sales volumes exclude tolling and third-party trading activities. PGMs is 5E metals and gold.
(4) Total cash operating costs (includes on-mine, smelting and refining costs only) per own mined PGM ounce of production.
(5) The total PGMs mining EBITDA margin excludes the impact of the sale of refined metal purchased from third parties, purchase of concentrate and tolling.
(6) Employee numbers for 2022 have been restated to exclude contractors.

Operational performance
Total PGM production decreased by 5% to 3,806,100 ounces (2022: 4,024,000 ounces), primarily due to lower production from the Kroondal joint operation (now sold), planned infrastructure closures at Amandelbult and lower grades at Mogalakwena, partially offset by higher production from Unki.

Own-mined production
PGM production from own-managed mines (Mogalakwena, Amandelbult, Unki and Mototolo) and equity share of joint operations decreased by 7% to 2,460,200 ounces (2022: 2,649,200 ounces).

Amandelbult production decreased by 11% to 634,200 ounces (2022: 712,500 ounces) due to planned infrastructure closures and poor ground conditions at Dishaba.

Mogalakwena production decreased by 5% to 973,500 ounces (2022: 1,026,200 ounces), largely as a result of lower grades, and lower throughput from unplanned maintenance, despite moving into a higher grade, lower waste area towards the end of the year.

Production from other operations decreased by 6% to 852,500 ounces (2022: 910,500 ounces), mainly due to lower production from Kroondal, reflecting both a planned ramp-down of the operation and the disposal of our 50% interest, effective 1 November 2023; Kroondal has now transitioned to a 100% third-party purchase of concentrate arrangement. This arrangement is then expected to transition to a toll arrangement at the end of the first half in 2024.

Purchase of concentrate
Purchase of concentrate decreased by 2% to 1,345,900 ounces (2022: 1,374,800 ounces), primarily due to lower production from Kroondal in light of the planned ramp-down of the operation.

Refined production and sales volumes
Refined PGM production (excluding toll-treated metal) was broadly unchanged at 3,800,600 ounces (2022: 3,831,100 ounces).

PGM sales volumes increased marginally to 3,925,300 ounces (2022: 3,861,300 ounces) as inventory was drawn down to mitigate the lower production.

Operational outlook
PGM prices remain at low levels and the prevailing macro-economic conditions and uncertainty have prompted the difficult but necessary action to reconfigure our PGM business to ensure the long term sustainability and competitive position of our operations.

There is an intentional strategy at the concentrators to produce higher grade concentrate which results in the same PGM content, but from lower concentrate volume. This reduces required primary furnace capacity and allows us to place the Mortimer smelter on care and maintenance – reducing both operating and capital expenditure while enhancing overall processing competitiveness.

Overall, sustainable cost reduction initiatives will deliver annual cost savings of c.$0.3 billion from a 2023 baseline, and in 2024, the business is targeting an all-in-sustaining cost of c.$1,050/3E oz.

Furthermore, in line with lower capital expenditure and near term asset optimisation, work on the option for the third concentrator at Mogalakwena will not be progressing, nor will the expansion opportunities at both Amandelbult and Mototolo.

These extensive measures will improve the positioning of our world-class PGM assets for the long term, securing the highly attractive value proposition of Mogalakwena.

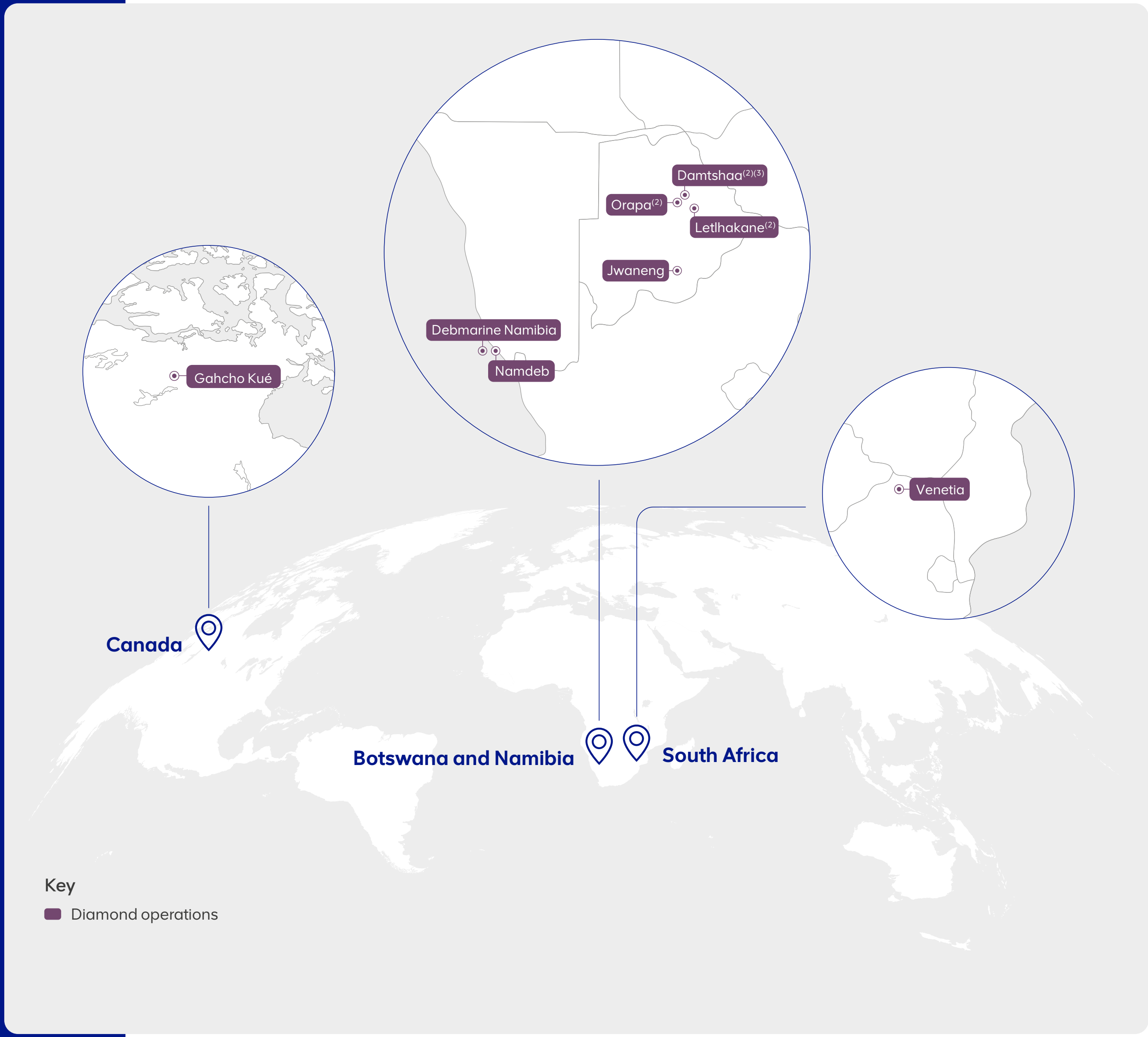
PGM metal in concentrate production guidance for 2024 is 3.3–3.7 million ounces, with own-mined output of 2.1–2.3 million ounces and purchase of concentrate of 1.2–1.4 million ounces. Refined PGM production guidance for 2024 is 3.3–3.7 million ounces. Refined production is usually lower in the first quarter than the rest of the year, due to the annual stock count and planned processing maintenance. Production remains subject to the impact of Eskom load-curtailment. Unit cost guidance for 2024 is c.$920/PGM ounce.

De Beers

Anglo American owns 85% of De Beers, a world leader in the diamond industry. The balance of 15% is owned by the Government of the Republic of Botswana. De Beers and its partners produce around one-third of the world's rough diamonds, by value.

Management team

Al Cook
CEO, De Beers



* See page 109 for footnotes.

De Beers

2023 summary

0
Fatality

2.05
TRIFR[1]

$72 m
Underlying EBITDA

48%
Mining EBITDA margin

31,865
Production volume ('000 carats)

[1] TRIFR relates to managed operations only.
[2] All managed as one operation, the 'Orapa Regime'.
[3] Damtshaa was placed onto extended care and maintenance in 2021.
[4] Refer to Anglo American plc Ore Reserves and Mineral Resources Report 2023 for additional information.

Our business

De Beers sells the majority of its rough diamonds through 10 Sight sales each year to Sightholders, with the balance being sold via its Auctions business to registered buyers. De Beers markets and sells polished diamonds and diamond jewellery via its retail brands.

De Beers recovers diamonds from four countries: Botswana, Canada, Namibia and South Africa.

In Botswana, via a 50:50 joint operation with the Government of the Republic of Botswana – known as Debswana – diamonds are recovered from two mines[3], including Jwaneng, one of the world's richest diamond mines by value. This mine's high grade ore contributes around 75% of Debswana's revenue. The $2 billion (100% basis) Cut-9 expansion of Jwaneng extends the life of the mine to 2036 and is expected to deliver c. 9 million carats per annum (100% basis) of rough diamonds. De Beers and the Government of Botswana have signed Heads of Terms setting out the key terms for a new 10-year sales agreement for Debswana's rough diamond production (through to 2034) and the new 25-year Debswana mining licences (through to 2054). De Beers and the Government of Botswana are working together to progress and then implement the formal new sales agreement and related documents including the mining licences. In the interim, the terms of the most recent sales agreement remain in place. The new arrangements constitute a related party transaction under the UK Listing Rules, given that both Anglo American and the Government of Botswana are shareholders in De Beers, and therefore will be subject to approval by Anglo American's shareholders in due course.

Underwater kelp forests help to sustain a wealth of biodiversity and marine species, and are vital to society through supporting fisheries, nutrient cycling, and carbon and nitrogen removal.

Investing in a nature-based solution to mitigate climate change

To meet the needs of a growing and more environmentally aware global population, countries and businesses alike are seeking innovative ways to harness the power of nature to address hard-to-abate emissions and sequester carbon.

Kelp – an abundant, and relatively untapped, renewable natural resource
Research has shown that kelp can sequester carbon significantly faster than terrestrial woodland. Marine forests act as an extremely efficient carbon sink, with the potential to permanently lock away vast amounts of CO_2 in the ocean, as well as supporting a healthy marine environment and boosting biodiversity.

As part of our climate action strategy, our De Beers business is supporting Kelp Blue, an innovative start-up focused on growing and managing large scale kelp forests. As a first step, De Beers has invested $2 million in a pilot project off the coast of Namibia, in the Atlantic ocean.

As part of its work with Kelp Blue, De Beers is supporting the development of a scientific methodology to measure the amount of carbon that is being sequestered. This will accelerate research and understanding of kelp's decarbonising potential, and assist the development of this pioneering nature-based solution. Kelp forests also boost healthy marine ecosystems by providing food and shelter for many species and assist them to survive growing ocean acidification. The forests can be sustainably and repeatedly harvested for at least seven years, with the harvested kelp being used in agricultural fertilisers, as well as in a wide range of everyday household products.

Benefiting the environment – and the local community
Another priority of De Beers' sustainability framework is to partner with host communities to nurture talent, support economic diversification and deliver enduring benefits. Kelp Blue provides an opportunity to support the green economy and build skills for the future. The investment in Kelp Blue will not only lead to a significant increase in the amount of CO_2 sequestered from the atmosphere, it will also bring potential benefits, in terms of job creation and upskilling opportunities, to Namibia.

In Namibia, De Beers operates via a 50:50 joint operation with the Namibian government, recovering both land-based diamonds (Namdeb) and offshore diamonds (Debmarine Namibia). Namibia has the richest known marine diamond deposits in the world, with Diamond Resources estimated at approximately 82 million carats (100% basis)[(4)] in approximately 1.0 million k (m^2) of seabed. Marine diamond deposits represent around 78% of the partnership's total diamond production and 94% of its Diamond Resources.

Venetia is South Africa's leading diamond mine. Open pit mining was completed, as scheduled, in 2022 and first production from the underground operation was delivered in June 2023. The $2.3 billion Venetia Underground project will continue to ramp up over the next few years and is expected to extend the life of the mine to 2045 and yield an estimated 80 million carats[(4)].

In Canada, De Beers has a 51% interest in, and is the operator of, Gahcho Kué open pit mine in the Northwest Territories. It began commercial production in 2017 and has an eight-year remaining life, producing an average of 5 million carats a year, yielding an estimated total of 35 million carats (100% basis)[(4)].

De Beers also develops industrial supermaterials through Element Six, which includes the production of laboratory grown diamonds for Lightbox Jewelry.

Safety

De Beers recorded zero work-related loss of life in 2023. The TRIFR decreased by 6% to 2.05 (2022: 2.19).

The implementation of De Beers' 'Pioneering Brilliant Safety' framework is currently under way, with Gahcho Kué mine and the midstream operations completing their assessments in the year. This framework has identified five focus areas, including:

- Contractor performance management: Ensuring appropriate oversight of contractors and efficient and effective onboarding, as well as exhibiting Visible Felt Leadership in the field
- Human factors: Fostering trust and psychological safety through engaging employees and promoting effective leadership
- Design for safety: Incorporating safety features into plant and equipment during the design phase
- Technology for safety: Enhancing safety through implementing advanced technologies
- Emergency management: Developing world class emergency management and response practices through strategic partnerships.

Environmental performance

Energy use decreased by 7% to 3.8 million GJ (2022: 4.2 million GJ), while GHG emissions were 6% lower than the prior year at 0.4 Mt CO_2e, reflecting the lower production. In 2023, De Beers furthered its climate ambitions by setting near term (i.e. 2030) emission reduction targets for Scope 1, 2 and 3 GHG emissions, aligned with Science Based Targets initiative (SBTi) criteria. The SBTi formally validated these targets in March 2023.

In collaboration with Envusa Energy – the renewable energy partnership formed between Anglo American and EDF Renewables in 2022 – good progress was made in the development of solar and wind energy in southern Africa. The electrification of Venetia mine, as it transitions to underground operations, progressed well; however, the positive impact on the mine's carbon footprint will only be felt when the Envusa Energy renewable energy projects come online.

De Beers made significant progress in implementing its Integrated Water Management Plan, which aims to achieve a 50% reduction in fresh water withdrawals in water scarce areas by 2030. Detailed site-specific pathways have been developed based on water balance modelling from operations in such areas, boosting confidence that De Beers will meet its target reduction by 2030.

Financial performance

Due to the downturn in industry conditions from 2022 to 2023, total revenue decreased to $4.3 billion (2022: $6.6 billion), with rough diamond sales decreasing to $3.6 billion (2022: $6.0 billion). Total rough diamond sales volumes decreased by 19% to 24.7 million carats (2022: 30.4 million carats). The average realised price decreased by 25% to $147/ct (2022: $197/ct), reflecting a larger proportion of lower value rough diamonds being sold, as well as a 6% decrease in the average rough price index.

Underlying EBITDA decreased to $72 million (2022: $1,417 million) as a result of significantly lower sales volumes, coupled with a lower average realised price (impacted by both the mix of products sold and a lower average rough price index) which negatively impacted margins in the trading business. The current year results incorporate an inventory write-down of $0.2 billion on rough stock. The increase in unit cost to $71/ct (2022: $59/ct) was primarily driven by lower production volumes from Venetia as the underground operations ramp up.

Capital expenditure increased by 5% to $623 million (2022: $593 million), due to the ramp-up of the Venetia underground project as well as the continued execution of other life-extension projects, including Jwaneng Cut-9.

An impairment of $1.6 billion (before tax and non-controlling interests) to the carrying value of De Beers has been recognised within special items and remeasurements, reflecting the near term adverse macro-economic outlook and industry-specific challenges. Please refer to note 8 in the Consolidated financial statements for further details.

De Beers Jewellers delivered a stable sales performance given the global macro-economic headwinds and challenging Chinese sector.

2023 results

	2023	2022
Production volume ('00 cts)[(1)]	31,865	34,609
Sales volume ('00 cts)[(1)(2)]	24,682	30,355
Price ($/ct)[(1)(3)(4)]	147	197
Unit cost ($/ct)[(1)(4)(5)]	71	59
Revenue – $m[(1)(6)]	4,267	6,622
Underlying EBITDA – $m[(1)(4)]	72	1,417
Mining EBITDA margin[(1)(7)]	48%	52%
Trading margin	(3%)	10%
Underlying EBIT – $m[(1)(4)]	(252)	994
Capex – $m[(1)(4)]	623	593
Attributable ROCE[(1)]	(3%)	11%
Fatalities[(8)]	0	1
TRIFR[(8)]	2.05	2.19
Energy consumption – million GJ[(8)]	3.8	4.2
GHG emissions – Mt CO_2 equivalent[(8)]	0.4	0.5
Total water withdrawals – million m^3[(9)]	7.3	7.2
Employee numbers[(10)]	10,900	10,500

(1) Prepared on a consolidated accounting basis, except for production, which is stated on a 100% basis, except for the Gahcho Kué joint operation in Canada, which is on an attributable 51% basis.
(2) Total sales volumes on a 100% basis were 27.4 million carats (2022: 33.7 million carats). Total sales volumes (100%) include De Beers Group's joint arrangement partners' 50% proportionate share of sales to entities outside De Beers Group from Diamond Trading Company Botswana and Namibia Diamond Trading Company.
(3) Pricing for the mining business units is based on 100% selling value post-aggregation of goods. Realised price includes the price impact of the sale of non-equity product and, as a result, is not directly comparable to the unit cost.
(4) Results by country can be found in the Summary by operation on pages 307–308.
(5) Unit cost is based on consolidated production and operating costs, excluding depreciation and operating special items, divided by carats recovered.
(6) Includes rough diamond sales of $3.6 billion (2022: $6.0 billion).
(7) Total De Beers EBITDA margin shows mining EBITDA margin on an equity basis, which excludes the impact of non-mining activities, third-party sales, purchases, trading downstream and corporate.
(8) Data is for De Beers' managed operations.
(9) Data is for De Beers' managed operations and other managed entities.
(10) Average number of employees, excluding contractors and associates' and joint ventures' employees, and including a share of employees within joint operations, based on shareholding.

Markets

After strong demand in 2021 and 2022, global rough diamond demand fell significantly in 2023. With polished diamond inventories rising and increases in inflation and interest rates, jewellery retailers took a cautious approach to purchasing new stock. US consumer demand for natural diamonds was impacted by macro-economic challenges as well as rising supply of lab-grown diamonds – however, while sales of lab-grown diamonds to consumers increased, wholesale lab-grown prices continued to fall sharply, supporting further differentiation from natural diamonds. In China, economic challenges led to low consumer confidence, which led to marginal consumer demand contraction off the subdued levels seen in 2022. In contrast, consumer confidence and demand growth in India were robust in 2023, especially towards the end of the year.

The retail slowdown led to already inflated midstream polished diamond inventories increasing over the course of the year, resulting in downward pressure on polished diamond wholesale prices. In response, the midstream industry in India implemented a voluntary moratorium on rough diamond imports into the country between 15 October and 15 December. De Beers supported its Sightholders by offering full flexibility for rough diamond allocations for Sight 9 and Sight 10 as the midstream sought to re-establish equilibrium. This resulted in very low rough diamond sales in the fourth quarter.

Overall, during the fourth quarter, industry conditions began to stabilise. Retail demand improved over the end of year holiday season, especially in the United States, helping to ease midstream inventory pressure. However, with ongoing macro-economic uncertainty, it is anticipated that recovery in rough diamond demand will be gradual.

Operational performance

Mining

Operational performance was strong in 2023. The new Venetia underground project delivered first production in June and will ramp up over the next few years.

Rough diamond production decreased to 31.9 million carats (2022: 34.6 million carats), due to planned lower production levels at Venetia as the operation transitions to underground.

In Botswana, production was broadly stable, with a 2% increase to 24.7 million carats (2022: 24.1 million carats), driven by the planned treatment of higher grade ore at Orapa.

Namibia production increased by 9% to 2.3 million carats (2022: 2.1 million carats), primarily driven by a full year of production from the Benguela Gem vessel (commissioned in March 2022) and the ongoing ramp-up and expansion of the mining area at the land operations.

South Africa production decreased by 64% to 2.0 million carats (2022: 5.5 million carats), due to the planned completion of the Venetia open pit in December 2022. Venetia continues to process lower grade surface stockpiles, while the new underground project commenced operations in June, and will ramp up over the next few years as development continues.

Production in Canada was stable at 2.8 million carats (2022: 2.8 million carats), with higher throughput offset by planned treatment of lower grade ore.

Outlook

Market outlook

Industry conditions are expected to remain challenging in the short term, but the long term outlook is favourable. Midstream and retail demand stabilised towards the end of 2023, but inventories of rough diamonds reportedly grew at producers globally. Over the course of 2024, assuming a measured approach from producers to the release of upstream inventory, the high midstream inventory levels seen in 2023 are expected to decline as retailers replenish their stocks.

Limited consumer demand growth and ongoing retailer caution are anticipated ahead of an expected return to growth into 2025.

The ongoing focus on diamond provenance – especially given the expected introduction of Russian diamond import restrictions by G7 nations – has the potential to reinforce demand for De Beers' rough diamonds, supported by the blockchain Tracr™ platform. The global supply of rough diamonds is anticipated to continue to decline owing to the maturity of major mines and limited new discoveries.

The wholesale prices of lab-grown diamonds are falling sharply, leading to financial challenges at some leading lab-grown diamond producers. These price declines are expected to lead to further substantial reductions in retail prices (with De Beers' Lightbox brand testing significantly lower prices for its products). This will further reinforce consumers' understanding of the fundamental differences between lab-grown and natural diamond jewellery.

Operational outlook

Venetia is processing lower grade surface stockpiles while the operation transitions to underground. This will continue as the underground production slowly ramps up following the first production blast in mid-2023. It is expected to ramp up to steady-state levels of c.4 million carats per annum (Mctpa) production over the next few years.

Near term unit cost will be impacted by a low carat profile from Venetia as the underground project ramps up and is subsequently expected to reach a steady-state of c.$75/ct from 2026.

Production guidance for 2024 is 29–32 million carats (100% basis) and 2024 unit cost guidance is c.$80/ct. However, De Beers will assess options to reduce production in response to prevailing market conditions.

Venetia, South Africa's premier diamond mine, is transitioning from open pit to underground mining. Clearly visible in front of the drill rig is the high-tensile steel mesh that is applied, ahead of drilling, on stope roofs and walls to protect operators in the development area.

Iron Ore

Anglo American's iron ore operations provide customers with high grade iron ore products which help our steel customers meet ever-tighter emissions standards. In South Africa, we have a 69.7% shareholding in Kumba Iron Ore. In Brazil we own the integrated Minas-Rio operation.

Management team

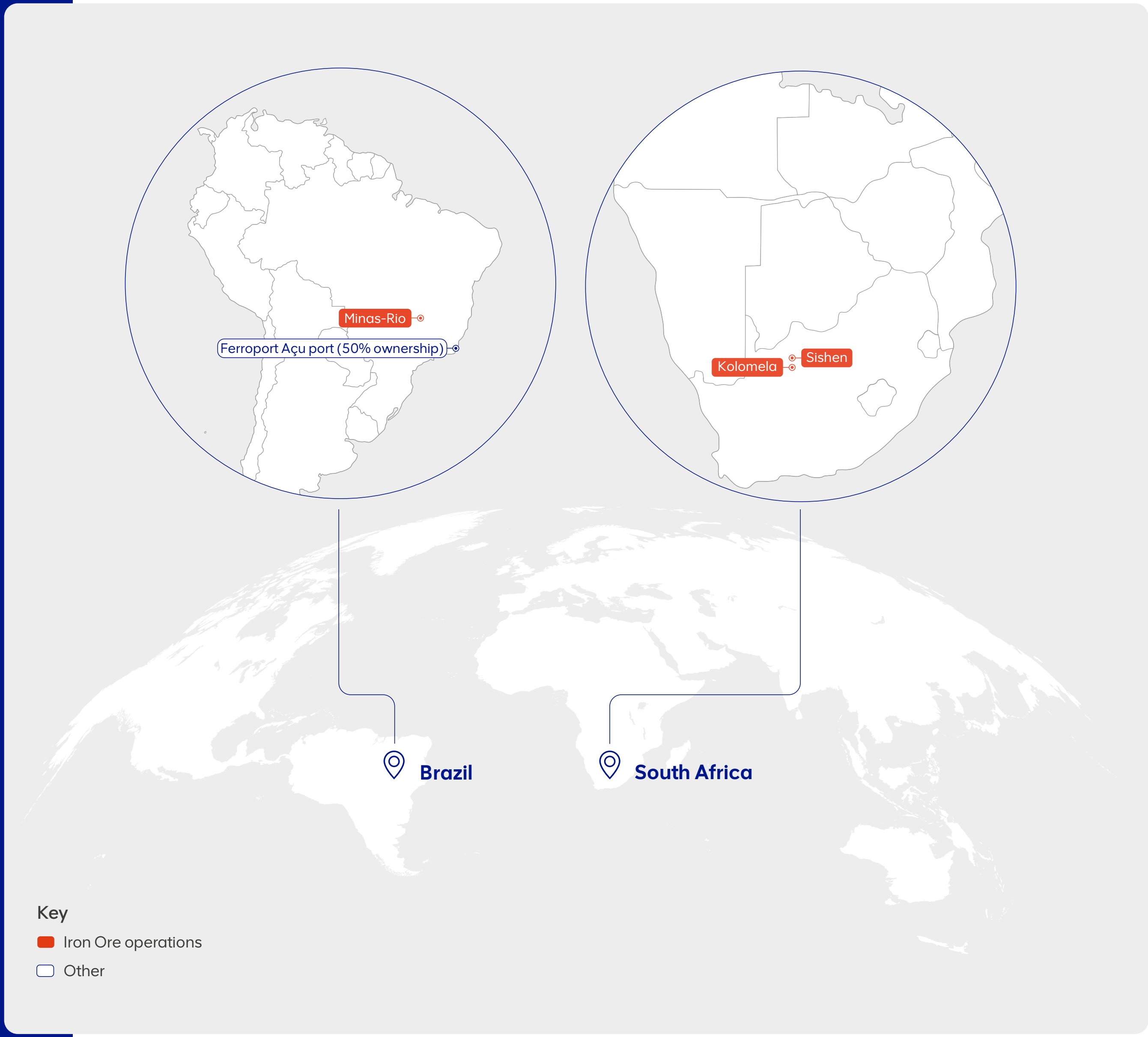
Ruben Fernandes
Regional Director, Americas

Themba Mkhwanazi
Regional Director, Africa and Australia

Wilfred Bruijn
CEO, Anglo American, Brazil (until December 2023)

Mpumi Zikalala
CEO, Kumba Iron Ore

Ana Sanches
CEO, Anglo American, Brazil (from December 2023)



Kumba Iron Ore

2023 summary

1
Fatality

0.98
TRIFR

$2,415 m
Underlying EBITDA

52%
Mining EBITDA margin

35.7 Mt
Production volume

One of the stormwater channels that has been constructed at Sishen to divert excess water away from the mine site.

Climate change: building resilience at our operations

We expect climate change to have numerous implications for our business, including the physical and social risks and impacts caused by ever-more frequent extreme-weather events, such as flooding and prolonged drought conditions.

Most of our operations are in regions that habitually experience severe water constraints – such as Chile and Peru; southern Africa; and Australia. Yet operations in these regions can also experience excessive precipitation events; in recent years, our Steelmaking Coal business in Australia and Kumba Iron Ore in South Africa have been exposed to serious flooding.

That is why we have been working for over 10 years to ensure that our operations have the best available models to understand, assess, mitigate and adapt to the physical risks of climate change. We draw on international expertise and latest science to understand future climate projections and the vulnerability of our operations.

To assess these potential impacts and to develop short, mid, and long term adaptation actions, we have developed climate and weather projections as part of our physical climate change risk and resilience approach. A key aspect of our modelling, which now incorporates a probable maximum precipitation metric, is that we are gaining a better understanding of how the projected climate changes may impact water management in the future.

Our initial data projections indicated significant variability across our Group and, as a result, each site will have its own tailored approach to climate change-related water management. For example, despite being in a water-scarce area, Kumba's operations are water positive, requiring active dewatering to maintain safe and effective mining operations. This water surplus means we were able to supply 18,075 megalitres (ML) of water to local communities.

At Kumba, any significant increase in rainfall could lead to production delays, land erosion on and off site, as well as flooding and washouts along rail lines and port-loading facilities. The Sishen site, which is prone to extreme rainfall events, is in the process of implementing a comprehensive adaptive water management plan, including investment in stormwater infrastructure. Sishen has also enhanced its Rainfall Readiness Plan, focusing on limiting production impacts arising from flooding. Currently, a key constraint is not having sufficient storage on site to capture and contain all stormwater, so we are investigating the feasibility of using a decommissioned pit as a water-storage facility, which would enable Sishen to be a zero water discharge site and unlock other beneficial use opportunities for the water captured on site.

Next steps

The pathway we are on is based on global efforts to mitigate climate change. As such, it is continually evolving and needing regular updates to make sure current projections are still valid. We also recognise that further analysis is required to understand the potential impacts of climate change outside of the mine fence, as access to water will be an ongoing issue for host communities and countries.

Our business

Kumba operates two open pit mines – Sishen and Kolomela – both located in the Northern Cape of South Africa, producing high grade (63–65% average Fe content) and high quality lump ore and a fine ore. Around 65% of Kumba's production is lump, which commands a premium price, owing to its excellent physical strength and high iron content, as well as its suitability for lower carbon, direct reduction steelmaking. Kumba is serviced by an 861 km rail line to the Atlantic coast at Saldanha Bay, managed by Transnet, the third-party rail and port operator.

Our Marketing teams work closely with our customers to blend and match our products with their needs – before shipment from Saldanha Bay to China, Japan, Europe, the Middle East and the Americas.

Safety

After being fatality-free for more than six years, Kumba, regrettably, recorded a fatal incident, when Nico Molwagae, a contractor, was fatally injured in a drilling incident at Kolomela mine. Several safety improvement initiatives were implemented to strengthen Kumba's safety culture and performance, including greater supervisory oversight and improved equipment design. Sishen has completed seven years of production without a fatality.

Kumba continuously drives for zero harm and the elimination of fatalities, which is reflected in the improvement on most lagging indicators, as well as the Leadership Time in Field leading indicator. As a result, Kumba's TRIFR decreased by 37% to 0.98 (2022: 1.55). Kumba is reinvigorating its focus on safety through the simplification of critical controls and by embedding the Friendly Safety Care Practice, launched to help develop psychologically safe workspaces where colleagues feel empowered to speak up when they see unsafe work practices.

Environmental performance

In 2023, Kumba's GHG emissions were in line with the prior year at 1.0 Mt CO_2e (2022: 1.0 Mt CO_2e), with energy consumption decreasing marginally to 8.9 million GJ (2022: 9.0 million GJ). Despite a 5% decrease in production, energy consumption decreased to a lesser extent owing to changing mining conditions, mainly as a result of mining deeper pits and, as a consequence, longer haul distances.

Total water withdrawals decreased by 13% to 9.9 million m^3, with Sishen being the main contributor. We anticipate Sishen's water consumption to increase until 2025 when dewatering will stabilise, offering the potential to unlock further opportunities to provide water to communities.

Financial performance

Underlying EBITDA increased by 9% to $2,415 million (2022: $2,211 million), driven by the higher average realised price as well as slightly higher sales volumes. Unit costs increased by 3% to $41/tonne (2022: $40/tonne) due to lower production volumes and high cost inflation, partly offset by a weaker South African rand.

Capital expenditure decreased by 20% to $538 million (2022: $674 million), mainly as a result of lower deferred stripping capitalisation due to lower waste volumes at Kolomela and a weaker South African rand.

2023 results – Kumba Iron Ore[1]

	2023	2022
Production volume (Mt)[2]	**35.7**	37.7
Sales volume (Mt)[2]	**37.2**	36.7
Unit cost ($/t)[3]	**41**	40
Group revenue – $m	**4,680**	4,580
Underlying EBITDA – $m	**2,415**	2,211
Mining EBITDA margin	**52%**	48%
Underlying EBIT – $m	**2,136**	1,894
Capex – $m	**538**	674
Attributable ROCE	**71%**	66%
Fatalities	**1**	0
TRIFR	**0.98**	1.55
Energy consumption – million GJ	**8.9**	9.0
GHG emissions – Mt CO_2 equivalent	**1.0**	1.0
Total water withdrawals – million m^3	**9.9**	11.4
Employee numbers	**6,700**	6,700

(1) Sales volumes, stock and realised price could differ to Kumba's stand-alone reported results due to sales to other Group companies.
(2) Production and sales volumes are reported as wet metric tonnes. Product is shipped with c.1.6% moisture from Kumba.
(3) Unit costs are reported on an FOB wet basis.

Markets

	2023	2022
Average market price (Platts 62% Fe CFR China – $/tonne)	**120**	120
Average realised price (Kumba export – $/tonne) (FOB wet basis)	**117**	113

Kumba's FOB realised price of $117/wet metric tonne (wmt) was 15% higher than the equivalent Platts 62% Fe FOB Saldanha market price (adjusted for moisture) of $102/wmt. This was driven by premiums for higher iron content (at 63.7%) and relatively high proportion of lump sold (approximately 66%) alongside provisional pricing benefits.

Operational performance

Production decreased by 5% to 35.7 Mt (2022: 37.7 Mt), driven by a 6% decrease at Sishen to 25.4 Mt (2022: 27.0 Mt) and a 4% decrease at Kolomela to 10.3 Mt (2022: 10.7 Mt). The under-performance by the third-party logistics provider, Transnet, resulted in production in the fourth quarter being reduced to align to lower rail capacity and alleviate mine stockpile constraints. Sales volumes were 37.2 Mt, slightly higher than the prior year (2022: 36.7 Mt), driven by improved performance at Saldanha Bay port, despite the low levels of finished stock at the port.

As a result of actively managing inventory, total finished stock decreased to 7.1 Mt[(1)] (2022: 7.8 Mt[(1)]), with stock at the mines decreasing to 6.5 Mt[(1)], which remains above desired levels. However, due to rail under-performance, stock at the port is very low, having decreased to 0.6 Mt[(1)] (2022: 0.8 Mt[(1)]).

[(1)] Production and sales volumes, stock and realised price are reported on a wet basis and could differ to Kumba's stand-alone results due to sales to other Group companies.

Operational outlook

Kumba is committed in its support of key measures being undertaken by the National Logistics Crisis Committee to improve the logistics network. However, following an extended period of under-performance by the third-party logistics provider, Transnet, and the amount of work required to turn the situation around, the logistics network is expected to remain constrained over the near term. The decision has been made to reduce production to align with this reduced rail capacity and ensure a balanced value chain. Production is therefore expected to remain at 35–37 Mtpa for the period 2024 to 2026. Unit costs are expected to be between $38–40/tonne during this three-year period, benefiting from Kumba's business reconfiguration and cost optimisation programme, in line with the lower production profile.

Production guidance for 2024 is 35–37 Mt, subject to third-party rail and port performance, and 2024 unit cost guidance is c.$38/tonne.

At Kolomela, this bucket wheel excavator and stacker reclaimer work in combination 24/7 to reclaim iron ore and then stack it in bulk quantities.

Minas-Rio

2023 summary

0
Fatalities

1.32
TRIFR

$1,598 m
Underlying EBITDA

48%
Mining EBITDA margin

24.2 Mt
Production volume (wet basis)

Our business

Our integrated iron ore operation in Brazil, Minas-Rio, consists of an open pit mine and beneficiation plant, which produces a high grade (c.67% Fe) pellet feed product, with low levels of contaminants. The iron ore is then transported through a 529 km pipeline to the iron ore handling and shipping facilities at the port of Açu.

Safety

Minas-Rio has not had a fatal incident since 2015. In 2023, the TRIFR decreased by 18% to 1.32 (2022: 1.60).

Efforts during the year focused on improving operational planning and encouraging leaders to spend more time in the field, supporting the workforce by creating a psychologically safe work environment where employees and contractors alike feel empowered to speak up when they encounter activities that they feel are unsafe. Contractors have been included in Anglo American Brazil's Safety Culture Programme; Minas-Rio is also implementing the Group's Contractor Performance Management framework, designed to improve contractor performance management, with a focus on the delivery of improved risk-based planning and safe work execution.

After a series of interventions to unclog water sources and remove invasive trees and plants, water flows freely again in this stream that forms part of the Santo Antônio river catchment area. (Photo credit: Agroflor.)

Regenerating a precious water resource

An important focus of Anglo American's Sustainable Mining Plan is to be recognised as an industry leader in biodiversity. We are putting that into practice with a river-generation project near to Minas-Rio which is located in Brazil's Minas Gerais state, a region noted for its biodiversity hotspots and one of the country's priority conservation areas.

Recognition by UNESCO

The United Nations Organisation for Education, Science and Culture (UNESCO) has recognised Anglo American for its water catchment regeneration project on the Santo Antônio river in Minas Gerais' Conceição do Mato Dentro municipality. This recognition means that this initiative, developed in collaboration with Instituto Espinhaço – a non-profit NGO that operates throughout Brazil, focusing on biodiversity, culture and social development – is now listed as an hydroecology project that is available for study and benchmarking by UNESCO partners the world over.

What rehabilitation involves

The Santo Antônio river project is emblematic of our Sustainable Mining Plan's many innovative water-stewardship initiatives. The multi-year project that commenced in 2021 is aimed at regenerating 23 degraded springs at the source of the Santo Antônio, a major tributary of the Doce river. By the end of 2023, an important milestone had been reached with the completion of the initial 'Techniques for Ecosystem Recovery' phase.

Working with the Instituto Espinhaço, and supported by rural landowners, the project has involved unclogging water courses, installing protective fencing, removing invasive trees and plant species, planting native saplings, and monitoring the vegetation of the area.

The project also includes developing a network of local leaders and providing training in environmental education to encourage people to get involved in looking after the environment. Environmental engineer, Luiz Gustavo Dias, explains: "The regeneration of these areas aims to reinforce provision of ecosystem services that benefit the whole of society by increasing water availability and improving water quality."

Environmental manager, Tiago Alves, adds: "This project highlights the importance of partnerships between the private sector, non-profit organisations and other organisations involved in the journey of mining towards sustainability. The recognition from UNESCO shows that we are heading in the right direction to achieve an increasingly healthy environment."

2023 results – Minas-Rio

	2023	2022
Production volume (Mt)[1]	**24.2**	21.6
Sales volume (Mt)	**24.3**	21.3
Unit cost ($/t)	**33**	35
Group revenue – $m	**3,320**	2,954
Underlying EBITDA – $m	**1,598**	1,244
Mining EBITDA margin	**48%**	41%
Underlying EBIT – $m	**1,413**	1,068
Capex – $m	**371**	160
Attributable ROCE	**24%**	18%
Fatalities	**0**	0
TRIFR	**1.32**	1.60
Energy consumption – million GJ	**5.4**	5.1
GHG emissions – Mt CO_2 equivalent	**0.2**	0.2
Total water withdrawals – million m^3	**27.5**	41.4
Employee numbers	**2,600**	2,600

(1) Production is Mt (wet basis). Product is shipped with c.9% moisture.

Environmental performance
Energy consumption at Minas-Rio increased by 5% to 5.4 million GJ (2022: 5.1 million GJ), while Scope 1 GHG emissions were in line with the prior year at 0.2 Mt CO_2e (2022: 0.2 Mt CO_2e). Minas-Rio has no Scope 2 GHG emissions, as all power for the operation comes from renewable sources.

Minas-Rio acquired new areas of natural habitat as part of its strategy to create an ecological corridor around the operation, further reinforcing our commitment to sustainable practices and ecological connectivity in the region. To date, the business manages more than 22,000 hectares of native vegetation, divided into multiple protected areas.

Financial performance
Underlying EBITDA increased by 28% to $1,598 million (2022: $1,244 million), reflecting higher sales volumes and a higher realised price, as well as lower unit costs. Unit costs decreased by 6% to $33/tonne (2022: $35/tonne), primarily reflecting higher production volumes, partially offset by the stronger Brazilian real.

Capital expenditure was 132% higher at $371 million (2022: $160 million), mainly as construction is under way for a new tailings filtration plant that will reduce the deposition rate on the tailings facility and extend its life. In addition, there was higher spend on projects to improve recoveries in the flotation circuit.

Markets

	2023	2022
Average market price (MB 65% Fe Fines CFR – $/tonne)	**132**	139
Average realised price (Minas-Rio – $/tonne) (FOB wet basis)	**110**	108

Minas-Rio's pellet feed product is higher grade (with iron content of 67% and lower impurities) so the MB 65 Fines index is used when referring to the Minas-Rio product since the cessation of the MB 66 index. The Minas-Rio realised price of $110/wmt was 11% higher than the equivalent MB 65 FOB Brazil index (adjusted for moisture) of $99/wmt, reflecting the premium for our high-quality product as well as provisional pricing benefits.

Operational performance
Production increased by 12% to 24.2 Mt (2022: 21.6 Mt), the best performance since the start of Minas-Rio operations in 2014, reflecting an integrated focus on stable and capable operating performance across the operation. The strong mining performance was underpinned by improved mine access and equipment availability, which led to higher mine movement and enabled an improved performance at the plant due to the quality of ore feed, as well as increased crushing circuit availability.

Operational outlook
Following the record quarterly production in the fourth quarter of 2023, focus is on embedding consistent, stable and strong operating performance, while increasing the maturity of capital projects to sustain and grow production volumes. Beyond the three-year guidance period, production growth will be supported by projects to debottleneck the plant and increase recoveries and throughput. Optionality is also being evaluated to maximise long term value in light of the agreement to acquire and integrate the contiguous Serra da Serpentina high grade iron ore resource.

In parallel, Minas-Rio is focused on increasing tailings storage capacity. The tailings filtration plant project is on track for completion by early 2026 and alternative, additional disposal options continue to be studied.

In mid-2025, Minas-Rio will undertake the next pipeline inspection of the 529 km pipeline that carries iron ore slurry from the plant to the port. Improvements were made to the inspection strategy that extended its duration to ensure the rigour of data collection while also incorporating some additional plant maintenance to coincide with the operational stoppage. Pipeline inspections take place every five years and are validated by external consultants and agreed with the Brazilian Environmental Authorities.

Production guidance for 2024 is 23–25 Mt and 2024 unit cost guidance is c.$35/tonne.

Steelmaking Coal

Our high quality steelmaking coal assets, located in Australia, produce premium quality hard coking coal for our customers in the steelmaking industry.

Steel is the world's most important engineering and construction material. Over half of the world's steel is consumed by the construction industry, which includes buildings and infrastructure, such as railways and roads. Steel is also used to manufacture vehicles, machinery, household appliances and many other items associated with everyday life.

Management team

Themba Mkhwanazi
Regional Director, Africa and Australia

Daniel van der Westhuizen
CEO, Anglo American, Australia

[1] Non-managed, equity accounted associate.
[2] Part of the Capcoal complex.

Steelmaking Coal

2023 summary

0
Fatalities

4.39
TRIFR

$1,320 m
Underlying EBITDA

32%
Mining EBITDA margin

16.0 Mt
Production volume

Kiri Sullivan (left) and Kiri Blanch from our Women of Steel mines rescue team.

Women of Steel: Queensland's first all-female mines rescue team

At Anglo American, safety comes first in everything we do; we train, equip and empower our people to work safely every day. Mines rescue teams are a network of experienced teams at each of our operations that are on standby 24/7, primarily providing emergency response to the industry in case of incidents and mine emergencies.

Equipped with the training and lifesaving skills to respond to challenging environments and hazards, our mines rescue teams help us maintain safety in our operations and protect our people.

Women of Steel
As the number of women in operational roles continues to grow in our workforce, a group of women at our Steelmaking Coal Capcoal Open Cut operation have come together to form Queensland's first all-female mines rescue competition team. The competitions will test the team's capabilities and response in various scenarios to help build their confidence in handling real-life situations.

Team captain, and emergency response team co-ordinator, Kiri Blanch, comments: "While women have been part of our mines rescue teams for some years, both on site and in competitions, an all-female competition team simply made sense. So, seven of us got together, a mixture of experienced mines rescue members and new recruits to train hard and achieve the best results possible. We became known as the 'Women of Steel', and it was wonderful to see how enthusiastically we were supported. For me, this is what living the company's Values and diversity are all about."

Looking ahead
CEO of Steelmaking Coal, Daniel van der Westhuizen, observes: "It's a great source of pride that our Australian mines rescue teams have gained global recognition for their expertise. The creation of the first all-female rescue team in Queensland marks a significant milestone in our ongoing journey, and we are thrilled to have established a new precedent in the evolution of mines rescue.

"Our skilled mines rescue teams are a critical part of our continued commitment to the emergency capabilities of the Queensland coal mining industry. I hope that more people will be inspired by both the existing leading rescue teams as well as this new Women of Steel team and volunteer with their local rescue teams to learn essential skills. Being prepared for emergency situations is crucial, whether at work or in the community."

Our business

We are the world's third largest exporter of steelmaking coal and our operations serve customers throughout Asia, Europe and South America. Our assets include the Moranbah and Grosvenor (both 88% ownership) steelmaking coal mines, located in Queensland, Australia.

Uses of steelmaking coal

Steelmaking coal is used principally in blast-furnace steelmaking production; around 70% of global steel output is produced using this method and, currently, there are no viable at scale substitutes for metallurgical coal in the steelmaking process.

Emerging markets, particularly in the Asia-Pacific region, continue to drive demand for steelmaking coal – helping to generate the steel needed for infrastructure, housing, transport and machinery.

Safety

There were zero fatalities in our Steelmaking Coal business in 2023, and the TRIFR decreased by 22% to 4.39 (2022: 5.63).

To support a step-change in safety performance, there were several key focus areas in the year, including VFL, learning and investigations, system simplification and standardisation, and contractor safety. These workstreams were all supported by Steelmaking Coal's Safety Leadership Practices programme that continued to be rolled out during 2023 to raise safety awareness, ownership, and accountability at all levels of the organisation.

In the second half of the year, Steelmaking Coal also started the Fatal Risk Management (FRM) project, which is a strategic priority for the business. This project will simplify and operationalise risk management at the frontline through a clear toolkit that supports identification and verification of fatal risks and controls on the job. Full deployment of FRM is scheduled at all sites during 2024.

Environmental performance

GHG emissions decreased by 15% to 4.9 Mt CO_2e (2022: 5.8 Mt CO_2e). This significant progress on Steelmaking Coal's decarbonisation pathway was driven by a reduction in methane venting at the underground operations and an increase in capacity to transfer methane to third parties for beneficial use. Steelmaking Coal is on track with the transition to source all its power from renewables from 2025, after agreeing terms for a 10-year supply partnership with Stanwell Corporation, the Queensland government-owned provider of electricity and energy solutions.

Energy use increased by 11% to 10.2 million GJ (2022: 9.2 million GJ), driven by higher production levels.

Total water withdrawals increased by 3% to 32.8 million m^3 (2022: 31.8 million m^3). To help decrease fresh water withdrawals across Steelmaking Coal, a 4 ML per day reverse-osmosis plant was commissioned at Aquila mine in June 2023.

Financial performance

Underlying EBITDA decreased to $1,320 million (2022: $2,749 million), as a result of a 14% decrease in the weighted average realised price for steelmaking coal and a 13% increase in unit costs to $121/tonne (2022: $107/tonne), reflecting the impact of high inflation and additional operating activity. Furthermore, 2022 included a $343 million receipt from the Group's self-insurance entity.

Capital expenditure decreased to $619 million (2022: $648 million), reflecting lower life-extension expenditure following the completion of the Aquila project in 2022.

2023 results – Steelmaking Coal

	2023	2022
Production volume (Mt)[(1)]	**16.0**	15.0
Sales volume (Mt)[(2)]	**14.9**	14.7
Price ($/t)[(3)]	**261**	304
Unit cost ($/t)[(4)]	**121**	107
Group revenue – $m	**4,153**	5,034
Underlying EBITDA – $m	**1,320**	2,749
Mining EBITDA margin	**32%**	55%
Underlying EBIT – $m	**822**	2,369
Capex – $m	**619**	648
Attributable ROCE	**27%**	85%
Fatalities	**0**	1
TRIFR	**4.39**	5.63
Energy consumption – million GJ	**10.2**	9.2
GHG emissions – Mt CO_2 equivalent	**4.9**	5.8
Total water withdrawals – million m^3	**32.8**	31.8
Employee numbers	**2,500**	2,000

(1) Production volumes are saleable tonnes, excluding thermal coal production of 1.1 Mt (2022: 1.6 Mt). Includes production relating to third-party product purchased and processed at Anglo American's operations, and may include some product sold as thermal coal.
(2) Sales volumes exclude thermal coal sales of 1.7 Mt (2022: 1.7 Mt). Includes sales relating to third-party product purchased and processed by Anglo American.
(3) Realised price is the weighted average hard coking coal and PCI sales price achieved at managed operations.
(4) FOB cost per tonne, excluding royalties and study costs.

Markets

	2023	2022
Average benchmark price – hard coking coal ($/tonne)[1]	**296**	364
Average benchmark price – PCI ($/tonne)[1]	**219**	331
Average realised price – hard coking coal ($/tonne)[2]	**269**	310
Average realised price – PCI ($/tonne)[2]	**214**	271

(1) Represents average spot prices.
(2) Realised price is the sales price achieved at managed operations.

Average realised prices differ from the average market prices due to differences in material grade and timing of shipments. Hard coking coal (HCC) price realisation increased to 91% of average benchmark price (2022: 85%), as a result of the timing of sales.

The average benchmark price for Australian HCC was $296/tonne (2022: $364/tonne). At the start of 2023, steelmaking coal prices rose in response to supply impacts in Queensland arising from flooding and a rail outage. Prices declined during the second quarter amid supply recovery, but increased in the second half of 2023 following low spot availability of premium HCC as labour strikes and production issues impacted Australian supply. Seaborne supply from Australia was further reduced by a cyclone event affecting Queensland port operations in December. Strong demand from Indian steelmakers for imported steelmaking coal was driven by a healthy domestic steel industry that resulted in a substantial year-on-year increase in crude steel production.

Operational performance

Production increased to 16.0 Mt (2022: 15.0 Mt), reflecting a steady step-up in performance from the Aquila underground operation due to its largely automated longwall, and increased production at Dawson and Capcoal open cut operations which were impacted by unseasonal wet weather in 2022.

The increased production was partly offset by challenging operating conditions at the Moranbah and Grosvenor longwall operations.

Operational outlook

Following an extensive review during the course of 2023 on realistic opportunities to improve productivity, debottleneck the operations and leverage technology, a downwardly revised pathway has been developed to progressively ramp-up towards 20 Mtpa of steelmaking coal production. This pathway also incorporates the more stringent safety operating protocols implemented by the Queensland regulator in recent years, as well as the more complex geotechnical strata conditions that the Moranbah and Grosvenor underground longwall operations are navigating.

Export steelmaking coal production guidance for 2024 is 15–17 Mt and 2024 unit cost guidance is c.$115/tonne. The next longwall moves scheduled at Moranbah and Grosvenor are both in the third quarter of 2024. A walk-on/walk-off longwall move is scheduled at Aquila during the second quarter, with the impact on production expected to be minimal.

Workers underground at Aquila, where longwall production began in 2022.

Manganese

In Manganese, we have a 40% shareholding in the Samancor joint venture (managed by South32, which holds 60%). The manganese operations are located in South Africa and Australia, producing ore products for the steelmaking industry.

Manganese

2023 summary

$231 m
Underlying EBITDA

34%
Mining EBITDA margin

3.7 Mt
Production volume – ore

Uses of manganese

The most significant use of manganese is steel production, which consumes more than 85% of all manganese mined. The ore is particularly useful in increasing steel's resistance to oxidation; it can also improve the overall strength, durability and workability of the material.

Financial performance

Underlying EBITDA decreased by 39% to $231 million (2022: $378 million), primarily driven by the weaker average realised manganese ore price, partially offset by lower operating costs.

The average benchmark price for manganese ore (Metal Bulletin 44% manganese ore CIF China) decreased by 22% to $4.75/dmtu (2022: $6.06/dmtu). Prices were on a declining trend throughout much of the year as supply improved, while demand continued to soften in the second half of 2023. Prices stabilised during December, however, ending the year at $4.17/dmtu.

Operational performance

Attributable manganese ore production was flat at 3.7 Mt (2022: 3.7 Mt).

2023 results – Manganese

	2023	2022
Production volume (Mt)	**3.7**	3.7
Sales volume (Mt)	**3.7**	3.6
Group revenue – $m	**670**	840
Underlying EBITDA – $m	**231**	378
Mining EBITDA margin	**34%**	45%
Underlying EBIT – $m	**145**	312
ROCE	**81%**	138%

Crop Nutrients

Anglo American is developing 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.

Management team

Tom McCulley
CEO, Crop Nutrients

Crop Nutrients

2023 Summary

0
Fatalities

1.96
TRIFR

$641 m
Capital expenditure

We are already planning a sustainable future beyond Woodsmith's life of mine, focused on economic diversification and nature-based solutions.

Woodsmith – what a future mine should look like

Building a major new mine today involves long timeframes. From the initial discovery of a mineral deposit, the planning, design, permitting and construction phases collectively can take up to 20 years. Once in production, a mine may have a life of several decades. And, after the mine gates close for the final time, it is our duty to ensure the site is returned back to its natural state as far as possible.

Doing things right
Woodsmith will be a long-life mine, located within the North York Moors National Park. Therefore the utmost care is being taken to ensure that the project is designed to minimise environmental impact both in construction and operations.

The mine site is designed to blend in with the local landscape, with a low visual presence. All mining operations and the ore-transport system will be out of sight below ground. The number and size of surface buildings have been kept to a minimum and designed to look like agricultural buildings. Extensive landscaping, planting and screening will ensure the site blends in with the surrounding area. Construction and operational activities have also been planned to minimise noise and light intrusion, as well as limit surface traffic.

The distinctive characteristics of polyhalite ore means that it can be extracted in a 1:1 ore ratio to produce our future-facing product, POLY4, with next-to-no wasted ore. Our simple granulation process enables low energy and water use, a low carbon footprint relative to comparable fertiliser products, and generates next to no waste. Further, and in contrast to the great majority of existing mines, our mining activities will generate no tailings, leading to a smaller operational footprint and minimal encroachment on the environment.

As well as having a low environmental production footprint, POLY4 is uniquely positioned to help tackle three key agricultural industry challenges: the increasing need to produce more food from less available land; the need to reduce the environmental impact of farming; and the deteriorating health of soils.

Stakeholder engagement
Woodsmith and POLY4 will turn our vision for the future of mining into a reality. Our project will have a positive impact on the local, regional and national economy while having a minimal environmental impact. An important part of our approach is to ensure that we engage with and listen to the full range of our stakeholders, especially those most likely to be affected by our presence. We are committed to taking an active and positive role in our local communities, making a meaningful contribution to the social and economic well-being of the region. We are proud of the contribution we have already made, and of the longer term commitments into the operating phase of the mine. To date, Woodsmith has contributed £1 million to the local charitable foundation, as well as creating close to 2,000 new jobs, with over 70% being from the local area. As well as job creation and apprenticeships, we are also responding to key regional challenges through the creation of proactive programmes to develop skills and improve outcomes for disadvantaged young people, address health inequalities and diversify the regional economy by supporting the growth of key sectors.

First product is expected in 2027, with a final design capacity of c.13 Mtpa, subject to studies and approval.

Crop Nutrients

As a result of the highly efficient mine and conveyor design and the minimal processing requirements of the polyhalite ore, our POLY4 product will benefit from a comparatively low carbon footprint, as well as being suitable for organic agriculture.

Aside from the world class nature of the orebody and the quality of the operation we are developing, the addition of POLY4 to our product range aligns well with our portfolio trajectory towards those products that support a low carbon economy and global consumer demand – in this case, for food.

Woodsmith project

Throughout 2023, we saw continued good progress on the core infrastructure, with capital expenditure of $641 million (2022: $522 million). Sinking activities at the two deep shafts continue to progress well. The service shaft is now c.745 metres deep, having reached the expected depth for the year. Sinking activities on the production shaft began in January 2023 as planned, at 120 metres below the surface, and following a successful ramp-up to planned sinking rates, is now at a depth of c.510 metres.

Excavation of the three shallow shafts that will provide both ventilation and additional access to the Mineral Transport System (MTS) tunnel is complete. The MTS tunnel is also progressing to plan and has now reached c.27.5 km of the total 37 km length.

During 2024, a key focus area for shaft sinking will be on progress through a strata called the Sherwood sandstone, where we expect sink rates to decrease due to the expected hardness of the rock and potential water fissures. This is planned for in progress rates, and the intersection of the strata is expected around mid-2024. On the tunnel boring machine, there is a planned 3–4 month maintenance pause from the second quarter of 2024, during which the tunnel will be connected to the final intermediate shaft, providing further tunnel access and ventilation.

In parallel to the core infrastructure development, we are enhancing the project's configuration to allow a higher production capacity and more efficient, scalable mining methods over time. The required studies for this are progressing well and will ensure that additional infrastructure is optimally designed to enable future optionality and maximise long term value over the expected multi-decade asset life.

The project is planned to be submitted for a Board approval decision on Full Notice to Proceed in the first half of 2025, following conclusion of the study programme.

Capital expenditure of $0.9 billion is approved for 2024, the bulk of which will continue to be invested on shaft sinking and tunnel boring activities.

The project is expected to deliver first product to market in 2027, with a final design capacity of 13 Mtpa, subject to studies and approval.

2023 results – Crop Nutrients

	2023	2022
Group revenue – $m[1]	225	254
Underlying EBITDA – $m[1]	(60)	(44)
Capex – $m	641	522
Fatalities	0	0
TRIFR	1.96	1.90
Energy consumption – million GJ	0.3	0.1
GHG emissions – Mt CO_2 equivalent	0.0	0.0
Total water withdrawals – million m^3	0.1	0.1
Employee numbers	1,000	500

[1] Includes results from the interest in The Cibra Group, a fertiliser distributor based in Brazil.

Safety

The Woodsmith project recorded zero fatalities (2022: zero) and a TRIFR of 1.96 (2022: 1.90).

Environmental performance

Across the Woodsmith project, energy usage increased to 0.3 million GJ (2022: 0.1 million GJ), in line with the increased activity on site, as the project progresses. The percentage contribution of renewable energy to overall electricity use increased to 63% (2022: 34%).

Market development – POLY4

POLY4 provides farmers, through one core product, with a fertiliser solution to tackle the three key challenges facing the food industry today – the increasing demand for food from less available land; the need to reduce the environmental impact of farming; and the deteriorating health of soils.

In tackling these challenges, the fertiliser industry will evolve and need new solutions. POLY4 represents a new solution, helping farmers to deliver balanced, nutrient-efficient and environmentally responsible crop nutrition practices that are required at scale.

POLY4 offers farmers superior performance compared to existing fertiliser products: demonstrated crop yield improvement of 3–5% across a wide variety of crops and soil types, improved crop quality and resilience to drought and disease, and help in preserving the health of a farmer's greatest asset – their soil. The use of POLY4 can also help minimise the nutrients lost to the environment by improving the ability of crops to take up and utilise available nutrients – i.e. improving a plant's nutrient-use efficiency. Furthermore, its granular form offers a more flexible and convenient in-field application for farmers, compared with common existing fertilisers. All this, while also being low carbon relative to comparable products, and certified for organic agriculture.

Through our global agronomy programme, we have conducted over 1,800 field demonstrations to date, on over 80 crops, and our research continues to reinforce these superior qualities and characteristics of POLY4.

The ongoing focus of market development activities is to develop and implement detailed sales and marketing strategies for each region and to support customers with their own market development activities to further promote POLY4 to the end-users of the product – farmers.

We have continued to develop our routes to market partnerships in key high-value regions, working closely with our distribution partners, and also engaging deeper into the value chain to ensure we deliver what is needed at the farm gate. Through our ongoing engagements with some 350 value chain partners to date – including top retailers in the United States, large distributors and co-operatives in Europe, and major blenders and mega farms in Brazil – we are working across the full value chain to introduce POLY4 to the market. We have also already engaged more than 570 influencers in the industry, including major universities, farming associations, and academic research institutes, to ensure that the industry recognises the benefits that POLY4 will bring at scale into the marketplace.

POLY4 has significant value beyond its multi-nutrient content, and our innovative marketing strategy will ensure that we unlock the full potential of our product.

A farmer inspects tomato plants in Zambia as part of our Crop Nutrients business' global series of farm trials of POLY4.

Corporate and other

	Group revenue◊ $m	Underlying EBITDA◊ $m	Underlying EBIT◊ $m	Capex◊ $m
Segment total	440	(193)	(403)	59
Prior year	554	(440)	(593)	14
Exploration	n/a	(107)	(107)	3
Prior year	—	(155)	(162)	2
Corporate activities and unallocated costs[1]	440	(86)	(296)	56
Prior year	554	(285)	(431)	12

[1] Revenue within Corporate activities and unallocated costs primarily relates to third-party shipping activities, as well as the Marketing business' energy solutions activities.

Financial overview

Exploration

Underlying EBITDA was a $107 million loss (2022: $155 million loss) following a decrease in other expenses due to timing differences in copper. Exploration expenditure across the Group was broadly in line with the prior year.

Corporate activities and unallocated costs

Underlying EBITDA was a $86 million loss (2022: $285 million loss), this improved result was driven primarily by the Group's self-insurance entity and corporate cost savings. The positive year-on-year variance reflects the finalisation of the Grosvenor gas ignition claim and the Moranbah overpressure event claim in 2022 by the Group's self-insurance entity, which resulted in an expense in Corporate activities that was offset within the underlying EBITDA of Steelmaking Coal. There have been no equivalent insurance claim settlements in the current year. Corporate cost savings of $0.3 billion were realised and are partially recognised in the overheads of the underlying businesses.

Non-financial and sustainability information disclosures and footnotes

Non-financial and sustainability information statement

The Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 amend sections 414C, 414CA and 414CB of the Companies Act 2006, placing requirements on the Group to incorporate climate disclosures in our integrated annual report. We believe these have been addressed within our climate-related disclosures on pages 49 to 57 and, as such, have referenced the location of each disclosure within our TCFD disclosure table on pages 132–137.

Reporting requirement	Policies and standards	Outcomes and additional information	Page reference
Environmental matters	Safety, Health and Environment (SHE) Way and Policy	Protecting our natural environment	57–58
	Climate Change Policy	Disclosures related to the recommendations of the TCFD	132–137
	Energy and GHG Emissions Standard	Climate change	49–57
	Water Policy and Water Management Standard	Water	58
	Mineral Residue Technical Management Standard	Mineral residue management	59
Employees	Code of Conduct	Building a purpose-led culture	74
	SHE Way and Policy	Safety	68
	HIV/AIDS Policy	Health	68
Human rights	Human Rights Policy	Human rights	64
Social matters	The Social Way	Social performance	60
	Responsible Sourcing Standard for Suppliers	Supply chain	64
	Supply Chain Local Procurement Policy	Supply chain	64
Anti-corruption and anti-bribery	Code of Conduct	Building a purpose-led culture	74
	Business Integrity Policy	Business integrity	74
Principal risks and impact of business activity		Our business model	8
		Our material matters	20–22
		Managing risk effectively	79–85
Non-financial KPIs		Key performance indicators	86–89

Footnotes

(1) Throughout this Strategic Report, 'employees' is the average number of Group employees, excluding employees of contractors, associates and joint ventures, and including a proportionate share, based on the percentage shareholding, of employees within joint operations.

(2) Wages and benefits are the payments made to the Group's employees, excluding employees of contractors, associates and joint ventures, and including a proportionate share, based on the percentage shareholding, of payments made to employees within joint operations. Includes social security costs of $181 million borne by the Group which are also included in the Taxes and royalties figure.

(3) Taxes and royalties include all taxes and royalties borne and taxes collected by the Group. This includes corporate income taxes, withholding taxes, mining taxes and royalties, employee taxes and social security contributions and other taxes, levies and duties directly incurred by the Group, as well as taxes incurred by other parties (e.g. customers and employees) but collected and paid by the Group on their behalf. Figures disclosed are based on cash remitted, being the amounts remitted by entities consolidated for accounting purposes, plus a proportionate share, based on the percentage shareholding, of joint operations. Taxes borne and collected by equity accounted associates and joint ventures are not included.

(4) Local procurement is defined as procurement from businesses that are registered and based in the country of operation – also referred to as in-country procurement – and includes local procurement expenditure from the Group's subsidiaries and a proportionate share of the Group's joint operations, based on shareholding.

(5) With the exception of Gahcho Kué, which is on an attributable 51% basis.

(6) Copper equivalent volume growth from 2022 baseline, pre the commissioning of Quellaveco.

(7) Carbon neutrality is a condition in which during a specified period there has been no net increase in the global emission of greenhouse gases (GHGs) to the atmosphere as a result of the GHG emissions associated with the subject during the same period.

(8) Data relates to subsidiaries and joint operations over which Anglo American has management control. Data excludes De Beers' joint operations in Namibia and Botswana. Historical GHG, energy consumption and fresh water withdrawals data has been adjusted to exclude Thermal Coal South Africa, which was divested in June 2021.

(9) In 2020, we launched a new integrated social performance management system (Social Way) which has raised performance expectations and has resulted in continued improvement in our social performance. While sites are assessed annually against all requirements applicable to their context, for consistency during the transition period, the metric reflects performance against the Social Way foundational requirements.

(10) Anglo American supports jobs through training, mentoring and capacity development. The number of jobs supported includes existing jobs (in activities supported by the intervention) and newly created jobs through the programmes. Jobs supported are measured as full time equivalent jobs. Data represents jobs supported since 2018, in line with the Sustainable Mining Plan Livelihoods stretch goal. Induced jobs – employment generated by local spending on goods and services by our employees and the employees of our suppliers – are estimated using input-output analysis; a well established economic modelling approach.

(11) Attributable free cash flow includes expenditure on non-current intangible assets (excluding goodwill).

Disclosures related to the recommendations of the TCFD

Anglo American's response to climate change is multi-disciplinary and is detailed throughout our reporting suite – including the Integrated Annual Report and our Climate Change Report. In line with the UK Listing Rules, we confirm that the disclosures included in the Integrated Annual Report 2023 and the Climate Change Report 2023 are consistent with the TCFD Recommendations and Recommended Disclosures, as well as the TCFD's supplementary guidance for non-financial groups, but note monitoring of company climate-related financial reporting transfers from the Financial Stability Board to the International Sustainability Standards Board (ISSB) and the International Financial Reporting Standards (IFRS) from 2024 onwards. Additionally, following amendment of sections 414C, 414CA and 414CB of the Companies Act 2006, we have indicated in the table below which of the climate-related disclosures, outlined in Section 414CB, are addressed by the TCFD disclosures, alongside the pages of the 2023 Integrated Annual Report where these are located.

While we endeavour to include as much information as possible on our approach to climate change in the Integrated Annual Report, our Climate Change Report offers more comprehensive disclosure, including more detail on physical and adaptation risk, our most recent detailed scenario analysis and the pathway to achieving our Scope 3 GHG reduction ambition. References in the table below include the Integrated Annual Report 2023 and the Climate Change Report 2023, both of which are available on our website.

▶ For more on our Climate Change Report 2023
Visit angloamerican.com/climate-change-2023

The table below offers guidance on where to find information relating to each of the TCFD's recommendations and Companies Act section 414CB disclosure requirements.

Governance

Disclose the organisation's governance around climate-related risks and opportunities.

Recommended disclosures	References	CA 414CB
a) Describe the Board's oversight of climate-related risks and opportunities.	**Summary**: The Board provides leadership to the Group and is collectively responsible for promoting and safeguarding the long term success of the business, including the resilience of the business to, and the opportunities that flow from climate change. The Board focuses on workstreams that underpin our 2040 carbon neutrality targets and considers global trends that may have a consequence on the Group's strategy, including climate change. The Board delegates powers and oversight of climate-related considerations to its various committees, including its Sustainability Committee, which oversees material policies, processes and strategy designed to manage climate-related risks and opportunities. **Integrated Annual Report 2023**: Page 14 describes the insights the Board considers when reviewing and endorsing the Group's long term strategy and related decisions. Climate change considerations are included within the material matters (pages 20–23), our analysis of global trends (pages 24–28), our capital allocation decisions (pages 76–78) and within our principal risks – specifically risks 7 and 10 (pages 79–85). Page 49 describes our policies and governance processes related to climate change. Page 154 describes the discussions and decisions taken by the Board in the year that relate to climate change. Page 165 details the items related to climate change discussed by the Board's Sustainability Committee in the year. **Climate Change Report 2023**: Pages 42–43 describe the Board's climate change capability and gives detail on the Group's climate-related governance, oversight and management structure.	(a)
b) Describe management's role in assessing and managing climate-related risks and opportunities.	**Summary**: Anglo American has a Climate Change Steering Committee, which is chaired by the strategy & sustainability director. The Committee was established as a cross-functional body to draw together all workstreams across the Group related to climate change and to have collective oversight and scrutiny the associated workstreams. A cross-functional Climate Change Working Group exists to provide expert, working level support to Executive and Board level leadership. The chief executive, who is advised and supported by the wider Executive Leadership Team (ELT), is responsible and accountable for aligning our business practices with our climate change commitments and ambitions. Sitting on the ELT, the strategy & sustainability director is responsible for overseeing the company's overall approach climate change, in addition to co-ordination of the work to meet our commitments. **Integrated Annual Report 2023**: Page 14 describes the insights the chief executive and senior management take into account when formulating the Group's long term strategy. Climate change considerations are included within the material matters (pages 20–23), our analysis of global trends (pages 24–28), our capital allocation decisions (pages 76–78) and within our principal risks (pages 79–85). Page 49 describes our policies and governance processes related to climate change, including climate-related targets within executive remuneration. Page 194 of the Remuneration report details progress against climate-related targets and the impact on executive remuneration in the year. **Climate Change Report 2023**: Pages 42–43 describe the Board's climate change capability and give detail on the Group's climate-related governance, oversight and management structure, including the role of the Group's Climate Change Steering Committee and the ELT.	(a)

Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material.

Recommended disclosures	References	CA 414CB
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.	**Summary:** Climate change has the potential for significant long term impact on our world and on our industry. We expect climate change to impact the mining industry through both risks and opportunities in two broad areas: transition impacts – the potential impact on demand for different products, given assumptions on regulatory, technological and behavioural changes in the transition to a low carbon economy; and physical impacts – the potential impact on our operations and surrounding communities from both acute extreme weather events and chronic shifts in climate patterns. **Integrated Annual Report 2023**: Pages 50–53 describe the potential impacts of climate change on both Anglo American and the mining industry, as well as the opportunities the Group believes it can realise through its strategic choices. Page 50 gives an indication of the outlook for mining products profit pools under both a 1.5°C and 2.5°C global warming scenario. Page 51 describes the transitional impacts we believe climate change will have on our business including the short, medium and long term risks and opportunities related to each of the products and commodities we produce. Pages 52–53 describe the physical risks our operations and host communities face, as well as our approach to adaptation. Pages 30–39 and page 54 describe the Group's portfolio strategy and evolution and how that has been influenced by the threat of climate change. Pages 44–45 describe the technological innovations being delivered across the Group to reduce energy and water consumption and pages 47–48 describe the efforts of our Marketing business to deliver products that help enable our customers to achieve their climate change ambitions. The principal risks related to climate change and water are described on pages 83–84. **Climate Change Report 2023**: Pages 20–23 have more detail on the physical and adaptation climate risks facing our operations and host communities in the short, medium and long term, and our approach to them.	(d)
b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	**Summary:** Anglo American's strategy seeks opportunities in the metal and mineral needs of the future, including, critically, the impacts of climate change and the energy transition. The resilience of our portfolio to a changing climate also forms a key part of the Company' s strategy. We draw on multiple sources to judge the contribution that individual assets would make to the portfolio under different climate scenarios, and, amongst other things, this informs the way that we allocate capital. **Integrated Annual Report 2023**: Pages 30–39 and page 54 describe the Group's portfolio strategy and evolution and how that has been influenced by climate change. Pages 44–45 describe the technological innovations being delivered across the Group to reduce energy and water consumption and pages 47–48 describe the efforts of our Marketing business to deliver products that help enable our customers to achieve their climate change ambitions. Page 54 gives more detail on our strategy to deliver a future-enabling portfolio and pages 76–78 describe our approach to capital allocation to achieve our carbon reduction targets, including the carbon pricing we use when appraising investment decisions. Pages 50–51 describe our approach to transition risk and explains how we believe Anglo American will remain resilient in a 1.5°C future. Pages 76–78 describe how broader sustainability considerations, including climate change, are embedded in our capital allocation decisions. **Climate Change Report 2023:** Page 11 explains the strategic principles that guide our portfolio choices and how we assess the resilience of our portfolio in a 1.5°C world. Page 11 also gives further details on the role we believe our products have to play in a low carbon future. Pages 11–17 explain how we manage transition risks through portfolio evolution. Pages 18–23 have more detail on the physical and adaptation climate risks facing our operations and host communities in the short, medium and long term, and our approach to them.	(e)

Recommended disclosures	References	CA 414CB
c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	**Summary:** Anglo American's strategy seeks opportunities in the metal and mineral needs of the future, including critically the impacts of climate change and the energy transition. The resilience of our portfolio to a changing climate also forms a key part of the Company's strategy. We draw on multiple sources to judge the contribution that individual assets would make to the portfolio under different climate scenarios, and, amongst other things, this informs the way that we allocate capital. **Integrated Annual Report 2023:** Pages 50–53 describe the potential impacts of climate change on both Anglo American and the mining industry, as well as the opportunities the Group believes it can realise through its strategic choices. Page 50 gives an indication of the outlook for mining commodity profit pools under both a 1.5°C and 2.5⁰C global warming scenario. Pages 50–51 describe the transitional impacts we believe climate change will have on our business including the short, medium and long term risks and opportunities related to each of the products and commodities we produce. Pages 52–53 describe the physical risks our operations and host communities face, as well as our approach to adaptation.Pages 30–39 and page 54 describe the Group's portfolio strategy and evolution and how that has been influenced by climate change. Pages 44–45 describe the technological innovations being delivered across the Group to reduce energy and water consumption and pages 47–48 describe the efforts of our Marketing business to deliver products that help enable our customers to achieve their climate change ambitions. Page 54 gives more detail on our strategy to deliver a future-enabling portfolio and pages 76–78 describe our approach to capital allocation to achieve our carbon reduction targets, including the carbon pricing we use when appraising investment decisions. Pages 76–78 describe how broader sustainability considerations, including climate change, are embedded in our capital allocation decisions. **Climate Change Report 2023:** Page 11 explains the strategic principles that guide our portfolio choices and how we assess the resilience of our portfolio in a 1.5˚C world. Page 11 also gives further details on the role we believe our products have to play in a low carbon future. Pages 11–17 explain how we manage transition risks through portfolio evolution. Pages 18–23 have more detail on the physical and adaptation climate risks facing our operations and host communities in the short, medium and long term, and our approach to them.	(f)

Risk management

Disclose how the organisation identifies, assesses and manages climate-related risks.

Recommended disclosures	References	CA 414CB
a) Describe the organisation's processes for identifying and assessing climate-related risks.	**Summary**: Our risk management processes embed climate change in the understanding, identification and mitigation of risk. **Integrated Annual Report 2023:** Pages 49–54 describe our approach to climate-related risk, including both transition and physical risks. Pages 79–85 describe the Group's risk identification process and has more detail on climate change and water, both considered principal risks. **Climate Change Report 2023:** Page 46 describes our understanding, assessment and management of climate-related risks. Pages 11–17 explain how we manage transition risks through portfolio evolution. Pages 18–23 have more detail on the physical and adaptation climate risks facing our operations and host communities in the short, medium and long term, and our approach to them.	(b)
b) Describe the organisation's processes for managing climate-related risks.	**Summary:** Our risk management processes embed climate change in the understanding, identification and mitigation of risk. **Integrated Annual Report 2023**: Pages 49–54 describe our approach to climate-related risk, including both transition and physical risks. Pages 79–85 describe the Group's risk identification process and has more detail on climate change and water, both considered principal risks, and how we manage and mitigate those risks. Our Portfolio (pages 30–39) and Innovation (pages 42–65) sections of this report provide detail on the strategic portfolio choices we have made and the technological innovations we are delivering across the Group to reduce energy and water consumption and mitigate the impacts of climate change. Pages 54–57 describe how we plan to decarbonise our operations, page 57 explains the pathway to decarbonising our value chains. **Climate Change Report 2023**: Page 46 describes our understanding, assessment and management of climate-related risks. Pages 42–43 describe the Board's climate change capability and give detail on the Group's climate-related governance, oversight and management structure, including the role of the Group's Climate Change Steering Committee and the ELT. Pages 11–17 explain how we manage transition risks through portfolio evolution. Pages 18–23 have more detail on the physical and adaptation climate risks facing our operations and host communities in the short, medium and long term, and our approach to them.	(b)
c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	**Summary**: Our risk management processes embed climate change in the understanding, identification and mitigation of risk. **Integrated Annual Report 2023**: Pages 49–54 describe our approach to climate-related risk, including both transition and physical risks. Pages 79–85 describe the Group's risk identification process and has more detail on climate change and water, both considered principal risks, and how we manage and mitigate those risks. **Climate Change Report 2023**: Page 46 describes our understanding, assessment and management of climate-related risks. Pages 42–43 describe the Board's climate change capability and give detail on the Group's climate-related governance, oversight and management structure, including the role of the Group's Climate Change Steering Committee and the ELT. Pages 11–17 explain how we manage transition risks through portfolio evolution. Pages 18–23 have more detail on the physical and adaptation climate risks facing our operations and host communities in the short, medium and long term, and our approach to them.	(c)

Metrics and targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

Recommended disclosures	References	CA 414CB
a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	**Summary**: We use a range of metrics to assess climate-related risks and opportunities, including Scope 1, 2 and 3 GHG emissions and energy use. **Integrated Annual Report 2023**: Page 55 and page 57 show the metrics used by the Group when assessing climate-related risks and opportunities.	(h)
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions and the related risks.	**Summary**: We use a range of metrics to assess climate-related risks and opportunities, including Scopes 1, 2 and 3 GHG emissions and energy use. **Integrated Annual Report 2023**: Page 55 and page 57 show our Scope 1, 2 and 3 GHG emissions. Page 329 shows current and historical Scopes 1 and 2 emissions by business. **Climate Change Report 2023**: Page 33 provides more details on our Scope 3 GHG by each of the categories included in the Greenhouse Gas Protocol's methodology.	(g)
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	**Summary**: We are targeting a 30% reduction in GHG emissions by 2030 on a 2016 baseline and have a goal to be carbon neutral across our operations for Scopes 1 and 2 emissions by 2040. Our ambition is to reduce our Scope 3 footprint by 50% against a 2020 baseline by 2040. **Integrated Annual Report 2023**: Pages 54–57 describe our climate-related goals and ambitions.	(g)

Streamlined energy and carbon reporting

	2023	2022	Commentary
Scope 1 emissions – Global	**7.5**	8.3	Measured in Mt CO_2e
Scope 2 emissions – Global	**5.0**	5.0	Measured in Mt CO_2e
Total Scope 1 and 2 emissions – Global	**12.5**	13.3	Measured in Mt CO_2e
Group emission intensity	**5.8**	6.1	Measured in tonnes CO_2e per tonne CuEq production
Scope 3 emissions – Global*	**95.82**	104.5	Measured in Mt CO_2e
Total Scope 1 and 2 emissions from UK-based entities	**0.02**	0.01	Measured in Mt CO_2e
Energy use from UK-based entities	**131,476,718**	90,902,808	Measured in kWh
Energy use – Global*	**89**	83	Measured in million GJ

* Global energy use is presented in million GJ as this is the measurement the Group uses internally. The equivalent energy use figure in kWh is 24,723,511,650 (2022: 22,977,777,778 kWh).

Further information:
Disclosure of our energy and Scope 1, 2 and 3 emission reduction targets can be found on page 46.

Disclosure of the principal energy efficiency initiatives deployed by the Group to meet those targets can be found on pages 54–57.

Methodologies used to calculate energy use and emissions data can be found on pages 316–317.

Assurance of data:
As a member of the International Council on Mining and Metals (ICMM), Anglo American is committed to obtaining specific assurance over specified assertions related to the Sustainability Report, including data related to GHG emissions and energy use.

IBIS ESG Consulting Africa (Pty) Ltd (IBIS) was commissioned by Anglo American to conduct an independent third-party assurance engagement in relation to its Sustainability Report for the year ended 31 December 2023. This data has been reproduced in the Anglo American plc Integrated Annual Report 2023.

See pages 102–103 of the Anglo American plc Sustainability Report 2023 for more details on the assurance process and conclusions.

▶ For more information, see our Sustainability Report 2023
Visit angloamerican.com/sustainability-report-2023

Governance

This section of the Integrated Annual Report provides an overview of the means by which the Company is directed and controlled. The Board is there to support and challenge management and to ensure that we operate in a manner that promotes the long term success of Anglo American. In this section we describe the ways in which we seek to achieve this.

Contents

Compliance with the UK Corporate Governance Code

The Board supports the principles and provisions of the UK Corporate Governance Code 2018 (the Code) issued by the Financial Reporting Council (FRC), which is available on the FRC's website (www.frc.org.uk). The principles and provisions of the Code have applied throughout the financial year ended 31 December 2023. It is the Board's view that the Company has complied throughout the year with the Code. The ways in which the Code has been applied can be found on the following pages:

Code section and where to find details

Section 1: Board leadership and company purpose
Further detail on how the Board promotes the long term success of the Group is provided in the Strategic Report on pages 2–138. Relations with shareholders are described on page 163. For the ways in which the Board engages with its key stakeholders, see pages 16–19 of our Strategic Report and our Section 172 statement on page 29, and the Stakeholder engagement section on pages 161–163 of this report. Our whistleblowing programme is described on page 177.

Section 2: Division of responsibilities
Pages 142–150 give details of the Board and executive leadership and the Board governance structure.

Section 3: Composition, succession and evaluation
The work of the Nomination Committee, and the processes used in relation to Board appointments, are illustrated on pages 166–167. The findings of the internal effectiveness review of the Board and committees are described on pages 156–157.

Section 4: Audit, risk and internal control
The report of the Audit Committee is found on pages 168–177, with further detail on the Group's principal risks to the business in the Strategic Report on pages 81–85.

Section 5: Remuneration
The Group's remuneration policy and the report of the Remuneration Committee are found on pages 178–211.

The Governance report and Financial Statements form part of the Anglo American plc Integrated Annual Report for the year ended 31 December 2023 and should be read in conjunction with the Strategic Report of the Integrated Annual Report.

Chairman's introduction

On behalf of the Board, I am pleased to introduce the Anglo American plc Governance report, in which we describe our corporate governance arrangements, the activities of the Board and its committees, and how the Board discharged its duties throughout 2023.

Board composition and succession

Board and executive leadership succession in public companies has – rightly – been the subject of scrutiny in recent years. In our own Company, Board succession planning continued to be a focus area in 2023. In carrying out our ongoing Board renewal, we strive to maintain the right balance of capabilities, experience, diversity and continuity required to sustain the Group's long term success as it continues to evolve its portfolio and wider business interests.

In April 2023, I was pleased to welcome Magali Anderson to the Board as a non-executive director and member of the Sustainability Committee. Magali's experience in capital intensive industries from her international executive career in operational, commercial and business transformation leadership roles, and a deep understanding of sustainability in its broadest sense, adds greater breadth of insight to the Board.

In December, Stephen Pearce stepped down as finance director after serving on the Board since 2017. Stephen was succeeded by John Heasley, who joined the Board as finance director on 1 December 2023. John brings proven financial, strategic and commercial expertise to the role of finance director, coupled with hands-on operational experience of supporting sustainable mining through technology.

On behalf of the Board, I would like to reiterate my thanks to Stephen for his considerable contributions to Anglo American and his steady hand as finance director for nearly seven years.

At the date of this report, four of the 10 Board directors are female, including our Audit Committee chair; two are historically disadvantaged South Africans; and six different nationalities are represented, bringing experience from all of our major regions, notably southern Africa, South America and Australia.

In 2024, the Nomination Committee will continue to focus on succession planning for the Board and the Executive Leadership Team, to ensure the organisation has a strong and diverse pipeline to take up senior leadership roles in the future.

The operation of the Board in 2023

The Board has continued to operate effectively throughout 2023. Each year, the Board undertakes a rigorous review of its effectiveness and performance, and that of its committees and individual directors, while at least every three years this is facilitated by an external third party. In 2023, our review was carried out internally. I am pleased to report that the overall conclusion of the internal review is that the Board and committees continue to be effective and function well.

I believe director and Board site visits to be invaluable. They provide an opportunity for directors to learn more about the operations and understand the opportunities and challenges faced by the businesses in their local environments. Site visits are a key mechanism for the Board to directly engage with the workforce from a range of backgrounds and levels of seniority, and also present opportunities to meet with representatives from host communities. I was delighted that, in 2023, we were able to facilitate several site visits for directors. As a Board, in September, we went to see the progress being made at our Woodsmith project in north east England, and in July our Sustainability Committee spent time at the Venetia mine in South Africa. In April, the Audit Committee met with Marketing leaders in our Singapore hub, and three non-executive directors visited our Steelmaking Coal operations in Australia.

"Free market systems need a robust governance framework if they are to retain the trust of shareholders and society. I believe that the full breadth of sustainability considerations should always underpin this framework and be at the heart of how responsible companies do business."

Stuart Chambers
Chairman

Board engagement with stakeholders

Stakeholder considerations are integral to our discussions at Board meetings and the decisions we make take into account potential impacts on them. Following our 2022 internal evaluation, the Board agreed one of its effectiveness priorities in 2023 was to pursue opportunities to have greater direct engagement with representatives of host communities. I am pleased that Board members were able to engage directly with local communities at the various site visits during the year in order to gain a better understanding of their interests and perspectives.

Our investor relations team manages the day-to-day interactions with investors and our key financial audiences. Our chief executive, finance director and other senior executives host regular meetings with investors, as well as potential shareholders, throughout the year. As chairman, I meet with many of our major shareholders in the course of the year. The Board also recognises the importance of the AGM as an opportunity for shareholders to engage with the Board and provide feedback.

The Board continues to enthusiastically embrace the board-workforce engagement recommendations contained in the UK Corporate Governance Code. Anglo American's Global Workforce Advisory Panel currently comprises 12 employees drawn from across our business and is chaired by non-executive director Marcelo Bastos. To help facilitate the Board's oversight role in the evolution of the organisation's culture, the Panel enables the Board to better understand and take into account the views of the workforce, and how well the Group's purpose, values and desired culture are embedded. In 2023, the Panel met on three occasions, one of which was in person in South Africa. I was delighted that Duncan Wanblad, a number of non-executive directors and I were able to engage directly with Panel members during our Board site visits on a number of occasions during the year. On behalf of the Board, I thank Panel members for their ongoing commitment and look forward to the Panel's continued insights.

▶ The outcomes of our Board effectiveness review are described on **pages 156–157** and our Board site visits are illustrated on **pages 158–160.**

▶ For more information on the Panel and the ways in which we currently engage with our key stakeholders
See pages 161–163

Stuart Chambers speaking with Leah Swain, chief executive of the Woodsmith Foundation, at the Eastside Community Hub in Whitby during the Board visit in September 2023.

Committee governance

Starting on page 164, each Board committee chair presents a report on the activities of their committee during 2023. The effective and efficient operation of the committees and their interaction with the Board are vital to ensure that all matters receive the necessary attention in a timely manner. I am grateful to the members and the chairs of those committees in particular for their commitment and the work that they do throughout the year in this regard.

2024 Annual General Meeting

Our 2024 AGM will again be held as a hybrid meeting and shareholders will be welcome to attend, vote, raise questions and be heard both physically in the room and via the virtual platform. I look forward to engaging with as many of you as possible at the AGM, in person or virtually, and would encourage you to vote your shares even if you cannot attend in person, so that we gain a better understanding of the views of our shareholders as a whole.

Stuart Chambers
Chairman

Directors

Committee member key
- Ⓐ Audit Committee
- Ⓝ Nomination Committee
- Ⓡ Remuneration Committee
- Ⓢ Sustainability Committee
- ● Chair of Committee
- ○ Member of Committee

Stuart Chambers

Ⓝ Ⓢ

Chairman

Qualifications: BSc (Applied Physics), PhD Business Administration, FIChemE

Appointed: 1 September 2017 and as Chairman on 1 November 2017

Skills and experience

Stuart contributes to Anglo American significant global executive and boardroom experience across the industrial, logistics and consumer sectors.

Stuart served as chairman of Travis Perkins plc from 2017 to 2021, and previously chaired ARM Holdings plc and Rexam plc until 2016. In his non-executive career, Stuart has served on the boards of Tesco PLC, Manchester Airport Group plc, Smiths Group plc and Associated British Ports Holdings plc.

Stuart's executive career included 13 years at Pilkington plc and its subsequent parent company Nippon Sheet Glass until 2010, in a number of executive roles and ultimately as chief executive of both companies. Prior to that, he gained 10 years of sales and marketing experience at Mars Corporation, following 10 years at Shell as a chemical engineer.

Current external appointments

A Visiting Fellow of Saïd Business School, Oxford University.

Nationality:	Age:
British	67

Duncan Wanblad

Ⓢ

Chief Executive

Qualifications: BSc (Eng) Mech, GDE (Eng Management)

Appointed: 19 April 2022 as Chief Executive

Skills and experience

Duncan brings to the Board more than 30 years of global mining experience and a deep understanding of Anglo American, its culture and context.

Duncan leads the Executive Leadership Team (ELT), having served as a member since 2009, and is chairman of De Beers. From 2016 to 2022, Duncan was Group Director – Strategy and Business Development, also serving as CEO of our Base Metals business from 2013 to 2019. Until 2022, he chaired the Anglo American Foundation.

Between 2009 and 2013, Duncan held the position of Group Director – Other Mining and Industrial, responsible for a global portfolio of mining and industrial businesses for disposal or turnaround to maximise shareholder value. He was appointed CEO of our Copper operations in 2008, prior to which he served as joint interim CEO of Anglo American Platinum in 2007 (having served on the board since 2004). From 2004 to 2007, Duncan was Executive Director of Projects and Engineering at Anglo American Platinum. Duncan began his career at Johannesburg Consolidated Investment Company Limited in 1990.

Current external appointments

None

Nationality:	Age:
South African	57

John Heasley

Finance Director

Qualifications: BA, CA

Appointed: 1 December 2023 as Finance Director

Skills and experience

John brings to Anglo American proven financial, strategic and commercial expertise, coupled with hands-on operational experience of supporting sustainable mining through technology.

John is a member of the ELT and is a director of De Beers. Prior to joining Anglo American in 2023, he was chief financial officer and an executive director at The Weir Group PLC, the FTSE 100 listed global engineering company providing engineering technologies to the global mining industry, a role held since 2016.

Prior to joining Weir in 2008, John served as group financial controller of Scottish Power plc, following his early career in professional services firms in audit, mergers & acquisitions, and corporate finance roles.

Current external appointments

Non-executive director and honorary treasurer of the Royal Scottish National Orchestra, a charitable organisation.

Nationality:	Age:
British	49

Ian Tyler

Ⓡ Ⓐ Ⓝ

Senior Independent Director

Qualifications: BCom, ACA

Appointed: 1 January 2022 and as Senior Independent Director on 19 April 2022

Skills and experience

Ian contributes to Anglo American a wealth of boardroom and financial experience spanning a number of industrial sectors, including as chair of remuneration and audit committees.

Ian has previously served as chairman of Amey, and of Vistry Group plc (formerly Bovis Homes Group) and Cairn Energy plc, and is a former non-executive director of BAE Systems plc, VT Group plc and Cable & Wireless Communications plc, amongst other non-executive board roles. Ian's senior executive career was at Balfour Beatty plc, a global infrastructure business, joining as finance director in 1996 and serving as chief executive from 2005 to 2013.

Current external appointments

Chairman of BMT Group Ltd, a maritime-orientated consultancy, and of Affinity Water, a privately-held business (stepping down from this role in 2024); and a non-executive director of Synthomer plc. A non-executive director and chair designate of Grafton Group plc from 1 March 2024.

Nationality:	**Age:**
British	63

Magali Anderson

Ⓢ

Independent Non-executive Director

Qualifications: Mech Eng

Appointed: 1 April 2023

Skills and experience

Magali brings to Anglo American highly relevant experience in capital intensive industries from an international executive career in operational, commercial and business transformation leadership roles, and a deep understanding of sustainability in its broadest sense.

Until September 2023, Magali was chief sustainability and innovation officer and a member of the executive committee of Holcim Group, the Switzerland-based global building materials company. She joined Holcim in 2016, becoming chief sustainability officer in 2019 and adding innovation to her remit in 2021. During her Holcim tenure, Magali was a member of the advisory boards of industry organisations: Business for Nature, the MIT Climate and Sustainability Consortium, the World Green Building Council and the 50L Home Coalition on water efficiency; and co-chair of the 2050 net-zero work for the Global Cement and Concrete Association. Prior to joining Holcim, Magali spent the majority of her career with Schlumberger, holding operational line management positions including CEO, Angola and region head, Europe. Magali started her career as a field engineer on offshore oil rigs in Nigeria.

Current external appointments

None

Nationality:	**Age:**
French	56

Ian Ashby

Ⓢ Ⓝ Ⓡ

Independent Non-executive Director

Qualifications: B Eng (Mining)

Appointed: 25 July 2017

Skills and experience

Ian contributes to Anglo American substantial knowledge of the minerals industry across a wide range of commodities, combined with global operating, major projects and capital development experience.

Ian served as president of iron ore for BHP Billiton between 2006 and 2012, when he retired from the company. During his 25-year tenure with BHP Billiton, Ian held numerous roles in its iron ore, base metals and gold businesses in Australia, the US and Chile, as well as projects roles in the corporate office. He began his nearly 40-year mining career as an underground miner at the Mount Isa Mines base metals operations in Queensland, Australia.

Ian has previously served as chairman of Petropavlovsk plc, and a non-executive director of IAMGOLD Corporation, Alderon Iron Ore Corp, Nevsun Resources Ltd, New World Resources PLC and Genco Shipping & Trading, and in an advisory capacity with Apollo Global Management and Temasek.

Current external appointments

Independent director of Suncor Energy Inc.

Nationality:	**Age:**
Australian	66

Directors continued

Committee member key

- Ⓐ Audit Committee
- Ⓝ Nomination Committee
- Ⓡ Remuneration Committee
- Ⓢ Sustainability Committee
- ● Chair of Committee
- ○ Member of Committee

Marcelo Bastos

Ⓝ Ⓢ

Independent Non-executive Director

Qualifications: MBA, BSc (Hons) Mech Eng

Appointed: 1 April 2019

Skills and experience

Marcelo contributes to Anglo American more than 30 years of operational and project experience in the mining industry across numerous commodities in South America, Australia, Africa and south east Asia. He is designated by the Board to chair and engage with Anglo American's Global Workforce Advisory Panel.

Marcelo served as chief operating officer of MMG between 2011 and 2017, responsible for the group's copper, zinc, silver, lead and gold operations, and sales and marketing. In this role, he also led the planning and development of the Las Bambas copper mine in Peru. Prior to MMG, Marcelo served as president and CEO of the BHP Mitsubishi Alliance joint venture (metallurgical coal), president of BHP's Cerro Matoso nickel operation in Colombia, president of nickel Americas, and president of Nickel West in Australia. He had a 19-year career at Vale until 2004 in a range of senior executive positions in Brazil. Marcelo is a former non-executive director of Golder Associates and Oz Minerals Ltd.

Current external appointments

Non-executive director of Aurizon Holdings Ltd and Iluka Resources Ltd.

Nationality:	**Age:**
Brazillian/Australian	60

Hilary Maxson

Ⓐ Ⓝ

Independent Non-executive Director

Qualifications: MBA, B.S. (Applied Economics & Management)

Appointed: 1 June 2021

Skills and experience

Hilary contributes to Anglo American experience in business, spanning finance, the capital markets, energy transition and technology, gained across her executive career in the US, Europe, Africa and Asia.

Hilary is CFO of Schneider Electric and a member of its executive committee, based in Paris. She previously served as CFO of their largest business unit, Energy Management, having joined the company in 2017 as CFO of the Building and IT business, situated in Hong Kong. Prior to joining Schneider Electric, Hilary spent 12 years with the AES Corporation in a variety of finance, M&A and business development roles, based across the US, Cameroon and the Philippines, ultimately as CFO for Asia. Hilary began her career at Bank of America and Citigroup, in New York.

Current external appointments

None

Nationality:	**Age:**
American	45

Hixonia Nyasulu

Ⓝ Ⓡ

Independent Non-executive Director

Qualifications: BA Hons

Appointed: 1 November 2019

Skills and experience

Hixonia contributes to Anglo American significant global board experience drawn from the natural resources, financial services and consumer industries.

Until December 2023, Hixonia was a member of the board of AGRA and chaired the Africa Economic Challenge Fund, both not-for-profit organisations. She previously served as senior independent director of Vivo Energy plc, and as a non-executive director on the boards of Sasol, including five years as chairman, Nedbank, Unilever NV and Unilever plc. She has also served as a member of the South Africa advisory board of J.P. Morgan and on the board of the Development Bank of Southern Africa. In 2004, Hixonia founded Ayavuna Women's Investments (Pty) Ltd, a female-controlled investment holding company. Prior to that, she ran T.H. Nyasulu & Associates, a strategy, marketing and research company, after starting her career at Unilever in South Africa. Hixonia was a founder member of the Advisory Group formed by the World Economic Forum to set up a community of global chairs.

Current external appointments

Non-executive director and vice chair of Olam Agri Holdings Pte. Ltd.

Nationality:	**Age:**
South African	69

Nonkululeko Nyembezi

Independent Non-executive Director

Qualifications: MBA, MSc, BSc

Appointed: 1 January 2020

Skills and experience

Nonkululeko contributes to Anglo American great breadth of technical and strategic insights with a background in engineering and extensive experience spanning mining, steel, financial services and technology in South African and global organisations.

Nonkululeko was previously chairman of JSE Limited. She was also formerly CEO of Ichor Coal N.V., and has previously served as chairman of Alexander Forbes Group, as a non-executive director on the boards of Old Mutual plc, Exxaro Resources, Universal Coal plc and Denel, and as CEO of ArcelorMittal South Africa. In her earlier career, Nonkululeko was chief officer of M&A for the Vodacom group and chief executive officer of Alliance Capital, the then local subsidiary of a New York-based global investment management company.

Current external appointments

Chairman of Standard Bank Group, and of Macsteel Service Centres SA, a privately held business (anticipated to step down from this role in March 2024).

Nationality:	**Age:**
South African	63

In addition, the following director served during the year:

Stephen Pearce stepped down from the Board as finance director on 1 December 2023, having served on the Board since April 2017.

Board diversity policy statement: gender and ethnicity targets

The Board is committed to ensuring that it has the right balance of skills, experience and diversity, and reflects the global reach of the Group, its employees and major markets. The Board strongly supports the targets of the FTSE Women Leaders and Parker reviews on gender and ethnic diversity. In support of these aims, in leading search processes to appoint new directors, the Nomination Committee retains the services of executive search firms that are accredited under the UK Government's Voluntary Code of Conduct for Executive Search Firms.

At the date of this report, four (40%) of the 10 directors are female and two (20%) identify as minority ethnic. Six different nationalities are represented, bringing experience from all of Anglo American's major regions. A substantial majority of the Board have a nationality or place of origin outside the UK. The Company satisfies the targets in the UK Listing Rules on having at least 40% female representation on its Board, and at least one Director from a minority ethnic background.

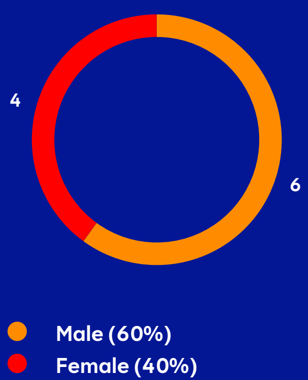
The Company does not currently meet the UK Listing Rule target that at least one of the senior positions on its Board (defined under the Listing Rules as the chair, chief executive, senior independent director or chief financial officer) is held by a woman. Appointments to the Board are made on merit following rigorous search processes, ensuring the overall composition of the Board and its committees continues to reflect an appropriate mix of capabilities, experience and diversity (of gender, ethnicity, nationality, age and perspectives). In considering succession plans for these four positions, due attention will be given to this target. We are confident that future appointments will, as a whole, continue to support the Board's diversity aims.

The additional diversity data required under the UK Listing Rules is set out on page 167.

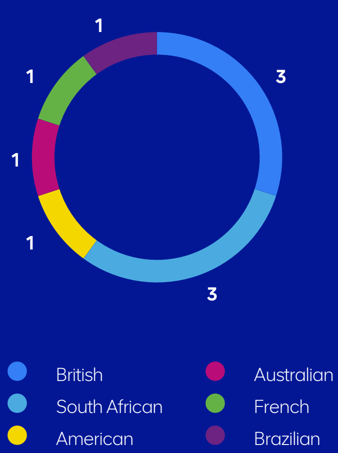
Board experience and diversity

The broad range of skills and experience and the diversity of our Board as at the date of this report are illustrated below.

Gender diversity

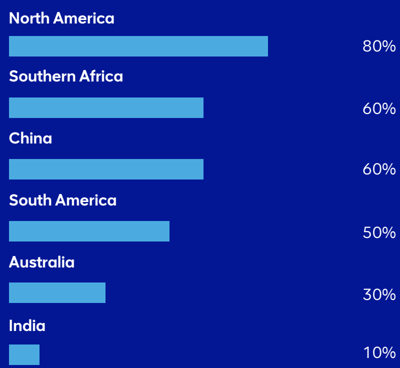


Board nationality or place of origin



Professional experience

Regional experience



Leadership team

Executive Leadership Team members

Duncan Wanblad
Chief Executive

Member since:
October 2009

John Heasley
Finance Director

Member since;
December 2023

► For full biographical details of the executive directors
See page 142

Alison Atkinson
Projects & Development Director

Qualifications: BEng (Hons) (Civil Engineering) FREng
Member since: May 2023

Skills and experience

As Projects & Development Director, Alison leads the Projects, Carbon and Innovation disciplines at Anglo American.

Prior to joining Anglo American in 2023, Alison was CEO of AWE plc from 2020-2023. Alison joined AWE in 2005 and fulfilled a number of senior roles, delivering multi-billion dollar infrastructure projects and technology programmes and developing capabilities and products that support the UK's nuclear defence programme. Prior to AWE, Alison spent 14 years at Halcrow, the global engineering consultancy, managing a wide variety of capital projects in the UK and overseas in both the public and private sectors.

Alison is a Chartered Civil Engineer and is a Fellow of the Royal Academy of Engineering. She is also a non-executive director of Kier Group plc and chair of its safety, health and environment committee.

Monique Carter
People & Organisation Director

Qualifications: BA (Hons), MCIPD
Member since: June 2023

Skills and experience

As People & Organisation Director, Monique leads all the people-related disciplines across the Group, including Culture and Learning, Performance and Reward, and Talent Development.

Prior to joining Anglo American in 2023, Monique served as executive vice president People & Organisation for Novo Nordisk, the life science and global healthcare company, for four years until 2023. Her global career experience spans engineering, chemicals, manufacturing and retail. Prior to her most recent role, Monique was Group HR Director at GKN, following a number of senior HR roles during her career at AkzoNobel and ICI.

Al Cook
CEO of De Beers

Qualifications: M.A. Hons (Natural Sciences)
Member since: February 2023

Skills and experience

As CEO of De Beers, Al is responsible for its strategy and operations from mines to retail stores.

Prior to joining the Group in 2023, Al was executive vice president of exploration and production international for Equinor, the Norway-based energy company, with responsibility for its businesses in 12 countries around the world.

Al previously held the role of executive vice president for global strategy and business development at Equinor, where he developed a net zero strategy and reshaped its portfolio for the energy transition. He joined Equinor after a 20-year career at BP, which included operational roles offshore, leadership of the Southern Corridor gas project and chief of staff to the CEO. Al is a trustee of The Power of Nutrition, an independent charitable foundation. He is a Fellow of the Geological Society and the Energy Institute.

Matt Daley
Technical & Operations Director

Qualifications: BEng (Mining) Hons, PgDip (Fin)
Member since: January 2023

Skills and experience

As Technical & Operations Director, Matt leads the Discovery & Geosciences, Engineering & Maintenance, Information Management, Mining, Processing, Supply Chain, and Safety, Health & Environment disciplines. He is also a non-executive director of Anglo American Platinum.

Prior to joining Anglo American in 2017 as Group Head of Mining, Matt was the Executive General Manager for Glencore Canada based in Toronto and served as a non-executive director on the board of PolyMet Mining. He has previously worked for Xstrata and Minera Alumbrera and started his career with Mount Isa Mines in Queensland, Australia.

Ruben Fernandes
Regional Director, Americas

Qualifications: MBA, MSc (Metallurgical Engineering)
Member since: March 2019

Skills and experience

As Regional Director for the Americas, Ruben is responsible for ensuring safe and responsible operations, optimising performance, future options and commercial value across the Americas, including the company's operational footprint in Brazil, Chile and Peru.

Prior to starting this role in 2023, he served as CEO of Base Metals and CEO of Anglo American Brazil.

Ruben joined Anglo American in 2012, and was previously head of mining at Votorantim Metals in Brazil, responsible for projects and exploration activities around the world, as well as operations in Peru and Colombia. Between 2009 and 2011, he was COO at Vale Fertilizers, responsible for the fertiliser operations, sales and marketing. Ruben was also CEO of Kaolin Companies – Pará Pigments and Cadam – two subsidiaries of Vale, between 2007 and 2009, and held various analysis, marketing and project roles in Vale's Base Metals business which he joined in 1999.

Tom McCulley
CEO of Crop Nutrients

Qualifications: B.S. (Accounting)
Member since: October 2022

Skills and experience:

As CEO of Crop Nutrients, Tom is responsible for the on-plan and safe delivery of the Woodsmith project, aligned with the successful development of the market for, and premium value of, the mine's polyhalite fertiliser product.

Prior to starting this role in 2022, Tom served as CEO of Anglo American in Peru and Group Head of Projects.

Tom joined Anglo American in 2015 and previously held several senior global roles at Newmont, including Vice President of Investment and Value Management and Vice President of Discovery and Development Planning and Services. Tom began his career at Fluor Corporation in international oil & gas and mining projects, developing his full project lifecycle expertise.

Themba Mkhwanazi
Regional Director, Africa & Australia

Qualifications: B Eng (Chemical) Hons
Member since: August 2019

Skills and experience:

As Regional Director for Africa & Australia, Themba is responsible for ensuring safe and responsible operations, optimising performance, future options and commercial value across Africa and Australia. He is also a non-executive director of Anglo American Platinum and Kumba Iron Ore.

Prior to starting this role in 2023, Themba served as CEO of Bulk Commodities. He has also served as CEO of Kumba Iron Ore and CEO for Anglo American's Thermal Coal business in South Africa.

Themba joined Anglo American in 2014 and was previously managing director for Huntsman Tioxide in South Africa until 2007 when he was appointed COO of Richards Bay Minerals, a joint venture between Rio Tinto and BHP. In 2011, he was seconded to Rio Tinto's Australian coal business, before taking up the role of regional general manager for the Americas in 2012. Themba is a Vice President of the Minerals Council of South Africa.

Helena Nonka
Strategy & Sustainability Director

Qualifications: M.A. Hons, LL.M
Member since: October 2022

Skills and experience

As Strategy & Sustainability Director, Helena leads the Business Development, Portfolio Management, Social Impact, Strategy, and Sustainability disciplines.

Prior to joining Anglo American in 2022, Helena was executive vice president corporate development for Norsk Hydro ASA, with responsibility for group strategy, business development, sustainability and technology.

Helena's global career spans more than 20 years in the natural resources industry, professional services, consulting, and academia across Europe, Asia and North America. She previously worked as the global head of new business for natural resources at Switzerland-based SGS. From 2007 to 2019, she worked for Rio Tinto, where she held several global senior commercial leadership roles, including leading corporate strategy.

Richard Price
Legal & Corporate Affairs Director

Qualifications: LL.B, BA (Hons)
Member since: May 2017

Skills and experience

As Legal & Corporate Affairs Director, Richard leads the Legal, Government & International Relations, Communications, Company Secretarial and Security disciplines. He also serves as Company Secretary of Anglo American plc.

Prior to joining Anglo American in 2017, he was a partner at Shearman & Sterling, the international law firm working across EMEA, Asia and North America. In private practice, Richard acted for clients across the metals, mining, energy and financial services sectors, among others, assisting them with complex financing, corporate and compliance matters.

A champion for diversity, equity and inclusion in the legal profession, Richard was one of the founders and serves as Chair of General Counsel for Diversity & Inclusion.

Matt Walker
CEO of Marketing

Qualifications: Bsc (Hons), CA
Member since: December 2023

Skills and experience

As CEO of our Marketing business, Matt is responsible for optimising the value of the company's products in the market through the implementation of effective sales and trading strategies.

Prior to taking up this role in 2023, Matt was Group Head of Corporate Finance, leading capital allocation and integrated planning, as well as the M&A transaction team.

Matt joined Anglo American's finance team in 2007 and has held a number of senior finance and other roles across Anglo American, including as CFO of our Copper business in Chile. Between 2019 and 2021, he served as Group Treasurer responsible for the Group's bank and debt market funding.

The following members stepped down from executive leadership in 2023:

Stephen Pearce served as Finance Director until 1 December 2023.

Peter Whitcutt served as CEO of Marketing until 1 December 2023.

Natascha Viljoen served as CEO of Anglo American Platinum until 30 June 2023.

Didier Charreton served as Group Director – People and Organisation until 5 June 2023.

Nolitha Fakude served as Group Director – South Africa until 31 May 2023.

Anik Michaud served as Group Director – Corporate Relations and Sustainable Impact until 31 May 2023.

Bruce Cleaver served as CEO of De Beers Group until 20 February 2023.

Board roles and responsibilities

The Board, through its role in setting the tone from the top, provides leadership to the Group and is collectively responsible for promoting and safeguarding the long term success of the business. The Board is supported by a number of committees, to which it has delegated certain powers.

The role of these committees is summarised overleaf, and their membership, responsibilities and activities during the year are detailed on pages 164–211.

Some decisions are sufficiently material that they can only be made by the Board as a whole. The schedule of 'Matters Reserved for the Anglo American plc Board', and the committees' terms of reference, explain which matters are delegated and which are retained for Board approval; these documents can be found on the Group's website.

Executive structure

The Board delegates executive responsibilities to the chief executive, who is advised and supported by the Executive Leadership Team (ELT). In 2023, our executive management team, formerly known as the Group Management Committee, was re-organised to lead Anglo American's next phase of value delivery. The ELT comprises the chief executive, regional directors and Group directors of corporate functions, including the company secretary. The names of the ELT members, their roles and biographical details appear on pages 146–147.

Board composition

At the date of this report, the Board comprises 10 directors: the chairman, two executive directors (our chief executive and our finance director) and seven independent non-executive directors. The roles of our directors are summarised overleaf, alongside the divisions of responsibility between the chairman, the executive and non-executive members of the Board.

Magali Anderson joined the Board as an independent non-executive director on 1 April 2023. In May 2023, we announced Stephen Pearce's intention to retire during the year, having served as finance director since 2017, and on 1 December 2023 he stepped down from the Board. As announced in July and November, John Heasley joined the Board as finance director on 1 December 2023.

The broad range of skills and experience our Board members contribute to the long term sustainable success of the Group are set out on pages 142–145. The Board is supported by the legal & corporate affairs director who also serves as the Group company secretary.

There is a clear separation of responsibilities at the head of the Company between the leadership of the Board (the responsibility of the chairman) and the executive responsibility for leadership of the Company's business (the responsibility of the chief executive).

Independence of the non-executive directors

At the date of this report, more than two-thirds of the Board are independent non-executive directors. The Board determines all the non-executive directors (other than the chairman) to be independent of management and free from any business or other relationship which could interfere materially with their ability to exercise independent judgement. The UK Corporate Governance Code (the Code) does not consider a chairman to be independent due to the unique position the role holds in corporate governance. Stuart Chambers met the independence criteria contained in the Code when he was appointed as the Group's chairman in 2017.

To ensure the continued effectiveness of the Board, the chairman and the non-executive directors meet without the executive directors present several times a year. The chairman also meets regularly with each of the non-executive directors. The senior independent director (SID) engages with the other non-executive directors without the chairman present, at least annually, to appraise the chairman's performance. In 2023, Ian Tyler, as the SID, met with the non-executive directors on one such occasion.

Time commitment and external appointments

The Board, through the Nomination Committee, conducts an annual review of the time commitment expected from each of the non-executive directors and affirms that the directors devote the requisite time to meet the expectations of their role. In making this assessment, the Nomination Committee considers directors' attendance at Board and committee meetings, their external positions, and the chairman is asked to comment on their individual performance as part of the Board's effectiveness review. Overall, a minimum expected time commitment of 30 days per annum is set out in the non-executive directors' letters of appointment; however, the SID and committee chairs devote more time as required by their roles. The chairman's anticipated annual time commitment is the equivalent of two to three days per week in the normal course of business. Directors are expected to prepare for and attend Board and committee meetings as relevant, a full day Board Strategy meeting, the AGM and at least one operational site visit annually.

The Board acknowledges that non-executive directors have business interests other than those of the Company. Prior to their appointment to the Board, non-executive directors are required to declare any directorships, appointments and other business interests to the Company in writing. Non-executive directors are required to seek the approval of the chairman, chief executive and Group company secretary, on behalf of the Board, before accepting additional significant commitments that might be a potential conflict of interest or affect the time they are able to devote to their role. New appointments are then reported to the full Board.

Stuart Chambers at our 2023 AGM with legal & corporate affairs director (and company secretary) Richard Price (left), senior independent director Ian Tyler (far left) and chief executive Duncan Wanblad (right).

Currently, only one of the non-executive directors holds more than two external board appointments. The Nomination Committee has considered these external commitments, taking into account the time commitment required for each role, and is satisfied they do not impact the individual Board members' ability to discharge their responsibilities fully and effectively. As evidenced in the table on page 151, all directors attended 100% of the Board meetings that they were eligible to do so in 2023.

Executive directors are required to seek approval from the Board, following consideration by the Nomination Committee, before accepting an external directorship. The Board would not normally permit an executive director to hold more than one external non-executive directorship in a FTSE 100 company (or other equivalent publicly quoted company), nor the chairmanship of any such company.

Duncan Wanblad, Stuart Chambers and non-executive director Hixonia Nyasulu at the Eastside Community Hub in Whitby, a project supported by the Woodsmith Foundation, in September 2023.

The Board

Chairman

Stuart Chambers leads the Board, ensuring it works constructively as a team. His main responsibilities include: chairing the Board and the Nomination Committee and setting their agendas; Board composition and succession planning; providing support and counsel to the chief executive and his team; promoting the highest standards of integrity and governance; facilitating effective communication between directors; effective dialogue with shareholders and other stakeholders; and acting as ambassador for the Group.

Senior Independent Director (SID)

Ian Tyler serves as the Board's SID. He acts as a sounding board for the chairman and as an intermediary between the other directors. The SID leads the annual review of the performance of the chairman and is available to shareholders on matters where the usual channels of communication are deemed inappropriate.

Independent Non-executive Directors (NEDs)

The role of the NEDs is to support, constructively challenge, and provide advice to executive management; effectively contribute to the development of the Group's strategy; scrutinise the performance of management in meeting agreed goals; and monitor the delivery of the Group's strategy.

Chief Executive

Duncan Wanblad manages the Group. His main responsibilities include: executive leadership; formulation, implementation and delivery of the Group's strategy as agreed by the Board; approval and monitoring of business plans; organisational structure and senior appointments; business development; and stakeholder relations.

Finance Director

John Heasley joined the Board as finance director in December 2023. John leads the global finance function and supports the chief executive in formulating, implementing and delivering the strategy in relation to the financial and operational performance of the Group.

Board Committees

Audit Committee

Oversight of financial reporting, audit, internal control and risk management.

► For more information
See pages 168–177

Nomination Committee

Responsible for Board composition, appointment of directors and ensuring effective succession planning for the Board and senior management.

► For more information
See pages 166–167

Remuneration Committee

Determines the remuneration of executive directors, the chairman and senior management, and oversees remuneration policy for all employees.

► For more information
See pages 178–211

Sustainability Committee

Oversees management of sustainability issues, including safety, health, environment, climate change and social performance.

► For more information
See pages 164–165

Corporate Committee

Responsible for effective decision making over cross-functional matters including Group policies.

Executive Leadership Team (ELT)

Principal executive committee. Responsible for formulating strategy, monitoring Group performance, setting targets/budgets and managing the Group's portfolio.

Operational Committee

Responsible for driving operational best practices across the Group and the setting of technical standards.

Investment Committee

Responsible for ensuring effective capital investment and material operational spend decision-making processes.

Marketing Risk Committee

Responsible for evaluating, monitoring, directing and controlling the management of risk associated with the sales and marketing activities of the Group.

Board operations

Board information and support

All directors have full and timely access to the information required to discharge their responsibilities fully and effectively. They have access to the advice and services of the Group company secretary and his team, other members of the Group's management and employees, and external advisers. Directors may take independent professional advice in the furtherance of their duties, at the Company's expense.

Where a director is unable to attend a Board or committee meeting, they are provided with all relevant papers and information relating to that meeting and encouraged to discuss issues arising with the chairman, the respective committee chairs and other Board and committee members. In 2023, all directors attended 100% of the Board meetings they were eligible to attend, as evidenced in the table below.

All non-executive directors are provided with access to papers for each of the Board's committees, including those who do not serve as members of those committees. Non-executive directors are encouraged to regularly attend meetings of the Board's committees they do not serve on, at the invitation of the respective committee chair.

Board induction and development

The Board recognises the importance of director education and ongoing development. Following appointment, and as required, all directors receive training and development appropriate to their level of experience and knowledge. This includes the provision of a comprehensive induction programme tailored to the director's experience and background, individual briefings with ELT members and their teams to provide newly appointed directors with information about the Group's business, culture and values, meetings with external advisers, site visits and other relevant information to assist them in effectively performing their duties and contributing to Board discussions and decision making.

In addition to scheduled Board operational site visits, non-executive directors are expected to spend time at the Group's operations to meet management and members of the workforce.

Board and committee meetings in 2023 – frequency and attendance of members

The table below shows the attendance of directors at meetings of the Board and committees during the year. Attendance is expressed as the number of meetings attended out of the number eligible to attend.

	Independent	Board(1)	Board Strategy	Audit	Nomination(2)	Remuneration(3)	Sustainability(4)
Stuart Chambers	n/a	8/8	1/1	—	4/4	—	4/4
Duncan Wanblad	No	8/8	1/1	—	—	—	4/4
John Heasley(5)	No	1/1	—	—	—	—	—
Stephen Pearce(6)	No	7/7	1/1	—	—	—	—
Magali Anderson(7)	Yes	6/6	1/1	—	—	—	3/3
Ian Ashby(8)	Yes	8/8	1/1	—	3/4	6/6	4/4
Marcelo Bastos	Yes	8/8	1/1	—	4/4	—	4/4
Hilary Maxson	Yes	8/8	1/1	4/4	4/4	—	—
Hixonia Nyasulu	Yes	8/8	1/1	—	4/4	6/6	—
Nonkululeko Nyembezi	Yes	8/8	1/1	4/4	—	—	4/4
Ian Tyler	Yes	8/8	1/1	4/4	4/4	6/6	—

(1) The number of Board meetings included seven scheduled meetings and one special purpose meeting.
(2) All the independent non-executive directors were invited to attend the Nomination Committee meeting in April, at the invitation of the chairman, where the topic of discussion was executive succession planning. Attendance of the non-Nomination Committee members is not reflected in the table above.
(3) The number of Remuneration Committee meetings included four scheduled meetings and two special purpose meetings to consider executive remuneration.
(4) All the independent non-executive directors have a standing invitation to attend Sustainability Committee meetings, at the invitation of the committee chair. Attendance of the non-committee members is not reflected in the table above.
(5) Appointed to the Board on 1 December 2023. John attended the Board Strategy meeting in November at the invitation of the chairman; his attendance is not reflected in the table above.
(6) Stepped down from the Board on 1 December 2023.
(7) Appointed to the Board on 1 April 2023.
(8) Ian Ashby was unable to join the Nomination Committee meeting in July 2023 for personal reasons. Ahead of the meeting, Mr Ashby confirmed his support for the proposals under consideration.

At the Woodsmith project's Lockwood Beck site, non-executive directors Magali Anderson (centre) and Marcelo Bastos (right) are shown around the Mineral Transport System (MTS) tunnel by tunnel area manager Mark Pooleman.

Highlights

- Following her appointment as an independent non-executive director in April 2023, Magali Anderson undertook a tailored and comprehensive onboarding programme, including meetings with senior leaders, site visits and a briefing on the role and responsibilities of being a director of a UK listed company. Magali has attended over 20 meetings with management and external advisers on a variety of topics related to her Board and Sustainability Committee appointments.
- In April 2023, Audit Committee members visited our Marketing office in Singapore, where they met and engaged with members of the Marketing leadership team.
- In April 2023, non-executive directors Marcelo Bastos, Nonkululeko Nyembezi and Ian Tyler visited the Group's Steelmaking Coal operations in Queensland, Australia.
- In July 2023, the Board's Sustainability Committee visited De Beers' Venetia mine in South Africa.
- In September 2023, the Board held one of its scheduled meetings at our Crop Nutrients office in north east England, and visited our Woodsmith project.
- Since joining the Board as finance director in December 2023, John Heasley has commenced a comprehensive onboarding programme, including meetings with the Group's senior leaders, engagements with key investors, site visits, and meetings with external advisers.

► Further details of these site visits can be found on **pages 158–160**

Newly appointed finance director John Heasley (second from right) greeting employees at our Johannesburg corporate office.

Board activity

The Board is responsible for the overall conduct of the Group's business, its strategic direction and its organisational culture, ensuring these are aligned to our Purpose and Values. The chairman is responsible for setting the agenda. The agenda of matters discussed by the Board in 2023 is described and explained below.

The Board is scheduled to meet at least six times a year but meets more often when circumstances warrant this. In addition, the Board dedicates a full meeting, usually held over two days, to the discussion of the Group's strategy, addressing critical short, medium and long term issues. This augments the discussion of strategic topics at every Board meeting. Annually, the leaders and regional directors of the Group's businesses present to the Board in some depth on the key aspects of their business. In between meetings, the Board receives regular updates from the chief executive on operational and business performance; and engages with senior management on specific topic briefings.

Principal activities during the year

Topic and link to pillars of value	Activities | Outcomes/decisions
Safety and health Fatal incidents, total recordable injury frequency rate, health and medical incidents ► Further reading pages 67–70	Safety is the most critical area of focus for the Board and the first topic discussed at Board meetings. The causes of fatal incidents and those causing injury were examined in detail by the Sustainability Committee and the findings discussed by the Board. Management performance in reducing safety incidents was monitored throughout the year. The Board continued to monitor the operational and technical innovation initiatives that have the potential to positively impact the Group's safety performance and make mining safer and more sustainable. The Sustainability Committee considered the Group's new contractor performance management framework and policy, which aims to ensure the safety of our contractor workforce. Rigorous and unremitting focus on oversight of safety performance.
People Inclusion and diversity, talent and performance management, employee engagement ► Further reading pages 70–75	People are a pillar of the Group's strategy and the Board is focused on creating an inclusive and diverse culture. The Board was updated on progress made on Group initiatives in the areas of gender and ethnic diversity, mental health, LGBTQ+, and Living with Dignity. Succession plans for the ELT were reviewed by the Nomination Committee, on behalf of the Board. The Board received feedback on discussions and outcomes of three meetings of the Global Workforce Advisory Panel, chaired by one of the independent non-executive directors. The Board also considered insights from the 2022 global employee engagement surveys, including our journey of gathering feedback from employees to help drive a purpose-led, high performing culture. Approved senior leadership changes during the year. Provided input into the topics of discussion for the Global Workforce Advisory Panel.

Topic and link to pillars of value	Activities | Outcomes/decisions
Environment Environmental incidents, energy and climate change, water availability and rehabilitation ▶ Further reading pages 48–60	The Board reviewed the steps taken by management to reduce energy and natural resource consumption, and key projects and technologies contributing to energy transition. Climate-related activities, energy efficiency targets and decarbonisation strategies were considered during the year by the Board and the Sustainability Committee. The Board discussed the Group's roadmap to carbon neutrality, focusing on the underlying initiatives, workstreams and plans underpinning delivery of our target of carbon neutral operations by 2040. The Board considered initiatives towards achieving carbon neutral energy in the Group's operations. External insights from expert speakers on steel industry decarbonisation pathways and drivers were shared with the Board. The Board received updates and in-depth briefings on the Group's conformance and disclosure against the Global Industry Standard on Tailings Management for the Group's managed tailings storage facilities, the ongoing risk measures and dam safety monitoring. The Board approved: – The acquisition, execution, and funding of three Koruson 2 renewable energy projects through Envusa Energy, the renewable energy joint venture partnership with EDF Renewables, enabling the acceleration of carbon neutral electricity in the Group's southern African businesses.
Socio-political Social incidents and performance, government, media, investor and stakeholder relations ▶ Further reading pages 60–65	The Board receives updates on key geopolitical developments in the Group's operating jurisdictions, significant social incidents, and a briefing from the Group head of investor relations, at each meeting. Feedback from meetings held between executive leaders and institutional investors is communicated to the Board. Board members engaged directly with local community representatives during their site visits in 2023 in South Africa, the UK and Australia. The chief executive and business leaders updated the Board on engagement with the governments of host countries and on local community dialogue. The Board was briefed by management on feedback following the Group's two Sustainability Performance updates held in 2023.
Economic outlook and commodity price Macro-economic environment and commodity price outlook ▶ Further reading pages 24–39	The Board received briefings from internal teams on trends in relevant areas and likely scenarios for global economic growth. The Board received regular updates on commodity markets from Marketing leadership. The Board received an update from the Strategy team on the Group's commodity price outlook.
Operations Operational performance by each business unit and progress of key projects ▶ Further reading pages 94–128	The Board received detailed updates on the operational performance, strategy, safety and sustainability performance, people, technological innovation, and key risks of its businesses. The Board was updated throughout the year on the progress of the De Beers Venetia Underground and Crop Nutrients Woodsmith projects. The Board approved: – Agreement in principle between De Beers Group and the Government of the Republic of Botswana for a new 10-year sales agreement for Debswana's rough diamond production (through to 2034) and the new 25-year Debswana mining licences (through to 2054). – Initial funding for the Exploration Access Development Phase at De Beers Jwaneng underground project. – Additional funding to complete pre-feasibility studies and advance critical path activities for the Los Bronces underground expansion in Chile.

Topic and link to pillars of value	Activities | Outcomes/decisions
Financial Key financial measures, liquidity and balance sheet strength, cost improvements, dividend ▶ Further reading pages 76–78	The Board monitored financial performance and discussed progress against the annual budget and five-year plan. Liquidity strategy and balance sheet strength were reviewed. A revised Group treasury policy was considered by the Board and Audit Committee. The Board and Audit Committee considered the Group's dividend policy. Recommended the 2022 final dividend (approved at the 2023 AGM) and approved the 2023 interim dividend. The Board approved: – The Group's 2024 budget, incorporating capital expenditure for critical projects – A revised Group treasury policy – A mandate to enable the issuance of $2.0 billion of bonds in 2023, and the refinancing of the Group's $4.7 billion revolving credit facility maturing in 2025.
Strategy Portfolio outlook, progress on critical tasks and long term strategic pathways ▶ Further reading pages 10–75	The Board considered strategic issues at every meeting in 2023, and held a two-day dedicated strategy meeting. The Board discussed progress towards delivery of the Group's strategic goals in the context of Portfolio, Innovation and People, including: portfolio and growth strategy, key competitive trends and value creation, technology development strategy, climate change and decarbonisation strategies, delivery of organisational efficiencies, and exploration activities. The Board considered options for moving its portfolio towards future-enabling products, while supporting a Just Transition that seeks to balance the needs and expectations of all stakeholders, including environmentally and socially sustainable jobs, consistent with addressing the overriding issue of climate change. Approved the Group's critical strategic objectives. Key decisions made during the year in support of the Group's pathways to carbon neutrality.
Board governance Reports from committees, legislative and regulatory compliance, succession planning ▶ Further reading pages 156-211	Each of the committee chairs reported on their respective meetings. Reports were received on the Group's compliance with relevant legislation and regulation and any actions needed to respond to recent developments. The Board received updates on material litigation across the Group. The Audit Committee chair provided an update on material whistleblowing reports. The Board undertook a rigorous review of its effectiveness and that of its committees and individual directors. The Board and Nomination Committee reviewed the Board's composition, diversity and succession plans for non-executive and executive directors, and members of the ELT. The Board was updated on the implementation of a more active and co-ordinated Group engagement strategy in relation to the influence, management, and governance of its non-managed joint ventures. The Board received a briefing on business integrity and the key compliance risks facing the Group from anti-corruption laws. Updates were provided on regulatory developments, including proposed changes to the UK Corporate Governance Code (since published in January 2024). Approved Board and ELT appointments: – Magali Anderson as a non-executive director and member of the Sustainability Committee from 1 April 2023. – John Heasley as Finance Director from 1 December 2023. – Monique Carter and Matt Walker as members of the ELT, on the recommendation of the chief executive. The Board endorsed the re-organisation of the senior management team to lead the next phase of value delivery. The Chairman and executive directors approved increases to the non-executive directors' fees for 2023 and the introduction of an annual fee for acting as the designated non-executive director to chair the Global Workforce Advisory Panel. Agreed Board effectiveness priorities for 2023. Approved Anglo American's 2023 Modern Slavery Act statement.

Board effectiveness in 2023

Each year, the Board undertakes a rigorous review of its own effectiveness and performance, and that of its committees and individual directors. At least every three years, the review is externally facilitated. In 2023, an internal evaluation was undertaken. The process for how the review was conducted and its findings are illustrated below.

The last externally facilitated effectiveness review of the Board was undertaken in 2021, the results of which were reported in the 2021 Integrated Annual Report. Taking account of the findings of the 2022 review, the Board had identified four priority areas for 2023, the details of which were reported in the 2022 Integrated Annual Report. Actions to address these areas were identified and progressed throughout the year. The Board made good progress on implementing the actions to address the findings, as illustrated in the table below.

Again in 2023, the directors completed online, questionnaire-based internal effectiveness reviews. To allow the Board and its committees to judge progress over a three-year period, the reviews explored similar areas to the 2022 review. The 2023 review reaffirmed that the Board believes that it continues to operate effectively, is collegiate and well-functioning.

The review of the chairman's performance was led by the senior independent director. The chairman was not present during the discussions with both executive and non-executive directors as it related to him. The directors commended the chairman on his effective leadership of the Board, noting that he fosters an open and supportive culture that facilitates the contribution of each member. It is the directors view that the chairman has an appropriately strong, constructively challenging, and supportive relationship with the chief executive and his leadership team and they felt this was an important component in the overall effectiveness of the Board. In addition, the chairman received a report evaluating the individual directors' performance. To complement the internal review process, the chairman holds regular one-to-one meetings with each of the directors.

Actions taken in 2023 to address the areas identified by the Board as effectiveness priority areas following the 2022 internal review are summarised below:

Topic	Areas identified for action	Actions taken in 2023
People	Maintain Board focus on the Group's talent management, including its processes to identify and develop talent. Maximise opportunities for the Board to have exposure to future leaders in the Group's talent pipeline.	Opportunities for Board's exposure to future leaders and high potential employees in the Group's talent pipeline were facilitated during the year. High potential employees presented regularly at Board and committee meetings, and gained additional exposure through one-to-one meetings with non-executive directors, and in more informal settings during Board and director site visits. Talent management will continue to be a priority focus area for the Board in 2024.
Community and customer engagement	With the return of Board site visits, pursue opportunities for the Board to have direct engagement with representatives of host communities. Seek opportunities for the Board to engage with the Group's customers.	Formal location visits were facilitated for Board members in 2023, to South Africa and the UK, in addition to ad hoc non-executive director site visits. The visits afforded opportunities for the Board to engage directly with community representatives, as described in this report. Opportunities for Board engagement with the Group's customers will be further developed in 2024.

Topic	Areas identified for action	Actions taken in 2023
External insights	Increase the Board's exposure to external insights in pertinent areas, particularly climate change and geopolitical trends.	There was greater focus on providing external insights and industry trends to the Board during strategic discussions. For example, external expert speakers provided insights on steel decarbonisation to the Board as part of its strategic discussions. Senior leaders presented updates to the Board on geopolitical and macro-economic trends.
Strategy	Redirect the Board's strategic focus towards the making of strategic choices and overseeing the execution of strategy.	The Board considered strategic issues at every meeting in 2023, and held a two-day dedicated strategy meeting. The Board discussed progress towards delivery of the Group's strategic goals and implementation of business strategy, including: portfolio and growth strategy, technology development strategy, climate change and decarbonisation strategies, and delivery of organisational efficiencies.

Building on the priority areas identified and the actions taken during 2023, and taking account of the findings of the 2023 review, the Board has identified the following effectiveness priorities for 2024:

Topic	Areas identified for action
People	Following the re-organisation of the Executive Leadership Team in 2023, continue the Board's focus on senior leadership succession, and increase visibility of high potential employees and future leaders in the Group's talent pipeline.
Stakeholder engagement	Building on the increased Board-community engagement in 2023, focus the Board's attention on further developing its understanding of stakeholder views, particularly the Group's customers and investors.
External insights	Continue to maximise opportunities for the Board to obtain greater external perspectives, particularly in the areas of macro-economic, industry and geopolitical trends.
Strategy	Evolve the Board's focus from the making of strategic choices to strategy implementation and supporting executive management in execution of the Group's strategy.

Committee effectiveness

The committee reviews looked at ways in which they could improve their overall effectiveness, their performance and effectiveness priority areas they needed to address in 2024. All Board committees were believed to be performing well and were appropriately constituted.

Board and non-executive directors' visits to Group operations in 2023

Undertaking regular site visits allows the directors to gain a better understanding of the Group's operations and culture, and affords Board members the opportunity to meet and engage with a diverse cross-section of employees and local stakeholders to appreciate, at first-hand, their interests and concerns.

The Board usually meets at least once a year at one of the Group's major operations. During 2023, Board, committee and non-executive director site visits were facilitated, as described below.

Board visit to Woodsmith

In September 2023, the Board held one of its meetings at our Crop Nutrients corporate office in north east England and visited our Woodsmith project, accompanied by senior leaders from the business. During the visit, the Board received detailed presentations from Crop Nutrients management on how they aim to set the benchmark in sustainable mining operations, while maintaining our social licence to operate and building a thriving community in the region surrounding the project.

The directors spent two days visiting the Woodsmith mine sites, hosted by members of the Crop Nutrients leadership team and site employees, focusing on safety, progress on core infrastructure and the study programme, research and development (R&D), social performance, and environmental management and biodiversity. The Board visited the Woodsmith mine, the Wilton site including the Mineral Transport System (MTS) tunnel, port and R&D plant, and the Lockwood Beck site, where they descended into the MTS tunnel.

Board members engaged directly with local community representatives at projects supported by the Woodsmith Foundation and got an on-the-ground feel for the positive impact the projects are making on local communities: The Whitby Lobster Hatchery aims to build resilience and sustainability in the local fishing community, creating new jobs and promoting tourism; while the Eastside Community Hub provides a wide range of community-based activities with the aim of reducing isolation, providing opportunities for skills development, and enabling better health and well-being.

As part of the visit, the chairman hosted an evening event for Board members to engage with the Crop Nutrients leadership team.

Non-executive director Magali Anderson (right) and projects & development director Alison Atkinson (centre) speaking with newly graduated apprentice engineer Ross Dickinson from our Crop Nutrients business during the Board's visit to Woodsmith.

Sustainability Committee members and directors being briefed during their visit to De Beers' Venetia mine in July 2023.

Sustainability Committee visit to Venetia

In July 2023, the Sustainability Committee visited the Venetia mine in South Africa, accompanied by De Beers CEO Al Cook and senior leaders. Other non-executive directors who are not members of the Committee joined the visit.

The visit focused on safety, the transition of Venetia from an open-pit mine into an underground mining operation, initiatives towards achieving carbon neutrality and net-positive impact on biodiversity, and community engagement.

The Committee witnessed first hand the work being done locally to foster equal opportunities for women, and on empowering female-owned enterprises to flourish in host communities. The Committee also learnt about the collaborative work that has brought together Venetia and the International Youth Foundation, driving youth skills development and creating job opportunities through a partnership which supports the Musina TVET College.

During the visit, the Committee chairman, Ian Ashby, hosted an evening function for directors to meet with leaders and employees from Venetia.

Left: Stuart Chambers speaking with Morakana Molalathoko, the owner of a catering enterprise in Musina, the nearest town to Venetia mine, who is supported by the AWOME (Accelerating Women Owned Micro Enterprise) programme, which aims to empower women in business.

Below surface: the Sustainability Committee and senior leaders met with site management and employees underground to see the progress being made as Venetia transitions from being a surface mining operation to an underground mine.

Non-executive directors' visits

In April 2023, Audit Committee members and the Group finance director met with leaders from our Marketing business in Singapore, where they attended in-depth presentations on the control processes which support value creation through the end to end deal lifecycle.

Also in April, non-executive directors Marcelo Bastos, Nonkululeko Nyembezi and Ian Tyler spent two days at our Steelmaking Coal operations in Queensland, Australia, hosted by CEO Australia Daniel van der Westhuizen. The directors visited operations at Moranbah North, Grosvenor and Aquila, where the focus was on safety, underground operations, gas management, carbon neutrality, and stakeholder engagement. The group visited the Moranbah Youth & Community Centre, where they learned more about how the business partners in the community to create shared value, and engaged directly with community leaders of the Barada Barna Traditional Owners.

"Site visits enable non-executive directors to get a better understanding of the issues facing our operations and how these are being managed, with real-life exposure to colleagues at various levels in the organisation. They also allow us to interact directly with representatives from host communities."

Ian Ashby
Independent non-executive director
and Sustainability Committee chairman

Sustainability Committee chairman Ian Ashby during the Committee's visit to Venetia in July 2023.

(Left to right) Non-executive director Nonkululeko Nyembezi with section engineer Peter Jaure and mechanical technician Dean Duboczky at Woodsmith in September 2023.

Stakeholder engagement

How the Board has engaged

The Board is committed to ensuring collaboration and partnering with a broad range of stakeholders, both directly and indirectly through reports from senior management. Stakeholder considerations form part of discussions at Board meetings and decision making takes into account potential impacts on our stakeholders, as described in the Section 172 statement on page 29 of the Strategic Report. How the Board interacts directly with certain of its key stakeholders is illustrated below. For further information on reflecting stakeholder views in the Board's decision making, please see page 29.

Creating shared value

Investors	Employees and unions
Communities	Suppliers and contractors
Civil society (NGOs, faith groups and academia)	Customers
Governments and multilateral institutions	Industry associations

Global Workforce Advisory Panel

Anglo American's Global Workforce Advisory Panel (the Panel) was established in 2019. Its purpose is to give employees more of a 'voice' in the boardroom so their views can be better understood and considered when decisions are being made about the future of the business. The Panel affords valuable opportunities for the Board to understand how the Group's culture, purpose and values are embedded into the organisation. The Panel operates alongside Anglo American's existing employee engagement mechanisms, such as regular employee engagement surveys and director interaction with employees.

Composition of the Panel

The Panel is currently made up of 12 employees, representing the countries where the Group has a significant presence, and is chaired by Marcelo Bastos, one of the Board's independent non-executive directors. Panel members are nominated using agreed criteria set out in its terms of reference and selected to ensure representatives, throughout the organisation, are appropriately balanced across the areas of gender, ethnicity, age and seniority. New Panel members undertake an induction to ensure a clear understanding of their role and to support them in being effective employee representatives. The Panel is supported by the Group's company secretarial and employee engagement teams. Panel members meet at least twice a year with the Panel chair.

Panel meetings and discussions in 2023

The Panel met on three occasions in 2023, in March, July and October. The first meeting of the year was held virtually over two sessions, to accommodate members in different global time zones. The second meeting was held in person at the Group's corporate office in Johannesburg. The third was a short informal meeting held virtually.

Topics for discussion in 2023 included: feedback on the Group's diversity data sharing campaign, our change management processes, our colleague wellness activity, and performance management framework. Panel feedback was also sought on how the Group's organisational changes, announced in May 2023, were received in their part of the business.

Members of the Global Workforce Advisory Panel with non-executive director Marcelo Bastos, who chairs the Panel.

Panel members are provided with briefings in advance on topics for discussion at Panel meetings and asked to engage with the workforce populations they represent, in order to provide feedback with their collective views at Panel meetings.

At the Panel's in-person engagement in 2023, in addition to the formal meeting, members engaged in pre- and post-meeting activities, including internally facilitated team effectiveness training, and local educational site visits. Panel members had the opportunity to engage at an informal event with the Panel chair, and senior leaders in the Group. Opportunities for relevant Panel members to meet informally with the Board chairman, chief executive, and other independent non-executives were facilitated in the year during the Board's and non-executive directors' site visits.

The Panel is scheduled to meet three times in 2024, and we anticipate one of these meetings taking place in person.

"To me, being a Panel member means really listening to my colleagues and, through our meetings chaired by Marcelo, gives me the opportunity to represent their voice in the boardroom on Panel topics."

Gugu Kubeka
Gugu is an HR Adviser based in South Africa, and has been a Panel member since 2022

Board and Panel feedback

Following each Panel meeting, Marcelo Bastos discussed the key themes with the Board chairman and chief executive. At three Board meetings in 2023, Marcelo provided his reflections from Panel engagements and discussed the key themes with the full Board. The key messages from each meeting were shared and discussed with the ELT. Marcelo provided his reflections and insights at one ELT meeting, following a year of chairing the Panel. Marcelo shares feedback from the Board meeting discussions with the Panel at its following meeting. Topics for discussion at Panel meetings are proposed equally by Panel members, the Panel chair and members of the Board, and management.

"Being able to interact directly with a cross-section of employees through the Panel, and share my insights in the boardroom, gives the Board a unique vantage point through which to assess employee sentiment."

Marcelo Bastos
Independent non-executive director and Panel chair

Non-executive director engagement with employees

In addition to feedback from the Panel, non-executive directors interacted with employees of varying levels of seniority during the year, during Board and director site visits to operations and corporate offices. In April, our Audit Committee chair Hilary Maxson and members of the Audit Committee engaged with colleagues during a visit to our Marketing hub in Singapore. Magali Anderson engaged with female colleagues participating in one of the Group's Leadership Academy programmes aimed at developing female talent.

Global employee engagement surveys

The Board was updated during the year on the feedback and resulting actions that had been developed by management from global employee engagement surveys undertaken in 2022.

Community engagement

Anglo American is committed to delivering a lasting positive contribution to host communities, beyond the life of our mines. Our Social Way 3.0 engagement requirements and commitment to local accountability that forms part of our Sustainable Mining Plan are at the heart of how we engage with local communities. We aim to always engage proactively, meaningfully and respectfully with all of our stakeholders in relation to impacts and risk and to maximise development opportunities.

The Board's Sustainability Committee receives a report on social performance and community issues at each meeting. The Board is also updated via presentations from business leaders and visits operations, which affords opportunities for direct engagement with local community representatives.

Duncan Wanblad and Pannett Art Gallery curator Helen Berry at the Eastside Community Hub in Whitby during the Board visit in September 2023. The gallery is an open access community resource for cultural activities and is supported by the Woodsmith Foundation.

In September 2023, the Board visited our Woodsmith project in north east England, where they engaged directly with local community representatives at projects supported by the business. The Sustainability Committee visited De Beers' Venetia mine in the Limpopo district in South Africa in July, where they visited several local projects supported by the mine. In April 2023, three non-executive directors spent time at the Moranbah Youth & Community Centre during their visit to the Group's Steelmaking Coal operations, where they engaged directly with community leaders of traditional owners of the land.

► For more information on Board and non-executive directors' site visits
See pages 158–160

Investor engagement

The Group has an active engagement programme with its key financial audiences, including investors and sell-side analysts, as well as potential shareholders.

The Group's investor relations team manages the interactions with these audiences through roadshow meetings, presentations including at the time of the interim and final results and twice yearly sustainability updates, as well as regular attendance at industry conferences organised mainly by investment banks for their institutional investor base. Key topics covered include market outlooks, financial and operating performance, sustainability and governance matters. The focus of sustainability discussions continues to primarily be on climate change and providing an update on the Group's transition plan; while the Group's approach to biodiversity and water management also becoming more priority engagement areas for many investors in the latter part of the year. In December, the Company hosted its annual investor update to the investment community, which outlined resets to production guidance. The chief executive and finance director subsequently hosted meetings with the largest shareholders through December and into January 2024.

In addition to roadshows and industry events, the investor relations and management teams meet with investors and sell-side analysts regularly throughout the year for ad hoc discussions. Significant concerns raised by shareholders in relation to the Company and its affairs are communicated to the Board.

The Board receives a briefing at each meeting from the Group head of investor relations and analysts' reports are circulated to the directors. Feedback from meetings held between executive management, or the investor relations department, and institutional shareholders, is also communicated to the Board. The Chairman also engages directly with the Company's largest shareholders.

Annual General Meeting

The Board values the AGM as an opportunity for all shareholders, but in particular its retail shareholders, to raise questions and comments to the Board. Shareholders were invited to submit their questions in advance of the AGM and also offered the opportunity to ask questions during the meeting both in person and electronically. The Company's 2023 AGM was held in a hybrid format. Voting levels at the 2023 AGM were approximately 70%, with generally less than 2% being votes withheld. All resolutions submitted to the meeting in 2023 were passed with at least 87% of votes in favour.

Investor engagements in 2023

January
Closed period
Climate Action 100+ investor meeting

February
Q4 2022 Production Report
2022 full year results
Investor roadshows: London (virtual)
Conferences: BMO Global Metals & Mining

March
Investor roadshows: London (virtual), Edinburgh (virtual), North America and South Africa
Conferences: Exane Basic Materials
UBS Santiago investor tour

April
Q1 Production Report
Sustainability Performance update
AGM
UBS London Mining Tour (virtual)

May
Investor roadshows: London (virtual) and North America (virtual)
Conferences: Bank of America Metals & Mining

June
Conferences: BofA Smart Mine 4.0 (virtual)
Berenberg Thematic Mining event, BofA Virtual Commodity conference
Morgan Stanley Materials Cannonball Run fireside session (virtual)
UN PRI Advance human rights engagement

July
Closed period
Q2 Production Report
2023 interim results
Investor roadshows: London (virtual)

August
Investor Roadshow: South Africa

September
Investor Roadshows: London (virtual), Edinburgh (virtual) and North America
Conferences: Raymond James Strategic Metals & Materials (virtual)
Danske bank virtual investor group

October
Investor and sell-side analyst visit to Woodsmith
Q3 Production Report
Sustainability Performance update
ESG investor meetings (virtual)
Conferences: Deutsche Copper CEO conference (virtual)

November
ESG investor meetings (virtual)
Chairman investor meetings
Climate Action 100+ investor meeting

December
2023 investor update call
CE and FD investor meetings
Chairman investor meetings

Sustainability Committee report

Committee members

Ian Ashby – Chairman
Magali Anderson (appointed 1 April 2023)
Marcelo Bastos
Stuart Chambers
Nonkululeko Nyembezi
Duncan Wanblad

▶ For further detail on biographies and Board experience: **pages 142–145**

Business regional directors, Group directors of strategy & sustainability, technical & operations, and legal & corporate affairs, and the Group heads of safety and sustainability also participate in meetings of the Committee. Other members of senior management are invited to attend when necessary. Other non-executive directors regularly attend Committee meetings at the invitation of the chair.

"We are not only custodians of the land we mine; our stewardship extends to the impact we have on the environment and the way in which we engage with host communities. The Sustainability Committee ensures that the Board is constantly apprised of any sustainability issues that may affect our licence to operate or stand in the way of our achieving a net positive overall impact."

Ian Ashby
Committee chairman

Role and responsibilities

The Committee oversees, on behalf of the Board, material management policies, processes, and strategies designed to manage safety, health, environment, climate change-related and socio-political risks and opportunities, to achieve compliance with sustainable development responsibilities and commitments and strive to be a global leader in sustainable mining.

The Committee is responsible for reviewing the causes of any fatal or significant sustainability incidents and ensuring learnings are shared across the Group.

The Committee's terms of reference are available to view online.

▶ For more information
Visit angloamerican.com/about-us/governance

Committee discussions in 2023

The Committee met four times in 2023, with full attendance as described on page 151. At each meeting, the Committee reviews detailed reports covering the Group's performance across a range of sustainability areas, including: safety; health and wellness; socio-political trends; human rights; climate change; and environmental and social performance. Significant safety, social, health and environmental incidents are reviewed at each meeting, as are the results from operational risk reviews and operational risk assurance.

The Committee seeks to address the fundamental root causes of all fatal incidents occurring across Anglo American.

In 2023, three members of the workforce lost their lives at the Group's managed operations. The preliminary observations from each of these fatal incidents were reported to the next Committee meeting following their occurrence, noting the factors surrounding the incidents, mitigation steps being taken and the process for formal investigation. Following completion of the independent investigations, findings were presented to the Committee and the learnings shared internally.

Sustainability Committee members visiting Venetia mine in July 2023.

Sustainability Committee chairman Ian Ashby (standing) and members engaging with senior leaders and site management during the Committee's visit to Venetia mine in July 2023.

In addition to the Committee's standing agenda items, the following matters were discussed during 2023:

- Group risks relating to sustainability
- Updates on the pathways to reduce the Group's Scope 3 emissions, with the Committee updated throughout the year on progress against our Scopes 1 and 2 targets
- Water management: progress on implementation of standards, and the achievement of sustainability targets
- Progress towards achieving our commitment to deliver net-positive impact on biodiversity, and an overview of the Group's biodiversity management programme
- Updates on the delivery of our Sustainable Mining Plan commitments
- Social Way 3.0 – assessment results and progress on implementation across the Group
- Anglo American's 2022 Sustainability Report and 2022 Climate Change Report
- Outcome of the 2022 external audit of the Group's safety and sustainability data
- Cultural heritage management in the Group
- Tailings and water storage facilities stewardship: risk management updates
- Updates on the Group's conformance and disclosure against the Global Industry Standard on Tailings Management
- Legacy SHE risks and liabilities
- Mine closure and site regeneration activities across the Group
- Overview of the new Group Contractor Performance Management Policy and framework
- The approach to managing physical climate change risk and resilience across the Group
- The management of land access, displacement and resettlement across the Group
- Permitting: an update on permitting management across the Group
- Shaft integrity management and the Group's shaft management assurance programme
- Geotechnical risk management (slopes and underground) – an update on the initiatives to sustainably eliminate rockfall fatalities and disruptions at the Group's mining operations
- Fire risk management across Anglo American
- Review of annual bonus and incentive plan measures proposed to the Remuneration Committee in relation to safety, health and environment.
- Human rights trends and an overview of the most salient human rights issues across Anglo American
- Climate and ESG-related litigation
- Committee effectiveness.

In July 2023, the Committee visited De Beers' Venetia mine in South Africa. In April 2023, non-executive members of the Committee visited a number of the Group's Steelmaking Coal operations in Queensland, Australia. More information on Board and non-executive directors' visits to Group operations can be found on pages 158–160.

Nomination Committee report

Committee members

Stuart Chambers – Chairman
Ian Ashby
Marcelo Bastos
Hilary Maxson
Hixonia Nyasulu
Ian Tyler

► For further detail on biographies and Board experience: **pages 142–145**

The chief executive, and the Group directors of people & organisation, and legal & corporate affairs also participate in meetings of the Committee, when relevant to do so. Other non-executive directors may attend committee meetings at the invitation of the chairman.

"The Committee plays a vital role in ensuring the composition of the Board, and the leadership needs of the organisation, reflect an appropriate mix of skills, experience, diversity and perspectives to suit the evolving nature of the business and the expectations of society and our stakeholders".

Stuart Chambers
Chairman

Role and responsibilities

The role of the Nomination Committee is to assist the Board in regularly reviewing its composition and those of its committees, to lead the process for Board appointments, and ensure effective succession planning for the Board and senior management.

The Committee's terms of reference are available to view online.

► For more information
Visit angloamerican.com/about-us/governance

Committee discussions in 2023

The Committee met four times in 2023, with attendance by the members as described on page 151. Discussions at the meetings covered the responsibilities outlined above, with particular focus on executive and non-executive succession planning.

The following matters were considered during 2023:

- The composition, structure and size of the Board and its committees, and the leadership needs of the organisation
- Non-executive director succession planning
- Recommending to the Board the appointment of Magali Anderson as a non-executive director and member of the Sustainability Committee
- The time commitment expected from the non-executive directors to meet the expectations of their role
- Recommending that the Board support the election or re-election of each of the directors standing at the Annual General Meeting in 2023
- Succession planning for the Group finance director and recommending to the Board the appointment of John Heasley to succeed Stephen Pearce as finance director
- Oversight of succession planning, and the development of a diverse talent pipeline, for executive leadership
- Overseeing a tender process for the appointment of an external search consultancy to facilitate future non-executive recruitment.

The findings of the internal 2023 Board and committee effectiveness review are set out on pages 156–157.

Process used in relation to non-executive Board appointment

As reported in the 2022 Integrated Annual Report, as part of the Board's ongoing cycle of refreshment, in the second half of 2022 the Nomination Committee led a search process to recruit a new non-executive director with a deep understanding of sustainability in its broadest sense, to ensure the composition of the Board reflected an appropriate mix of skills, experience, diversity and perspectives.

Spencer Stuart had been retained by the Committee in 2022 to assist with the search process. Spencer Stuart has previously worked for the Group in recruiting for non-executive and senior leadership appointments and accordingly has a good understanding of the Board's requirements. They are accredited under the UK Government's Voluntary Code of Conduct for Executive Search Firms.

Prior to the search commencing, the Nomination Committee agreed the skills and experience it considered necessary for the role. A longlist of gender and ethnically diverse candidates was then identified and discussed with the Committee to agree a shortlist to be interviewed. Shortlisted candidates were interviewed by members of the Committee and other Board members, as relevant.

Following conclusion of the formal process, the Committee concluded that Magali Anderson had the requisite skills, attributes and capabilities to take on the role as a non-executive director, and agreed to recommend Ms Anderson's appointment to the Board for approval. As announced in February 2023, Ms Anderson's appointment was approved by the Board with effect from 1 April 2023.

Board and executive management diversity

The Board's statement on its approach to gender and ethnicity targets, including how it meets the diversity targets set out in the UK Listing Rules, can be found on page 145. The additional numerical data on the diversity of the Board and executive management, in the format prescribed by UK Listing Rule 9.8.6R(10), is set out below as at 31 December 2023. The underlying data was collected directly from the Board and ELT. The definition of executive management for these purposes is the Anglo American ELT (the executive committee and most senior executive body below the Board).

Information on the Group's policy on inclusion and diversity, their aims, details of the gender balance of senior management and their direct reports, and performance against our targets can be found in the People section on pages 72–74. The definition of senior management for these purposes, in accordance with the UK Corporate Governance Code, is the ELT and those reporting to the ELT.

Group finance director appointment process in 2023

Succession planning for all directors, including the executive directors, is an ongoing cycle of work. The Nomination Committee has oversight of senior leadership succession plans, ensuring they are aligned to the long term strategic ambitions and the diverse leadership needs of the Group.

The Board, through its Nomination Committee, initiated a global process to identify the best person for the role of finance director, following Stephen Pearce stating his intention to retire from the Group. The Committee approved an updated role profile for the Group finance director, including the leadership capabilities and characteristics required to be successful in the role. The Committee discussed the development of candidates on our internal succession plan, and an externally facilitated benchmarking exercise of the external talent market was completed.

The search process included a number of internal candidates on our internal succession plan, and a diverse range of external candidates. The Committee considered gender and ethnically diverse candidates for the role. Shortlisted candidates undertook formal leadership capability assessments.

The shortlisted candidates were interviewed by the chief executive, chairman, Audit Committee chair, senior independent director, and a panel of ELT members.

Following conclusion of the rigorous process and a recommendation from the Committee, the Board concluded that John Heasley would bring proven financial, strategic and commercial expertise to the role, coupled with hands-on operational experience of supporting mining through technology. The remuneration arrangements for the appointment of John Heasley and the retirement of Stephen Pearce were approved by the Remuneration Committee. John Heasley joined the Board as Group finance director on 1 December 2023.

Gender identity

	Number of Board members	Percentage of the Board	Number of senior positions on the Board[(1)]	Number in executive management[(2)]	Percentage of executive management[(2)]
Men	6	60%	4	9	75%
Women	4	40%	0	3	25%

Ethnic background

	Number of Board members	Percentage of the Board	Number of senior positions on the Board[(1)]	Number in executive management[(2)]	Percentage of executive management[(2)]
White British or other White (including minority white groups)	8	80%	4	10	83%
Mixed/Multiple Ethnic Groups	0	0%	0	1	8%
Asian/Asian British	0	0%	0	0	0%
Black/African/Caribbean/Black British	2	20%	0	1	8%
Other ethnic group, including Arab	0	0%	0	0	0%
Not specified/prefer not to say	0	0%	0	0	0%

(1) Senior positions are defined under UK Listing Rule 9.8.6 R(9)(a) as the chair, the chief executive, the senior independent director, or the chief financial officer.
(2) In accordance with UK Listing Rule 9.8.6 R(10), executive management for these purposes is the Anglo American Executive Leadership Team (the executive committee or most senior executive body below the Board). The Group company secretary is a member of the ELT.

Audit Committee report

Committee members

Hilary Maxson* – Chair
Nonkululeko Nyembezi
Ian Tyler*

*Audit Committee members deemed to have recent and relevant financial experience in accordance with the UK Corporate Governance Code. The Committee as a whole has competence relevant to the sector.

▶ For further detail on biographies and Board experience: **pages 142–145**

The chairman, the chief executive, the finance director, the Group head of finance and performance management, the head of financial reporting, the Group head of risk management and business assurance, and the legal & corporate affairs director also participate in meetings of the Committee.

"The Audit Committee remains vigilant in ensuring the integrity of the Company's financial statements and for strengthening its internal controls, risk management framework, and the annual reporting on their effectiveness."

Hilary Maxson
Committee chair

Role and responsibilities

- Monitoring the integrity of the annual and interim financial statements
- Making recommendations to the Board concerning the adoption of the annual and interim financial statements
- Overseeing the Group's relations with the external auditor
- Reviewing the independence, effectiveness and objectivity of the external auditor
- Reviewing and monitoring the effectiveness of the Group's risk management and internal control mechanisms
- Approving the terms of reference of the internal audit function and assessing its effectiveness
- Approving the internal audit plan and reviewing regular reports from the Group head of risk management and business assurance on effectiveness of the internal control system
- Receiving reports from management on the principal risks of the Group. Details of the principal risks are contained on pages 81–85
- Overseeing completion of the viability statement
- Reviewing the effectiveness of the Group's Code of Conduct and the arrangements to counter the risk of bribery and corruption.

The Committee's terms of reference are available to view online.

▶ For more information
Visit angloamerican.com/about-us/governance

Fair, balanced and understandable

A key requirement of our financial statements is for the report to be fair, balanced, understandable and provide the information necessary for shareholders to assess the Group's and Parent Company's position and performance, business model and strategy. The Audit Committee and the Board are satisfied that the 2023 Integrated Annual Report meets this requirement, as appropriate weight has been given to both positive and negative developments in the year.

In justifying this statement, the Audit Committee has considered the robust processes which operate in creating the 2023 Integrated Annual Report, including:

- Review and approval of management's assessment of the risk of misstatement in financial reporting
- Clear guidance and instruction provided to all contributors
- Revisions to regulatory reporting requirements are provided to contributors and monitored on an ongoing basis
- Early-warning meetings focused on accounting matters are conducted between management of each business, Group functions, the Group finance team and the external auditor in advance of the year end reporting process
- A thorough process of review, evaluation and verification of the inputs from businesses is undertaken to ensure the accuracy and consistency of information presented in the 2023 Integrated Annual Report
- External advisers provide advice to management and the Audit Committee on best practice with regard to the creation of the 2023 Integrated Annual Report
- A meeting of the Audit Committee was held in February 2024 to review and approve the draft 2023 Integrated Annual Report, in advance of the final approval by the Board. This review included the significant accounting matters explained in the notes to the consolidated financial statements
- The Audit Committee considered the conclusions of the external auditor over the key audit matters that contributed to their audit opinion, specifically impairment charges and impairment reversals and environmental restoration and decommissioning obligations.

Committee discussions in 2023

The Committee met four times in 2023, with full attendance as described on page 151. Throughout the course of 2023, and consistent with prior years, the Committee paid particular attention to the valuation of assets, one-off transactions, tax matters, financial controls and the Group's liquidity position. In addition, there were in-depth discussions on ad hoc topics as requested by the Audit Committee; for example, Woodsmith, Our Code of Conduct, cyber risk, artificial intelligence technology risk, pensions funding and exposures, and sustainability reporting governance and assurance. The Committee reviewed the system of internal control and risk management.

The Committee met with leaders from our Marketing business in Singapore in April 2023, where they had in-depth presentations and discussions on risks and controls.

An internal effectiveness review of the Committee was undertaken.

The key topics discussed by the Committee during 2023 are set out on the following pages.

Significant accounting issues considered by the Audit Committee in relation to the Group's financial statements

— Impairment and impairment reversals of assets

The value of mining operations is sensitive to a range of characteristics unique to each asset. Management is required to apply judgement in the estimation of Ore Reserves, and price and production forecasts which drive cash flow projections.

Response of the Audit Committee

The Committee exercises oversight over the impairment review process. The Committee assessed the identification of impairment and impairment reversal indicators, the impact of climate change on commodity prices and exchange rate assumptions, the review of changes in the valuation of cash generating units (CGUs) and associated sensitivity analysis, and the appropriateness of disclosures made within the 2023 Integrated Annual Report on key sources of estimation uncertainty.

The Committee paid particular attention to the impact of climate change on the Group's impairment analysis. In addition to the linkage to commodity prices, the impact of carbon pricing through carbon cost assumptions was considered for the operations where a valuation was prepared together with the consistency of climate-related assumptions to the Group's wider climate strategy. The Committee reviewed and approved the associated climate-related impairment disclosure.

During 2023, the most significant assets considered were the following:

De Beers

The annual impairment assessment for goodwill relating to De Beers indicated a lower valuation than in 2022, primarily driven by lower prices reflecting a reduction in forecast consumer demand and resulted in an impairment charge of $1.6 billion to bring the carrying value into line with the recoverable amount.

The valuation continues to be sensitive to changes in foreign exchange rates and consumer demand, impacting prices. The Committee concluded that the impairment charge recorded at 31 December 2023 was appropriate and carefully considered and approved the proposed disclosure.

Barro Alto, Nickel

At 30 June 2023, changes in the long term cost profile were identified as an indicator of impairment and the carrying value of the CGU was assessed, resulting in an impairment charge of $0.4 billion. At 31 December 2023, revisions to the short and medium term nickel price forecast were identified as an indicator of further impairment and an additional impairment charge of $0.4 billion was recorded.

The Committee considered the valuation scenarios presented by management and approved the conclusions of the assessment and the proposed disclosure. The Committee also considered the recoverability of long term inventory stockpiles relating to the Nickel business and concluded that no adjustment to the carrying value was required.

Minas-Rio, Iron Ore

At 31 December 2023 changes to the medium and long term price outlook and revisions to the forecast production and capital expenditure profile were identified as indicators that the recoverable amount may have changed. The valuation model indicated that no adjustment to the carrying value was required.

The Committee considered the valuation scenarios presented by management together with the impact of the resource acquisition transaction (see note 31 to the Consolidated Financial Statements) and approved the conclusions of the assessment and the proposed disclosure.

For each of the CGUs noted above the Committee considered disclosures and was satisfied they were appropriate. Particular attention was paid to the significant judgements and estimates made in the course of each assessment and the related disclosures.

Other

In addition to the assets noted above, the Committee was updated on the valuation drivers of assets that had either previously been impaired and therefore are considered to have an inherent risk of either further impairment or impairment reversal or where other events had prompted a more detailed assessment.

An annual assessment of the valuation of CGUs containing goodwill and indefinite life intangible assets was undertaken. The Committee was satisfied with the conclusions reached and disclosure given. Impairment reviews were undertaken and considered by the Committee for certain other smaller CGUs of the Group with the Committee satisfied with the conclusions reached and where applicable the immaterial impairment charges recognised.

The Committee gave careful consideration to whether there were indicators of impairment or impairment reversal for Woodsmith (Crop Nutrients) or Moranbah-Grosvenor (Steelmaking Coal) as well as other previously impaired assets. No indicators of impairments or impairment reversals were identified for these assets.

Significant accounting issues considered by the Audit Committee in relation to the Group's financial statements

— Taxation

The Group's tax affairs are governed by complex domestic tax legislations, international tax treaties between countries and the interpretation of both by tax authorities and courts. Given the many uncertainties that could arise from these factors, judgement is often required in determining the tax that is due. Advice is received from independent experts where required.

Response of the Audit Committee

The Group head of tax provided the Committee with updates throughout the year on various tax matters, including relevant international and domestic tax policy updates, the implementation and operational outcomes of the tax risk governance framework, the impact of international events and trends on the global tax environment and the future of resource taxation, the status of tax audits, tax reporting, and the status of uncertain tax positions. While all these matters are inherently judgemental, no significant issues arose during 2023.

— Provision for restoration, rehabilitation and environmental costs

The estimation of environmental restoration and decommissioning liabilities is inherently uncertain, given the long time periods over which these expenditures will be incurred, and the potential for changes in regulatory frameworks and industry practices over time.

Response of the Audit Committee

The Committee reviewed the update provided by management on estimates of environmental and decommissioning liabilities, which are based on the work of external consultants and internal experts. The Committee continued to pay particular attention to the impact of the Group's public commitment of conformance with the Global Industry Standard on Tailings Management (GISTM) and were satisfied that obligations for conformance with the standard had been appropriately provided for.

The Committee considered the changes in liability assumptions, including discount rates, and other drivers of movements in the amounts provided on the balance sheet and concluded that the provisions recorded as at 31 December 2023 appropriately reflected these updates.

— Special items, remeasurements and one-off transactions

The Group's criteria for recognising a special item or remeasurement involves the application of judgement in determining whether an item, owing to its size or nature, should be separately disclosed in the income statement.

Response of the Audit Committee

The Committee reviewed each of the items classified as special items or remeasurements in the financial statements, and the related disclosures, to ensure that the separate disclosure of these items was appropriate.

— Retirement benefits

The estimation of retirement benefits requires judgement over the estimation of scheme assets and liabilities. Areas of judgement include assumptions for discount and inflation rates and life expectancy. Changes in the assumptions used would affect the amounts recognised in the financial statements.

Response of the Audit Committee

The Committee reviewed the assumptions behind the calculations of the asset and liability positions of the Group's pension and medical plans and concluded that the amounts recorded as at 31 December 2023 appropriately reflected these updates.

In addition, the Committee reviewed the funding levels of the plans, any additional funding being provided to the plans and the overall expense recognised for the year. The Committee assessed the appropriateness of the Group's overall risk management approach to retirement benefits and was comfortable the recent purchase of an insurance policy to settle pension liabilities related to the De Beers UK pension scheme (a 'buy-in') was aligned with this approach and appropriately disclosed.

Significant accounting issues considered by the Audit Committee in relation to the Group's financial statements

— Legal matters

A provision is recognised where, based on the Group's legal views and, in some cases, independent advice, it is considered probable that an outflow of resources will be required to settle a present obligation that can be measured reliably. This requires the exercise of judgement. The Committee was updated by the legal & corporate affairs director on the status of legal matters over the course of the year.

Response of the Audit Committee

During the year the Committee considered developments with the Kabwe case including with respect to the class certification application which was rejected by the court in December 2023. The litigation is still subject to significant uncertainty, and it was concluded that it is not currently possible to make a reasonable estimate of the outcome, quantum or timing of any potential future determination.

Various other legal matters were reviewed and the Committee considered management's assessment that there were no individually material provisions required with respect to ongoing legal matters and that the disclosures made in respect of contingent liabilities were appropriate. The Committee endorsed management's proposal.

— Accounting standards and best practice guidance

The impact of new accounting standards, and any elections made in their application, involves judgement to ensure their adoption is managed appropriately.

Response of the Audit Committee

The Committee received updates on new accounting standards (none of which had a material impact on the Group or Company) and the latest guidance and best practice examples issued by relevant regulators. The Committee ensured that appropriate enhancements had been made to disclosures where relevant.

The Committee received updates on developments in environmental, social and governance reporting, including the publication of the International Sustainability Standards Board's first standards and considered the appropriateness of management's plans to conform with these standards in due course.

The Committee received updates on government consultations regarding UK corporate reform which are anticipated to bring wide-ranging changes to the corporate regulatory landscape.

— Going concern basis of accounting in preparing the financial statements

The ability of the Group to continue as a going concern requires judgement in the estimation of future cash flows and compliance with debt covenants in future years.

Response of the Audit Committee

The Committee assessed the forecast levels of net debt, headroom on existing borrowing facilities and compliance with debt covenants. This analysis covered a period of least 12 months from the date of approval of the financial statements, and considered a range of downside sensitivities linked to the Group's principal risks, including a reduction in commodity prices and potential operational incidents. The Committee concluded it was appropriate to adopt the going concern basis.

Liquidity management

— Liquidity and debt Reviewing the application of the debt strategy, funding and capital structure and the Group's forecast cash position. Judgement is required in the estimation of future cash flows and their impact on financing plans and contingencies.	**Response of the Audit Committee** The Committee received regular updates on the profile of the Group's debt maturities and liquidity headroom, continued capital expenditure requirements, free cash flow generation and dividend payments. The Committee reviewed management's debt capital markets and banking plans for 2024, in the context of strategy-defined targets, to ensure the continued sufficiency of financing facilities.
— Payment of the dividend Reviewing management's recommendation to the Board regarding the level of dividend to be paid for 2023, based on the payout-ratio-driven dividend policy.	**Response of the Audit Committee** During 2023, the Committee reviewed the proposals for payments of dividends, in accordance with the payout-ratio-driven dividend policy based on 40% of underlying earnings. Taking into account the Group's liquidity position, the Committee endorsed the proposal by management, and recommended to the Board for approval, the payments of the 2022 final dividend and the 2023 interim dividend.
— Viability statement The viability statement, and the underlying process to analyse various scenarios that support the development of the viability statement, are found on pages 79–80.	**Response of the Audit Committee** The Committee reviewed the time period over which the assessment is made, along with the scenarios that are analysed, the potential financial consequences and assumptions made in the preparation of the statement. The Committee concluded that the scenarios analysed were sufficiently severe but plausible and the time period of the viability statement was appropriate.

Risk assurance

– Risk management The Group's risk profile and the process by which risks are identified and assessed.	**Response of the Audit Committee** The Committee assessed the Group's risk profile, in particular the principal risks (see pages 81–85). The Committee discussed the key risks, the mitigation plans in place and the appropriate executive management responsibilities. The Committee also considered the process by which the risk profile is generated, the changes in risk definitions and how the risks aligned with the Group's risk appetite. Following discussion and challenge, the risk profile was approved.
– Various risk matters The Committee oversees the implementation of work to mitigate a variety of key risks.	**Response of the Audit Committee** During the course of 2023, the Committee reviewed work to mitigate information technology risk, risks associated with the Woodsmith project, cyber risk, artificial intelligence risk, and marketing and trading risks. The Committee evaluated the work being performed, progress made and provided challenge to satisfy itself that these risks were being adequately managed.
– Ethical business conduct The Committee monitors the effectiveness of, and compliance with, the Group's Code of Conduct. The Committee also reviews the Group's whistleblowing arrangements and procedures.	**Response of the Audit Committee** The Committee reviewed the ongoing work to enhance the effectiveness of ethical business conduct and compliance across the Group. The Committee received reports on bullying and harassment investigations, anti-corruption initiatives and the Action for Integrity campaign. The Committee considered the activities undertaken to strengthen Code of Conduct and Group policy governance such as undertaking risk management effectiveness reviews of 16 Group policies and implementation of a Compliance Management System.
– Mineral Resources and Ore Reserves statements The year-on-year changes to Mineral Resources and Ore Reserves for operations and projects across the Group.	**Response of the Audit Committee** The Committee reviewed the significant year-on-year changes, satisfying itself that appropriate explanations existed. The Committee also reviewed the ongoing improvements in the process to estimate and report Mineral Resources and Ore Reserves.
– Internal audit work Reviewing the results of internal audit work and the 2023 plan.	**Response of the Audit Committee** The Committee received reports on the results of internal audit work. The Committee discussed areas where control improvement opportunities were identified and reviewed the progress in completion of agreed management actions. The Committee reviewed the proposed 2024 internal audit plan, assessing whether the plan addressed the key areas of risk for the business units and Group. The Committee approved the plan, having discussed the scope of work and its relationship to the Group's risks.
– External audit Reviewing the results of the external audit work, evaluating the quality of the external audit and consideration of management letter recommendations.	**Response of the Audit Committee** The Committee reviewed the planning report from PwC in June 2023 and approved the final audit plan and fee, having given due consideration to the audit approach, materiality level and audit risks. The Committee received updates during the year on the audit process, including how the auditor had challenged the Group's assumptions on the accounting issues noted in this report. In February 2024, the Committee reviewed the output of the external audit work that contributed to the auditor's opinion.

Ensuring the independence and effectiveness of the external auditor

Anglo American's Group policy on External Auditor Independence incorporates the requirements of the FRC's revised Ethical Standard published in 2019.

A key factor that may impair an auditor's independence is a lack of control over non-audit services provided by the external auditor. The external auditor's independence is deemed to be impaired if the auditor provides a service that:

- Results in the auditor acting as a manager or employee of the Group
- Puts the auditor in the role of advocate for the Group
- Creates a mutuality of interest between the auditor and the Group.

Anglo American addresses this issue through the following measures:

- Services performed by PwC are permitted non-audit services. The permitted non-audit services mirrors the 'Whitelist' included in the FRC's revised Ethical Standard
- Prior approval by the Audit Committee of non-audit services where the cost of the proposed service exceeds or is expected to exceed $100,000
- Disclosure of the extent and nature of non-audit services.

Anglo American's approach to the provision of non-audit services is contained within its policy on External Auditor Independence.

Non-audit work is only undertaken where there is commercial sense in using the auditor without jeopardising auditor independence; for example, where the service is related to the assurance provided by the auditor or benefits from the knowledge the auditor has of the business.

Non-audit fees represented 14% of the 2023 audit fee of $16.2 million. A more detailed analysis is provided on page 294.

Other safeguards

- The external auditor is required to adhere to a rotation policy based on best practice and professional standards in the UK. The standard period for rotation of the audit engagement partner and any key audit partners is five years. The audit engagement partner, Mark King, was appointed in 2020 and will rotate off at the end of the 2024 audit in accordance with this requirement.
- Any PwC partner designated as a key audit partner of Anglo American will rotate off the audit after no more than five years and shall not be employed by Anglo American in a key management position unless a period of at least two years has elapsed since the conclusion of the last relevant audit.
- The external auditor is required to assess periodically whether, in their professional judgement, they are independent of the Group.
- The Audit Committee ensures that the scope of the auditor's work is sufficient and that the auditor is fairly remunerated. The Committee agreed an audit fee of $16.2 million (2022: $16.2 million) for statutory audit services in the year.
- The Audit Committee has primary responsibility for making recommendations to the Board on the appointment, re-appointment and removal of the external auditor.
- The Audit Committee has the authority to engage independent counsel and other advisers as they determine necessary to resolve issues on the auditor's independence.
- An annual assessment is undertaken of the auditor's effectiveness through a structured questionnaire and input from all businesses and Group functions covering all aspects of the audit process. The Audit Committee members also participate in this assessment, which evaluates audit planning, execution, communications and reporting. The assessment identifies strengths and areas for improvement, which are discussed with the auditor and action plans agreed. The Committee reviewed the measures taken by PwC to support audit quality, including their significant focus on robust challenge and appropriate scepticism in respect of management's assumptions. The evaluation of the external audit concluded that the external auditor was independent, objective and effective in the delivery of the audit.

Anglo American confirms compliance during the year with the provisions of the Competition and Markets Authority Order on mandatory tendering and audit committee responsibilities.

Conclusions of the Audit Committee for 2023

The Committee has satisfied itself that the external auditor's independence was not impaired.

The Committee held meetings with the external auditor, in the absence of management, on two occasions, and the chair of the Audit Committee held regular meetings with the lead audit engagement partner during the year.

Consideration given to the appointment of the external auditor

Following the conclusion of a formal tender process in 2019, Anglo American appointed PwC as its external auditor with effect from and including the year ending 31 December 2020.

The Audit Committee's assessment of the external auditor's performance and independence underpins its recommendation to the Board to propose to shareholders the re-appointment of PwC as auditor until the conclusion of the AGM in 2025. Resolutions to authorise the Board to re-appoint and determine the remuneration of PwC will be proposed at the AGM on 30 April 2024.

Risk management

Risk management is the responsibility of the Board and is integral to the achievement of the Group's objectives. The Board establishes the system of risk management, setting risk appetite and maintaining the system of internal control to manage risk within the Group. The robust process of identifying and evaluating the principal and emerging risks was in place during 2023 and up to the date of this report. The Group's system of risk management and internal control is monitored by the Audit Committee under delegation from the Board. The Board confirms that it has completed a robust assessment of the Company's emerging and principal risks.

The system of risk management is designed to ensure awareness of risks that threaten the achievement of objectives. The controls that mitigate those risks are identified so that assurance can be provided on the effectiveness of those controls. A determination can then be made as to whether the risk is operating within the Group's risk appetite. We seek to embed a culture of risk awareness into the development of our strategic and operational objectives.

The process for identification and assessment of the principal risks combines a top-down and bottom-up approach. At the operations level, a process to identify risks that prevent the achievement of objectives is undertaken. Detailed analysis of the material risks at each location is performed to ensure management understanding of the risk and controls that reduce likelihood of occurrence and impact should the risk materialise. These operational risk profiles contribute to the assessment of risks at the business level. Executive management at each business assesses risks that threaten achievement of the business objectives and the status of controls, or actions, that mitigate those risks. At the Group level, risks are identified through assessment of global factors affecting the industry and the Group specifically, as well as the risks arising from the business assessments. Consideration is given to the views and interests of Anglo American stakeholders. Materiality of risk is determined through assessment of the various impacts that may arise and likelihood of occurrence. An exception relates to those risks deemed catastrophic in nature, where the focus of assessment is on impact and status of internal controls, given the very low likelihood of occurrence. When considering the impact of any risk, we assess safety, environmental, financial, legal or regulatory, social and reputational consequences.

Regular reports on the status of risks and controls are presented to executive management teams throughout the year. The Audit Committee reviews reports on the overall Anglo American risk profile on two occasions during the year and conducts in-depth reviews of specific risks during its meetings over the course of the year. Each principal risk is assigned to either the Board or the relevant Board committees to oversee executive management actions in response to that risk. The Audit Committee reviews that oversight process on an annual basis.

Details of the principal risks are provided on pages 81–85.

Risk appetite

We define risk appetite as "the nature and extent of risk that Anglo American is willing to accept in relation to the pursuit of its objectives". Each principal risk is assessed as to whether it is operating within the limit of appetite for the Group. This is based on review of the external factors influencing that risk, the status of management actions to mitigate or control the risk and the potential impact should the risk materialise. For risks operating beyond the limit of appetite, a change in strategy may be required. For risks operating within, but approaching the limit of appetite, specific management actions may be required to ensure the risk remains within the limit of appetite.

Risk management and the system of internal control

Controls either reduce the likelihood or impact of any risk, while the identification of material controls – i.e. those controls that have the most influence in mitigating a risk – is an important input for audit planning.

The system of internal control operates on a collaborative 'three lines' approach, with operating management owning and managing risks and controls on a day-to-day basis, and business or functional management fulfilling a second line role through frequent oversight of implementation of controls, and providing complementary expertise, support and challenge relating to the management of risk.

A centrally managed internal audit department provides the third line role by reviewing the design and operating effectiveness of the internal control framework, which includes the work performed by the first and second lines management teams. External assurance providers sit outside the three lines' roles but provide additional assurance to satisfy legislative and regulatory expectations, or requests from management or the Board to complement internal sources of assurance.

The above is reflected in the Anglo American Risk and Assurance Governance (RAG) Model, introduced in 2020, and work has continued in 2023 together with the respective functions and operations to embed this further. This work included the development of a combined assurance calendar to enable monitoring of assurance activities across different assurance providers. This was used as a key input in developing the 2024 assurance plans for the second and third lines.

Internal audit operated in all the Group's managed businesses in 2023, reporting its work to executive management and the Audit Committee on a regular basis. The internal audit department's mandate and annual audit coverage plans were approved by the Audit Committee.

The scope of internal audit work covers the broad spectrum of risk to which the Group is exposed. The audit of controls associated with major operating/technical risks was undertaken by utilising external technical experts as well as relevant internal experts from the Technical & Operations function, the results of which were shared with the Sustainability and Audit committees.

In determining its opinion that the internal financial controls and internal control and risk management environment was effective during 2023, the Audit Committee considered the following factors:

- The results of internal audit work, including the response of management to completion of actions arising from audit work
- The key risk areas of judgement and estimation uncertainty within financial reporting and mitigating actions taken by management
- The output of risk management work
- The output of external audit work and other assurance providers
- Issues identified by management or reported through whistleblowing arrangements, and the results of investigations into allegations of breaches of our values and business principles.

Reviewing the effectiveness of the system of risk management and internal control

The Board, through the Audit Committee, fulfils its responsibility in reviewing the effectiveness of the system of risk management and internal control through review of reports submitted over the course of the year covering the risk management process, adequacy of the internal control environment, consideration of risk appetite, in-depth reviews of specific risks and the results of external audit work. The Sustainability Committee also reviews safety and sustainability risks in detail and reports its findings to the Board.

Reviewing the effectiveness of internal audit

The Committee assesses the work of internal audit on a regular basis through the receipt of reports on the progress of the internal audit plan and issues arising and through its annual effectiveness review. The resources of internal audit are also monitored to ensure appropriate expertise and experience. The Committee met with the Group head of risk management and business assurance, in the absence of management on two occasions during 2023. Furthermore, the chair of the Committee held regular one-to-one meetings with the Group head of risk management and business assurance.

Whistleblowing programme

The Group operates a multilingual whistleblowing facility which uses a reporting platform provided by a third-party service provider. The whistleblowing programme is called YourVoice and continues to facilitate confidential and anonymous reporting of a wide range of concerns about potentially unethical, unlawful or unsafe conduct or practices that conflict with our Values and Code of Conduct.

The YourVoice channel is available to our employees in our managed operations as well as to all external stakeholders, such as suppliers, community members and members of the public affected by our operation.

During 2023, we received 1,403 reports through the YourVoice channel, a 29% increase from 2022.

1,370 allegations were closed during this reporting period, which include intakes from prior years. 25% of the 2023 allegations closed were substantiated or partially substantiated.

All YourVoice reports are assessed and investigated as appropriate by a dedicated investigation team based across the Group using a standardised investigation framework. Appropriate actions were taken against substantiated allegations.

The continued rise in reports is attributed to the increased awareness of the channel, and a growing culture of trust among our employees and other stakeholders to raise their concerns with confidence. The promotion of this channel through other relevant Group-wide initiatives, such as the Action for Integrity month, policies and programmes, also encouraged a healthier 'speak up' culture.

The current process facilitates the opportunity to take early remedial actions and enables management to address any systemic issues identified. For this purpose, protocols have been agreed with the Group's senior management for early involvement and support in sensitive investigation cases, such as fraud, bullying, harassment, safety and others with the potential for significant reputational damage.

The Audit Committee is responsible for monitoring and advancing the programme on a continuous basis.

Directors' remuneration report

Committee members

Ian Tyler – Chairman
Ian Ashby
Hixonia Nyasulu

▶ For further detail on biographies and Board experience: **pages 142–145**

The chairman, chief executive, people & organisation director, the Group head of performance & reward, and external advisers also attend meetings at the invitation of the Committee chair.

"The Remuneration Committee believes that the reward framework drives outcomes that appropriately balance incentivising delivery of the strategy throughout the cycle, and reflecting shareholder experience."

Ian Tyler
Chairman

Role and responsibilities

- Establishing and developing the Group's general policy on executive and senior management remuneration
- Determining specific remuneration packages for the chairman, executive directors, members of the ELT and other senior management
- Input and oversight on the reward policy for the broader workforce
- Engaging with shareholders and other stakeholders regarding executive remuneration.

The Committee's terms of reference are available to view online.

▶ For more information
Visit angloamerican.com/about-us/governance

Changes to the Committee

There were no changes to the Committee in 2023.

Committee discussions and focus areas in 2023

- Approval of incentive results for the 2022 annual bonus and vesting levels of the 2020 LTIP
- Setting of incentive targets for the 2023 annual bonus and LTIP
- Approval of the 2023 directors' remuneration policy at the 2023 AGM
- Approval of remuneration arrangements and service agreement for incoming finance director
- Approval of remuneration arrangements for outgoing finance director on cessation of employment
- Approval of remuneration arrangements for ELT members, including new appointments
- Updates on broader employee pay.

Key areas of focus for 2024

- Assessment of 2023 incentive outcomes, including for the 2023 annual bonus and 2021 LTIP award
- Setting of incentive targets for 2024, including the 2024 annual bonus and 2024 LTIP award
- Continued focus on embedding ESG priorities into executive pay outcomes, and the related assurance processes
- Review of corporate governance in relation to remuneration issues, remuneration market trends and any implications for the Group.

Remuneration Committee chairman's introduction

Dear Shareholders
As the Remuneration Committee, our primary role is to ensure that the remuneration arrangements for executive directors and Executive Leadership Team (ELT) members are aligned with delivering the Company's strategy, both in the short and longer term, to deliver shareholder value in a fair and sustainable manner. Retaining a strong link between pay and broader performance is paramount.

2023 continued to be a year of volatility and Anglo American experienced a more difficult year, affected by geopolitical turbulence and prolonged inflationary pressures. In a challenging year, full consideration to the Company's strategy, shareholder interests and the shareholder experience has been imperative when making decisions on remuneration, to ensure we protect our business and remain resilient for years to come.

It has also been a difficult year for the Group financially, with specific challenges as we navigate the down cycles of PGMs and De Beers. The focus during 2023 has been to reorientate the business to position value and growth opportunities in the long term over short term production volumes. Safety of our people remains at the forefront and this sustainable and measured approach supports this priority.

2023 remuneration policy
As detailed in last year's directors' remuneration report, an updated remuneration policy was put to a vote at the AGM on 26 April 2023. I am pleased to report that the new policy passed with extremely strong support; 95.92% of shareholders voted for the policy.

The Committee engaged extensively with shareholders and stakeholders as part of a comprehensive review of the policy and I would like to extend my personal thanks to all of those who took part in the consultations for their constructive dialogue and feedback.

As a reminder, the key changes in the 2023 policy were:

- The maximum opportunity under the LTIP was increased to 350% of salary for executive directors (this was applied only to the Chief Executive in 2023)
- The annual salary increase cap and annual benefits cap were removed to better align with market practice
- The formula driven LTIP grant reduction mechanism was replaced with a discretionary, principle-based approach to determine any adjustment, to ensure outcomes are appropriate in light of all prevailing circumstances and to better align with market practice.

Director changes during the year
A key focus of the Committee's agenda during 2023 was the remuneration arrangements for our finance director succession, following the announcement of Stephen Pearce's intention to retire in May 2023.

As announced in July and November, John Heasley joined the Board as finance director on 1 December 2023. The terms of the remuneration package for John were announced in July 2023 and comprise a base salary of £810,000, a pension contribution of 15% of base salary (aligned with the wider UK workforce), a maximum bonus opportunity of 210% and an annual LTIP award of 350%. The Committee took the opportunity to re-balance John Heasley's remuneration package on appointment, with a lower base salary and a higher LTIP award as compared to his predecessor to align with the chief executive to focus the remuneration package more on the delivery of long-term performance. The package complies fully with the approved directors' remuneration policy. Full details are provided in the executive director remuneration in 2023 section on page 185.

John was also granted an award of shares in compensation for the incentives forfeited from his previous employer, structured on a 'like-for-like' basis to mirror the opportunity and terms of the forfeited incentives. Full details are provided on page 198.

Stephen Pearce stepped down from the Board as finance director on 1 December 2023, remaining an Anglo American employee until 29 February 2024. Between stepping down as finance director and leaving the Group, he continued to provide services to the Group in support of a smooth transition into the role for the incoming finance director, John Heasley. Stephen's remuneration and incentive arrangements on retirement were determined by the Committee and are in line with the current directors' remuneration policy, his service agreement and the rules of our incentive arrangements. Further information in respect of his remuneration arrangements on leaving is provided on page 199.

Decision making
The Committee has taken into consideration: company performance, which includes financial performance; health and safety; and personal achievements of each executive director linked to the Group's strategic priorities, when making decisions on pay. We also continue to consider the shareholder experience and shareholder views, pay for the wider workforce, and wider societal expectations. As a Committee, we continue to strive to make decisions that strike a balance between incentivising the management team into the future, paying for good performance and being equitable in the broader context. To avoid conflicts of interest, no executive director is present when their pay is discussed; likewise, the chairman is not present in the meeting when his remuneration is discussed.

2023 outcomes
Safety, health and environment
We continue to make progress on our long term safety journey; in 2023, our total recordable injury frequency rate (TRIFR) decreased significantly to 1.78, a 19% improvement year on year and the lowest in the Company's history. However, it is with deep sadness that we experienced three fatalities at our managed operations during 2023.

Any loss of life on our sites can not be tolerated and we will continue to work tirelessly until we hit our goal of zero fatalities on a consistent basis. The tragic loss of three colleagues during 2023 led the Committee to again consider the way in which we incentivise safety performance through our variable pay structures.

The Committee is convinced that in order to create an environment in which we can reach our goal of zero fatalities, we must continue to incentivise operational excellence in safety, by reducing accident frequency and severity, and increasing our leadership visibility. The 2023 annual bonus included measures related to TRIFR, delivery of planned work and leadership time in the field. These measures will continue to be included in the 2024 bonus.

The Committee also continues to feel strongly that all fatalities must be reflected in executive pay outcomes. Taking this into account, the Committee has determined that it is appropriate to apply a 15% deduction to annual bonus payouts for the executive directors for 2023. The Committee considers that this outcome provides an appropriate balance of rewarding performance against the safety measures within the bonus, reflecting our broader, strong safety performance during the year, and recognising the unacceptable loss of life.

Financial performance

Prevailing macro factors – principally resulting in weaker prices for some of our products, with PGMs and diamonds at cyclical lows, and input cost inflation – have put pressure on mining margins and overall returns across the industry. Operational constraints at Kumba, Los Bronces and Steelmaking Coal resulted in lower overall production than originally planned, albeit the effect mitigated by the full ramp up and strong performance at Quellaveco.

Group underlying EBITDA for the year has decreased by 31% to $10.0 billion, largely reflecting the weaker prices for some of our products, and to a lesser extent, cost inflation.

Against this backdrop, we delivered mixed results, with a return on capital employed result of 16%, and a mining EBITDA margin of 39%. TSR was negative 36% for the year, reflecting the significant challenges outlined, particularly in relation to PGMs and diamonds that are distinct to our portfolio in the industry.

Annual bonus outcomes

With the underlying financial performance described above, underpinned by the challenging economic environment, the financial measures within the annual bonus paid out at 11%. This was due to marginal vesting for the EPS at actual price and foreign exchange target, which was supported by prices for some of our products and favourable exchange rates in-year.

Performance against our safety, health and environment targets was strong, with these measures paying out at 90.5% for 2023. The measures are largely leading in nature and designed to support strengthened safety outcomes in future years, which supports our ongoing drive for zero fatalities.

Bonus outcomes for the executive directors after the safety deductor were at 38% of maximum for the chief executive and 39% of maximum for the former finance director.

2021 LTIP outcomes

The shareholder experience over the three-year performance period was mixed, with a positive outcome for the majority of the performance period, followed by a challenging year in 2023.

TSR measures:
- Shareholders have seen a TSR outcome of 19%[1], positioning us above the FTSE 100 median TSR of 14.1% and below the S&P Euromoney Global Mining Index TSR of 32.3%
- The total TSR weighting within the LTIP is 50%, 17% is based on performance against the FTSE 100, with 38.6% of this 17% vesting. The remaining 33% is based on TSR performance against the S&P Global Mining Index, with vesting of zero. In total, 6.6% of the LTIP has therefore vested based on TSR performance.

Financial measures:
- 15% of the award was dependent on ROCE. This vested at 63.5%, based on attributable ROCE of 16% for the year
- 15% of the award was based on Group Cumulative Sustainable Attributable Free Cash Flow. This measure vested at 68%, largely due to contribution from strong commodity prices and market fundamentals during the first two years of the performance period.

ESG measures:
- 8% of the award was based on improvements in GHG efficiency. Overall the Group achieved a 25% improvement, indexed on 2020, resulting in 100% vesting of this measure
- The 6% of the award based on social responsibility and the number of jobs supported off site for each job on site also vested at 100%. By the end of 2023, we had supported 139,308 jobs through socio-economic development programmes since the launch of our Sustainable Mining Plan in 2018. In 2023, we supported 2.4 jobs off site for every job on site job (2022: 1.8)
- The 6% of the LTIP for the tailings facilities measure required 100% implementation of the updated Anglo American tailings standard (2020) that incorporated all Global Industry Standard on Tailings Management (GISTM) requirements across the Group. We have made tremendous progress in this area, as demonstrated in the August 2023 disclosures. However, the measure was deliberately 'binary' in nature to reflect the importance of tailings management, and as such despite our market-leading progress the100% was not delivered across all areas, resulting in vesting at 0%. While the Committee judges it appropriate not to adjust this outcome upwards, as we progress our GISTM journey we have articulated the measures in a different way for the 2024 LTIP – further details can be found below.

As a result of the performance across the different elements of the scorecard, the 2021 LTIP award therefore vested at 40.3% of maximum.

Overall assessment of 2023 outcomes

The remuneration policy sets out to incentivise in-year financial, SHE and operational performance, and delivery of the longer term strategy, whilst taking into account the shareholder experience. Having considered the 2023 outcomes through these various lenses, the Committee believes that they are fair and reasonable.

(1) Based on three-month average prices as at the end of 2023, in line with the TSR calculation methodology for LTIP awards.

2024 LTIP grant reduction

An updated LTIP grant reduction mechanism to mitigate windfall gains in the event of a material share price fall between successive grants was included in the 2023 remuneration policy, and was intended to provide additional flexibility to the Committee to consider the broader circumstances around the share price fall when considering any reduction.

Each year, the Committee formally reviews any share price fall since the last LTIP grant date. In the event that there has been a fall in share price prior to grant (compared to the share price used to determine the number of shares granted under the previous award), the Committee will first consider whether that fall is material.

If the reduction is greater than 25%, the Committee will carry out a review of the possible reasons for the reduction, and its starting point will be that a reduction in grant level is likely to be appropriate, unless there is a compelling reason otherwise.

At the current share price of c.£17.50 at the time of writing, the reduction in grant price from 2023 is c.40%. A Committee review has therefore been carried out, examining the broader circumstances driving the share price fall. There are many factors contributing to the share price movement, including cyclical movements, expected future production and short term transitory factors. Taking these into account, particularly the short term impacts, the Committee has decided that it is appropriate to reduce the value of the LTIP grant in 2024 from 350% to 325% of salary for executive directors. If there is a further material change in share price prior to the grant date in early March, this will be reviewed.

The quantum of the reduction has been carefully considered, and is intended to mitigate the risk of windfall gains. The Committee is mindful that many of the factors influencing the share price movement are already reflected in annual bonus and LTIP vesting outcomes, and wants to ensure that there is symmetry in this respect. Looking forward, the Committee is also determined to ensure that management is appropriately incentivised to deliver the Company's strategic goals in the context of the reorientation of the business, supported by plans that are deliverable repeatedly and safety-led. The Committee's view is that the reduction strikes an appropriate balance between these various considerations.

Fairness and wider workforce pay

We care deeply about our workforce and continue to prioritise their safety and well-being. Throughout the year we remained committed in this respect, and the challenges faced by our people will continue to be front of mind as we go into 2024.

Workforce engagement on remuneration

Anglo American's Global Workforce Advisory Panel (the Panel) currently comprises 12 employees drawn from across our business, and is chaired by non-executive director Marcelo Bastos. The Panel's purpose is to give the workforce more of a 'voice' in the Boardroom so their views can be better understood and considered when decisions are being made about the future of the business. This includes how the committee takes on board the views of the wider workforce in making decisions on executive remuneration. The Panel operates alongside Anglo American's existing employee engagement mechanisms, such as regular employee engagement surveys and director interaction with employees.

In 2023, the Panel met on three occasions, one of which was in person. Board members were also able to engage directly with Panel members on several occasions during the Board's and non-executive director site visits.

CEO pay ratio

The CEO pay ratio compares the chief executive's remuneration to the pay for an employee at the median, lower quartile and upper quartile of our UK employee population (including De Beers and Crop Nutrients employees).

The median CEO pay ratio for 2023 is 36:1, down from 72:1 for 2022. A significant proportion of the chief executive's remuneration package is made up of LTIP shares. The sizeable reduction compared to the prior year is largely a result of the lower vesting outcome, a fall in share price in 2023, and the vesting relating to LTIP awards granted to the current chief executive prior to joining the Board. Further details on the CEO pay ratio can be found on page 208.

Looking ahead

Salaries

The Committee approved a 4% increase to the chief executive's salary for 2024, in line with the 4% awarded to the Group's UK-based employees. The finance director did not receive an increase for 2024, having joined towards the end of 2023.

Implementation of incentives in 2024

Performance measures attached to the 2024 annual bonus and LTIP awards are in line with the terms of the 2023 policy and are designed to drive delivery of both financial returns and the priorities within our Sustainable Mining Plan. Details of these performance conditions can be found in the implementation report that begins on page 185. During 2023 the Euromoney (EMIX) Global Mining Index was discontinued, and the Committee determined that the S&P Global Mining Index will be used to measure relative TSR against the mining industry going forward, for both inflight and future awards. The S&P index is materially similar to the EMIX index and was therefore the most appropriate comparator group.

Conclusion

In what has been a very busy first full year as chairman of the committee, supporting the implementation of the organisational changes, I am pleased with the engagement of both the Committee and the management team in focusing on the remuneration-related issues that are the most important in support of driving the business forward. I am committed to ensuring the decisions on remuneration will continue to underpin the delivery of the Company's strategy and vision, supported by the implementation of the 2023 remuneration policy.

Ian Tyler
Chairman, Remuneration Committee

At a glance

This section provides a summary of the key information presented across the remuneration report. This includes an overview of the 2023 policy, performance and remuneration outcomes, as well as how our remuneration is linked to strategy.

Summary of our remuneration structure

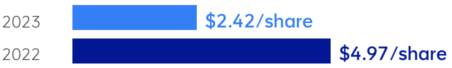
Summary of 2023-26 remuneration policy components

Link to strategy	Key features	2024	2025	2026	2027	2028
Fixed pay						
Salary Recruitment and retention of high calibre executives	– Reviewed annually by Remuneration Committee – Increases based on Group performance, individual performance, levels of increase for the broader UK population and inflation					
Benefits	– Include car-related benefits, medical insurance, personal-taxation and financial advice, among others					
Pension Aligned with the wider workforce	– 15% of salary					
Annual bonus		One-year performance	Two-year vesting		Three-year vesting	
Cash Rewards delivery of strategic priorities and financial success	– Maximum bonus award of 210% of salary – Outcome based on financial, SHE, strategic and personal measures subject to a safety deductor – 50% of bonus is paid in cash following determination of performance – Cash bonus subject to malus and clawback					
Deferred shares Encourages sustained performance in line with shareholder interests	– 50% of bonus is deferred into shares (Bonus Shares) – One-third of Bonus Shares will vest after two years, with the remaining Bonus Shares vesting after a further one year – Bonus Shares are subject to malus and clawback					
LTIP		Three-year performance			Two-year holding	
Encourages long term shareholder return and accomplishment of longer term strategic objectives	– Shares granted with a face value of 350% of salary – Shares vest after a three-year performance period and released after a further two-year holding period – Vesting based on measures linked to strategic priorities – LTIP award is subject to malus and clawback					
Shareholding guidelines						
In-post To align with long term shareholder interests	– Chief executive: 400% of salary – Finance director: 300% of salary					
Post employment To align with long term shareholder interests	– Lower of the in-post requirement at the time of cessation and the actual shareholding at cessation – To be held for two years post-employment					

Incentive performance metrics – financial measures

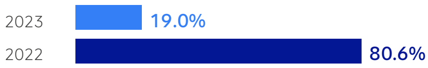
Underlying EPS◊

$2.42/share



Three-year shareholder return

19%



Group attributable ROCE◊

16%

2024 Implementation table

Key remuneration element	Implementation		Performance metrics
Salary	Duncan Wanblad John Heasley	£1,352,000 (4% increase effective 1 January 2024) £810,000	
Car allowance	Duncan Wanblad John Heasley	£36,012 £33,719	
Pension	15% of base salary (aligned to wider UK workforce)		
Annual bonus	Maximum of 210% of salary 50% paid out as cash 17% paid out as shares deferred for 2 years 33% paid out as shares deferred for 3 years		34% EPS 16% SAFCF 20% SHE 10% Strategic 20% Individual
LTIP	325% of salary (due to grant reduction for 2024) 3-year performance period with 2-year post-vesting holding period		50% TSR 15% ROCE 15% SAFCF 20% ESG

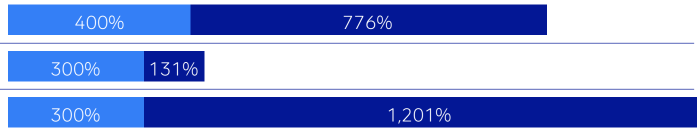
Key performance metrics for 2024

Metrics	Pillars of value	Rationale	Annual Bonus weighting	LTIP weighting
Safety and zero harm	Safety and health	– Workforce safety is the Group's first and most important value	10%	
Underlying EPS◊	Financial	– Links reward to delivery of in-year underlying equity returns to shareholders	34%	
Sustaining attributable free cash flow◊	Financial	– Incentivises cash generation for use either as incremental capital investment, for capital returns to shareholders or debt reduction	16%	
Environmental footprint	Environment	– Reduction in the Group's environmental footprint based on four pillars of ecological health (land, air, water and nature)	10%	
TSR	Financial	– Creates a direct link between executive pay and shareholder value – Measure is split between comparison against sector index (S&P Global Mining Index[1]) and comparison against local peers (constituents of FTSE 100 index)		50%
Group attributable ROCE◊	Financial	– ROCE promotes disciplined capital allocation by linking reward to investment return over the performance period		15%
Sustaining attributable free cash flow	Financial	– Incentivises cash generation for use either as incremental capital investment, for capital returns to shareholders or debt reduction		15%
Greenhouse gas emissions	Environment	– Commitment to help address climate change by reducing absolute GHG emissions		10%
Tailings – GISTM	Environment	– Ensuring conformance to the Global Industry Standard on Tailings Management (GISTM) – Objective 1 facilities		5%
	Environment	– Conformance to GISTM based on self-assessment and third-party verification initiated – Objective 2 facilities		5%
Total			**70%[2]**	**100%**

[1] The Euromoney (EMIX) Global Mining Index ceased on 31 July 2023. In July 2023, the Committee approved the replacement of the EMIX Global Mining Index with the S&P Global Mining Index from the date of cessation to the end of the performance period for both in-flight and future LTIP grants.
[2] 30% of annual bonus dependent on achievement of strategic and individual goals.

Executive directors' shareholdings

	Requirement	Shareholding as at 31 Dec 2023[1]
Duncan Wanblad	400%	776%
John Heasley	300%	131%
Stephen Pearce	300%	1201%



Shareholding requirement ■ Shareholding as 31 December 2023

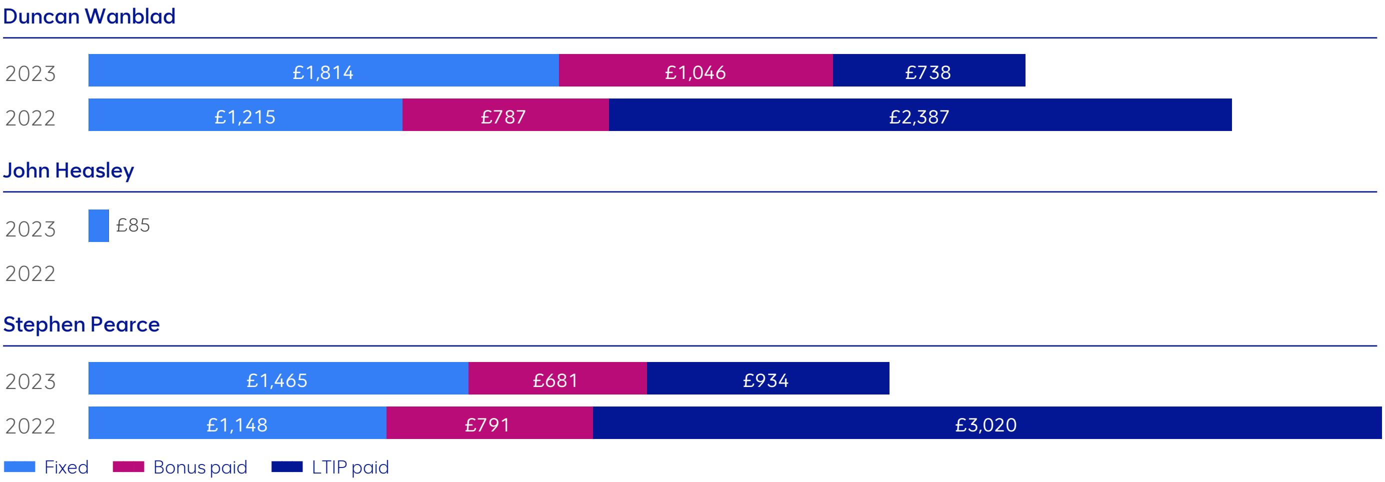
Executive directors are expected to build up and hold a percentage of their salary in shares (400% for the chief executive, 300% for other executive directors) within five years of being appointed.

As at 31 December 2023, Duncan Wanblad and Stephen Pearce's executive director shareholdings exceeded the required levels. John Heasley will be expected to meet the requirement of 300% of salary by 1 December 2028.

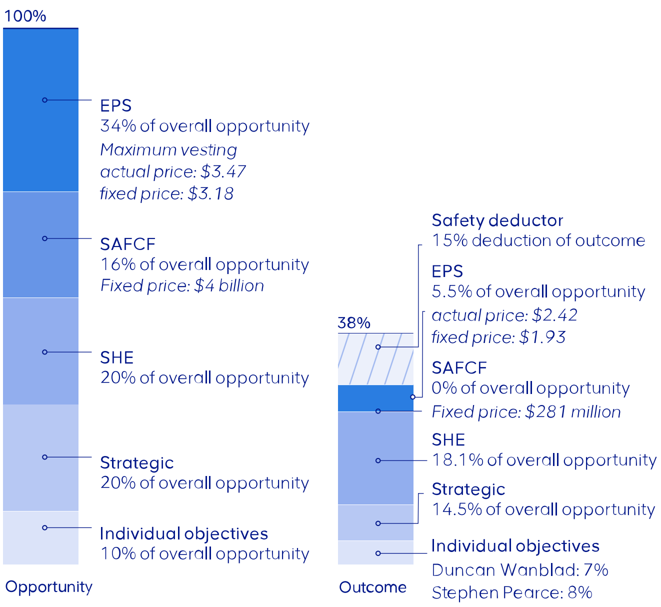
(1) Stephen Pearce's shareholdings are shown as at the date he stepped down from the Board. Further details on Stephen Pearce's post-cessation shareholding requirements can be found on page 202.

▶ **For more information**
See pages 202–203

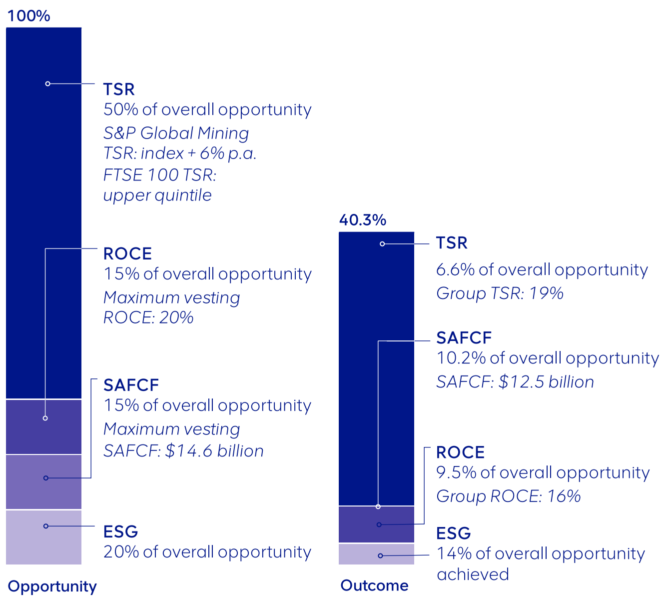
2023 pay outcomes £'000



2023 annual bonus outcome



2021 LTIP vesting outcome



Directors' remuneration policy

2023 executive directors' remuneration policy

The 2023 remuneration policy was set out in the 2022 Annual Report and was presented for shareholder approval at the AGM held on 26 April 2023. This policy was approved with 95.92% support. It is intended that this policy will apply until the Company's 2026 AGM.

▶ The full remuneration policy can be found in the 2022 Annual Report available on our Group website
www.angloamerican.com/annual-report-2022

How our remuneration policy addresses UK Corporate Governance Code provision 40 principles

The 2023 remuneration policy was designed taking into consideration the principles of provision 40 of the UK Corporate Governance Code.

The table below outlines how the policy addresses each of those principles:

Principle	How this is addressed in the 2023 remuneration policy
Clarity	Our remuneration structure is clearly defined, and performance-based elements, including metrics and vesting schedules are clearly disclosed.
Simplicity	Our remuneration elements are well-understood and in line with market standards.
Risk	Our policy limits the risk of unfair or excessive remuneration and supports long term sustainable decision making through the following measures: – Clearly defined limits on the maximum opportunities of incentive awards – Operation of deferral on annual bonus awards – Operation of a post-vesting holding period for LTIP awards – The Committee has discretionary powers to adjust formulaic outcomes of incentive awards to ensure payouts are aligned to Group performance and the experience of key stakeholders – Robust malus and clawback provisions on all incentives – Discretion to reduce LTIP awards on grant to protect against potential 'windfall gains'.
Predictability	The policy has defined limits which can be used to determine potential values. Scenario charts are presented in the policy to illustrate potential payout scenarios.
Proportionality	Payouts under incentive awards are linked to the fulfilment of performance measures that support the Group's long term strategy. Deferral and annual grants ensure long term alignment with shareholders. The Committee's powers of discretion ensure incentive outcomes are reflective of Company performance.
Alignment to culture	Focus on share ownership and long term sustainable performance is reflected in the policy. LTIP performance measures support a long term focus for executives, including in relation to our sustainability objectives. Payouts for a significant portion of both the annual bonus and LTIP are dependent on the achievement of ESG and SHE measures, which underlines the importance of safety and sustainability to the Group strategy.

Summary of policy and statement of implementation of policy in 2024

The following pages provide a summary of the key elements of our directors' remuneration policy. The last column of the table states how the remuneration policy will be applied for 2024. For 2024, there are no significant changes in the structure of the remuneration package for directors compared to last year.

Performance measures

Performance measures for 2024 are set out in the table below.

The annual bonus targets for 2024 are considered by the Board to be commercially sensitive; they will be disclosed in the 2024 annual report on remuneration. Specific details of the individual and strategic performance targets for 2024 will also be included in the 2024 report.

In line with the policy, 50% of the annual bonus will be linked to financial performance with the remaining 50% based on safety, health and environment measures (20%), strategic measures (10%) and personal measures (20%).

In 2024, the structure of the LTIP will continue to include a 50% weighting on relative TSR. Financial measures based on ROCE and SAFCF remain unchanged and continue to account for 15% each and the remaining 20% will be focused on ESG measures. These ESG measures will continue will continue to support the delivery of our Sustainable Mining Plan (SMP) goals, with two measures included for 2024.

The 2022 and 2023 LTIP measures have focused on the delivery of renewable energy, the foundation of low carbon operations. In 2024, the Climate Change measure proposed will focus on an absolute reduction in Greenhouse gas (GHG) emissions, linking more directly with the 2030 commitments with a focus on absolute reduction in GHG emissions, providing a simplified pathway for the business.

A Tailings measure has been reintroduced and will focus on compliance to the Global Industry Standard on Tailings Management (GISTM). Tailings management forms part of the Group's principal risks and compliance with GISTM seeks to improve safety and performance of the tailings facilities, reducing this risk. As a member of the International Council on Mining & Metals (ICMM) that expects its members to demonstrate their levels of conformance to GISTM, the Tailings measure has considered the required pathways towards conformance across the various tailings' storage facilities.

2023 remuneration policy table

Key aspects of the remuneration policy for executive directors

	Operation	Opportunity/performance measures	Implementation for 2024
Basic salary To recruit and retain high calibre executives	Basic salary levels are reviewed annually by the Committee, taking account of factors including the Group's performance, individual performance, market practice at other companies of a similar size and complexity as well as at other companies in the mining sector, levels of increase for the wider workforce and inflation. The Committee considers the impact of any basic salary increase within the context of the total remuneration package.	Salary increases for executive directors will normally at most be in line with the increase awarded to the Company's wider UK workforce. There may be occasions when the Committee may award a higher annual increase, including (but not limited to): – Where there is a change in role or responsibility – An executive director's development or performance in role (e.g. to align a new appointment's salary with the market over time) – Where there is a significant change in the size and/or complexity of the Group.	The chief executive received a 4% increase in salary for 2024. This increase is in line with the increase for the Company's UK employees. After commencing employment on 1 December 2023, John Heasley's first salary review will take place in 2025. The salaries for the executive directors are therefore: – Duncan Wanblad – £1,352,000 – John Heasley – £810,000
Annual bonus To encourage and reward delivery of the Group's strategic priorities for the relevant year. To ensure, through the deferral of a portion into shares, that longer term focus is encouraged and in line with shareholder interests.	The annual bonus is awarded based on a combination of measures, determined by the Committee each year to ensure continued alignment with the Group's financial goals, strategic priorities and business needs. 50% of the annual bonus earned will be deferred into awards/shares under the Bonus Share Plan (BSP), vesting 17% after two years and 33% after three years. Vesting of BSP shares is subject to continued employment. Dividends or dividend equivalents are paid on Bonus Shares. Malus and clawback provisions apply as described below.	The maximum annual bonus opportunity is 210% of salary in respect of a financial year. The bonus earned at threshold performance is normally up to 25% of the maximum. Performance below threshold results in zero payout. The Committee has discretion to adjust the bonus outcome if it is not deemed to reflect the underlying performance of the Group or the experience of key stakeholders during the performance period. Performance measures for the annual bonus for each year must meet the following criteria: – Minimum 50% financial measures – Minimum 15% SHE measures – Maximum 20% personal measures – Remainder of the award to be linked to strategic measures.	The maximum annual bonus opportunity for each of the executive directors remains at 210% of salary. The performance measures for the 2024 award will be as follows: – EPS (34% weighting) – Half on performance at actual prices and FX, and half on performance at fixed prices and FX – SAFCF (16%) – Sustaining attributable free cash flow at fixed prices and FX – SHE measures (20%) – Safety objectives focused on TRIFR, planned maintenance, visible felt leadership (VFL) and environmental footprint improvement – Strategic measures (10%) and individual measures (20%). The Committee may reduce the bonus outcome in the event of one or more fatalities, taking into consideration all relevant facts and circumstances including the number of fatalities, the cause of such fatalities, any repeat failures in safety and the number of high potential incidents.

	Operation	Opportunity/performance measures	Implementation for 2024
Long Term Incentive Plan (LTIP) To encourage and reward the achievement of long term sustainable shareholder returns and the delivery of financial/strategic priorities. To align executive director interests to shareholder interests.	Conditional awards of shares or nil-cost options are granted annually, with a performance period of normally at least three years. Any awards that vest are subject to a holding period so that the overall LTIP time horizon normally is at least five years. Vested awards may not generally be sold during the holding period, other than to cover tax liabilities arising on vesting. Dividend equivalents accrue over the vesting period and are payable in respect of awards that vest. Malus and clawback provisions apply as described below.	The maximum annual LTIP opportunity is 350% of salary in respect of a financial year. The Committee reviews the executive directors' LTIP award sizes annually, prior to grant, to ensure they are appropriate. This includes consideration of the share price at the time of grant in comparison to prior years and the Committee may reduce award sizes where it judges that there has been a material decline in the share price and that a downward adjustment would be appropriate in the circumstances. For each performance element, threshold performance would normally not exceed 25% vesting of the element, rising on a broadly straight-line basis to 100% for achieving stretch targets. Performance below threshold results in zero vesting. Performance measures attached to each award should be linked to the Group's strategic priorities and may include, but are not limited to, TSR, ROCE, SAFCF and other strategic or ESG objectives. The Committee has discretion to adjust the vesting outcome if it is not deemed to reflect the underlying performance of the Group or the experience of key stakeholders during the performance period.	In 2024, due to the share price fall of c.40% and in line with the updated grant reduction mechanism included in the 2023 remuneration policy to mitigate windfall gains, unless there is a material change in share price prior to the grant date, the Committee has deemed it appropriate to reduce the value of the LTIP grant in 2024 from 350% to 325% of salary. Further details can be found on page 181. The performance measures for the 2024 LTIP will be as follows: – TSR vs S&P Global Mining Index (33% weighting) – 25% vesting for TSR equal to Index; 100% for Index performance +6% per annum – TSR vs FTSE 100 (17%) – 25% vesting for TSR equal to median performance; 100% vesting for TSR equal to 80th percentile performance – ROCE (15%) – 25% vesting for 12% return; 100% vesting for 20% return – SAFCF (15%) - Sustaining attributable free cash flow at actual prices and FX – GHG emissions reduction (10%) – Commitment to address climate change by reducing absolute GHG emissions. 25% vesting for a reduction of 27.5% against a FY2023 baseline; 100% vesting for a reduction of 32.5% against a FY2023 baseline – Tailings (5%) – Conformance to the Global Industry Standard on Tailings Management – Objective 1 facilities. 25% vesting for 85% vs plan and 100% for >=95% vs plan – Tailings (5%) – Conformance to the Global Industry Standard on Tailings Management based on self-assessment and third party verification initiated – Objective 2 facilities. 25% vesting for 80% compliance; 100% vesting for >=95% Compliance.

	Operation	Opportunity/performance measures	Implementation for 2024
All-employee share plans To encourage eligible employees to build up a shareholding in the Company.	Executive directors are eligible to participate in applicable all-employee share plans on the same basis as other eligible employees in the relevant country they work in. In the UK, these currently comprise the Company's Save As You Earn (SAYE) scheme and Share Incentive Plan (SIP) on identical terms to other UK employees.	In line with the award limits applicable to the share plan, on the same basis that apply to other eligible employees.	SIP free, partnership and matching schemes continue to be operated for 2024. The SAYE scheme also continues to be operated for 2024.

	Operation	Opportunity/performance measures	Implementation for 2024
Pension To provide a market competitive level of pension provision, taking account of the provisions for the wider workforce, to attract and retain high performing executive directors.	Executive directors participate in defined contribution pension arrangements. Executive directors may request a pension allowance to be paid in place of defined contribution arrangements. Executive directors appointed prior to December 2022 had the choice for contributions which may not be paid to a UK-registered pension scheme as a result of applicable limits (either annual allowance or lifetime allowance) to be treated as if paid to an unregistered unfunded retirement benefit scheme (UURBS). With effect from December 2022, the UURBS was closed to new members. As a result, executive directors are no longer eligible to join this scheme. Instead any pension contributions outside of applicable limits may be paid as a cash equivalent.	Maximum pension contribution or cash allowance is aligned with the contribution levels available for all of the wider UK workforce (currently 15% of salary).	The pension contribution for executive directors for 2024 will be 15% of base salary.
Other benefits To provide market competitive benefits.	Benefits include (but are not limited to): – 28 days' leave, with encashment of any accumulated leave in excess of 20 days – Car and/or travel related benefits – Medical insurance (family) – Death and disability insurance – Directors' liability insurance – Limited personal taxation and financial advice – Club membership – Other ancillary benefits, including attendance at relevant public events. The Committee may introduce other benefits if it is considered appropriate to do so. The Company reimburses all necessary and reasonable business expenses and may pay the tax costs on benefit provisions. The Committee reserves the discretion to award certain situation-specific benefits (such as relocation) either on a one-off or ongoing basis.	The value of benefits is set at a level which the Committee considers to be appropriate, taking into account the overall cost to the Company, individual circumstances, benefits provided to the wider workforce and market practice.	No changes to benefits operated for 2024.

Malus and clawback

Awards under the annual bonus (including both cash and deferred bonus awards under the BSP) and LTIP are subject to malus and clawback provisions over the following time periods:

	Malus	Clawback
Annual bonus	To such time as payment is made	Up to two years following payment
Deferred bonus	To such time as the award vests	Up to two years following vesting
LTIP	To such time as the award vests	Up to two years following vesting

Clawback may be applied in the circumstances below. Malus may be applied in the circumstances below, as well as in other exceptional circumstances, at the Committee's discretion.

- Material misstatement in results
- Misconduct
- Material failing in risk management
- Error in calculation.

Shareholding guidelines

Executive directors are expected to build up and retain a holding in shares in the Company with a value of four times basic salary in respect of the chief executive and three times basic salary in respect of other executive directors. The Committee takes into consideration achievement against these in-post guidelines when making grants under the Company's various incentive plans.

Executive directors who step down from the Board will normally be required to continue to hold the lower of the in-post requirement or their actual shareholding at the point of stepping down.

The Committee retains discretion to allow exceptions to these guidelines in exceptional circumstances. Full disclosure will be included in the relevant annual report should this discretion be utilised.

Non-executive director fee policy

The full remuneration policy for our non-executive directors (NEDs) is outlined in the 2022 directors' remuneration report. The policy does not set limits for individual fees, but provides that the maximum annual aggregate basic fees for all NEDs (excluding the chairman) should not exceed £1.25 million.

Chairman and non-executive director fees: implementation for 2024

For 2024, the chairman's fee and NED base fees will be increased by 4%, in line with the increase for executive directors and the increase for the wider UK workforce.

Following an external market review, for 2024 the senior independent director's fee will also be increased by 15% to ensure the fee level remains competitive with the Group's closest industry and FTSE peers. The remaining Board committee chair and membership fees are unchanged.

Determining the fees paid to NEDs is a matter for the Board, with the NEDs abstaining; therefore, increases were approved by the chairman and the executive directors. The chairman's increase was approved by the Remuneration Committee, in consultation with the chief executive. No directors were involved in any decision as to their own fees.

Role	2024 Fee (£'000)	2023 Fee (£'000)
Chairman fee	**836**[1]	804[1]
NED base fee	**105.5**	101.4
Senior independent director	**37.4 (additional to base fee)**	32.5 (additional to base fee)
Chair of audit, remuneration or sustainability committees	**40 (additional to base fee)**	40 (additional to base fee)
Audit, remuneration or sustainability committee membership	**20 (each committee membership)**	20 (each committee membership)
Nomination	**12.5**	12.5
Designated NED to chair Global Workforce Advisory Panel	**20**	20 (from May 2023)

(1) Includes service on any Board committees.

Annual report on directors' remuneration

Audited Information

Under schedule 8 of the Large and Medium-sized Companies and Groups (accounting and reports) Regulations 2008 (as amended), elements of this section of the report have been audited. The areas of the Accounts and Reports subject to audit are indicated in the headings.

Executive director remuneration in 2023 (audited)

The table below sets out the remuneration paid to the executive directors for 2023 (and 2022).

Single total figure of remuneration for executive directors

	Total basic salary[1] £'000	Benefits in kind £'000	Annual bonus – cash and Bonus Shares[2] £'000	LTIP[3][4][5] award vesting £'000	Pension[6] £'000	Other[7] £'000	Total £'000	Total fixed remuneration £'000	Total variable remuneration £'000
Executive directors									
Duncan Wanblad	**1,300**	**210**	**1,046**	**738**	**304**	**5**	**3,603**	**1,814**	**1,789**
Duncan Wanblad (2022)	880	126	787	2,387	209	5	4,393	1,215	3,179
John Heasley	**68**	**8**	**–**		**9**	**2,078**	**2,163**	**85**	**2,078**
John Heasley (2022)	—	—	—	—	—	—	—	—	—
Stephen Pearce	**828**	**478**	**681**	**934**	**159**	**5**	**3,085**	**1,465**	**1,620**
Stephen Pearce (2022)	868	92	791	3,020	188	5	4,964	1,148	3,816

(1) 2023 salaries, benefits in kind and pension for Stephen Pearce and John Heasley are pro-rated for the period in year served as a director. For Stephen Pearce, this is the period between 1 January 2023 and 1 December 2023. For John Heasley, this is between 1 December 2023 and 31 December 2023. Stephen Pearce continued to be paid a salary, benefits in kind and pension for the period he remained an employee of the Company (1 December 2023 to 29 February 2024) (see page 199 for details).
(2) 2023 bonus for Stephen Pearce is pro-rated for the period in year served as a director (1 January 2023 to 1 December 2023). He also received a bonus of £61,901 for the 2023 period he remained an employee of the Company (1 December 2023 to 31 December 2023) assessed on the same basis as his 2023 bonus received for serving as a director. His aggregate 2023 bonus was therefore £742,817.
(3) The 2021 LTIP vesting level was confirmed by the Remuneration Committee at its meeting on 19 February 2024. As the awards are due to vest after publication of this report, an average share price between 1 October 2023 and 31 December 2023, of £20.98, was used to calculate the value and will be trued up in the 2024 report. The LTIP values shown include dividend equivalent amounts of £158,339 for Duncan Wanblad and £200,347 for Stephen Pearce. This includes an equivalent payment for the special dividend paid in September 2021. The values of LTIP awards that vested in 2023 have been restated using the share price at vesting of £30.09, see page 197 for further details.
(4) The value for Duncan Wanblad represents vesting of shares he received prior to joining the Board.
(5) For the 2021 LTIP vesting in 2024, between grant and valuation of the award for single figure purposes, the share price decreased from £29.28 to £20.98 for original grant shares and decreased from £31.37 to £20.98 for additional shares granted on the demerger of Thungela resources. For the 2021 LTIP, 0% of the value disclosed in the single figure is therefore attributable to share price. For the 2020 LTIP vesting in 2023, the share price increased from £18.13 to £30.09 at vesting, equating to an increase in value of each vesting share of £11.96. The proportion of the value disclosed in the single figure attributable to share price growth is 39.7%. No discretion has been exercised by the Committee in relation to the 2021 and 2020 LTIP vestings as a result of share price movements over the vesting periods.
(6) Pension figures includes value of notional return on UURBS balances where applicable and do not include employer NIC values where pension is received as a cash allowance.
(7) For Duncan Wanblad and Stephen Pearce 'Other' comprises the value of free and matching shares awarded under the SIP based on the value of shares at grant. Awards are not subject to performance in line with the scheme terms as applicable for all employees. For John Heasley, 'Other' comprises the value of the shares awarded under the Non-cyclical award plan to compensate the shares forfeited as a result of joining Anglo American, see page 198 for further details.

Basic salaries for 2023

The basic salaries for 2023 were as follows (in £'000s):

Duncan Wanblad

£1,300

Paid in 2023
(2022: £1,250 – full year equivalent salary)

Stephen Pearce

£828

Paid in 2023
(£903 – full year equivalent salary)
(2022: £868)

John Heasley

£68

Paid in 2023
(£810 – full year equivalent salary)

Benefits in kind (audited)

Benefits for executive directors with a value over £5,000 are set out below. During the year, executive directors may receive benefits including car-related benefits, accommodation, tax advice, club membership, death and disability insurance, directors' liability insurance, medical insurance and other ancillary benefits.

2023 Benefits	Duncan Wanblad	Stephen Pearce
Car related Benefits (£'000)	161	31
Tax advice (£'000)	13	8
Accommodation[1] (£'000)	28	53
Relocation (£'000)		377

[1] Benefit relating to provision of accommodation for attending business events.

As part of Stephen Pearce's joining arrangements, the cost of his relocation from Australia to the UK was covered by the Group, and the resulting income tax paid on his behalf. Full disclosure is set out in the 2017 Annual Report.

Stephen's intention had always been to return to Australia following retirement. Therefore, as part of Stephen's retirement arrangements, £200,000 of the cost of his relocation back to Australia was supported by the Group, and the resulting income tax paid.

The provision of such relocation support is consistent with that taken for employees who undertake international assignments or who are required to relocate on a local contract in order to fulfil their role and would be considered for repatriation on a case-by-case basis.

The Committee considered and is satisfied that the level of aggregate benefit provision, taking into account the situation and circumstances, in particular in relation to the provision of relocation support, was appropriate.

John Heasley's benefits for 2023 included accommodation, car-related benefits, professional membership and medical insurance. The value of the benefits did not exceed £5,000 individually.

Annual bonus outcomes for 2023 (audited)

50% of the total 2023 annual bonus is payable in cash, with 50% deferred into shares. One-third of the deferred shares will vest after two years; the remaining two-thirds will vest after three years. The bonus deferred as shares is not subject to further performance but is subject to continued employment.

50% of each executive director's bonus outcome was assessed against financial targets. 20% was assessed against strategic measures and a further 20% was assessed on Safety, Health and Environment (SHE) measures, with the remaining 10% being assessed against the achievement of individual objectives.

Strategic and SHE objectives are shared by the executive directors, with individual objectives being tailored for their specific roles. The key individual performance measures are assessed against the overall operational and financial performance of the business.

In 2023, tragically, three colleagues lost their lives following two accidents at our managed operations: one at our Kumba Iron Ore business in South Africa, and two in Chile. With these deeply saddening events occurring, it is a stark reminder that keeping our people safe must be at the forefront of everything we do in order to reduce the number of fatalities to zero.

As a result of the three fatalities that have occurred during the year, the Committee judged that there will be a 15% reduction to 2023 executive director bonus outcomes. This reduction was determined following consideration by the Committee, taking into account full details of the incidents.

Discretion

Incentives are designed to ensure they drive appropriate short and long term behaviours, and it is the Committee's general preference to avoid making any adjustments. Aside from the utilisation of discretion to apply the safety deductor, the Committee did not make any discretionary adjustments to the 2023 bonus outcomes.

Summary of 2023 annual bonus outcome

	Financial metrics (50%)	SHE metrics (20%)	Strategic metrics (20%)	Personal metrics (10%)	Total payout pre-safety deductor (%)	Payout after 15% safety deductor (%)[1]	Annual bonus value (£')[2]
Duncan Wanblad	5.5%	18.1%	14.5%	7.0%	45.1%	38.3%	£1,046,168
Stephen Pearce	5.5%	18.1%	14.5%	8.0%	46.1%	39.2%	£680,916

(1) Safety deductor applied on a multiplicative basis against overall annual bonus outcomes.
(2) Bonus for Stephen Pearce pro-rated bonus for period served as a director from 1 January 2023 up to 1 December 2023. His total bonus for the year includes an additional amount of £61,901 for the period between him stepping down as a director and the remainder of 2023.

Annual bonus performance assessment for 2023 (audited)
The financial element of the 2023 annual bonus is measured against underlying EPS and sustaining attributable free cash flow (SAFCF) measures.

The EPS elements of the award accounted for 34% of the total annual bonus, split equally between EPS measured at fixed prices and FX rates and EPS measured at actual prices and FX rates. The fixed price and FX rate EPS portion is designed to reflect Group operational performance, excluding the impact of variations in price and currency. Both target ranges are illustrated in the financial performance table, with 25% vesting for performance at threshold. SAFCF, measured at fixed prices and FX rates, accounted for 16% of the total annual bonus.

With the underlying financial performance, underpinned by the challenging economic environment and ongoing geo-political turbulence, the financial measures within the annual bonus paid out at 11%. This was due to marginal vesting for the EPS at actual target, which was supported by prices for some of our commodities and favourable exchange rates in-year.

The shared strategic objectives accounted for 20% of the total award. These objectives reflect the Group's strategic priorities for the year, incorporating a combination of quantitative and qualitative metrics. Following the end of the year, the Committee made a detailed assessment of performance, leading to the evaluations shown in the tables below.

For 2023 the executive directors have 10% of the annual bonus weighted to individual performance measures, focusing on the critical deliverables for each executive director. The following tables detail the achievement against these objectives.

Financial performance

Metric	Threshold (25%)	Maximum (100%)	Achievement	Weighting	Outcome
EPS at actual prices and FX rates	$2.31/share	$3.47/share	$2.42/share	17.0%	5.5%
EPS at fixed prices and FX rates	$2.60/share	$3.18/share	$1.93/share	17.0%	—%
SAFCF at fixed prices and FX rates	$2.7bn	$4.0bn	$281m	16.0%	—%
Total				**50.0%**	**5.5%**

SHE performance

Metric	Metric type	Achievement	Weighting	Outcome
Total recordable injury frequency rate (TRIFR) – improvement of 15% on prior three-year Group average	Safety	Total Recordable Injuries were significantly down on 2023, supporting a full-year TRIFR of 1.78, a 19% improvement year on year and the lowest in the Company's history. Strong lead-indicator performance underpins the result and is testament to commitment and drive at operational level.	5%	5%
Planned work – % of maintenance work planned and scheduled	Operations	Threshold has been met, with performance against this measure showing continuous improvement throughout 2023, driving improved reliability and safety at our operations.	5%	3.1%
Leadership Time in Field – one high quality visible felt leadership (VFL) per week between 1 March – 30 June then three high quality VFLs per week between 1 July – 31 December by all band 4-6 employees based at managerial operations	Operations	With the introduction of this measure for 2023, we have seen a sustained focus at all Businesses resulting in an improved safety performance, as demonstrated by TRIFR outcome. This measure has been delivered in full.		
Ecological Health – improvement in footprint intensity – expressed as the sum of metrics for Land, Air, Nature and Water	Environment	Targets have been met across the four target areas, delivering full vesting for this measure.	10%	10%
Total			**20%**	**18.1%**

Shared strategic performance

Metric	Metric type	Achievement	Weighting	Outcome
Delivery of decarbonisation For SA renewables, deliver 2023 milestones, to enable Phase 1 production of 425MW in 2025: – Power purchase agreements agreements, and electricity offtake agreements signed – Bank mandate in place and financial close – For hydrogen infrastructure, work with FirstMode to develop a roadmap to secure necessary infrastructure for on-site hydrogen production, to support truck operations.	Innovation	– The grid connection and the trading licence have been obtained, with financial close expected during Q1 2024. Delays in financial close due to Eskom connection process, national reform and delays in obtaining the trading licence – Hydrogen supply workstream is under way with First Mode, supporting various alternative deployment models.	5%	2.5%
Key strategic choices Update assessment of portfolio opportunities.	Portfolio	Significantly progressed subject to further market analysis.	5%	3%
Effectiveness review Define and implement a more effective organisational model focused on strategy execution.	People	Organisational changes were implemented by 31 December as planned. This resulted in prioritisation of work, clear accountabilities, significant corporate headcount reduction, and sustainable annual corporate cost savings.	5%	5%
Inclusion & Diversity; Talent Delivery Detailed succession and/or retention plans for critical senior management roles in place as part of restructuring process. Following the restructure, detailed roadmap to deliver gender diversity targets by 2025.	People	Majority of in-scope senior roles had viable succession plans in place. Female representation in the CE's employee-once-removed (EoR) population was 29% at year end, versus a target of 33%, largely due to a decrease in the overall number of CE EoR positions as a consequence of organisational design work, with 2025 roadmap under way.	5%	4%
Total			**20%**	**14.5%**

Personal performance

Duncan Wanblad

	Percentage weighting	2023 outcome
Financial	50%	5.5%
SHE	20%	18.1%
Strategic	20%	14.5%
Personal	10%	7.0%
Total	**100%**	**45.1%**
Safety deductor	A percentage reduction from overall bonus outcome on a multiplicative basis	15.0%
Overall result	**–**	**38.3%**

Details of personal objectives	Achievement	Outcome
Deliver Operational Excellence (5%) – Improve operational stability by achieving minimum AOM of 80% compliance across priority sites. – Achieve reduction in variability for priority sites over 3-year rolling period.	(1) Compliance score for priority assets at 76% versus target of 80%. (2) The overall variability of saleable production for priority assets reduced by 2.2% during 2023, as compared to baseline.	2%
Deliver Growth – Collahuasi (5%) – Submit permit applications, to allow for debottlenecking and other activities to reach the approved 210ktpd capacity. – Finalise scope, select service provider, and commence pre-feasibility study for 4th line.	(1) Permit applications prepared and submitted. (2) Approval of scope and funds for pre-feasibility integrated growth studies (4th line and CPF 240) provided by all shareholders in October 2023. Bidding processes for most engineering studies are complete, with the project director appointed to start in February 2024.	5%
Overall individual performance	**10% total weighting**	**7%**

Stephen Pearce

	Percentage weighting	2023 outcome
Financial	50%	5.5%
SHE	20%	18.1%
Strategic	20%	14.5%
Personal	10%	8.0%
Total	**100%**	**46.1%**
Safety deductor	A percentage reduction from overall bonus outcome on a multiplicative basis	15.0%
Overall result	**–**	**39.2%**

Details of personal objectives	Achievement	Outcome
Finance Value Delivery (4%) – Complete Project Aegis (Capital Structure Review and Optimisation) and transition to embed in to BAU. – Implement key elements of the target operation model arising from the review of the Group's Global Cash Management footprint.	Project Aegis completed key elements of the target operating model deployed. Value delivered exceeded plan.	3%
Functional Excellence (4%) – Complete Release 3 Beyond Finance Deployment by end of 2023. – Successful Group UKCR attestation dry run with rectification plans and preparation for Dec 2023.	Beyond Finance Release 3 rolled out in October, successful UK Corporate Reform (UKCR), dry run completed on 2022 results in 2023, and again for H1 results 2023, with full planning in place for 2024 process.	3%
People (2%) – Improve psychological Safety score for Group Finance. – At least 90% of Group Finance permanent appointments meet the inclusion & diversity functional target of gender parity at each stage of the recruitment process.	Improvement in psychological safety; numerous team workshops, feedback sessions and team leader training conducted throughout the year. In relation to inclusion & diversity, achieved 58% female and 42% male (previously 50% female at senior levels) after organisational redesign.	2%
Overall individual performance	**10% total weighting**	**8%**

2021 LTIP award vesting (audited)

In 2021, Duncan Wanblad and Stephen Pearce received LTIP grants of 68,257 and 86,366 conditional shares respectively; in addition to this, they received 291 and 368 additional conditional shares respectively as a result of the demerger of our South African thermal coal operations into Thungela Resources Ltd in June 2021. Duncan Wanblad's shares under the 2021 LTIP from both the original grant and the additional shares from the Thungela Resources demerger were awarded prior to becoming an executive director; vesting of his shares is on the same basis as for the other executive directors. More details on the Thungela Resources additional shares can be found in the 2021 remuneration report.

Vesting of 2021 LTIP conditional share awards was subject to:

- The Group's TSR performance relative to:
  - Euromoney Global Mining Index (from 1 January 2021 to 31 July 2023) and S&P Global Mining Index (from 1 August 2023 to 31 December 2023)[1]
  - FTSE 100 constituents over the three-year period to 31 December 2023
- Group attributable ROCE in year to 31 December 2023
- Group cumulative sustaining attributable FCF at actual price and FX rates over the three-year period to 31 December 2023
- Improvement in greenhouse gas (GHG) intensity
- Number of off-site jobs supported for each on-site job
- Implementation of the Anglo American standard that incorporates GISTM requirements.

TSR performance over the three-year period has been mixed, with a particularly challenging environment in 2023. Shareholders have seen a TSR of 19%, positioned above the FTSE 100 median TSR of 14.1% and below the S&P Euromoney Global Mining Index TSR of 32.3%.

ROCE performance for 2023 was within the target range at 16%, resulting in 63.5% vesting of this portion of the award. The cumulative cash flow measure vested at 68% largely due to contribution from strong commodity prices and market fundamentals during the first two years of the performance period.

GHG efficiency improved by 25%, indexed on 2020 actual. Stretch goal achievement has been largely driven by renewable energy electricity sourcing and methane reduction projects.

The 6% of the LTIP for social responsibility and the number of jobs supported off site for each job onsite also vested at 100%. By the end of 2023, we had supported 139,308 jobs through socio-economic development programmes since the launch of our Sustainable Mining Plan in 2018. In 2023, we supported 2.4 jobs off site for every job on site job (2022: 1.8).

The 6% of the LTIP for the tailings dam measure required 100% implementation of the updated Anglo American tailings standard that incorporates all GISTM requirements across the Group (Managed Operations) for tailings facilities that has a Potential Loss of Life (PLL) rating of at least one person or more by 5 August 2023 – no allowance was included for any achievement below 100%. The standard set was a deliberately high bar and considerable progress has been made towards meeting it in full, despite the scarcity of independent experts available to verify progress. Overall, risks are being managed effectively. Given that the 100% requirement was not met, the result is 0% vesting.

The LTIP awards will therefore vest at 40.3% of maximum.

Discretion

No discretionary adjustments were made to the LTIP targets or outcome.

Performance assessment for 2021 LTIP awards

Measure	Weighting	Threshold performance (25% vesting)	Stretch performance (100% vesting)	Actual performance	Vesting outcome
S&P Global Mining Index TSR[1][2]	33%	Index performance (32.3%)	Index +6% p.a. (55.2%)	19%	—%
FTSE 100 constituents TSR[3]	17%	Median TSR performance (14.1%)	80th percentile TSR performance (58%)	19%	38.6%
Group attributable ROCE	15%	12%	20%	16%	63.5%
Group sustaining attributable free cash flow (cumulative)	15%	$9.7 bn	$14.6 bn	$12.5 bn	68%
Improvement in greenhouse gas (GHG) intensity[4]	8%	5% improvement	15% improvement	Above target	100%
Number of off-site jobs supported for each on-site job	6%	1.5 jobs	2 jobs	Above target	100%
Implementation of updated AA standard (2020) that incorporates GISTM requirements	6%	100% vesting for implementation of the updated AA standard all Group-managed operations for tailings facilities that have a Potential Loss of Life rating of at least one person or more by 5 August 2023. 0% vesting if not met		Target not met	0%

(1) The Euromoney (EMIX) Global Mining Index ceased on 31 July 2023. In July 2023, the Remuneration Committee approved the replacement of the EMIX Global Mining Index with the S&P Global Mining Index from the date of cessation to the end of the performance period.
(2) 25% of the award will vest if Anglo's TSR performance is equal to the Index (threshold). 100% of the award will vest if Anglo's TSR performance is equal to or above the Index + 6% p.a. (stretch). Between threshold and stretch, vesting will be applied on a straight-line basis by reference to Anglo's TSR performance relative to the Index and Index + 6% p.a.
(3) 25% of the award will vest if, based on its TSR performance, Anglo is ranked at the median of the comparator group (threshold). 100% of the award will vest if, based on its TSR performance, Anglo is ranked at or above the upper quintile of the comparator group (stretch). Between threshold and stretch, vesting will be applied on a straight-line basis by reference to Anglo's ranking relative to the median and upper quintile ranking of the comparator group. With 93 constituents the median rank is 47, and upper quintile rank is 19.4; Anglo is ranked 42.
(4) Measures the ratio of total GHG emissions (tonnes CO_2e) to product mass (tonne Cu equivalent).

Total outcome of the 2021 LTIP

	Numbers shares granted[1]	Numbers shares vesting at 40.3%	Dividend equivalents on vested value	Value based on vesting at 40.3%[2]	Total value[2]
Duncan Wanblad (award granted prior to appointment to the Board)	68,548	27,645	£158,339	£580,109	£738,448
Stephen Pearce (maximum opportunity 300% of salary)	86,734	34,979	£200,347	£734,014	£934,360

(1) Number of shares includes additional Anglo American shares resulting from adjustment following the demerger of Thungela Resources Ltd. Dividend equivalents for additional adjusted shares accrue from the date of demerger.
(2) As the awards are due to vest after publication of this report, an average share price between 1 October 2023 and 31 December 2023, of £20.98, was used to calculate the value and will be trued up in the 2024 report. The share price decreased from £29.28 to £20.98 for original grant shares and decreased from £31.37 to £20.98 for additional shares granted on the demerger of Thungela resources. Therefore, 0% of the value is attributable to share price growth. No discretion has been exercised by the Committee in relation to the 2021 vesting as a result of share price movements over the vesting period.

Restatement of value of 2020 LTIP

	Number of shares vesting	Dividend equivalents value	2022 estimated value[1] (ex dividends)	2022 estimated total value	Actual value of award at vesting[2]	Restated 2020 LTIP value
Duncan Wanblad	67,455	356,629	2,033,286	2,839,914	2,029,990	2,386,620
Stephen Pearce	85,351	451,244	2,572,722	3,023,966	2,568,552	3,019,798

(1) 2022 estimated value uses three-month average share price up to 31 December 2022 of £30.14 as stated in the 2022 Annual Report.
(2) The share price on vesting was £30.09.

Pension (audited)

The pension contribution amounts in the table below should be read in conjunction with the following information:

- The total amounts of pension contributions treated as having been paid into the UURBS for the executive directors are:
  - Duncan Wanblad – £191,004
  - Stephen Pearce – £124,168 (up to 1 December 2023)
- Contributions treated as being paid into the UURBS earn a fixed return of 5.125%. The total return earned in 2023 was £109,304 for Duncan Wanblad and £34,914 for Stephen Pearce. The interest levels outlined only relate to the period that they served as an executive director during the year
- As at 31 December 2023, the total balance due to executive directors in relation to the UURBS was £3,186,490[1]. Retirement benefits can only be drawn from the UURBS if a member has attained age 55 and has left Group service
- As detailed in the 2023 remuneration policy, the UURBS was closed to new members and future executive directors are not eligible to join the scheme. As such, John Heasley is not a participant of the UURBS.

(1) Includes Stephen's Pearce's UURBS balance as at 1 December 2023.

Total pension for 2023

	Duncan Wanblad	John Heasley	Stephen Pearce[2]
DC contribution (£'000)	£4	–	–
UURBS contribution (£'000)	£191	–	£124
UURBS Notional Increase (£'000)	£109	–	£35
Pension allowance (£'000)	–	£9	–
Total (£'000)[1]	£304	£9	£159

(1) Stephen Pearce and John Heasley's total pension are pro-rated for the period served as a director in 2023.
(2) Stephen Pearce continued to receive pension contributions for the period 1 December 2023 to 29 February 2024. Further details can be found on page 199.

External directorships

Executive directors are not permitted to hold external directorships or offices without the prior approval of the Board. If approved, they may each retain the fees payable from only one such appointment.

In the year, Stephen Pearce retained fees for one external non-executive directorship, at BAE Systems plc, amounting to £109,766 for the period 1 January 2023 to 1 December 2023.

John Heasley holds a voluntary role as non-executive director and honorary treasurer of the Royal Scottish National Orchestra (RSNO), a charitable organisation for which he does not receive fees.

Payments for past directors (audited)

In addition to retirement benefits, the Company provides six former executive directors with private medical insurance arrangements. The total annual cost to the Company is £58,194.

In addition to the five former directors disclosed in the 2022 directors' remuneration report, the 2023 recipients include one additional former director. In line with the others, this arrangement is a longstanding commitment that has not been fulfilled to date due to the overseas home location of the former director following their exit date and the rules of the UK private medical insurance arrangements. As the individual has relocated back to the UK, the Company has agreed to meet the pre-existing agreement that had been committed to previously.

The Committee continues to meet these longstanding commitments, but no new commitments have been made during the year or will be made in future.

Remuneration arrangements for the appointment of John Heasley

John Heasley was appointed as finance director and joined the Board on 1 December 2023. The Committee took the opportunity to re-balance John Heasley's remuneration package on appointment, with a lower base salary and higher LTIP compared to his predecessor. The terms of the remuneration comprise a base salary of £810,000, a pension contribution of 15% of base salary (aligned with the wider UK workforce), a maximum bonus opportunity of 210% and an annual maximum LTIP award of 350%. In addition, his remuneration package also includes compensation for incentives forfeited from his previous employer. The value, vesting dates, performance requirements, holding periods and other applicable terms and conditions of these awards reflect those of the original awards, as required by the remuneration policy:

Cash bonus

John Heasley will receive, following the publication of his previous employer's 2023 annual report and accounts, a cash payment in respect of the cash portion (70% of the total) of his forfeited annual bonus for 2023. The amount will be calculated by reference to his previous employer's disclosed performance against the relevant objectives, as well as the original opportunity level.

Share awards

The Committee agreed to buy-out share awards forfeited by John Heasley as a result of him joining Anglo American. These being:

- Unvested Restricted shares granted between 2019 and 2023, which collectively would have vested on a phased basis in April 2024, April 2025 and April 2026
- Deferred Bonus Shares which would have been granted in April 2024 in respect of the 2023 annual bonus (30% of the total amount earned) and would have vested in April 2027.

On 1 December 2023, John Heasley was granted an award over 95,287 Anglo American shares (with a grant value of £2,078,400) to compensate for the unvested Restricted Shares forfeited. The award will vest on a 'like-for-like' basis to mirror the opportunity and terms of the Restricted Shares forfeited.

The number of Anglo American shares awarded was calculated by reference to the average closing share price of Anglo American and the previous employer for the five dealing days prior to John Heasley commencing employment with Anglo American on 1 December 2023.

The award will vest in three tranches, aligned to the original vesting dates of the Restricted Shares forfeited, as follows:

- 26,774 of the shares will vest on 1 April 2024
- 41,196 of the shares will vest on 1 April 2025
- 27,317 of the shares will vest on 1 April 2026.

Vesting of each tranche is subject to continued employment during the vesting period and the number of shares that vest will be aligned with the vesting levels as publicly disclosed by his previous employer following assessment of the performance underpins attached to the Restricted Shares forfeited. Vested awards will be subject to a two-year holding period.

As soon as reasonably practicable following the publication of his previous employer's 2023 annual report and accounts, John Heasley will be granted an award over Anglo American shares to compensate for the Deferred Bonus Shares that would have been granted in April 2024. The number of Anglo American shares to be awarded will be calculated by reference to the average closing shares price of Anglo American and his previous employer the five dealing days prior to grant. The award will vest after three years from grant, which aligns with the vesting date that would have applied to the Deferred Bonus Shares.

Payments for loss of office (audited)

Tony O'Neill

Tony O'Neill retired and stepped down from the Board on 31 December 2022. He remained an employee of the Company until 30 June 2023, continuing to provide services to the Group to support an orderly transition of his responsibilities. His remuneration for the proportion of 2023 when he was not a director was as follows:

- For the period between 1 January 2023 and 30 June 2023, Tony O'Neill continued to be paid his salary, pension and benefits. The value of these during this period was £535,814
- Tony O'Neill did not receive a bonus or LTIP award for 2023
- Tony O'Neill also received a payment of £193,944 for unused holiday days as at his date of cessation of employment.

Treatment of outstanding share awards

Good leaver treatment was applied in respect of Tony O'Neill's outstanding share awards. Subject to the terms of the awards, BSP and LTIP awards will vest at their original vesting dates and any LTIP awards will be subject to a two-year holding period.

Tony O'Neill's outstanding shares as at 31 December 2023 are:

Award	Number of shares	Vesting date
2019 BSP 5-year	12,084	March 2024
2020 BSP 5-year	12,606	March 2025
2021 BSP 3-year	12,408	March 2024
2022 BSP 2-year	6,012	March 2024
2022 BSP 3-year	11,672	March 2025
2021 LTIP	74,956	March 2024
2022 LTIP	34,626	March 2025

The LTIP shares are pro-rated from the start of the performance period of each award to Tony O'Neill's date of cessation of employment of 30 June 2023 and vesting remains subject to performance. These numbers include additional Anglo American shares awarded as a result of the demerger of Thungela Resources in 2021.

Tony O'Neill is expected to maintain a holding of Anglo American shares of three times his salary, for a period of two years following him stepping down from the Board.

Stephen Pearce

Stephen Pearce stepped down from the Board on 1 December 2023. He remained an employee of the Company to facilitate a smooth transition for the finance director until 29 February 2024. His remuneration for the proportion of 2023 where he was not a director was as follows:

- For the period between 1 December 2023 and 29 February 2024, Stephen Pearce continued to be paid his salary, pension and benefits. The value of these during this period was £269,349
- Stephen Pearce received a bonus for 2023, £680,916 related to the period in year served as a director (1 January 2023 to 1 December 2023) and £61,901 for the period he remained an employee of the Company (1 December 2023 to 31 December 2023) assessed on the same basis, with 50% of the bonus for 2023 paid in cash and 50% to be deferred as shares. Please see page 193 for further details
- He is also eligible to receive a 2024 bonus for the period 1 January 2024 – 29 February 2024, which will be paid fully in cash at the normal time following the sign-off of the 2024 Annual Report
- On cessation of employment (for the period between 1 March 2024 and 31 May 2024), Stephen Pearce will receive payments in lieu of notice, paid in monthly instalments, as per his service agreement
- Stephen Pearce will also receive a payment for unused holiday days at his date of cessation of employment.

Further details in relation to any outstanding payments will be disclosed in the 2024 remuneration report.

Treatment of outstanding share awards

Good leaver treatment was applied in respect of outstanding share awards. Subject to the terms of the awards, the BSP and LTIP awards will vest at their original vesting dates and any LTIP awards which vest will be subject to a two-year holding period.

LTIP awards will be pro-rated for service up to 29 February 2024 and vesting remains subject to performance. No LTIP was granted for 2024. Stephen Pearce's outstanding shares as at 31 December 2023 are:

Award	Number of shares	Vesting date
2019 BSP 5-year	11,820	March 2024
2020 BSP 5-year	12,155	March 2025
2021 BSP 3-year	11,964	March 2024
2022 BSP 2-year	5,798	March 2024
2022 BSP 3-year	11,255	March 2025
2023 BSP 2-year	4,563	March 2025
2023 BSP 3-year	8,858	March 2026
2021 LTIP	86,734	March 2024
2022 LTIP	66,779	March 2025
2023 LTIP	91,882	March 2026

These numbers include additional Anglo American shares awarded as a result of the demerger of Thungela Resources in 2021.

Stephen is expected to maintain a holding of Anglo American shares of three times his salary, for a period of two years following him stepping down from the Board.

Other director remuneration in 2023 (audited)

Non-executive director remuneration

The table below sets out the remuneration paid to the NEDs in 2023. Fees shown include any additional fees paid in respect of chairing or being a member of one of the Board's committees or acting as the senior independent director.

As outlined in the 2021 remuneration report, fees for the chairman and NEDs have been reviewed annually from 2023 onwards.

Role	Fee (£'000)
Chairman fee	804[1]
NED base fee	101.4
Senior independent director	32.5 (additional to base fee)
Chair of Audit, Remuneration or Sustainability committees	40 (additional to base fee)
Audit, Remuneration or Sustainability committee membership	20 (each committee membership)
Nomination committee membership	12.5
Designated NED to chair Global Workforce Advisory Panel	20[2]

(1) Includes service on any Board committees.
(2) From 1 May 2023, following approval of the 2023 remuneration policy at the AGM.

Single-total figure of remuneration for non-executive directors

	Total Fees 2023 £'000	Benefits in Kind 2023 £'000[2]	Total 2023 £'000[3]	Total Fees 2022 £'000	Benefits in Kind 2022 £'000[2]	Total 2022 £'000[3]
Non-executive directors						
Stuart Chambers	804	5	809	773	8	781
Magali Anderson[1]	91		91	—	—	—
Ian Ashby	174		174	170		170
Marcelo Bastos	147		147	130		130
Hilary Maxson	154		154	132		132
Hixonia Nyasulu	134		134	130		130
Nonkululeko Nyembezi	141		141	137		137
Ian Tyler	206		206	183		183

(1) Magali Anderson joined the Board on 1 April 2023; her fees are a part-year figure.
(2) Stuart Chambers' benefits in kind figure relates to the reimbursement of travel expenses during the year and the settlement of tax in relation to the reimbursement.
(3) Total is comprised only of fixed remuneration.

Scheme interests granted during 2023 (audited)

The table below summarises the BSP, NCA and LTIP share awards granted to executive directors during 2023.

The BSP award granted in 2023 was granted in the form of forfeitable shares and is included in the applicable total annual bonus values as set out in the applicable single figure table.

The LTIP is granted in the form of conditional shares and vesting is dependent on the Group's performance over 2023–2025 based on the performance metrics detailed.

The non-cyclical award is granted in the form of conditional shares.

Summary of conditional share awards and options granted in 2023

Type of award	Performance measure	Vesting schedule	Performance period end	Director	Basis of award	Number of shares awarded	Face value at grant[(1)(2)]
Bonus Share Plan	—	—	—	Duncan Wanblad	50% of bonus	16,415	£483,980
				Stephen Pearce	50% of bonus	13,421	£395,705
LTIP share awards	TSR vs. S&P Global Mining Index (33%)	25% for TSR equal to the Index; 100% for the Index +6% p.a. or above	31/12/2025	Duncan Wanblad	350% of salary	154,320	£4,549,971
				Stephen Pearce	300% of salary	91,882	£2,709,049
	TSR vs. FTSE 100 constituents (17%)	25% for TSR equal to median; 100% for 80th percentile or above					
	Balanced Scorecard 50%	ROCE (15%) 25% for 12%; 100% for 20%					
		SAFCF at actual prices and FX rates (15%)					
		Renewable Energy (8%) 25% for 350MW production 100% for 500MW production					
		Ethical Value Chains (6%) 25% for all mines assured against recognised responsible mining standard by end of 2025 100% for threshold target plus 80% of top 10 managed metals mining operations to achieve IRMA 50 or equivalent					
		Social responsibility (6%) 25% for 2 jobs supported off-site for each job on-site 100% for 3 off-site jobs supported for each job on-site					
Non-cyclical awards	—	—	—	John Heasley	Replacement award	26,774	£583,995
					Replacement award	41,196	£898,567
					Replacement award	27,317	£595,838

(1) The face values of the BSP and LTIP awards have been calculated using a grant share price of £29.48. This share price has been calculated based on the average closing share prices between 27 February 2023 and 3 March 2023. As receipt of the LTIP awards is conditional on performance, the actual value of these awards may be nil. Vesting outcomes will be disclosed in the remuneration report for 2025.

(2) The face values of the non-cyclical awards for John Heasley have been calculated using a grant share price of £21.81. This share price has been calculated based on the average closing share prices between 24 November and 30 November 2023. The awards were granted to compensate the incentives forfeited as a result of joining Anglo American as detailed on page 198. The number of shares that vest will be aligned with the vesting levels as publicly disclosed by his previous employer following assessment of the performance underpins attached to the Restricted Shares forfeited.

Total interests in shares (audited)

The table below summarises the total interests of the directors (including any share interests held by connected persons) in shares of Anglo American plc as at 31 December 2023. These include beneficial and conditional interests.

Executive director shareholding requirements

As per the 2023 remuneration policy, within five years of being appointed, the chief executive is expected to hold interests in shares to a value of four times basic salary, and other executive directors are expected to hold shares to a value of three times salary. For the purposes of calculating progress against the shareholding requirement, the following shares are included:

- Beneficially owned shares
- Vested incentive shares in a holding period
- In-flight BSP shares on a net of tax basis
- In-flight NCA shares which are not subject to performance measures on a net of tax basis
- SIP shares.

LTIP share awards with performance conditions are not included.

At the date of preparation of this report, Duncan Wanblad has met his shareholding requirements and has net shareholdings (including Bonus Shares) equal to 776% of basic salary. John Heasley has net shareholdings equal to 131% of basic salary and is expected to meet his shareholding requirement of three times salary by 1 December 2028. These holdings are calculated using the average share price between 1 October and 31 December 2023 of £20.98.

During 2023, Stephen Pearce stepped down from the Board. He is required to retain holdings in Anglo American to satisfy the post-cessation shareholding requirement. The post-cessation shareholding requirement states that executive directors must for two years from the date they step down from the Board retain shares equal to the lower of their in-post shareholding requirement or their actual holdings as at the date of cessation. Stephen had built substantial holdings of Anglo American shares and as such his shareholding requirement will be his in-post requirement 300% of his final salary. At the year end, Stephen Pearce retained holdings well above the required level.

Stephen Pearce must retain shares up until 1 December 2025.

Differences from 31 December 2023 to 21 February 2024

Duncan Wanblad's interests increased by 28 shares during the period between 31 December 2023 to 21 February 2024, as a result of the acquisition of shares under the SIP. His total holdings therefore increased to 823,164. There have been no other changes in the interests of the directors in shares between 31 December 2023 and 21 February 2024.

Shares in Anglo American plc at 31 December 2023

Directors	Beneficial	Within a holding period	Conditional (no performance conditions) BSP Bonus Shares	SIP	SAYE (options over shares)	Conditional (with performance conditions) LTIP	NCA	Total
Duncan Wanblad	360,528	81,199	61,166	6,397	—	313,846	—	823,136
John Heasley	—	—	—	—	—	—	95,287	95,287
Stuart Chambers	19,478	—	—	—	—	—	—	19,478
Magali Anderson	641	—	—	—	—	—	—	641
Ian Ashby[(1)]	2,671	—	—	—	—	—	—	2,671
Marcelo Bastos	1,803	—	—	—	—	—	—	1,803
Hilary Maxson	500	—	—	—	—	—	—	500
Hixonia Nyasulu	2,564	—	—	—	—	—	—	2,564
Nonkululeko Nyembezi	4,029	—	—	—	—	—	—	4,029
Ian Tyler	701	—	—	—	—	—	—	701
Former directors								
Stephen Pearce[(2)]	378,288	102,741	63,147	2,205	807	245,395	—	792,583

(1) Included in the beneficial interests of Ian Ashby are shares held via unsponsored ADRs.
(2) Stephen Pearce stepped down from the board on 1 December 2023. His interests are shown as at this date.

Fairness

Introduction
In 2020, we introduced this dedicated fairness section to the remuneration report, incorporating disclosures that demonstrate the Committee's belief that our remuneration structures are fair and appropriate.

Workforce engagement on remuneration
The Committee takes into account a wide range of internal and external considerations when making decisions on executive remuneration, including engaging with relevant stakeholders.

Anglo American's Global Workforce Advisory Panel (the Panel) met on three occasions during the year. The Panel's purpose is to give the workforce more of a 'voice' in the Boardroom so their views can be better understood and considered when decisions are being made about the future of the business, including how the committee takes aboard the views of the wider workforce in making decisions on executive remuneration. The Panel operates alongside Anglo American's existing employee engagement mechanisms, such as regular employee engagement surveys and director interaction with employees.

▶ For more information on our People and workforce culture
See pages 66–75

▶ For more information on the operation of the Panel and the ways in which we currently engage with our workforce culture
See pages 161–162

MyShare
In 2022, we launched MyShare – a global all employee share scheme.

MyShare is a global employee share plan designed to facilitate employee share ownership, create greater equity in wealth creation opportunities across the wider global workforce and enhance employee engagement. The plan enables employees to share in the success of the Company and encourage employees to act as owners. It operates alongside our existing all-employee share ownership plans, including SIP and SAYE in the UK and the ESOPs in South Africa, promoting share ownership for all employees across the globe.

The MyShare offering consists of two elements:

- An annual award of free shares of £1,000 to all eligible employees
- The opportunity to participate in a purchase and match scheme through the deduction of a portion of their salary. Individuals can purchase up to £150 worth of shares per month. The Company matches all share purchases on a 1 to 1 basis.

Free shares and matched shares carry a two-year vesting period before they are released to individuals.

In September 2023, the second grant of free shares was made to all eligible employees. In total, awards were made to 12,766 employees across participating countries.

The related purchase and match scheme continued to exceed our target of 10% uptake, with 15% of eligible participants enrolling.

Remuneration arrangements elsewhere in the Group
The remuneration arrangements for the executive directors outlined on pages 186-188 are broadly aligned with those for other executives serving on the Executive Leadership Team (ELT), although opportunity levels vary. The arrangements are also broadly aligned with the arrangements for the wider workforce, dependent on seniority within the business. For further details of the cascade of pay elements through employee population, please see the table below.

Consideration of the views of the wider workforce and shareholders.
In reviewing and developing the 2023 remuneration policy, the Committee took into account:

- The internal context for remuneration policy design at Anglo American, including the remuneration arrangements that apply for other employee groups
- Developments in the governance landscape for executive remuneration in UK-listed companies
- The views of shareholders.

As a standing item in the annual agenda, the Committee reviews in detail how the remuneration arrangements for the executive directors' compare to those other members of the ELT, to ensure an appropriate balance between internal alignment and line of sight to an executive's own areas of responsibility. A further standing item presents the Committee with information on wider employee pay. The Committee welcomes feedback on the remuneration policy, which the Company facilitates through the wider engagement of employees on corporate matters as described elsewhere in this report (see pages 161-162). In addition, many of the Company's employees are shareholders, through the global employee share ownership arrangements, and many of them, like other shareholders, are able to express their views on directors remuneration at each general meeting.

Living wage
Anglo American has been an accredited Living Wage employer in the UK since 2014 via the Living Wage Foundation. In January 2023, we strengthened our commitment by receiving global Living Wage certification with the Fair Wage Network, formalising our status as a committed global employer. The Fair Wage Network is a trusted organisation that has developed an online database that covers Living Wage reference values for every country in the world and is considered an expert in this field.

A Living Wage analysis forms part of our annual pay review process so that we continue to pay workers above living wage thresholds for the localities in which they operate.

Additionally, we are an active member of the Business Fights Poverty 'Living Wage Peer Circle', which is a forum to collaborate, engage and share Living Wage insights with peers from across multiple industries.

Cascade of pay elements through employee population

The following table represents the cascade of our remuneration elements across our UK employee population.

Population	Remuneration element	Details
All UK employees	Salary	Salaries are determined based on the role and market rates; regular benchmarking exercises are taken to ensure salaries remain competitive against the market. We are an accredited Living Wage employer and all employees are paid at least the Real Living Wage.
	Pension	All employees are able to participate in the Company's Defined Contribution scheme.
	Benefits	All employees are eligible to participate in our range of benefits ranging from private medical coverage, occupational health services, and life assurance to a range of well-being and shopping benefits.
	SAYE	All employees are eligible to participate in the Company's SAYE scheme, which encourages employee share ownership and the opportunity to share in the value created in the Company.
	SIP	All employees who have been in employment for three months or more are eligible to participate in the Company's SIP scheme of partnership and matching shares. The Company matches the number of partnership shares bought on a 1:1 basis. All employees are also eligible to receive discretionary annual awards of free shares.
	Annual Bonus	Our UK permanent employees are eligible to participate in our annual bonus scheme. Performance for the bonus is determined on a team basis, ensuring that everyone is working towards the company's collective goals.
Management and senior management	LTIP	LTIP performance measures for the management population are the same as those for the executive directors, providing appropriate alignment. The LTIP ensures the focus of the decision-making population is on long term value creation.
Executive directors and ELT members	Shareholding requirements	The executive director shareholding requirements ensure greater alignment with interests of shareholders. ELT members are also subject to a shareholding requirement.

Our key SHE and ESG commitments flow through to the incentives for all eligible employees. The annual bonus scheme outcomes for all eligible employees are determined by team-based goals that include SHE measures, financial metrics and critical strategic measures. All eligible employees are incentivised to work collectively on key priorities in these areas, and are subject to a safety deductor. The LTIP awards granted to management and senior management include the performance measures applicable to our executive directors, which for 2024 include ESG measures relating to GHG emissions and Tailings.

Gender pay gap

Introduction

Closing our Gender Pay Gap continues to be a priority for us – we understand that striving for parity of pay for women reflects a culture where women are valued and can reach their full potential in the workplace. We also know that a business where women are proactively supported to reach their full potential will be better performing and sustainable in the long-term.

Initiatives such as our Global Carers' Leave Policy; our Responding to Domestic Violence Policy; our Global Bullying Harassment and Victimisation Policy and training and awareness around inclusive recruitment all contribute towards this end.

Creating a workplace where women can thrive is part of our broader inclusion approach and we continue to monitor and address issues that are barriers to women's progression through our Inclusion and Diversity Policy and work.

As at April 2023, women made up 55% of our UK HQ employees, the same as in 2022 at the same point. Over the year, female representation continued to increase across our total management population. By focusing on areas such as talent acquisition, development, succession planning and mentoring as well as intersectionality, we made sure we are on target to achieve our goal of having 33% female representation across our Executive Committee and those that report to it, from 18% in 2017 when UK gender pay gap legislation took effect.

We have made good progress and will continue to develop and embed initiatives designed to make a positive difference to women's experience in the workplace and help us to realise our vision of a truly inclusive workplace where everyone can thrive and contribute fully.

Summary

Anglo American Services (UK) Limited is the UK company that employs the majority of Anglo American's UK workforce and is predominantly engaged in the provision of head office corporate services to Anglo American's global operations. The following sets out the information required by the UK regulation for Anglo American Services (UK) Limited, as at 5 April 2023.

Our mean UK hourly pay gap of 32.4% is down 6.6% from 2022 and, while there has been improvement, the gap remains primarily a function of the representation of men in the most senior management roles in our UK head office, as shown most clearly in the quartile analysis. On a global basis, our gender pay gap[1] of c.16.4% reflects the far greater balance across the full breadth of our business activities.

[1] Weighted average gender pay gap of the basic pay of those employees in Australia, Brazil, Chile, Peru, Singapore, South Africa and the UK who are subject to the Anglo American Group-wide reward structures.

Hourly pay

Anglo American is a global mining business, headquartered in the UK, and the majority of the senior leadership team is UK-based. The gaps shown below are largely attributable to the fact that more men than women are working in more highly paid, senior roles.

At the snapshot date of 5 April 2023, Anglo American Services (UK) Ltd comprised of:

- A UK workforce of 498 employees of which 45% were men and 55% were women
- Although there has been a significant improvement year-on-year, the senior management population was made up of a substantially higher proportion of men (64%) than women (36%)
- A 32% mean and 23% median UK hourly pay gap (2022: 39% mean and 29% median).

Hourly pay gap ratios

The table below ranks Anglo American's 498 UK employees' hourly pay from lowest to highest and then splits the number of employees into equally sized groups.

Reflecting the hourly pay gap described above, this chart shows that there has been an increase in the upper quartile, where the percentage of women increased to 35%, however, the percentage of women in the upper middle quartile decreased year on year from 57% to 55%. Proportionally there remains more male employees than female employees in the higher pay quartiles.

Hourly pay quartiles

Hourly pay quartiles	2023 Percentage males in Quartile	2023 Percentage females in Quartile	2022 Percentage males in Quartile	2022 Percentage females in Quartile
Lower	25	75	23	77
Lower Middle	46	54	47	53
Upper Middle	45	55	43	57
Upper	65	35	66	34

Proportion of employees awarded a bonus for 2023

Anglo American's UK performance pay schemes operate irrespective of gender, with the majority of UK employees eligible to receive variable bonus pay during the year. 2023 saw 85% of male and 86% of female employees receive a bonus.

% awarded a bonus	2023	2022
Male	85%	81%
Female	86%	82%

The population for which bonus pay relates to was 501, reflecting the different rules for the statutory reporting of hourly rate and bonus figures.

Bonus pay gap

The factors driving the bonus pay gap are the same as for the hourly pay gap shown in metrics 1 and 2, being the imbalanced gender composition across the more senior roles in our UK headquarters. Variable performance pay structures for the most senior employees differ from those of the wider workforce, thereby further widening the gap. The decrease in the mean and median bonus pay gap for 2023 reflects the increasing proportion of female employees in more senior roles recognising there will be a lag given the vesting period for bonuses.

Bonus pay gap	2023	2022
Male	64%	75%
Female	53%	63%

The UK Gender Pay Gap Requirement

The UK Gender Pay Gap reporting requirement is a regulation under The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 that is designed to provide public transparency in relation to the difference between men's and women's earnings within a company.

This regulation came into effect on 6 April 2017 and all UK registered companies that employ, in the UK, 250 or more people are required to disclose the specifically defined information by 4 April 2024. The source data for the required information must be at the 'snapshot date' of 5 April 2023. Anglo American is confident that it complies with the UK's Equal Pay legislation, which governs the right to equal pay between men and women for equal work. I confirm the data reported is accurate.

Remuneration disclosures

10-year remuneration and returns

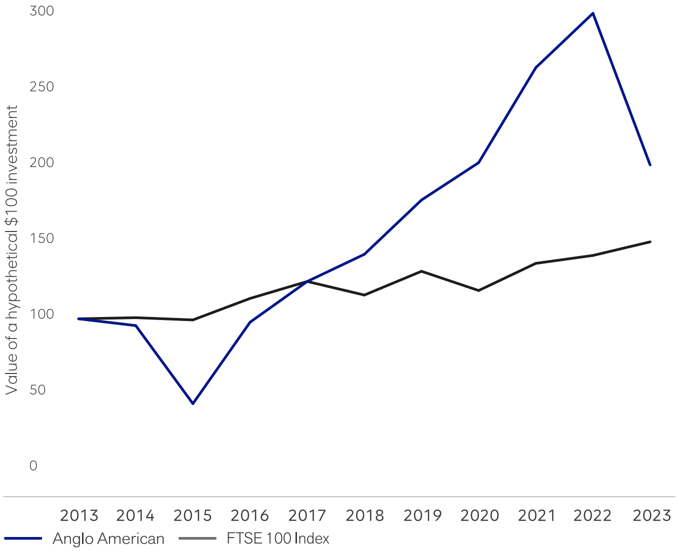
The TSR chart shows the Group's TSR performance against the performance of the FTSE 100 index from 1 January 2014 to 31 December 2023. The FTSE 100 index was chosen as this is a widely recognised broad index of which Anglo American has been a long term constituent. In comparison to the FTSE 100, the Company's TSR performance over this period is positive.

TSR is calculated in US dollars, and assumes all dividends are reinvested. The TSR level shown as at 31 December each year is the average of the closing daily TSR levels for the five-day period up to and including that date.

The table opposite shows the total remuneration earned by the incumbent chief executive over the same 10-year period, along with the proportion of maximum opportunity earned in relation to each type of incentive.

The total amounts are based on the same methodology as for the single figure table for executive directors on page 191 of this report.

10-year TSR performance



Source: Datastream

10-year CEO remuneration

Financial year ending	31 December, 2014	31 December, 2015	31 December, 2016	31 December, 2017	31 December, 2018	31 December, 2019	31 December, 2020	31 December, 2021	31 December, 2022	31 December, 2023
Duncan Wanblad										
Total remuneration (single figure, £'000)									4,393[(1)]	**3,603**
Annual bonus (% of maximum)									42.6%	**38.3%**
LTIP (% of maximum)									62.2%	**40.3%**
Mark Cutifani										
Total remuneration (single figure, £'000)	3,725	3,462	3,996	6,693	15,636	10,745	9,331	11,928	5,134[(1)]	**–**
Annual bonus (% of maximum)	60%	36.5%	87.5%	76.9%	63.4%	58%	54.6%	75.2%	42.6%	**–%**
LTIP (% of maximum)	–	50.0%	–%	50.0%	100%	92.5%	83.8%	90.0%	62.2%	**–%**

(1) Mark Cutifani and Duncan Wanblad's 2022 total remuneration figure has been restated with updated LTIP value based on actual share price at vesting and as outlined on page 197.

CEO pay ratio

The table shows our CEO pay ratio for 2023 based on our total UK population, and the methodology used for the calculation. At 36:1, the CEO pay ratio at the median has decreased from the median ratio of 72:1 (restated) in 2022. This is as a result of the following:

- In line with our executive director remuneration strategy, our chief executive pay comprises a higher proportion of incentive pay compared to the wider employee population. In particular, a significant proportion of the chief executive's total remuneration package is made up of LTIP shares, and therefore the chief executive's total remuneration is strongly influenced by the value of the LTIP awards at vesting.
- The value of LTIP awards vesting for the chief executive in respect of the three year performance period ended 31 December 2023 is significantly less compared to the prior year. This is a result of a lower vesting outcome, a fall in share price in 2023, and the vesting relating to LTIP awards granted to the current chief executive prior to joining the Board (which were at a lower level compared to his predecessor).
- The chief executive's total remuneration has fallen from £7.14 million to £3.6 million in 2023, largely due to the LTIP vesting level.

The total remuneration of the median employee has increased from £98,541 to £101,277. This is due to the median employee this year being on a higher salary, due in part to an inflationary increase at the start of the year that was higher for the broader workforce than that implemented for the chief executive.

Option A has been used to calculate the ratio, being the most comprehensive methodology of the three prescribed methods. This methodology uses the full-time equivalent pay and benefits data for all UK employees during the year and compares the single-figure number for employees at the 25th, 50th and 75th percentiles against the chief executive at the snapshot date of 31 December 2023, the last day of the financial year.

The salary, benefits and share plan data has been taken on a full-time equivalent basis, however, the annual bonus and LTIP values have been taken on an estimated basis. All other elements were calculated in line with the methodology used for the chief executive.

The employee at the 50th percentile does not participate in a long term incentive plan and does not receive all benefits applicable to the chief executive. Therefore, the ratio is not a direct comparison with the total remuneration of the chief executive. Having reviewed the reasons for the change in the median pay ratio, the Company is satisfied that the ratio is appropriate.

Financial year ending	Method used	25th percentile	Median percentile	75th percentile
2023	**Option A**	**60:1**	**36:1**	**19:1**
2022[(1)]	Option A	122:1	72:1	41:1
2021	Option A	225:1	141:1	79:1
2020	Option A	188:1	126:1	74:1
2019	Option A	205:1	133:1	60:1

(1) 2022 numbers have been restated in line with the updated LTIP value based on actual share price at vesting and restated benefits value as outlined on page 197.

	Salary					Total remuneration				
CEO pay ratio	**2023**	2022	2021	2020	2019	**2023**	2022	2021	2020	2019
25th percentile employee	**£47,520**	£41,738	£44,761	£45,039	£41,706	**£60,088**	£58,523	£53,027	£49,805	£52,301
Median percentile employee	**£83,838**	£70,637	£60,029	£64,080	£54,810	**£101,277**	£98,541	£84,452	£74,193	£80,811
75th percentile employee	**£107,555**	£110,452	£99,176	£91,350	£108,200	**£189,059**	£173,168	£150,876	£126,812	£178,416

Change in directors' remuneration compared to UK employees

The following table sets out the directors' basic salary, benefits and annual bonus amounts between 2023 and 2020 and the year-on-year changes. We show the average change in each element for UK-based Anglo American Services (UK) Ltd and Anglo American Technical & Sustainability Services Ltd employees below ELT level (this excludes the De Beers and Crop Nutrients businesses' employees). This population is being used, as Anglo American plc does not have any direct employees. The chosen population is considered to be the most relevant employee comparator group, given the Group-wide nature of roles performed at the corporate head office.

The results show that the average UK employee salary has increased; the comparable salaries for employees who have been employed for both years shows a 9% rise from 2022. This is due to a combination of promotions and an 8% salary increase having being applied for all employees. Benefits have increased by 25% on a like-for-like basis, largely due to an increase in pension level. Bonus levels for employees on a like-for-like basis have fallen by 4%.

		2023[1] Salaries/ fees	2023[2] Benefits	2023 Bonus	2022[1] Salaries/ fees	2022[2] Benefits	2022 Bonus	2021[1] Salaries/ fees	2021[2] Benefits	2021 Bonus	2020[1] Salaries /fees	2020[2] Benefits	2020 Bonus
Executive directors													
Duncan Wanblad	£'000	1,300	210	1,046	1250	179	1117	0	0	0	0	0	0
	% change	4%	17%	(6%)	—%	—%	—%	—%	—%	—%	—%	—%	—%
John Heasley[3]	£'000	810	98		0	0	0	0	0	0	0	0	0
	% change	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
Non-executive directors													
Stuart Chambers[4]	£'000	804	5	0	773	8	0	714	9	0	700	7	0
	% change	4%	(31%)	—%	8%	(12%)	—%	2%	18%	—%	—%	46%	—%
Magali Anderson[5]	£'000	121		0	183		0	0	0	0	145	0	0
	% change	—%	—%	—%	—%	—%	—%	—%	—%	—%	4%	—%	—%
Ian Ashby	£'000	174	0	0	170	0	0	145	0	0	145	0	0
	% change	2%	—%	—%	17%	—%	—%	—%	—%	—%	10%	—%	—%
Marcelo Bastos	£'000	147	0	0	130	0	0	113	0	0	105	0	0
	% change	13%	—%	—%	15%	—%	—%	8%	—%	—%	2%	—%	—%
Hilary Maxson	£'000	154		0	132		0	105	0	0	0	0	0
	% change	17%	—%	—%	25%	—%	—%	—%	—%	—%	—%	—%	—%
Hixonia Nyasulu	£'000	134		0	130		0	113	0	0	100	0	0
	% change	3%	—%	—%	15%	—%	—%	13%	—%	—%	11%	—%	—%
Nonkululeko Nyembezi	£'000	141		0	137		0	120	0	0	115	0	0
	% change	3%	—%	—%	15%	—%	—%	—%	—%	—%	—%	—%	—%
Ian Tyler	£'000	206		0	183		0	0	0	0	145	0	0
	% change	13%	—%	—%	—%	—%	—%	—%	—%	—%	4%	—%	—%
Former directors													
Stephen Pearce[6][7]	£'000	903	478	743	868	92	791	843	63	1,330	826	37	965
	% change	4%	419%	(6%)	3%	46%	(41%)	2%	71%	38%	2%	(5%)	(4%)
UK employees	**£'000**	**112**	**26**	**63**	**111**	**24**	**77**	**105**	**21**	**98**	**106**	**19**	**92**
	% change[8]	**9%**	**25%**	**(4%)**	**6%**	**18%**	**(16%)**	**6%**	**28%**	**42%**	**5%**	**11%**	**7%**

(1) The Chairman and NED base fees increased in 2023 by 4%.
(2) Benefits for UK employees comprise pension and car allowances (where applicable), these being the most material.
(3) John Heasley joined the Board on 1 December 2023; values shown represent his full-year equivalent remuneration for comparability.
(4) Stuart Chambers' benefits in kind figure relates to the reimbursement of travel expenses during the year and the settlement of tax in relation to the reimbursement.
(5) Magali Anderson joined the Board on 1 April 2023; her fees are full-year equivalents for comparability.
(6) Stephen Pearce stepped down from the Board on 1 December 2023; values shown represent his full-year equivalent remuneration for comparability.
(7) The 2023 benefit value for Stephen Pearce includes a one-off relocation support payment of £377,358. The year-on-year change in benefits would be 9% if this support was excluded. Further details on the relocation support payment can be found on page 192.
(8) Annual salary increase for UK employees was 2%, 3% and 8% for 2021, 2022 and 2023 respectively; increases shown include pay uplifts from promotions.

Distribution statement for 2023

The table below sets out the total expenditure on employee reward over 2023, compared to profit generated by the Company and the dividends received by investors. Underlying earnings are shown, as this is one of the Group's key measures of performance, while employee numbers help put the payroll costs of employees into context.

Distribution statement		2023	2022[3]
Underlying earnings[1]	$m	**2,932**	6,036
	% change	**(51)**	(32)
Dividends payable for year to company shareholders[2]	$m	**1,564**	3,549
	% change	**(56)**	(12)
Distributions payable for year to non-controlling interests[2]	$m	**957**	1,566
	% change	**(39)**	(45)
Payroll costs for all employees	$m	**4,096**	3,849
	% change	**6**	1
Share buybacks	$m	**—**	—
	% change	**—**	(100)
Employee numbers	'000	**58**	57
	% change	**2**	(8)

(1) See page 227 for details on how underlying earnings are calculated.
(2) Includes value of special dividend paid in September 2021.
(3) Platinum Group Metals prior year number of employees was restated to exclude contractors.

Results of AGM shareholder votes on remuneration aspects

	Number of votes		
Vote	For	Against	Abstain
2022 Annual Report on Remuneration (at 2023 AGM)	855,645,764 (94.57%)	49,149,531 (5.43%)	19,226,899
2023 Remuneration Policy (at 2023 AGM)	867,857,873 (95.92%)	36,937,576 (4.08%)	19,226,745

External advisers and fees

Advisers		Fees for Committee assistance
Deloitte LLP	Appointed by the Committee as external advisers from November 2020 following a competitive tender process. Support during 2023 includes attendance and advice at Remuneration Committee meetings and advice on the remuneration elements relating to the announcement of the change of finance director. Other services provided to the Company Corporate tax advisory services; risk advisory services including cyber, governance and ethics; financial advisory services in relation to transformation, mergers and acquisitions and capital restructuring; legal managed services; and consulting services including, human capital, enterprise and legal technology, operational and strategy and management consulting.	£102,300

Directors' service agreements

The terms of employment are set out in the executive directors' service agreements which are rolling contracts with no fixed term. Notice periods for both executive directors are 12 months.

The dates of the executive directors' service agreements are set out below.

	Date of appointment
Duncan Wanblad	19 April 2022
John Heasley	1 December 2023

The chairman and NEDs are appointed by the Company under letters of appointment and do not have service agreements. The dates of appointment for each NED are set out below.

	Date of appointment
Stuart Chambers	1 September 2017
Magali Anderson	1 April 2023
Ian Ashby	25 July 2017
Marcelo Bastos	1 April 2019
Hilary Maxson	1 June 2021
Hixonia Nyasulu	1 November 2019
Nonkululeko Nyembezi	1 January 2020
Ian Tyler	1 January 2022

The Company's policy on termination is consistent with provisions relating to termination of employment in the executive directors' service agreements and with provisions in the incentive plan rules. Also set out are the key terms relating to change in control, where there is no termination. There are no provisions for enhanced payments in the event of a change in control of the Company.

Non-executive directors

All NEDs have letters of appointment with the Company and are expected to serve for an initial period of three years, subject to annual re-appointment by shareholders. The Company Chair's appointment may be terminated by either side giving six months' notice. All other NEDs have a notice period of one month. The appointment letters for the Chair and NEDs provide that no compensation is payable on termination, other than any accrued fees and expenses.

Remuneration Committee in 2023

Membership

The Committee comprised the independent NEDs listed on page 178 as at 31 December 2023.

External advisers to the Committee

The table on the previous page details the external advisers to the Committee and the fees paid for services provided during 2023. The fees for external advisers are charged on a time and expenses basis and are in accordance with the terms and conditions set out in each relevant engagement letter. Deloitte is one of the founding members of the Remuneration Consulting Group.

The Committee is satisfied that the Deloitte engagement team, which provides remuneration advice to the Committee, does not have connections with Anglo American plc or its directors that may impair its independence. The Committee reviewed the potential for conflicts of interest and judged that there were appropriate safeguards against such conflicts.

Approval

This directors' remuneration report has been approved by the Board of directors of Anglo American plc.

Signed on behalf of the Board of directors.

Ian Tyler
Chairman, Remuneration Committee

21 February 2024

Statement of directors' responsibilities

The directors are responsible for preparing the Integrated Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the Group financial statements in accordance with UK-adopted International Accounting Standards and the Parent Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Parent Company and of the profit or loss of the Group for that period. In preparing the financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently
- State whether applicable UK-adopted International Accounting Standards have been followed for the Group financial statements and United Kingdom Accounting Standards, comprising FRS 101 have been followed for the Parent Company financial statements, subject to any material departures disclosed and explained in the financial statements
- Make judgements and accounting estimates that are reasonable and prudent
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Parent Company will continue in business.

The directors are responsible for safeguarding the assets of the Group and Parent Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Parent Company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006.

The directors are responsible for the maintenance and integrity of the Parent Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

for the year ended 31 December 2023

The directors consider that the Integrated Annual Report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's and Parent Company's position and performance, business model and strategy.

We confirm that, to the best of our knowledge:

- the Group financial statements, which have been prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the Group
- the Parent Company financial statements, which have been prepared in accordance with United Kingdom Accounting Standards, comprising FRS 101, give a true and fair view of the assets, liabilities and financial position of the Parent Company and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Group and Parent Company, together with a description of the principal risks and uncertainties that it faces.

By order of the Board

Duncan Wanblad
Chief Executive

John Heasley
Finance Director

21 February 2024

Financial statements and other financial information

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Opinion

In our opinion:

- Anglo American plc's Group financial statements and Parent Company financial statements (the "financial statements") give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2023 and of the Group's profit and the Group's cash flows for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Integrated Annual Report 2023 (the "Annual Report"), which comprise: the Consolidated and Parent Company balance sheets as at 31 December 2023; the Consolidated income statement, the Consolidated statement of comprehensive income, the Consolidated cash flow statement and the Consolidated and Parent Company statements of changes in equity for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Audit Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in note 38, we have provided no non-audit services to the Parent Company or its controlled undertakings in the period under audit.

Our audit approach

Overview

Audit scope

- Our audit included full scope audits, audit of specific account balances or specified procedures at each of the Group's twelve in-scope businesses, joint ventures and associates ("components").
- Taken together, the components at which audit work was performed accounted for 98% of consolidated revenue, 95% of consolidated profit before tax and 94% of consolidated profit before tax, special items and remeasurements.

Key audit matters

- Assessment of impairment and impairment reversals for intangible assets, property, plant and equipment (Group) and investments in subsidiaries (Parent Company)
- Provisions for environmental restoration and decommissioning (Group)

Materiality

- Overall Group materiality: $400 million (2022: $400 million) based on approximately 3.4% of the Group's three year-average consolidated profit before tax, special items and remeasurements.
- Overall Parent Company materiality: $300 million (2022: $300 million) based on approximately 1% of the Parent Company's total assets.
- Performance materiality: $300 million (2022: $300 million) (Group) and $225 million (2022: $225 million) (Parent Company).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

The key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
Assessment of impairment and impairment reversals for intangible assets, property, plant and equipment (Group) and investments in subsidiaries (Parent Company)	
As at 31 December 2023, the Group has intangible assets of $1,479 million (2022: $2,828 million) and property, plant and equipment of $43,949 million (2022: $41,125 million). All of these asset categories require review for indicators of impairment, and where relevant, impairment reversal. The determination of whether an impairment or impairment reversal indicator exists can be judgemental. Management must determine the recoverable amount when impairment indicators or indicators of impairment reversal are identified. Goodwill is required to be tested for impairment at least annually. The Group's goodwill of $270 million (2022: $1,671 million), decreased following the impairment recorded during the year at De Beers of $1.6 billion. The determination of recoverable amount, being the higher of value-in-use ("VIU") and fair value less costs of disposal ("FVLCD"), requires judgement and estimation on the part of management in identifying and then determining the recoverable amounts for the relevant cash-generating units ("CGUs"). Recoverable amounts are based on management's view of key value driver inputs and external market conditions such as future commodity prices, budgeted operating expenditure, the timing and approval of future capital expenditure, and the most appropriate discount rate. As these assumptions were derived from observable data available to a market participant as required under IFRS, they are not necessarily aligned with the Paris Agreement scenario. Estimation uncertainty is considered to be significant due to the long lives of the majority of assets and uncertainty in the quantum and timing of cash flows, including the uncertain impact of climate change on the Group's operations, as described in note 7 to the financial statements. Impairment indicators were identified in the year for Minas-Rio (Iron Ore Brazil) and Barro Alto (Nickel). No indicators for impairment reversal were identified. As indicators for impairment were identified in respect of these CGUs, management prepared a detailed cash flow model on a FVLCD basis to estimate the recoverable amount. Management's analysis over those CGUs with indicators for impairment determined that an impairment loss during the year had occurred within the Barro Alto CGU of $0.8 billion. This includes the impairment of $0.4 billion recognised within Barro Alto at the half year ended 30 June 2023. Separately, the Group holds goodwill associated with the De Beers and Platinum Group Metals segments and the Los Bronces - Chagres (Copper Chile) CGU and so annual goodwill impairment tests are performed for these assets. Management's analysis over those assets with goodwill determined that an impairment loss had occurred at De Beers ($1.6 billion). Refer to notes 7 and 8 for management conclusions and the Audit Committee's views on page 170. At 31 December 2023, the Parent Company holds investments in subsidiaries amounting to $33,113 million (2022: $32,971 million). Investments in subsidiaries are accounted for at historical cost less accumulated impairment. Judgement is required to assess if impairment indicators exist and where indicators are identified, if the investment carrying value is supported by the recoverable amount. In forming this assessment, management compares the underlying net assets of the investments to their carrying amount and any other relevant facts and circumstances, including the impact of any impairments recorded in the Group financial statements. Refer to note 1 to the Parent Company's financial statements.	For all material finite-lived intangible assets and property, plant and equipment, we undertook the following to test management's assessment for indicators of impairment/impairment reversal: – we understood management's processes and evaluated the design and implementation of controls in respect of the impairment indicator assessment process; – we assessed the appropriateness of management's identification of the Group's CGUs; and – we evaluated and challenged management's assessment and judgements in respect of impairment/impairment reversal indicators, including ensuring that the impact of climate change, and recent commodity price and foreign exchange volatility, were appropriately considered in management's impairment indicator assessment and conclusions. For each CGU where indicators for impairment were identified, and in respect of the De Beers segment and other CGUs where an annual goodwill impairment test was required, management prepared a detailed cash flow model on a FVLCD basis to estimate the recoverable amount, or compared the carrying value to the fair value indicated by the share price of listed subsidiaries, where relevant. Our procedures in respect of each model included: – verifying the integrity of formulae and the mathematical accuracy of management's valuation models; – consideration of the impact of the latest life of asset plan assumptions and ensuring that the valuation model reflects the latest plans and, where relevant, sufficient value has been attributed to residual reserves and resources to the extent this would be undertaken by a third party market participant. This included assessing the competence and objectivity of management's internal technical experts in preparing the plan as well as reviewing the supporting information underpinning the internal expert's report, where appropriate; – assessing the reliability of management's forecast capital and operating expenses with reference to comparing budgeted results with actual performance in prior periods; – with the support of our valuations experts, assessing the discount rate used in each model and whether it fell within a reasonable range taking into account external market data. Our assessment of discount rates also included consideration of country and asset specific risks and challenging management to ensure that these had been appropriately captured in either the discount rate or underlying cash flow forecasts; – benchmarking management's forecast commodity price and foreign exchange assumptions against our own collated consensus data to assess whether they fell within an external analyst range. Specifically in respect of De Beers, we engaged our economics experts to challenge and assess the appropriateness of the methodology and assumptions used in deriving forecast diamond prices; – challenging and verifying that the cash flow forecasts appropriately captured and considered the impact of carbon emissions on price, mine plan costs and cost of capital, where material; – verifying that costs and benefits of the implementation of projects to mitigate physical climate risk were appropriately included in cash flow forecasts, where such costs and benefits have been incorporated into the approved life of asset plan; – assessing whether the assumptions had been determined and applied on a consistent basis, where relevant, across the Group; and – assessing the disclosure made over the impairment charges and sensitivities within note 8 to the financial statements and challenging management where any inconsistencies were noted.

Key audit matter	How our audit addressed the key audit matter
	Based on the procedures performed, we noted no material issues arising from our work. In respect of investments in subsidiaries in the Parent Company, we undertook the following to test management's assessment for indicators of impairment: – evaluated and challenged management's assessment and judgements, including ensuring that consideration had been given to the results of the Group's impairment assessment in respect of intangible assets and property, plant and equipment; – verified the mathematical accuracy of management's assessment including that the net assets of the subsidiaries being assessed agreed to the respective subsidiary balance sheet at 31 December 2023; and – examined management's assessment of other internal and external impairment indicators, including considering the market capitalisation of the Group with reference to the carrying value of investments in subsidiaries in the Parent Company to identify other possible impairment indicators. Based on the procedures performed, we noted no material issues arising from our work.

Key audit matter	How our audit addressed the key audit matter
Provisions for environmental restoration and decommissioning (Group)	
The Group has provisions for environmental restoration and decommissioning of $2,801 million as at 31 December 2023 (2022: $2,667 million). The calculation of these provisions requires management to estimate the quantum and timing of future costs, taking into account the unique nature of each site, the long timescales involved and the potential associated obligations. These calculations also require management to determine an appropriate rate to discount future costs to their net present value. Management reviews the environmental restoration and decommissioning obligations at each reporting period, using experts to provide support in its assessment where appropriate. This review incorporates the effects of any changes in local regulations, mining disturbance and rehabilitation activities that have taken place during the year, and management's anticipated approach to restoration and rehabilitation. During the 2023 financial year, the Group announced its significant progress towards conformance for all tailings dams in the highest priority rankings according to the GISTM. The Group continues to refine designs and all material costs of conformance with GISTM have been recorded within decommissioning and environmental restoration provisions. Refer to note 16 for management's conclusions and the Audit Committee's views on page 171.	We assessed management's process for the review of environmental restoration and decommissioning provisions and, for those estimates we consider to be material, performed detailed testing in respect of the cost estimates. We validated the existence of legal and/or constructive obligations with respect to the provision and considered whether the intended method of restoration and rehabilitation was appropriate. We evaluated the competence and objectivity of management's experts who produced cost estimates. We read correspondence between management and management's experts, as well as with mining regulatory bodies, where applicable, and also held meetings with the experts, where relevant, to understand their methodology and inputs. We considered whether any risks associated with climate change impacted either the timing or extent of remediation activities. For certain of the Group's environmental restoration and decommissioning provisions, we engaged our own internal experts to assess the work performed by management's expert. This assessment included a review of any potential contingent liabilities which are not provided for, and identification of any other potential costs requiring recognition or disclosure that could be material. In assessing the appropriateness of cost estimates, we focused on validating that costs underpinning the accounting provision represent management's and the experts' best estimate of expenditure, based on the current extent of mine disturbance as well as any risk adjustments included in the estimate. In respect of claims that have been made by regulatory authorities or government bodies regarding closure estimates, we met with legal counsel, where relevant, to assess the probable outcomes in relation to ongoing claims and exposure and areas where legal requirements are open to interpretation. We assessed the timing of the cash flows and discount rates applied to calculate the present value of estimated costs by comparing the rates applied by management to the yields on government bonds with maturities approximating the timing of cash flows for each territory and currency. Specifically in relation to the Group's conformance with the GISTM, we obtained the assessments performed by management to ensure cost estimates had been included for any material expenditure required with respect to the tailings facilities. We validated the integrity of formulae and mathematical accuracy of management's calculations. Based on the procedures performed, we noted no material issues arising from our work.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group and the Parent Company, the accounting processes and controls, and the industry in which they operate.

The Group is organised into eight reportable segments – De Beers, Copper, Platinum Group Metals, Iron Ore, Steelmaking Coal, Nickel, Manganese and Crop Nutrients, as well as a Corporate function. Each segment is further divided into businesses which align to discrete country or joint venture operations. We have identified each business as a component, with each component typically representing a consolidation of a number of discrete country operations.

The Group's accounting processes for managed operations are structured around a local finance function at each component, which is supported by the Group's central functions including: i) one of the Group's three shared service centres in South Africa, Brazil or Australia; and ii) with the exception of De Beers and Steelmaking Coal, the Group's Marketing business in Singapore where the majority of the Group's commodity sales are transacted and processed. Each component reports to the Group through an integrated consolidation system.

Based on our risk and materiality assessments, we determined which components required an audit of their complete financial information having consideration to the relative significance of each component to the Group, locations with significant inherent risks and the overall coverage obtained over each material line item in the consolidated financial statements.

We scoped in ten components requiring an audit of their complete financial information, of which five were considered to be financially significant components. The additional five components subject to a complete audit were selected due to specific risk characteristics and in order to achieve sufficient coverage in respect of each material line item in the financial statements, including the Group's Corporate function. In addition, one component was scoped in for an audit of specific account balances and one component was scoped in for specified procedures to obtain appropriate coverage of all material balances.

Recognising that not every operation or business in a component is included in our Group audit scope, we considered as part of our Group audit oversight responsibility what audit coverage had been obtained in aggregate by our component teams by reference to operations or businesses at which audit work had been undertaken. For all other components, the Group team performed analytical review procedures.

Where the work was performed by component audit teams or at a central function, we determined the level of involvement we needed to have in the audit work at those components to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the Group financial statements as a whole.

The Group audit team visited component teams and local operations in South Africa, Singapore and Brazil during the 2023 audit. This is in addition to site visits to component teams and local operations in Chile, Peru, South Africa, Australia and Singapore in the prior year. Furthermore, our oversight procedures included the issuance of formal, written instructions to component auditors setting out the work to be performed at each location and regular communication throughout the audit cycle including regular component calls through video conferencing, review of component auditor workpapers and participation in audit clearance meetings.

Taken together, the components where we performed our audit work accounted for 98% of consolidated revenue, 95% of consolidated profit before tax and 94% of consolidated profit before tax, special items and remeasurements. This was before considering the contribution to our audit evidence from performing audit work at the Group level, including disaggregated analytical review procedures and our evaluation of entity level controls, which covers a significant portion of the Group's smaller and lower risk components that were not directly included in our Group audit scope.

The financial statements of the Parent Company are prepared using the same accounting processes as the Group's central functions and were audited by the Group audit team.

The impact of climate risk on our audit

Climate change is one of the Group's principal risks. As part of our audit, we made enquiries of management to understand its process to assess the extent of the potential impact of climate change risks on the Group and its financial statements. Management has explained how it has considered the impact of climate change on the financial statements, including specifically in respect of cash flow projections for impairment testing, in note 7 to the financial statements. This includes its consideration of risks and opportunities that could impact the financial statements.

We used our knowledge of the Group to consider the risk assessment performed by management, including its assessment of the strategic and financial resilience of the Group's portfolio under various scenarios. Management remains committed to achieving its previously stated 2040 climate ambitions. During 2022, management engaged the Carbon Trust to conduct an independent assessment to provide external verification regarding the alignment of the Group's Scope 1 and 2 ambitions with a well-below 2° scenario. As a result of this assessment, and recognising that with forecasts of any type there is a margin of error, management has confidence that capital deployment in accordance with the Group's operational carbon neutrality ambitions is capital aligned with a contribution to achieving the goals of the Paris Agreement. For financial statement reporting purposes, as detailed in note 7, no specific climate scenario is used when determining asset valuations as no single scenario is representative of management's best estimate of the likely assumptions that would be used by a market participant when valuing the Group's assets. The forecasts for determining asset valuations also include an adjustment for the cost of unabated future Scope 1 and 2 emissions irrespective of whether each jurisdiction currently has a carbon tax or similar regime in place.

We considered management's financial statement reporting risk assessment in respect of climate change, focusing on those areas considered to be most heavily impacted such as management's impairment assessment over non-current assets. Whilst the impact is uncertain, we particularly considered the impact of both physical and transition risks arising due to climate change, as well as related opportunities and climate targets made by the Group, including any incremental capital expenditure and/or operating costs, on the recoverable value of the Group's assets.

The Group has set climate targets, which include a commitment to be carbon neutral (Scopes 1 and 2) by 2040. Whilst a pathway has been set out to achieve this commitment, further project studies are required to determine how specific categories of emissions can be managed effectively. As a result, not all costs and benefits associated with the projects that will be required to achieve this commitment are included in forward looking estimates including those used to determine the recoverable amount of the Group's assets. However, this is factored into asset valuations through the application of a carbon cost as described above. Where the Group has a high degree of confidence that projects supporting the achievement of these targets are technically feasible, the related costs and benefits are included in the relevant Life of Asset Plan and relevant forward looking estimates.

The useful lives of the Group's mines are reassessed annually and changes could impact depreciation charges and timing of mine restoration activities. Based on the current life of asset plans there were no indications that useful lives had been materially impacted by climate change. Our work on impairment is further described in the relevant Key Audit Matter. We have also read the disclosures made in relation to climate change, in the other information within the Annual Report, and considered their consistency with the financial statements and our knowledge from our audit.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements – Group	Financial statements – Parent Company
Overall materiality	$400 million (2022: $400 million).	$300 million (2022: $300 million).
How we determined it	approximately 3.4% of the Group's three year-average consolidated profit before tax, special items and remeasurements	approximately 1% of the Parent Company's total assets
Rationale for benchmark applied	Profit before tax, special items and remeasurements is used as the materiality benchmark. The directors use this measure as they believe that it reflects the underlying performance of the Group. We consider that it is most appropriate to calculate materiality based on a three-year average of profit before tax, special items and remeasurements to respond to longer-term trends in commodity markets and to dampen the impact of short-term price volatility. We used judgement to cap our materiality at $400 million.	We considered total assets to be an appropriate benchmark for the Parent Company, given that it is the ultimate holding company and holds material investments in subsidiary undertakings. We used judgement to cap our materiality at $300 million.

For each component in the scope of our Group audit, we allocated a materiality that is less than our overall Group materiality. The range of materiality allocated across components was $60 million to $110 million.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2022: 75%) of overall materiality, amounting to $300 million (2022: $300 million) for the Group financial statements and $225 million (2022: $225 million) for the Parent Company financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above $20 million (Group audit) (2022: $20 million) and $15 million (Parent Company audit) (2022: $15 million) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the Group's and the Parent Company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining and examining management's base case forecast and downside scenarios, which include pricing and production downsides alongside a significant operational incident, and checking that the forecasts have been subject to board review and approval;
- Considering the historical reliability of management forecasting for cash flow and net debt by comparing budgeted results to actual performance;
- Checking the key inputs into the models, such as commodity prices and production forecasts, to ensure that these were consistent with our understanding and the inputs used in other key accounting judgements in the financial statements;
- Performing our own independent sensitivity analysis to understand the impact of changes in cash flow and net debt on the resources available to the Group;
- Checking the covenants applicable to the Group's borrowings and examining whether management's assessment supports ongoing compliance with those covenants; and
- Reading management's paper to the Audit Committee in respect of going concern, and agreeing the forecasts set out in this paper to the underlying base case cash flow model.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Group's and the Parent Company's ability to continue as a going concern.

In relation to the directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic Report and Directors' report
In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' report for the year ended 31 December 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Group and Parent Company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' report.

Directors' Remuneration
In our opinion, the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

Corporate governance statement

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the Parent Company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement, included within the Directors' report is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the Group's and Parent Company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the Group's and Parent Company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the Parent Company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the Group and Parent Company was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the Group and Parent Company and their environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the Group's and Parent Company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the Parent Company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements
As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Group and industry, we identified that the principal risks of non-compliance with laws and regulations related to the failure to comply with environmental regulations, health and safety regulations and anti-bribery and corruption laws, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 and applicable tax legislation in the jurisdictions in which the Group has material operations. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in accounting estimates. The Group engagement team shared this risk assessment with the component auditors so that they could include appropriate audit procedures in response to such risks in their work. Audit procedures performed by the Group engagement team and/or component auditors included:

– Understanding and evaluating the design and implementation of controls designed to prevent and detect irregularities and fraud;
– Inquiry of management, Internal Audit and the Group's legal advisors regarding their consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
– Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
– Challenging assumptions and judgements made by management in respect of significant accounting judgements and estimates, and assessing these judgements and estimates for management bias.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Parent Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

– we have not obtained all the information and explanations we require for our audit; or
– adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
– certain disclosures of directors' remuneration specified by law are not made; or
– the Parent Company financial statements and the part of the Directors' remuneration report to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Appointment

Following the recommendation of the Audit Committee, we were appointed by the members on 5 May 2020 to audit the financial statements for the year ended 31 December 2020 and subsequent financial periods. The period of total uninterrupted engagement is four years, covering the years ended 31 December 2020 to 31 December 2023.

Other matter

In due course, as required by the Financial Conduct Authority Disclosure Guidance and Transparency Rule 4.1.14R, these financial statements will form part of the ESEF-prepared annual financial report filed on the National Storage Mechanism of the Financial Conduct Authority in accordance with the ESEF Regulatory Technical Standard ('ESEF RTS'). This auditors' report provides no assurance over whether the annual financial report will be prepared using the single electronic format specified in the ESEF RTS.

Mark King (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
21 February 2024

Consolidated income statement

for the year ended 31 December 2023

US$ million	Note	2023 Before special items and remeasurements	2023 Special items and remeasurements (note 9)	2023 Total	2022 Before special items and remeasurements	2022 Special items and remeasurements (note 9)	2022 Total
Revenue	2	30,656	(4)	30,652	35,127	(9)	35,118
Operating costs		(24,100)	(2,648)	(26,748)	(24,203)	(1,672)	(25,875)
Operating profit	1, 2	6,556	(2,652)	3,904	10,924	(1,681)	9,243
Non-operating special items	9	—	(100)	(100)	—	(77)	(77)
Net income from associates and joint ventures	2, 14	378	—	378	641	—	641
Profit before net finance costs and tax		6,934	(2,752)	4,182	11,565	(1,758)	9,807
Investment income		427	—	427	214	—	214
Interest expense		(990)	—	(990)	(515)	—	(515)
Other net financing gains/(losses)		7	(31)	(24)	(41)	15	(26)
Net finance costs	4	(556)	(31)	(587)	(342)	15	(327)
Profit before tax		6,378	(2,783)	3,595	11,223	(1,743)	9,480
Income tax expense	5	(2,337)	86	(2,251)	(3,570)	114	(3,456)
Profit for the financial year		4,041	(2,697)	1,344	7,653	(1,629)	6,024
Attributable to:							
Non-controlling interests	27	1,109	(48)	1,061	1,617	(107)	1,510
Equity shareholders of the Company		2,932	(2,649)	283	6,036	(1,522)	4,514
Earnings per share (US$)							
Basic	3	2.42	(2.19)	0.23	4.97	(1.25)	3.72
Diluted	3	2.40	(2.17)	0.23	4.92	(1.24)	3.68

Consolidated statement of comprehensive income

for the year ended 31 December 2023

US$ million	2023	2022
Profit for the financial year	1,344	6,024
Items that will not be reclassified to the income statement (net of tax)[1]		
Remeasurement of net retirement benefit obligation	(53)	(207)
Net revaluation (loss)/gain on equity investments	(40)	20
Items that have been or may subsequently be reclassified to the income statement (net of tax)[1]		
Net exchange differences:		
Net loss (including associates and joint ventures)	(938)	(1,153)
Cumulative loss transferred to the income statement on disposal of foreign operations	9	—
Revaluation of cash flow hedges:		
Net revaluation loss	(11)	(80)
Other comprehensive loss for the financial year (net of tax)	(1,033)	(1,420)
Total comprehensive income for the financial year (net of tax)	311	4,604
Attributable to:		
Non-controlling interests	850	1,285
Equity shareholders of the Company	(539)	3,319

[1] Tax amounts are shown in note 5C.

Consolidated balance sheet
as at 31 December 2023

US$ million	Note	2023	2022 (restated)[1]
ASSETS			
Non-current assets			
Intangible assets	11	1,479	2,828
Property, plant and equipment	12	43,949	41,125
Environmental rehabilitation trusts	16, 24	108	107
Investments in associates and joint ventures	14	1,066	1,056
Financial asset investments	15	391	390
Inventories	18	847	809
Trade and other receivables	19	467	440
Deferred tax assets	17	262	198
Derivative financial assets	24	238	49
Pension asset surplus and other non-current assets		410	469
Total non-current assets		49,217	47,471
Current assets			
Inventories	18	6,387	6,598
Trade and other receivables	19	4,516	4,483
Current tax assets		170	201
Derivative financial assets	24	118	204
Current financial asset investments	15	48	38
Cash and cash equivalents	21	6,088	8,412
Total current assets		17,327	19,936
Total assets		66,544	67,407
LIABILITIES			
Current liabilities			
Trade and other payables	20	(6,511)	(7,380)
Short term borrowings	21, 22	(1,740)	(1,420)
Provisions for liabilities and charges	16	(684)	(684)
Current tax liabilities		(326)	(569)
Derivative financial liabilities	24	(94)	(441)
Total current liabilities		(9,355)	(10,494)
Non-current liabilities			
Trade and other payables	20	(189)	(249)
Medium and long term borrowings	21, 22	(15,172)	(12,945)
Royalty liability	24	(578)	(510)
Retirement benefit obligations	29	(531)	(510)
Deferred tax liabilities	17	(5,580)	(5,249)
Derivative financial liabilities	24	(648)	(888)
Provisions for liabilities and charges	16	(2,874)	(2,609)
Total non-current liabilities		(25,572)	(22,960)
Total liabilities		(34,927)	(33,454)
Net assets		31,617	33,953
EQUITY			
Called-up share capital	26	734	734
Share premium account		2,558	2,558
Own shares	26	(6,275)	(6,272)
Other reserves		(12,820)	(12,070)
Retained earnings		40,860	42,368
Equity attributable to equity shareholders of the Company		25,057	27,318
Non-controlling interests	27	6,560	6,635
Total equity		31,617	33,953

(1) Comparative figures are restated for the adoption of the amendment to IAS 12, see note 39A.

The financial statements of Anglo American plc, registered number 03564138, were approved by the Board of directors on 21 February 2024 and signed on its behalf by:

Duncan Wanblad
Chief Executive

John Heasley
Finance Director

Consolidated cash flow statement

for the year ended 31 December 2023

US$ million	Note	2023	2022
Cash flows from operating activities			
Profit before tax		3,595	9,480
Net finance costs including financing special items and remeasurements	4	587	327
Net income from associates and joint ventures	14	(378)	(641)
Non-operating special items	9	100	77
Operating profit	1	3,904	9,243
Revenue and operating special items and remeasurements	9	2,652	1,681
Cash element of special items		(89)	(12)
Depreciation and amortisation	1	2,685	2,446
Share-based payment charges		175	215
Increase in provisions and net retirement benefit obligations		25	250
Decrease/(increase) in inventories		2	(1,776)
Increase in operating receivables		(384)	(374)
(Decrease)/increase in operating payables		(785)	48
Other adjustments		(70)	168
Cash flows from operations		8,115	11,889
Dividends from associates and joint ventures	14	379	602
Dividends from financial asset investments		3	—
Income tax paid		(2,001)	(2,726)
Net cash inflows from operating activities		6,496	9,765
Cash flows from investing activities			
Expenditure on property, plant and equipment	13	(5,876)	(6,191)
Cash flows used in derivatives related to capital expenditure	13	(3)	—
Proceeds from disposal of property, plant and equipment	13	16	7
Investments in associates and joint ventures	14	(15)	(37)
Expenditure on intangible assets		(133)	(129)
Net issuance of financial asset investments	15	(63)	(142)
Interest received and other investment income		377	181
Net cash outflow on acquisitions		(10)	—
Net cash inflow on disposals	34	210	564
Other investing activities		(63)	(70)
Net cash used in investing activities		(5,560)	(5,817)
Cash flows from financing activities			
Interest paid		(701)	(420)
Cash flows used in derivatives related to financing activities	21	(605)	(1)
Dividends paid to Company shareholders	6	(1,564)	(3,549)
Distributions paid to non-controlling interests	27	(978)	(1,794)
Proceeds from issuance of bonds		1,950	1,963
Proceeds from other borrowings		1,113	1,537
Capital repayment of lease obligations		(309)	(266)
Repayments of bonds and borrowings		(1,650)	(1,098)
Purchase of shares by Group companies		(274)	(527)
Other financing activities		(205)	(213)
Net cash used in financing activities		(3,223)	(4,368)
Net decrease in cash and cash equivalents		(2,287)	(420)
Cash and cash equivalents at start of year	21	8,400	9,057
Cash movements in the year		(2,287)	(420)
Effects of changes in foreign exchange rates		(39)	(237)
Cash and cash equivalents at end of year	21	6,074	8,400

Consolidated statement of changes in equity

for the year ended 31 December 2023

US$ million	Total share capital[1]	Own shares[2]	Retained earnings	Cumulative translation adjustment reserve	Other reserves (note 26)	Total equity attributable to equity shareholders of the Company	Non-controlling interests	Total equity
At 31 December 2021	3,295	(6,141)	41,716	(11,696)	651	27,825	6,945	34,770
Adoption of amendments to IAS 12 (see note 39A)	—	—	(43)	—	—	(43)	(28)	(71)
At 1 January 2022 (restated)	3,295	(6,141)	41,673	(11,696)	651	27,782	6,917	34,699
Profit for the year	—	—	4,514	—	—	4,514	1,510	6,024
Other comprehensive loss	—	—	(183)	(963)	(49)	(1,195)	(225)	(1,420)
Dividends	—	—	(3,549)	—	—	(3,549)	(1,566)	(5,115)
Equity settled share-based payment schemes[3]	—	397	(59)	—	1	339	(1)	338
Treasury shares purchased[3]	—	(527)	—	—	—	(527)	—	(527)
Shares cancelled during the year	(3)	—	—	—	3	—	—	—
Other	—	(1)	(28)	—	(17)	(46)	—	(46)
At 31 December 2022 (restated)	**3,292**	**(6,272)**	**42,368**	**(12,659)**	**589**	**27,318**	**6,635**	**33,953**
Profit for the year	**—**	**—**	**283**	**—**	**—**	**283**	**1,061**	**1,344**
Other comprehensive loss	**—**	**—**	**(45)**	**(730)**	**(47)**	**(822)**	**(211)**	**(1,033)**
Dividends	**—**	**—**	**(1,564)**	**—**	**—**	**(1,564)**	**(957)**	**(2,521)**
Equity settled share-based payment schemes	**—**	**272**	**(137)**	**—**	**25**	**160**	**(3)**	**157**
Treasury shares purchased	**—**	**(275)**	**—**	**—**	**—**	**(275)**	**—**	**(275)**
Change in ownership interest in subsidiaries	**—**	**—**	**(38)**	**—**	**—**	**(38)**	**37**	**(1)**
Other	**—**	**—**	**(7)**	**—**	**2**	**(5)**	**(2)**	**(7)**
At 31 December 2023	**3,292**	**(6,275)**	**40,860**	**(13,389)**	**569**	**25,057**	**6,560**	**31,617**

[1] Includes share capital and share premium.
[2] Own shares comprise shares of Anglo American plc held by the Company, its subsidiaries and employee benefit trusts (note 26).
[3] The prior year equity settled share-based payment schemes were presented net of treasury shares purchased. Comparatives were re-presented to align with the current presentation.

Notes to the financial statements

Financial performance

Profit attributable to equity shareholders decreased by 94% to $283 million (2022: $4,514 million).
Underlying earnings decreased by 51% to $2,932 million (2022: $6,036 million).

Profit attributable to equity shareholders

$0.3 bn

(2022: $4.5 bn)

The following disclosures provide further information about the drivers of the Group's financial performance in the year. This includes analysis of the respective contribution of the Group's reportable segments along with information about its operating cost base, net finance costs and tax. In addition, disclosure on earnings per share and the dividend is provided.

1. Operating profit from subsidiaries and joint operations

Overview

US$ million	Note	2023	2022
Revenue before special items and remeasurements		30,656	35,127
Operating costs:			
Employee costs	28	(3,839)	(3,630)
Depreciation of property, plant and equipment		(2,623)	(2,401)
Amortisation of intangible assets		(62)	(45)
Third-party commodity purchases		(4,488)	(6,350)
Consumables, maintenance and production input costs		(7,464)	(5,492)
Logistics, marketing and selling costs		(2,749)	(2,898)
Royalties		(971)	(1,238)
Exploration and evaluation		(319)	(322)
Net foreign exchange gains/(losses)		45	(6)
Other operating income		190	313
Other operating expenses		(1,820)	(2,134)
Operating profit before special items and remeasurements		6,556	10,924
Revenue special items and remeasurements	9	(4)	(9)
Operating special items and remeasurements	9	(2,648)	(1,672)
Operating profit		3,904	9,243

Royalties exclude items which meet the definition of income tax on profit and which have been accounted for as taxes. Exploration and evaluation excludes associated employee costs. The full exploration and evaluation expenditure (including associated employee costs) is presented in the table below:

Operating profit before special items and remeasurements is stated after charging:

US$ million	2023	2022
Exploration expenditure	(145)	(155)
Evaluation expenditure	(197)	(191)
Research and development expenditure	(147)	(167)
Provisional pricing adjustment	(6)	(96)

Accounting policy

See note 39C for the Group's accounting policy on revenue and exploration and evaluation expenditure.

Financial performance

2. Financial performance by segment

Overview

The Group's operating segments are aligned to those businesses that are evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. Operating segments with similar economic characteristics are aggregated into reportable segments.

The Group aggregates the following operating segments into reportable segments:

- Kumba Iron Ore and Iron Ore Brazil are aggregated into Iron Ore
- Copper Chile and Copper Peru are aggregated into Copper.

Shipping revenue related to shipments of the Group's products is shown within the relevant operating segment. Revenue from other marketing and trading activities from shipping and energy solutions within the Marketing business is presented within the 'Corporate and other' segment, which also includes unallocated corporate costs and exploration costs.

The disclosures in this note include certain Alternative Performance Measures (APMs). For more information on the APMs used by the Group, including definitions, please refer to page 318.

Segment results

							2023
US$ million	Group revenue	Underlying EBITDA	Depreciation and amortisation	Underlying EBIT	Net finance costs and income tax expense	Non-controlling interests	Underlying earnings
Copper	7,360	3,233	(782)	2,451	(1,127)	(225)	1,099
Nickel	653	133	(71)	62	3	—	65
Platinum Group Metals	6,734	1,209	(354)	855	(226)	(181)	448
De Beers	4,267	72	(324)	(252)	(113)	51	(314)
Iron Ore	8,000	4,013	(464)	3,549	(987)	(770)	1,792
Steelmaking Coal	4,153	1,320	(498)	822	(138)	—	684
Manganese	670	231	(86)	145	(77)	(2)	66
Crop Nutrients	225 [(1)]	(60)	(1)	(61)	(14)	—	(75)
Corporate and other	440	(193)	(210)	(403)	(447)	17	(833)
	32,502	9,958	(2,790)	7,168	(3,126) [(2)]	(1,110)	2,932
Less: associates and joint ventures	(1,846)	(717)	105	(612)	233	1	(378)
Subsidiaries and joint operations	30,656	9,241	(2,685)	6,556	(2,893)	(1,109)	2,554
Reconciliation:							
Net income from associates and joint ventures				378			378
Special items and remeasurements	(4)			(2,752)			(2,649)
Revenue	30,652						
Profit before net finance costs and tax				4,182			
Profit attributable to equity shareholders of the Company							283

							2022
US$ million	Group revenue	Underlying EBITDA	Depreciation and amortisation	Underlying EBIT	Net finance costs and income tax expense	Non-controlling interests	Underlying earnings
Copper	5,599	2,182	(587)	1,595	(684)	(151)	760
Nickel	858	381	(64)	317	(58)	—	259
Platinum Group Metals	10,096	4,417	(365)	4,052	(1,132)	(654)	2,266
De Beers	6,622	1,417	(423)	994	(334)	(108)	552
Iron Ore	7,534	3,455	(493)	2,962	(927)	(698)	1,337
Steelmaking Coal	5,034	2,749	(380)	2,369	(729)	—	1,640
Manganese	840	378	(66)	312	(161)	(3)	148
Crop Nutrients	254 [(1)]	(44)	(1)	(45)	(6)	—	(51)
Corporate and other	554	(440)	(153)	(593)	(276)	(6)	(875)
	37,391	14,495	(2,532)	11,963	(4,307) [(2)]	(1,620)	6,036
Less: associates and joint ventures	(2,264)	(1,125)	86	(1,039)	395	3	(641)
Subsidiaries and joint operations	35,127	13,370	(2,446)	10,924	(3,912)	(1,617)	5,395
Reconciliation:							
Net income from associates and joint ventures				641			641
Special items and remeasurements	(9)			(1,758)			(1,522)
Revenue	35,118						
Profit before net finance costs and tax				9,807			
Profit attributable to equity shareholders of the Company							4,514

(1) Group revenue in respect of Crop Nutrients principally relates to revenue from its associate, The Cibra Group, a fertiliser distributor based in Brazil.
(2) Comprises net finance costs of $593 million (2022: $358 million) and income tax expense of $2,533 million (2022: $3,949 million).

The segment results are stated after elimination of inter-segment interest and dividends and include an allocation of corporate costs.

Financial performance

2. Financial performance by segment continued

Further information

Group revenue by product

Segments predominantly derive revenue as follows – Copper: copper; De Beers: rough and polished diamonds; Platinum Group Metals: platinum group metals and nickel; Iron Ore: iron ore; Steelmaking Coal: steelmaking coal; Nickel: nickel; Manganese: manganese ore. Revenue reported within Corporate and other includes margins from marketing and trading activities in the Group's Energy Solutions activities and shipping services provided to third parties. See note 39C for the Group's accounting policy on revenue recognition.

Other revenue principally relates to iridium, gold, ruthenium and molybdenum. The revenue analysis below includes the Group's share of revenue in equity accounted associates and joint ventures excluding special items and remeasurements. See note 14.

	2023			2022		
US$ million	Revenue from contracts with customers	Revenue from other sources	Group revenue	Revenue from contracts with customers	Revenue from other sources	Group revenue
Copper	6,824	86	6,910	5,247	(80)	5,167
Nickel	1,046	47	1,093	1,422	15	1,437
Platinum	1,723	8	1,731	1,680	6	1,686
Palladium	1,681	9	1,690	2,542	6	2,548
Rhodium	1,509	22	1,531	4,066	21	4,087
Diamonds	4,198	69	4,267	6,608	14	6,622
Iron ore	6,548	606	7,154	6,597	(45)	6,552
Steelmaking coal	3,155	755	3,910	3,544	990	4,534
Thermal coal[1]	213	169	382	495	188	683
Manganese ore	—	670	670	—	840	840
Shipping	1,115	—	1,115	1,362	—	1,362
Other	1,770	279	2,049	1,484	389	1,873
	29,782	2,720	32,502	35,047	2,344	37,391
Reconciliation:						
Less: Revenue from associates and joint ventures	—	(1,846)	(1,846)	—	(2,264)	(2,264)
Special items and remeasurements	—	(4)	(4)	—	(9)	(9)
Revenue	29,782	870	30,652	35,047	71	35,118

(1) For the year ended 31 December 2023, thermal coal represents 1% of Group revenue and comprises sales volumes of 15.3Mt. These arise from transitional marketing support provided to Thungela Resources, purchases from other third parties included within the Marketing business' energy solutions activities, and secondary product sales from the Steelmaking Coal business.

Revenue from other sources for subsidiaries and joint operations of $870 million (2022: $71 million) includes net fair value gains relating to derivatives of $880 million (2022: net fair value gains of $176 million), net fair value losses relating to provisionally priced contracts of $6 million and revenue remeasurements loss of $4 million (2022: $96 million and $9 million respectively). Derivative net gains/losses include both financial derivatives and the net margin arising on contracts for the physical sale and purchase of third-party material (third-party sales) where these contracts are accounted for as derivatives prior to settlement and are entered into to generate a trading margin.

Group revenue by destination

The Group's geographical analysis of segment revenue is allocated based on the customer's port of destination. Where the port of destination is not known, revenue is allocated based on the customer's country of domicile.

	2023		2022	
	US$ million	%	US$ million	%
China	9,891	30%	8,965	24%
India	2,275	7%	2,798	7%
Japan	3,783	12%	5,542	15%
Other Asia	5,710	18%	6,944	18%
South Africa	833	3%	1,312	4%
Other Africa	1,403	4%	2,080	6%
Brazil	923	3%	986	3%
Chile	882	3%	811	2%
Other South America	63	—	10	—
North America	1,230	4%	1,160	3%
Australia	103	—	309	1%
United Kingdom[1]	1,902	6%	1,502	4%
Other Europe	3,504	10%	4,972	13%
	32,502	100%	37,391	100%

(1) United Kingdom is Anglo American plc's country of domicile.

Financial performance

3. Earnings per share

Overview

The disclosures in this note include certain Alternative Performance Measures (APMs). For more information on the APMs used by the Group, including definitions, please refer to page 318.

US$	2023	2022
Earnings per share		
Basic	0.23	3.72
Diluted	0.23	3.68
Underlying earnings per share		
Basic	2.42	4.97
Diluted	2.40	4.92
Headline earnings per share		
Basic	2.06	4.98
Diluted	2.05	4.93

Further information

The calculation of basic and diluted earnings per share is based on the following data:

	Profit attributable to equity shareholders of the Company		Underlying earnings		Headline earnings	
	2023	2022	2023	2022	2023	2022
Earnings (US$ million)						
Basic and diluted earnings	283	4,514	2,932	6,036	2,496	6,050
Weighted average number of shares (million)						
Basic number of ordinary shares outstanding	1,214	1,215	1,214	1,215	1,214	1,215
Effect of dilutive potential ordinary shares	6	11	6	11	6	11
Diluted number of ordinary shares outstanding	1,220	1,226	1,220	1,226	1,220	1,226

The weighted average number of ordinary shares in issue is the weighted number of shares in issue throughout the year, and excludes shares held by employee benefit trusts and Anglo American plc shares held by Group companies. The diluted number of ordinary shares outstanding, including share options and awards, is calculated on the assumption of conversion of all dilutive potential ordinary shares. In the year ended 31 December 2023 there were 345,152 (2022: 342,939) share options that were potentially dilutive but not included in the calculation of diluted earnings because they were anti-dilutive.

Headline earnings, a Johannesburg Stock Exchange defined performance measure, is reconciled from profit attributable to equity shareholders of the Company as follows, and the reconciling items below are shown gross and net of tax and non-controlling interests:

	2023		2022	
US$ million	Gross	Net	Gross	Net
Profit attributable to equity shareholders of the Company		283		4,514
Special items and remeasurements		2,649		1,522
Underlying earnings for the financial year		2,932		6,036
Revenue remeasurements	(4)	(3)	(9)	(14)
Operating special items – restructuring	(142)	(131)	—	—
Operating remeasurements	(86)	(82)	(80)	(72)
Non-operating special items – charges relating to BEE transactions	—	—	(10)	(9)
Non-operating special items – remeasurement of deferred consideration	(17)	(14)	(111)	(73)
Non-operating special items – disposals	8	6	(3)	(4)
Financing special items and remeasurements	(31)	(31)	15	15
Tax special items and remeasurements	—	(183)	—	126
Other reconciling items	(4)	2	63	45
Headline earnings for the financial year		2,496		6,050

Other reconciling items principally comprise adjustments relating to business combinations in prior years partially offset by impairments in De Beers (2022: relate to adjustments to former operations and disposals of Property, plant and equipment).

Financial performance

4. Net finance costs

Overview

US$ million	2023	2022
Investment income		
Interest income from cash and cash equivalents	345	173
Interest income from associates and joint ventures	15	6
Net interest income on defined benefit arrangements	24	20
Other interest income	43	16
	427	215
Less: Interest income capitalised	–	(1)
Investment income	427	214
Interest expense		
Interest and other finance expense	(1,322)	(721)
Lease liability interest expense	(62)	(42)
Net interest cost on defined benefit arrangements	(42)	(45)
Unwinding of discount relating to provisions and other liabilities	(79)	(86)
	(1,505)	(894)
Less: Interest expense capitalised	515	379
Interest expense	(990)	(515)
Other net financing (losses)/gains		
Net foreign exchange (losses)/gains	(51)	105
Other net fair value gains/(losses)	58	(146)
Other net financing gains/(losses) before special items and remeasurements	7	(41)
Financing remeasurements	(31)	15
Other net financing losses	(24)	(26)
Net finance costs	(587)	(327)

Further information

Interest income recognised on financial assets at amortised cost is $183 million (2022: $96 million) and interest expense recognised on financial liabilities at amortised cost is $769 million (2022: $302 million).

Interest expense capitalised predominantly relates to US dollar denominated borrowings which were capitalised at a weighted average interest rate of 7.1% (2022: 3.7%).

Included in other net fair value gains/losses is $46 million (2022: loss of $47 million) in respect of fair value gains on the revaluation of deferred consideration balances relating to the Mototolo acquisition. Revaluation of deferred consideration balances are classified as special items and remeasurements only when the original gain or loss on disposal or acquisition has been classified as a special item.

5. Income tax expense

Overview

	2023		
	Profit before tax US$ million	Tax charge US$ million	Effective tax rate
Calculation of effective tax rate (statutory basis)	3,595	(2,251)	62.6%
Adjusted for:			
Special items and remeasurements	2,783	(86)	
Associates' and joint ventures' tax and non-controlling interests	197	(196)	
Calculation of underlying effective tax rate	6,575	(2,533)	38.5%

The underlying effective tax rate was 38.5% for the year ended 31 December 2023. This is higher than the underlying effective tax rate of 34.0% for the year ended 31 December 2022. The underlying effective tax rate in 2023 was mainly impacted by the relative level of profits arising in the Group's operating jurisdictions.

Financial performance

5. Income tax expense continued

Uncertainty and changes to tax regimes can materialise in any country in which we operate and the Group has no control over political acts, actions of regulators, or changes in local tax regimes. Global and local economic and social conditions can have a significant influence on governments' policy decisions and these have the potential to change tax and other political risks faced by the Group.

A new Mining Royalty Bill in Chile was enacted during August 2023. This legislation creates a new mining royalty regime including both an 'ad valorem tax' and a 'specific mining tax'. While current taxes do not start to accrue until 1 January 2024, the rebasing of the Group's Chilean deferred taxes to reflect the impact of this new regime, has increased the Group's underlying effective tax rate for the year ended 31 December 2023 by 1.2 percentage points.

In line with our published Tax Strategy, the Group actively monitors tax developments at a national level, as well as global themes and international policy trends, on a continuous basis, and has active engagement strategies with governments, regulators and other stakeholders within the countries in which the Group operates, or plans to operate, as well as at an international level. This includes global tax reforms such as those being agreed through the OECD's Digitalisation of the Economy Project which seeks to reallocate taxing rights for large profitable groups ('Pillar 1') and implement a minimum effective tax rate of 15% on profits of large multinational groups in each country in which they operate ('Pillar 2'). On 23 March 2023, HM Treasury released draft legislation for the Global Minimum Tax rules in the UK which was enacted on 11 July 2023.

Although these rules will only apply to the Group from the financial year ended 31 December 2024 onwards, the Group has carried out an assessment of its potential exposure to Pillar 2 taxes. This assessment is principally based on the application of the transitional safe harbour exemptions within the UK's Pillar 2 legislation and uses data from the most recent submission of the Group's Country-by-Country report, being for the year ended 31 December 2022. As part of this assessment, the Group has adjusted for one-off events in the year ended 31 December 2022, which are not expected to be repeated in future periods. The Group is not aware of any events in the current year ended 31 December 2023 which would give a materially different result. The assessment has identified a potential exposure where the Pillar 2 effective tax rate is estimated to have been lower than 15%. This exposure is estimated to have had an impact of less than one percentage point to the Group's underlying effective tax rate based on underlying profit before tax for 2022.

The Group continues to review legislation to evaluate the potential impact and is engaging with policymakers in efforts to ensure that guidance and any required additional legislation is aligned to the stated policy objectives and that the Group is well placed to comply.

The Group has applied the mandatory temporary exception under IAS 12 in relation to the accounting for deferred taxes arising from the implementation of the Pillar 2 rules.

The disclosures in this note include certain Alternative Performance Measures (APMs). For more information on the APMs used by the Group, including definitions, please refer to page 318.

A. Analysis of charge for the year

US$ million	2023	2022
United Kingdom tax	165	106
South Africa tax	585	1,409
Other overseas tax	1,074	1,128
Prior year adjustments	(76)	(80)
Current tax	**1,748**	2,563
Deferred tax	**589**	1,007
Income tax expense before special items and remeasurements	**2,337**	3,570
Special items and remeasurements tax (note 9)	(86)	(114)
Income tax expense	**2,251**	3,456

Current tax includes royalties which meet the definition of income tax and are in addition to royalties recorded in operating costs.

Financial performance

5. Income tax expense continued

B. Factors affecting tax charge for the year

The reconciling items between the statutory corporation tax rate and the income tax expense are:

US$ million	2023	2022
Profit before tax	3,595	9,480
Less: Net income from associates and joint ventures	(378)	(641)
Profit before tax (excluding associates and joint ventures)	3,217	8,839
Tax calculated at the weighted average annual statutory rate of corporation tax in the United Kingdom of 23.5% (2022: 19.0%)	756	1,679
Tax effects of:		
Items non-deductible/taxable for tax purposes	61	(2)
Temporary difference adjustments		
Current year losses and temporary differences not recognised	523	390
Recognition of losses and temporary differences not previously recognised	(96)	(6)
Utilisation of losses and temporary differences not previously recognised	(25)	(55)
Write-off of losses and temporary differences previously recognised	33	54
Other temporary differences	105	(23)
Special items and remeasurements		
Functional currency remeasurements (note 9)	(119)	(72)
Taxable income on intercompany loan write-off	—	298
Utilisation of losses and other temporary differences not previously recognised against intercompany loan write-off income	—	(298)
Other special items and remeasurements	687	289
Other adjustments		
Withholding taxes	108	104
Effect of differences between local and United Kingdom tax rates	396	1,176
Prior year adjustments to current tax	(76)	(80)
Other adjustments	(102)	2
Income tax expense	2,251	3,456

The special items and remeasurements reconciling charge of $568 million (2022: $217 million) relates to the net tax impact of total special items and remeasurements before tax calculated at the United Kingdom corporation tax rate less the associated tax recorded against these items and tax special items and remeasurements.

Included within withholding taxes for the year ended 31 December 2023 is a charge of $2 million (2022: credit of $67 million) due to a reassessment of future dividend distributions.

Associates' and joint ventures' tax included within Net income from associates and joint ventures for the year ended 31 December 2023 is a charge of $196 million (2022: $379 million). Excluding special items and remeasurements, this remains a charge of $196 million (2022: $379 million).

C. Tax amounts included in other comprehensive income

The Consolidated statement of comprehensive income includes a tax credit on the remeasurement of net retirement benefit obligations recognised directly in equity that will not be reclassified to the income statement of $18 million (2022: $80 million). In addition, there is a tax credit on the net revaluation credit on equity investments recognised directly in equity that will not subsequently be reclassified to the income statement of $1 million (2022: $3 million).

D. Tax amounts recognised directly in equity

In 2023, deferred tax of $6 million (2022: $6 million) was charged directly to equity mainly in relation to movements in share-based payments.

Accounting judgement

The Group's tax affairs are governed by complex domestic tax legislations, international tax treaties between countries and the interpretation of these by tax authorities and courts. Given the many uncertainties that could arise from these factors, judgement is often required in determining the tax that is due. Where management is aware of potential uncertainties, and where it is judged not probable that the taxation authorities would accept the uncertain tax treatment, a provision is made following the appropriate requirements set out in IFRIC 23 *Uncertainty over income tax treatments*, and determined with reference to similar transactions and, in some cases, reports from independent experts.

Accounting policy

See note 39G for the Group's accounting policy on tax.

Financial performance

6. Dividends

	2023	2022
Proposed final ordinary dividend per share (US cents)	41	74
Proposed final ordinary dividend (US$ million)	500	905

These financial statements do not reflect the proposed final ordinary dividend as it is still subject to shareholder approval.

Dividends paid during the year are as follows:

US$ million	2023	2022
Final ordinary dividend for 2022 – 74 US cents per ordinary share (2021: 118 US cents per ordinary share)	905	1,440
Final special dividend for 2021 – 50 US cents per ordinary share	—	612
Interim ordinary dividend for 2023 – 55 US cents per ordinary share (2022: 124 US cents per ordinary share)	659	1,497
	1,564	3,549

As at the dividend record date, there are forecasted to be 1,219,991,762 (2022: 1,222,809,154) dividend bearing shares in issue.

Significant items

Special items and remeasurements are a net charge of $2.6 billion and include a $1.6 billion impairment of De Beers assets and a $0.8 billion impairment of Nickel assets.

Special items and remeasurements loss

$2.6 bn

(2022: $1.5 bn)

During 2023, the significant accounting judgements and estimates made by management included:

- The assessment of impairment and impairment reversal indicators
- The estimation of recoverable amount for impairment testing

7. Significant accounting matters

Management necessarily makes judgements and estimates that can have a significant impact on the financial statements. The significant judgements and key sources of estimation uncertainty that affect the results for the year ended 31 December 2023 are set out below and relate to the impairment and impairment reversal of assets. In addition to these items, information about other judgements and estimates determined by management is provided, where applicable, in the relevant note to the financial statements.

The Group also considers the impact of climate change on judgements and estimates. Although not a key judgement or estimate in itself, climate change potentially impacts a number of judgements and estimates made by the Group, particularly where these are reliant on longer term forecasts.

Significant accounting judgements and estimates

Impairment and impairment reversals of assets

Significant accounting judgement – identification of impairment and impairment reversal indicators

The Group assesses at each reporting date whether there are any indicators that its assets and cash generating units (CGUs) may be impaired, or that an impairment reversal is required for previously impaired assets and CGUs (other than goodwill). Assets which have previously been impaired are generally carried on the balance sheet at a value close to their recoverable amount at the last assessment. Therefore in principle any change in operational assumptions or economic parameters could result in further impairment or impairment reversal if an indicator is identified.

The assessment considers a wide range of potential indicators, including revisions to forecast operating performance, changes to capital projects, the impact of external factors such as tax rates for relevant geographies and both the Group's internal long term economic forecasts and external market data. Judgement is required to determine whether the updates represent significant changes in the service potential of an asset or CGU, and are therefore indicators of impairment or impairment reversal.

Particular judgement may be required to determine whether multiple changes are linked to the same underlying factor and hence should be assessed together, for example where inflationary pressures lead to offsetting increases in both forecast revenues and costs. The Group uses quantitative data and sensitivity analysis using discounted cashflow models to inform these judgements where relevant.
For certain previously impaired assets where an impairment or impairment reversal trigger has not been identified at 31 December 2023, it is reasonably possible that an impairment or reversal trigger, and hence a potential material adjustment to the carrying value, may arise within the next twelve months. Further information about these assets is provided below:

Woodsmith
The Woodsmith polyhalite project is currently under construction and has recognised previous impairments of $1.7 billion (2022) which remain eligible for potential impairment reversal. The valuation remains inherently sensitive to changes in economic and operational assumptions, in particular the forecast polyhalite price and discount rate. The Group has reassessed key input assumptions as at 31 December 2023. At this stage the Group believes the assumptions for these key inputs used in the valuation prepared at 31 December 2022 remain appropriate and hence no indicators of impairment or reversal have been identified.

Moranbah-Grosvenor
Moranbah-Grosvenor is a CGU within the Steelmaking Coal segment and has recognised previous impairments of $0.1 billion which remain eligible for potential impairment reversal. The asset valuation is inherently sensitive to changes in economic and operational assumptions, in particular the steelmaking coal price and the AUD/USD exchange rate. The Group has reviewed operational and macroeconomic developments in the year, including the potential impact of global decarbonisation efforts in response to climate change on forecast steelmaking coal prices, and concluded that there are no indicators of impairment or impairment reversal.

Significant accounting estimate – estimation of recoverable amount

Where indicators of impairment or impairment reversal are identified (or at least annually for goodwill and indefinite life assets), the Group performs impairment reviews to assess the recoverable amount of the relevant operating assets. The recoverable amount is assessed with reference to fair value less costs of disposal, as this is higher than the value in use model for the Group's assets. The fair value less cost of disposal is estimated with reference to the share price of listed subsidiaries, where appropriate, and for other assets is based on discounted cash flow models. The expected future cash flows used in these models are inherently uncertain and could materially change over time. They may be significantly affected by a number of factors including Ore Reserves and Mineral Resources, together with economic factors such as commodity prices, exchange rates, discount rates and estimates of production costs and future capital expenditure. Where discounted cash flow models based on management's assumptions are used, the resulting fair value measurements are considered to be at level 3 in the fair value hierarchy, as defined in IFRS 13 *Fair Value Measurement*, as they depend to a significant extent on unobservable valuation inputs.

Significant items

7. Significant accounting matters continued

Cash flow projections are based on financial budgets and Life of Asset Plans or, for non-mine assets, an equivalent appropriate long term forecast, incorporating key assumptions as detailed below:

- Ore Reserves and Mineral Resources
  Ore Reserves and, where considered appropriate, Mineral Resources are incorporated in projected cash flows, based on Ore Reserves and Mineral Resources statements and exploration and evaluation work undertaken by appropriately qualified persons. Mineral Resources are included where management has a high degree of confidence in their economic extraction, despite additional evaluation still being required prior to meeting the required confidence to convert to Ore Reserves. Risk adjustments are applied to the inclusion of these resources where appropriate. For further information refer to the unaudited Ore Reserves and Mineral Resources Report 2023.
- Commodity and product prices
  Commodity and product prices are based on latest internal forecasts, benchmarked with external sources of information such as the range of available analyst forecasts and for the short term, spot prices where applicable. In estimating the forecast cash flows, management also takes into account the expected realised price from existing contractual arrangements. Price forecasts are made with reference to the impact of climate change on supply and demand fundamentals for each commodity but are not aligned to any particular emissions scenario.
- Foreign exchange rates
  Foreign exchange rates are based on latest internal forecasts, benchmarked with external sources of information for relevant countries of operation or directly from external forecasts.
- Discount rates
  Cash flow projections used in fair value less costs of disposal impairment models are discounted based on real post-tax discount rates, assessed annually. Adjustments to the rates are made for any risks that are not reflected in the underlying cash flows, including the risk profile of the individual asset and country risk.
- Operating costs, capital expenditure and other operating factors
  Operating costs and capital expenditure are based on the most recently approved financial budgets. Cash flow projections beyond the budget period are based on Life of Asset Plans, as applicable, and internal management forecasts. Cost assumptions incorporate management experience and expectations, as well as the nature and location of the operation and the risks associated therewith (for example, the grade of Ore Reserves varying significantly over time and unforeseen operational issues). Underlying input cost assumptions are consistent with related output price assumptions. Other operating factors, such as the timelines of granting licences and permits, are based on management's best estimate of the outcome of uncertain future events at the balance sheet date.

Where an asset has potential for future development through capital investment, to which a market participant would attribute value, and the costs and economic benefits can be estimated reliably, this development is included in the recoverable amount (with appropriate risk adjustments).

Significant estimate: sensitivity disclosures
The recoverable amounts of the following assets are considered to be significant accounting estimates as a material impairment or an impairment reversal could arise within the next twelve months due to a realistic change in assumptions:

- De Beers
- Barro Alto
- Minas-Rio.

Key input and sensitivity information for these assets is provided in note 8.

Climate change

Tackling climate change is the defining challenge of our time and understanding and addressing the implications of climate change for our business is embedded in our strategy. The Group's response to climate change is implemented at an asset-level through the Group's Sustainable Mining Plan and related Life of Asset Plans. Climate change potentially impacts judgements and estimates made when preparing the Group's financial statements. Potential impacts arise in three principal areas; physical risk such as extreme weather events or long term changes in climate patterns, transition risk as demand shifts between commodities and the Group's climate ambitions as the financial impact of climate targets is reflected in operational decisions and cost structures.

The estimation of recoverable amounts for the Group's non-current assets is currently the only judgement or estimate which is materially impacted by climate change. Further information about this estimate, together with additional information in other areas which may be impacted in the medium to long term, is provided below:

Judgement/Estimate	Physical Risk	Transition Risk
Estimation of recoverable amounts	↥	↟
Useful economic lives of non-current assets	–	↥
Net realisable value of inventory	–	–
Measurement of rehabilitation and decommissioning provisions	↥	↥

↟ Significant impact on judgement/estimate
↥ Moderate impact on judgement/estimate
— Limited impact on judgement/estimate

Estimation of recoverable amounts

Physical risk
The cashflow forecasts used to determine the recoverable amount of the Group's assets reflect our current best-estimate of the impact of material physical risks. The most significant impacts generally relate to managing either an excess or scarcity of water resources and the resulting impact on production levels. Cashflow forecasts also include the costs (and benefits) of risk mitigation actions included in the Life of Asset Plan, such as water purchases and the cost of new infrastructure. These forecasts may be revised in future periods as the Group continues its programme of detailed site-specific monitoring and assessments.

Transition risk
Transition risk may impact the recoverable amount of the Group's assets as forecast commodity prices are a key input in the discounted cashflow models which are used to calculate the recoverable amount. The Group's discounted cashflow models are prepared on a fair value less cost of disposal basis, which requires input assumptions to be determined from the perspective of a market participant. While the Group has confirmed the strategic and financial resilience of its portfolio under a 1.5°C scenario as part of its Task Force on Climate-Related Financial Disclosures (TCFD) reporting, this scenario is not used for financial reporting purposes as it is not representative of management's best estimate of the likely assumptions that would be used by a market participant when valuing the Group's assets.

The Group has not performed a full assessment of the implications of any resilience scenario on asset valuations used for financial reporting purposes. While there is a wide range of possible transition impacts for each level of warming depending on the assumptions made, we anticipate that prices for the majority of the Group's commodities would be higher than existing forecasts in the short and medium term under a 1.5°C scenario, driven by growing investment in infrastructure associated with the transition to a low carbon economy while carbon prices are also likely to be higher than existing forecasts.

Significant items

7. Significant accounting matters continued

In the longer term, the more rapid decarbonisation of the steel value chain under a 1.5°C scenario through higher steel recycling rates and technological change would be expected to lead to lower benchmark prices for both iron ore and steelmaking coal, although we anticipate that for iron ore this may largely be offset by higher product premiums for the Group's high quality lump and high grade pellet-feed products given these are particularly well-suited to less carbon intensive steelmaking technologies. The valuation of the Group's steelmaking coal assets is less sensitive to changes in the long term price than other operations given the remaining asset lives.

Increased demand for battery electric vehicles in a 1.5°C scenario may also pose a downside risk to demand for the PGM-containing catalytic converters used in internal combustion engine (ICE) vehicles, although this is expected to be partly offset by hybrids, which require similar quantities of PGMs, and in the longer term, fuel cell electric vehicles. The recoverable amount of the Group's PGM assets is currently significantly in excess of their accounting carrying values, which makes these carrying values less sensitive to changing valuation input assumptions than other assets.

Climate ambitions and targets
The Group has announced a number of climate targets, which are disclosed on pages 54-57.

When preparing valuation models on a fair value less cost of disposal basis the Group generally assumes that any purchaser would retain similar climate targets and ambitions. The Group therefore includes the cost and commercial benefits of achieving its emissions reduction ambitions and targets once the Group has a high degree of confidence that a project is technically feasible and it is included in the Life of Asset Plan, which typically aligns with the related capital project being internally approved. This is consistent with the approach taken for other key assumptions such as forecasted operating costs and capital expenditures as outlined above.

Some projects relating to the Group's climate targets and ambitions are not included in the Life of Asset Plans, generally because it is not yet possible to reliably estimate the costs and benefits or technical feasibility has not been demonstrated. While the costs and benefits of such projects are not included in cashflow forecasts (other than study costs within the next five years), the Group includes an adjustment within the forecast for the cost of unabated future Scope 1 and 2 emissions irrespective of whether each jurisdiction currently has a carbon tax or similar regime in place. When new emissions reduction projects are included in the Life of Asset Plan, the valuation impact of including the related project's cost is therefore offset by the removal of the cost of the emissions.

Carbon prices are used both as an input into our commodity price forecasts and in our forecast carbon cost for each operation. Carbon costs included in the valuation of each asset are based on the forecast carbon price per tonne/CO_2e, multiplied by estimated Scope 1 and 2 emissions for the relevant operation. Short term carbon prices are incorporated based on currently enacted legislation (where relevant). Short term carbon prices for jurisdictions without currently enacted legislation and long term prices for all jurisdictions are based on the latest internal views of what a market participant would assess, formed with reference to external forecasts. Separate carbon prices are used for each region in which the Group operates. These internal prices range between \$20 and \$95 per tonne (2023 real basis) by 2030.

The Group has an ambition to reduce its Scope 3 emissions by 50% (against a 2020 baseline) by 2040. The Group has signed a number of agreements with steel producers to explore how the Group's high quality iron ore and steelmaking coal products can facilitate the decarbonisation of the steel value chain. The financial cost of these agreements is incurred centrally and is not expected to be material to the Group. It is therefore not included in asset-level valuation models.

Useful economic lives of non-current assets
Physical risk
Physical risk is not expected to have a material impact on the useful economic lives of the Group's assets based on the risk assessments conducted to date, given the risk mitigation strategies in place.

Transition risk
Transition risk may impact the useful economic lives of the Group's mining properties if changing commodity prices extend or reduce the period in which resources can be extracted from an orebody economically. This would in turn impact the depreciation charge.

The depreciation charge relating to mining properties is \$859 million. Considering the alignment of the Group's portfolio to future-enabling products we believe any impact of transition risk is not likely to be material.

The useful economic lives of other assets are generally shorter and therefore less exposed to transition risk than mining properties.

Climate ambitions and targets
Any impact is not currently expected to be material as new technologies will be phased in as existing equipment or other infrastructure naturally come to the end of their life. The introduction of new dual-fuelled LNG vessels into the Group's shipping fleet has not significantly impacted asset lives as vessels have previously been leased for relatively short periods of up to two years.

Net realisable value of inventory
Physical risk
Any impact is not currently expected to be material.

Transition risk
Transition risk could result in the recognition of an impairment if falling commodity prices mean that the net realisable value is lower than the production cost at which inventory balances are generally recorded.

Notwithstanding this, the majority of the Group's inventory is expected to be used within one year and is therefore less exposed to transition risk, which will principally impact prices in the medium and long term. The Group's long term inventory balances principally relate to the Iron Ore and Nickel reportable segments. These commodities are future-enabling for a more sustainable world and hence the carrying value of related inventory is less likely to be impacted by climate change.

Climate ambitions and targets
Any impact is not currently expected to be material.

Measurement of rehabilitation and decommissioning provisions
Physical risk
Physical risk may impact the cost of rehabilitating the Group's sites, for example higher average rainfall may impact the water management strategies required for the tailings storage facilities. Changing weather patterns may also lead to increased rates of soil erosion and reduced vegetation rates. Cashflow forecasts include the Group's current best estimate of the impact of such changes.

Transition risk
Transition risk may impact the useful economic lives of the Group's mines and hence the present value of rehabilitation and decommissioning provisions by changing the period over which the future costs are discounted. The Group has reviewed the sensitivity of its provisions to changing asset lives and concluded that this does not represent an area of material estimation uncertainty.

Climate ambitions and targets
Any impact is not expected to be material.

Significant items

8. Impairment and impairment reversals

Overview

The Group has recognised the following impairments as special items in the year ended 31 December 2023:

	2023				2022	
US$ million	Before tax	Tax	Non-controlling interests	Net	Before tax	Net
Impairments						
De Beers (Diamonds)	(1,601)	12	31	(1,558)	—	—
Barro Alto (Nickel)	(779)	235	—	(544)	—	—
Codemin (Nickel)	(40)	—	—	(40)	—	—
Kolomela (Iron Ore)	—	—	—	—	(313)	(122)
Woodsmith (Crop Nutrients)	—	—	—	—	(1,707)	(1,707)
Impairments recognised as special items	(2,420)	247	31	(2,142)	(2,020)	(1,829)
Impairment reversals						
Moranbah-Grosvenor (Steelmaking Coal)	—	—	—	—	211	147
Dawson (Steelmaking Coal)	—	—	—	—	217	152
Impairment reversals recognised as special items	—	—	—	—	428	299
Net impairments recognised as special items	(2,420)	247	31	(2,142)	(1,592)	(1,530)

Further information

Additional information is provided for each of the Group's assets where an impairment or impairment reversal has been recorded. Additional sensitivity disclosures are also provided for CGUs or groups of CGUs containing the most significant goodwill balances and for other assets where the recoverable amount is considered to be a significant estimate (see note 7).

	2023	2022	
US$ million	Impairments	Impairments	Impairment reversals
Allocates as:			
Intangibles	(1,438)	(40)	—
Property, plant and equipment	(1,044)	(2,025)	438
Other	(10)	(3)	—
Total	(2,492)	(2,068)	438
Recognised before tax:			
As special items	(2,420)	(2,020)	428
Within operating costs before special items	(72)	(48)	10
Total	(2,492)	(2,068)	438

Significant items

8. Impairment and impairment reversals continued

Impairments recorded

De Beers

Overview

The recoverable amount of De Beers was assessed as at 31 December 2023 and an impairment of $1.6 billion ($1.6 billion after tax and non-controlling interest) was recorded to bring the carrying value into line with the recoverable amount of $7.6 billion, calculated using a discount rate of 7.5% (2022: 7.5%). The impairment was allocated primarily to goodwill ($1.4 billion), which has been fully impaired, and property, plant and equipment ($0.2 billion).

Changes in 2023

The reduction in the recoverable amount is primarily driven by lower prices than previous forecasts reflecting a reduction in forecast consumer demand. This reflects macroeconomic uncertainty mainly in the US and China, as well as a strengthening of the US dollar against consumer country currencies which has had an adverse impact on demand in US dollar terms. Management has also updated its best estimates of the timing of differentiation between lab grown and natural diamonds, the impact of recycling, the latest Ore Reserves and Mineral Resources estimates and life of asset plans for the Group's mines and, less significantly, the financial impact of revised contractual terms relating to De Beers' longstanding mutually beneficial relationship with the Government of the Republic of Botswana (which are expected to be finalised during 2024).

Inputs to the valuation

The following are key inputs in the consumer demand forecast which in turn drives forecast prices:

- The model assumes real GDP growth, weighted by the markets in which we operate, of 3.3% (2022: 3.4%) over the next five years and starting from a lower base in 2023.
- The external foreign exchange medium term forecast against the US dollar in our end consumer markets is annual US dollar depreciation of 2.5% against the Chinese renminbi, 6.2% against the Japanese yen, 1.7% against the euro and 1.3% against the Indian rupee for the medium term compared to 2023 actual average rates.
- It is still assumed that lab grown diamonds will become clearly established as a product distinct from natural diamonds (as is increasingly clear in the market today given the significant and clear price and consumer offering differential). The model forecasts an imminent bifurcation between lab grown and natural diamond product offerings with only limited residual impact on the natural diamond market in the medium to long term.

Forecast producer currencies are also a key input to the model as the forecasts impact operating costs in US dollar terms. In the medium term, we assume the Southern African producer currencies exchange rates depreciate by 0.1% for the Botswana pula and 0.6% for the South African rand per annum against the US dollar compared to the 2023 actual rates. Thereafter we assume purchasing power parity against the US dollar.

Sensitivities

The valuation remains sensitive to reasonably possible changes in the key inputs. Sensitivities are presented below on the basis that all other assumptions remain constant, although in reality changes may not occur independently of each other:

- A 0.5 percentage point increase or decrease in consumer countries GDP growth rate results in a change in the impairment charge of $0.6 billion.
- A 5% appreciation or depreciation of the US dollar against consumer countries' currencies results in a change in the impairment charge of $0.3 billion.
- A 5% appreciation or depreciation of producer country currencies against our assumed US dollar results in a change in the impairment charge of $0.6 billion.
- An increased level of residual competition from lab grown diamonds or a 1 year delay in bifurcation of natural diamonds and lab grown diamonds would result in an increase in the impairment charge of $0.4 billion and $0.3 billion respectively.
- A 0.5% change in the discount rate would result in a change in the impairment charge of $0.2 billion.

Impairments of goodwill are not eligible for reversal in future periods. The maximum potential reversal within the next twelve months is therefore $0.2 billion.

Barro Alto

The Barro Alto nickel operations had been previously impaired, of which $1 billion remained eligible for potential reversal at the start of the year. The recoverable amount of the CGU was assessed at 30 June 2023 as changes in the long term cost profile were identified as an indicator of impairment. This resulted in an impairment of $0.4 billion.

At 31 December 2023 the recoverable amount of the CGU was assessed again principally due to the short and medium term price outlook changes in the second half of the year, which were considered to be an indicator of impairment. The valuation, calculated using a discount rate of 8.3%, resulted in a further impairment of $0.4 billion, total for the year of $0.8 billion ($0.5 billion after tax), allocated to property, plant and equipment. The remaining carrying value of the CGU represents long term ore stockpiles (non-current inventory), which are required to be blended with future production. The net realisable value of these stockpiles is assessed under IAS 2 *Inventories* and currently exceeds their carrying value of $0.2 billion.

The valuation is inherently sensitive to changes in economic and operational assumptions. The model prepared at 31 December 2023 uses forecast nickel prices that fell within the analyst range throughout the model. The long term price from 2028 in the model fell within the third quartile of the analyst price range of $8.41/lb to $8.83/lb (LME Nickel, 2023 real basis). The model used a forecast for the average Brazilian real to US dollar real exchange rate which fell within the range of 5.0 BRL/$ to 5.3 BRL/$.

Sensitivities were considered to assess the impact of changes in key assumptions, principally price and foreign exchange forecasts. If the future nickel prices were increased by 10% throughout the valuation model with all other valuation assumptions remaining the same, the valuation would have increased by $0.4 billion. A 10% depreciation of the Brazilian real compared to the valuation assumptions would have resulted in an increase to the valuation of $0.3 billion.

Other assets

Minas-Rio

The Minas-Rio CGU includes the Minas-Rio iron ore mine and the Ferroport joint venture, which provides port services to ship the mine's production. The CGU has been previously impaired, of which $5.9 billion remained eligible for potential reversal at the start of the year. At 31 December 2023 the recoverable amount of the CGU was assessed as changes to the medium and long term price outlook and revisions to the forecast production and capital expenditure profile indicated that the recoverable amount may have changed. The valuation, calculated using a discounted cashflow model and a discount rate of 7.8% was consistent with the carrying amount of $7.3 billion.

Significant items

8. Impairment and impairment reversals continued

The valuation is inherently sensitive to changes in economic and operational assumptions and the recoverable amount is considered to be a significant accounting estimate. The valuation model uses forecast iron ore prices that fall within the analyst range throughout the model. The long term price from 2028 fell within the top quartile of the analyst price range of $84/tonne to $100/tonne (Platts 62% CFR Reference basis, 2023 real basis). The model used a forecast for the average Brazilian real to US dollar real exchange rate which fell within the range of 5.0 BRL/$ to 5.3 BRL/$.

Sensitivities were considered to assess the impact of changes in key assumptions, principally price and foreign exchange forecasts. If the future iron ore prices were increased or decreased by 10% throughout the valuation model with all other valuation assumptions remaining the same, the valuation would have changed by $2.0 billion. A 10% depreciation of the Brazilian real compared to the valuation assumptions would have resulted in an increase to the valuation of $0.9 billion. A 10% appreciation of the Brazilian real compared to the valuation assumptions would have resulted in a decrease to the valuation of $1.0 billion.

2022

Impairments/impairment reversals recorded

Kolomela
At 31 December 2022, following revisions to the forecast production and cost profile in the latest Life of Asset Plan, the valuation of the Kolomela mine was assessed and an impairment of $0.3 billion ($0.1 billion after tax and non-controlling interest) was recorded against property, plant and equipment to bring the carrying value in line with the recoverable amount of $0.7 billion, calculated using a discount rate of 8.8%.

Moranbah-Grosvenor
Improvements in the economic environment and the current market conditions were considered to be a trigger for impairment reversal. A partial impairment reversal of $0.2 billion ($0.1 billion after tax) was recognised against property, plant and equipment, based on discounted cashflows using a discount rate of 6.7%, to bring the carrying value to $2.4 billion.

Dawson
Improvements in the economic environment and the current market conditions were considered to be a trigger for impairment reversal. An impairment reversal of $0.2 billion ($0.2 billion after tax) was recognised against property, plant and equipment, based on discounted cashflows using a discount rate of 6.7%, bringing the carrying value to $0.3 billion.

Woodsmith
In 2022, project team proposals, endorsed by the Board at the end of the year, indicated there would be changes to the configuration of the project that would incur higher future capital expenditure and result in a longer construction schedule with first product expected to be brought to market in 2027. These items were identified as an indicator of impairment and the carrying value of the related assets was assessed as at 31 December 2022 based on discounted cashflows using a discount rate of 9.58%. This resulted in an impairment of $1.7 billion ($1.7 billion after tax) to bring the carrying value into line with the recoverable amount of $0.9 billion. The impairment was allocated primarily to property, plant and equipment.

Accounting judgements
Impairment testing involves a number of significant accounting judgements and estimates, which are set out in note 7.

CGU assessment
As set out in note 7, the Group regularly assesses each of its cash generating units (CGUs) for indicators of impairment or impairment reversal. The Group applies judgement when allocating its assets to CGUs, which are defined as the smallest group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Where an operation is vertically integrated so that each activity/process feeds into the next one until a final product is produced, particular judgement may be required to determine whether there is an active market for any intermediate product.

The Group's platinum group metals mining, smelting and processing business is considered to be a single CGU on the basis that there is only an active market for the final refined product and hence none of the preceding stages in the production process would be capable of generating independent cash inflows.

Significant items

9. Special items and remeasurements

Overview

US$ million	Before tax 2023	Tax 2023	Non-controlling interests 2023	Net 2023	Net 2022
Revenue remeasurements	(4)	(2)	3	(3)	(14)
Impairments	(2,420)	247	31	(2,142)	(1,829)
Impairment reversals	—	—	—	—	299
Restructuring costs	(142)	5	6	(131)	—
Operating remeasurements	(86)	5	(1)	(82)	(72)
Operating special items and remeasurements	(2,648)	257	36	(2,355)	(1,602)
Disposals of businesses and investments	(40)	3	8	(29)	32
Adjustments relating to business combinations	(36)	10	—	(26)	(24)
Adjustments relating to former operations	(24)	(1)	3	(22)	(46)
Charges relating to BEE transactions	—	—	—	—	(9)
Non-operating special items	(100)	12	11	(77)	(47)
Financing special items and remeasurements	(31)	—	—	(31)	15
Tax special items and remeasurements	—	(181)	(2)	(183)	126
Total	(2,783)	86	48	(2,649)	(1,522)

Special items

Special items are those items of financial performance that, due to their size and nature, the Group believes should be separately disclosed on the face of the income statement. The Group classifies subsequent adjustments to items classified as special items on initial recognition in subsequent periods as special items. These items, along with related tax and non-controlling interests, are excluded from underlying earnings, which is an Alternative Performance Measure (APM). For more information on the APMs used by the Group, including definitions, please refer to page 318.

- Operating special items are those that relate to the operating performance of the Group and principally include impairment charges and reversals and restructuring costs relating to significant reorganisation programmes.
- Non-operating special items are those that relate to changes in the Group's asset portfolio. This category principally includes profits and losses on disposals of businesses and investments or closure of operations, adjustments relating to business combinations, and adjustments relating to former operations of the Group, such as changes in the measurement of deferred consideration receivable or provisions recognised on disposal or closure of operations in prior periods. This category also includes charges relating to Black Economic Empowerment (BEE) transactions.
- Financing special items are those that relate to financing activities and include realised gains and losses on early repayment of borrowings, and the unwinding of the discount on material provisions previously recognised as special items.
- Tax special items are those that relate to tax charges or credits where the associated cash outflow or inflow is anticipated to be significant due to its size and nature, principally including resolution of tax enquiries.

Remeasurements

Remeasurements are items that are excluded from underlying earnings in order to reverse timing differences in the recognition of gains and losses in the income statement in relation to transactions that, whilst economically linked, are subject to different accounting measurement or recognition criteria. Remeasurements include mark-to-market movements on derivatives that are economic hedges of transactions not yet recorded in the financial statements, in order to ensure that the overall economic impact of such transactions is reflected within the Group's underlying earnings in the period in which they occur. When the underlying transaction is recorded in the income statement, the realised gains or losses are recorded in underlying earnings within either revenue, operating costs or net finance costs as appropriate. If the underlying transaction is recorded in the balance sheet, for example capital expenditure, the realised amount remains in remeasurements on settlement of the derivative.

- Revenue remeasurements, presented within revenue from other sources, include gains and losses on unsettled derivatives relating to revenue.
- Operating remeasurements include unrealised gains and losses on derivatives relating to operating costs or capital expenditure transactions. They also include the reversal through depreciation and amortisation of a fair value gain or loss, arising on revaluation of a previously held equity interest in a business combination.
- Financing remeasurements include unrealised gains and losses on financial assets and liabilities that represent economic hedges, including accounting hedges, related to financing arrangements.
- Tax remeasurements include foreign exchange impacts arising in US dollar functional currency entities where tax calculations are generated based on local currency financial information and hence tax is susceptible to currency fluctuations.

Significant items

9. Special items and remeasurements continued

Revenue remeasurements

The loss of $4 million ($3 million after tax and non-controlling interests) (2022: loss of $14 million) relates to remeasurements on derivatives presented in revenue from other sources. For further details see note 2.

Operating special items

Impairments

Impairments of $2,420 million ($2,142 million after tax and non-controlling interests) recognised for the year ended 31 December 2023 primarily relate to impairments within De Beers: $1,601 million ($1,558 million after tax and non-controlling interests) and Barro Alto (Nickel): $779 million ($544 million after tax).

Further information on significant accounting matters relating to impairments is provided in note 8.

2022

Impairments of $1,829 million recognised for the year ended 31 December 2022 comprise impairments within Woodsmith (Crop Nutrients) $1,707 million and Kolomela (Iron Ore): $122 million.

Impairment reversals

There were no impairment reversals recognised for the year ended 31 December 2023.

2022

Impairment reversals of $299 million for the year ended 31 December 2022 relate to Steelmaking Coal.

Restructuring costs

Restructuring costs associated with an organisational change programme of $142 million ($131 million after tax and non-controlling interests) have been recognised for the year ended 31 December 2023 (2022: nil).

Operating remeasurements

Operating remeasurements reflect a loss of $86 million ($82 million after tax and non-controlling interests) (2022: $72 million) which principally relates to a $82 million (2022: $84 million) depreciation and amortisation charge arising due to the fair value uplift on the Group's pre-existing 45% shareholding in De Beers, which was required on acquisition of a controlling stake in 2012.

Non-operating special items

Disposals of businesses and investments

The $40 million loss ($29 million after tax and non-controlling interests) relates to the disposal of Kroondal (Platinum Group Metals). Further information is provided in note 34.

2022

The $32 million profit relates to the disposal of Bokoni (Platinum Group Metals).

Adjustments relating to business combinations

The $36 million loss ($26 million after tax) (2022: $24 million) related to adjustments in respect of business combinations in prior years.

Adjustments relating to former operations

The net loss of $24 million ($22 million after tax and non-controlling interests) (2022: $46 million) principally related to deferred consideration adjustments in respect of the Group's interests in Rustenburg and Union (Platinum Group Metals). The Rustenburg consideration was received in full in March 2023.

Charges relating to BEE transactions

There were no charges relating to BEE transactions for the year ended 31 December 2023.

2022

The charge of $9 million relates to a modification charge under IFRS 2 *Share-based Payments* following the amendment of the De Beers agreement with Ponahalo Investments (Pty) Ltd.

Financing special items and remeasurements

Financing special items and remeasurements comprise a net fair value loss of $31 million (2022: a net fair value gain of $15 million) in respect of fair value adjustments in relation to cross currency and interest rate swap derivatives and the related bonds.

Tax associated with special items and remeasurements

Tax associated with special items and remeasurements includes a tax remeasurement credit of $119 million (2022: credit of $72 million) principally arising on Brazilian deferred tax, a tax on special items and remeasurement credit of $267 million (2022: charge of $14 million) and a tax special items charge of $300 million (2022: credit of $56 million).

Of the total tax credit of $86 million (2022: credit of $114 million), there is a net current tax charge of $34 million (2022: charge of $41 million) and a net deferred tax credit of $120 million (2022: credit of $155 million).

Capital base

We have a value-focused approach to capital allocation with clear prioritisation: maintain asset integrity; pay dividends to our shareholders while ensuring a strong balance sheet. Discretionary capital is then allocated based on a balanced approach.

Value-disciplined capital allocation throughout the cycle is critical to protecting and enhancing our shareholders' capital, given the long term and capital intensive nature of our business.

The Group uses attributable return on capital employed (ROCE) to monitor how efficiently assets are generating profit on invested capital for the equity shareholders of the Company. Attributable ROCE is an Alternative Performance Measure (APM). For more information on the APMs used by the Group, including definitions, please refer to page 318.

Attributable ROCE decreased to 16% (2022: 30%). Attributable underlying EBIT decreased to $5.4 billion (2022: $9.7 billion), reflecting the impact of lower realised prices for the Group's products and inflationary cost pressures. Average attributable capital employed increased to $33.2 billion (2022: $32.0 billion[1]), primarily due to capital expenditure, largely at Quellaveco and Collahuasi (Copper), and shipping vessel lease additions and revaluations (Corporate and Other), partly offset by the reduction in capital employed following the De Beers and Nickel impairments recorded in 2023.

(1) Comparative figures are restated for the adoption of the amendment to IAS 12, see note 39A.

	Attributable ROCE %	
	2023	2022
Copper	**20**	16
Nickel	**6**	24
Platinum Group Metals	**15**	86
De Beers	**(3)**	11
Iron Ore	**34**	28
Steelmaking Coal	**27**	85
Manganese	**81**	138
Crop Nutrients	**n/a**	n/a
Corporate and other	**n/a**	n/a
	16	30

10. Capital by segment

The disclosures in this note include certain Alternative Performance Measures (APMs). For more information on the APMs used by the Group, including definitions, please refer to page 318.

Capital employed by segment

Capital employed is the principal measure of segment assets and liabilities reported to the Executive Leadership Team. Capital employed is defined as net assets excluding net debt, vessel lease contracts that are priced with reference to a freight index, the debit valuation adjustment attributable to derivatives hedging net debt and financial asset investments.

	Capital employed	
US$ million	**2023**	2022 (restated)[1]
Copper[1]	**14,309**	13,661
Nickel	**588**	1,393
Platinum Group Metals	**5,175**	4,753
De Beers	**7,257**	8,218
Iron Ore	**9,044**	8,488
Steelmaking Coal	**3,364**	2,837
Manganese	**141**	210
Crop Nutrients	**1,309**	489
Corporate and other	**1,240**	492
Capital employed	**42,427**	40,541
Reconciliation to Consolidated balance sheet:		
Net debt	**(10,615)**	(6,918)
Variable vessel leases excluded from net debt (see note 21)	**(637)**	(127)
Debit valuation adjustment attributable to derivatives hedging net debt	**3**	29
Financial asset investments	**439**	428
Net assets	**31,617**	33,953

(1) Comparative figures are restated for the adoption of the amendment to IAS 12, see note 39A.

Capital base

10. Capital by segment continued

Non-current assets by location

US$ million	Intangible assets, Property, plant and equipment 2023	2022	Total non-current assets 2023	2022
South Africa	10,352	10,074	10,986	10,778
Botswana	2,025	2,979	2,031	2,982
Other Africa	844	1,084	848	1,088
Brazil	7,112	7,529	7,817	8,138
Chile	8,253	7,424	8,330	7,498
Peru	8,654	8,075	8,693	8,079
Other South America	—	—	1	2
North America	630	563	642	581
Australia and Asia	4,357	3,591	4,838	4,083
United Kingdom[1]	3,102	2,536	3,291	2,653
Other Europe	99	98	99	98
Non-current assets by location	45,428	43,953	47,576	45,980
Unallocated assets			1,641	1,491
Total non-current assets			49,217	47,471

[1] United Kingdom is Anglo American plc's country of domicile.

Total non-current assets by location primarily comprise Intangible assets, Property, plant and equipment and Investments in associates and joint ventures.

11. Intangible assets

Overview

Intangible assets comprise goodwill acquired through business combinations, brands, contracts and other non-mining assets.

US$ million	2023 Brands	2023 Contracts and other intangibles	2023 Goodwill	2023 Total	2022 Brands	2022 Contracts and other intangibles	2022 Goodwill	2022 Total
Net book value								
At 1 January	517	640	1,671	2,828	517	608	1,877	3,002
Acquired through business combinations	—	—	50	50	—	—	—	—
Additions	—	191	—	191	—	153	—	153
Amortisation charge for the year	—	(76)	—	(76)	—	(59)	—	(59)
Impairments	(21)	(27)	(1,390)	(1,438)	—	(40)	—	(40)
Currency movements	—	(15)	(61)	(76)	—	(22)	(206)	(228)
At 31 December	496	713	270	1,479	517	640	1,671	2,828
Cost	517	1,258	1,732	3,507	517	1,183	1,742	3,442
Accumulated amortisation and impairment	(21)	(545)	(1,462)	(2,028)	—	(543)	(71)	(614)

Brands, contracts and other intangibles includes $822 million (2022: $889 million) relating to De Beers, principally comprising assets that were recognised at fair value on acquisition of a controlling interest in De Beers in August 2012. At 31 December 2023, $496 million (2022: $517 million) of intangible assets that are deemed to have indefinite useful lives relating to brands in De Beers.

Further information

Goodwill relates to the following cash generating units (CGUs) or groups of CGUs:

US$ million	2023	2022
Copper Chile	124	124
Platinum Group Metals	96	103
De Beers	—	1,434
Other	50	10
	270	1,671

Accounting judgements and estimates

Goodwill and brands are tested at least annually for impairment by assessing the recoverable amount of the related CGU or group of CGUs. Further information in relation to De Beers is set out in note 8. Management believes that any reasonably possible change in a key assumption, on which the recoverable amount of goodwill allocated to the Los Bronces - Chagres CGU (Copper Chile) and Platinum Group Metals is based, would not cause the carrying values to exceed their recoverable amounts. Further details about how the recoverable amounts have been determined are set out in notes 7 and 8.

Accounting policy

See note 39D for the Group's accounting policies on intangible assets.

Capital base

12. Property, plant and equipment

Overview

Property, plant and equipment comprises the physical assets that make up the Group's operations. These include acquired mineral rights, capitalised waste stripping and mine development costs, processing plants and infrastructure, vehicles and other equipment.

							2023
	Owned and leased assets						
US$ million	Mining properties – Owned	Land and buildings – Owned	Land and buildings – Right-of-use assets	Plant and equipment – Owned	Plant and equipment – Right-of-use assets	Capital works in progress	Total
Net book value							
At 1 January	10,032	1,655	464	13,999	312	14,663	41,125
Additions	307	12	53	258	536	6,162	7,328
Depreciation charge for the year	(859)	(147)	(52)	(1,437)	(240)	—	(2,735)
Impairments	(283)	(310)	(11)	(268)	(34)	(138)	(1,044)
Revaluation of shipping leases	—	—	—	—	362	—	362
Disposals	(20)	(11)	—	(88)	(1)	(1)	(121)
Reclassifications	2,825	4,453	—	3,689	—	(10,967)	—
Currency movements	(473)	(51)	(11)	(147)	(1)	(283)	(966)
At 31 December	11,529	5,601	443	16,006	934	9,436	43,949
Cost	25,913	7,052	682	35,130	1,840	11,381	81,998
Accumulated depreciation and impairment	(14,384)	(1,451)	(239)	(19,124)	(906)	(1,945)	(38,049)

							2022
	Owned and leased assets						
US$ million	Mining properties – Owned	Land and buildings – Owned	Land and buildings – Right-of-use assets	Plant and equipment – Owned	Plant and equipment – Right-of-use assets	Capital works in progress	Total
Net book value							
At 1 January	10,119	1,776	454	13,590	312	13,250	39,501
Additions	586	16	76	102	194	5,860	6,834
Depreciation charge for the year	(890)	(81)	(44)	(1,347)	(195)	—	(2,557)
Impairments	(106)	(82)	(32)	(142)	—	(1,663)	(2,025)
Impairments reversed	181	24	—	197	4	24	430
Revaluation of shipping leases	—	—	—	—	8	—	8
Disposals	(12)	(1)	(6)	(35)	(7)	(23)	(84)
Reclassifications	664	50	22	1,827	—	(2,563)	—
Currency movements	(510)	(47)	(6)	(193)	(4)	(222)	(982)
At 31 December	10,032	1,655	464	13,999	312	14,663	41,125
Cost	25,896	2,673	648	32,394	987	16,496	79,094
Accumulated depreciation and impairment	(15,864)	(1,018)	(184)	(18,395)	(675)	(1,833)	(37,969)

Additions include $515 million (2022: $378 million) of net interest expense incurred on borrowings which fund the construction of qualifying assets that have been capitalised during the year, principally for the Quellaveco copper project in Peru and the Woodsmith project in the UK. The Quellaveco project achieved commercial production on 1 June 2023, after which interest expense incurred on borrowings was recognised within finance costs in the Consolidated income statement.

Depreciation includes $2,623 million (2022: $2,401 million) of depreciation within operating profit, $68 million (2022: $69 million) of depreciation arising due to the fair value uplift on the pre-existing 45% shareholding in De Beers which has been included within operating remeasurements (see note 9), and $44 million (2022: $87 million) of pre-commercial production depreciation on assets used in capital projects which has been capitalised.

The impairment charge for the year relates principally to the Group's Nickel reportable segment. A charge of $213 million relates to the De Beers reportable segment and was primarily recorded within the mining properties asset class.

Disposals includes disposals of assets and businesses.

Accounting judgements and estimates

Impairment testing

Impairment testing involves a number of significant accounting judgements and estimates, which are set out in note 7.

Commercial production

The Group applies judgement in determining when a mine reaches commercial production. The Group assesses a number of factors when making this judgement. Typically, a mine reaches commercial production when mine assets are consistently operating at 80% of nameplate production capacity. The Group's Quellaveco copper project is most affected by this judgement in the current year. The Quellaveco project achieved commercial production on 1 June 2023, after which borrowing costs were recognised within finance costs in the Consolidated income statement and assets considered ready for use were reclassified from Capital Work in Progress to appropriate asset classes and subsequently depreciated.

Capital base

12. Property, plant and equipment continued

Depreciation

Depreciation is calculated with reference to the Group's best estimate of useful economic lives of assets. Useful economic lives of mining properties are generally limited to the expected life of the related orebody. The life of the orebody, in turn, is estimated on the basis of the Life of Asset Plan. Where an asset is not dependent on the life of a related orebody, management applies judgment in estimating the remaining useful economic life of the asset. Climate change may impact the useful economic lives of the Group's mining properties if changing commodity prices extend or reduce the period in which resources can be extracted from an orebody economically.

Deferred stripping

In certain mining operations, rock or soil overlying a mineral deposit, known as overburden, and other waste materials must be removed to access the orebody. The process of removing overburden and other mine waste materials is referred to as stripping.

The Group defers stripping costs onto the balance sheet where they are considered to improve access to ore in future periods. Where the amount to be capitalised cannot be specifically identified because stripping activities and production occur simultaneously, the amount to be capitalised is calculated based on the waste moved in excess of the life of mine average for the component. Determining the average strip ratio for the mine is an accounting estimate. The identification of components is an area of judgement, reflecting the design of each mine. Both accounting judgements and estimates are made with reference to the Life of Asset Plan.

Accounting policy

See note 39D for the Group's accounting policies on property, plant and equipment.

13. Capital expenditure

The disclosures in this note include certain Alternative Performance Measures (APMs). For more information on the APMs used by the Group, including definitions, please refer to page 318.

Capital expenditure by segment

US$ million	2023	2022
Copper	1,684	2,031
Nickel	91	79
Platinum Group Metals	1,108	1,017
De Beers	623	593
Iron Ore	909	834
Steelmaking Coal	619	648
Crop Nutrients	641	522
Corporate and other	59	14
Capital expenditure	5,734	5,738
Reconciliation to Consolidated cash flow statement:		
Cash flows used in derivatives related to capital expenditure	(3)	–
Proceeds from disposal of property, plant and equipment	16	7
Direct funding for capital expenditure received from non-controlling interests	129	446
Expenditure on property, plant and equipment	5,876	6,191

Direct funding for capital expenditure from non-controlling interests related to the Quellaveco project was fully drawn in April 2023. Mitsubishi has continued to provide direct funding for its 40% share of capital expenditure relating to the coarse particle recovery project via draw-downs against a committed shareholder facility which are recorded as borrowings on the Group's Consolidated balance sheet.

Capital expenditure by category

US$ million	2023	2022
Growth projects	1,330	1,595
Life-extension projects	598	582
Stay-in-business	2,902	2,558
Development and stripping	920	1,010
Proceeds from disposal of property, plant and equipment	(16)	(7)
	5,734	5,738

Growth projects and life-extension projects capital expenditure includes the cash flows from derivatives related to capital expenditure and is net of direct funding for capital expenditure received from non-controlling interests.

Capital base

14. Investments in associates and joint ventures

Overview

Investments in associates and joint ventures represent businesses the Group does not control, but instead exercises significant influence or joint control. These include (within the respective businesses) the associate Jellinbah (steelmaking coal production in the Steelmaking Coal segment) and the joint ventures Ferroport (port operations in the Iron Ore segment) and Samancor (manganese mining in the Manganese segment). The Group's other investments in associates and joint ventures arise primarily in the Platinum Group Metals segment and Crop Nutrients segment.

The disclosures in this note include certain Alternative Performance Measures (APMs). For more information on the APMs used by the Group, including definitions, please refer to page 318.

			2023			2022
US$ million	Associates	Joint ventures	Total	Associates	Joint ventures	Total
At 1 January	416	640	1,056	388	633	1,021
Net income from associates and joint ventures	248	130	378	452	189	641
Dividends received	(203)	(184)	(387)	(398)	(210)	(608)
Investments in equity and capitalised loans	4	11	15	6	31	37
Impairments	(10)	—	(10)	(3)	—	(3)
Other movements	2	(2)	—	3	(2)	1
Currency movements	(1)	15	14	(32)	(1)	(33)
At 31 December	456	610	1,066	416	640	1,056

Further information

The Group's total investments in associates and joint ventures include long term loans of $125 million (2022: $137 million), which in substance form part of the Group's net investment. These loans are not repayable in the foreseeable future.

The Group's share of the results of the associates and joint ventures is as follows:

Income statement

US$ million	2023	2022
Group revenue	1,846	2,264
Operating costs (before special items and remeasurements)	(1,234)	(1,225)
Associates' and joint ventures' underlying EBIT	612	1,039
Net finance costs	(37)	(16)
Income tax expense	(196)	(379)
Non-controlling interests	(1)	(3)
Net income from associates and joint ventures	378	641

Balance sheet

US$ million	Associates	Joint ventures	Total
Non-current assets	179	1,087	1,266
Current assets	494	416	910
Current liabilities	(155)	(214)	(369)
Non-current liabilities	(62)	(679)	(741)
Net assets as at 31 December 2023	456	610	1,066
Net assets as at 31 December 2022	416	640	1,056

Capital base

14. Investments in associates and joint ventures continued

Further information

The Group's share of the results of the associates and joint ventures is as follows:

	2023				
US$ million	Group revenue	Underlying EBITDA	Underlying EBIT	Share of net income	Dividends received
Samancor	670	231	145	66	127
Jellinbah	779	373	360	244	198
Ferroport	105	82	74	50	55
Other	292	31	33	18	7
	1,846	717	612	378	387

	2022				
US$ million	Group revenue	Underlying EBITDA	Underlying EBIT	Share of net income	Dividends received
Samancor	840	378	312	148	169
Jellinbah	1,056	674	660	454	393
Ferroport	99	75	69	47	41
Other	269	(2)	(2)	(8)	5
	2,264	1,125	1,039	641	608

	Aggregate investment	
US$ million	2023	2022
Samancor	147	212
Jellinbah	415	370
Ferroport	290	280
Other	214	194
	1,066	1,056

Accounting judgements

Impairment

No indicators of impairment were identified for the Group's material investments in associates and joint ventures during 2023. The key assumptions used in determining the recoverable amounts are set out in note 7.

Accounting policy

See note 39I for the Group's accounting policy on associates and joint arrangements, which includes joint ventures.

Capital base

15. Financial asset investments

Overview

Financial asset investments include three categories. Financial assets at amortised cost principally comprise loans to and deposits with third parties including the Group's associates and joint ventures. Assets classified at fair value through other comprehensive income principally comprise investments in equities of other companies. Financial assets held at fair value through profit and loss comprise financial assets that do not meet the criteria to be classified under either of the other two categories.

	2023				2022			
US$ million	Financial assets at amortised cost	At fair value through profit and loss	At fair value through other comprehensive income	Total	Financial assets at amortised cost	At fair value through profit and loss	At fair value through other comprehensive income	Total
At 1 January	226	35	167	428	127	60	182	369
Additions	—	6	50	56	—	7	80	87
Interest receivable	6	2	—	8	2	—	—	2
Net loans (repaid)/advanced	(1)	39	—	38	89	(5)	—	84
Disposals	—	—	(5)	(5)	—	—	(134)	(134)
Impairments	—	—	—	—	(2)	—	—	(2)
Impairment reversals	—	—	—	—	17	—	—	17
Fair value and other movements	—	(9)	(76)	(85)	(12)	(29)	50	9
Currency movements	3	—	(4)	(1)	5	2	(11)	(4)
At 31 December	234	73	132	439	226	35	167	428
Current	17	31	—	48	14	24	—	38
Non-current	217	42	132	391	212	11	167	390

Accounting policy

See note 39D for the Group's accounting policies on financial asset investments.

16. Provisions for liabilities and charges

Overview

US$ million	Environmental restoration	Decommissioning	Employee benefits	Onerous contracts	Legal	Restructuring	Other	Total
At 1 January	(1,761)	(906)	(161)	(30)	(250)	(17)	(168)	(3,293)
Additional provisions charged to income statement	(246)	(29)	(76)	(4)	(34)	(56)	(18)	(463)
Changes in discount rate	38	29	—	—	—	—	—	67
Capitalised	(42)	(121)	—	—	(2)	—	(130)	(295)
Unwinding of discount	(48)	(26)	(3)	(2)	—	—	—	(79)
Amounts applied	97	56	52	4	39	17	14	279
Unused amounts reversed	7	65	7	18	33	1	24	155
Disposals	28	15	—	—	—	—	—	43
Currency movements	39	4	1	(9)	(15)	1	7	28
At 31 December	(1,888)	(913)	(180)	(23)	(229)	(54)	(271)	(3,558)
Current	(148)	(30)	(160)	(23)	(23)	(53)	(247)	(684)
Non-current	(1,740)	(883)	(20)	—	(206)	(1)	(24)	(2,874)

Further information

Environmental restoration

The Group has an obligation to undertake restoration, rehabilitation and environmental work when environmental disturbance is caused by the development or ongoing production of a mining property. A provision is recognised for the present value of such costs, based on management's best estimate of the legal and constructive obligations incurred. Changes in legislation could result in changes in provisions recognised. It is anticipated that the majority of these costs will be incurred over a period in excess of 20 years.

Decommissioning

Provision is made for the present value of costs relating to the decommissioning of plant or other site restoration work. It is anticipated that the majority of these costs will be incurred over a period in excess of 20 years.

The pre-tax, real discount rates that have been used in calculating the environmental restoration and decommissioning liabilities as at 31 December 2023, in the principal currencies in which these liabilities are denominated and with matching maturities to the timelines are as follows: US dollar: 1.7%–1.9% (2022: 1.7%–1.9%); South African rand: 4.9%–5.0% (2022: 4.5%–5.0%); Australian dollar: 1.5%–1.8% (2022: 1.5%–1.8%); Chilean peso: 2.2%–2.6% (2022: 1.7%–2.2%); and Brazilian real: 5.5%–5.9% (2022: 5.6%–6.0%).

Movements in environmental restoration and decommissioning provisions resulted in a net charge of $219 million within operating profit (2022: net charge of $324 million). In addition, the Group is required to provide guarantees in several jurisdictions in respect of environmental restoration and decommissioning obligations. These have not resulted in the recognition of any additional liabilities.

Capital base

16. Provisions for liabilities and charges continued

Decommissioning and environmental restoration provisions also includes management's best estimates of all material costs of conformance with Global Industry Standard for Tailing Management (GISTM). For further details see note 33.

Employee benefits
Provision is made for statutory or contractual employee entitlements where there is significant uncertainty over the timing or amount of settlement. It is anticipated that these costs will be incurred when employees choose to take their benefits.

Onerous contracts
Provision is made for the present value of certain long term contracts where the unavoidable cost of meeting the Group's obligations is expected to exceed the benefits to be received.

Other
Other provisions relate to social commitments and other claims and liabilities.

Environmental rehabilitation trusts

The Group makes contributions to controlled funds that were established to meet the cost of some of its restoration and environmental rehabilitation liabilities in South Africa. The funds comprise the following investments, which with the exception of some cash balances, are held in unit trusts:

US$ million	2023	2022
Equity	76	74
Bonds	14	13
Cash and cash equivalents	18	20
	108	107

These assets are primarily denominated in South African rand. Where not held in a unit trust, cash and cash equivalents are held in short term fixed deposits or earn interest at floating inter-bank rates. Bonds held in unit trusts earn interest at a weighted average fixed rate of 10.0% (2022: 10.0%) for an average period of eight years (2022: seven years).

These funds are not available for the general purposes of the Group (see note 24). All income from these assets is reinvested to meet specific environmental obligations. These obligations are included in provisions as stated above.

Accounting judgements and estimates

Environmental restoration and decommissioning provisions
The recognition and measurement of environmental restoration and decommissioning provisions requires judgement and is based on assumptions and estimates, including the required closure and rehabilitation costs, the timing of future cash flows, and the discount rates applied. Future cash flows used to determine environmental restoration and decommissioning provisions are risk adjusted to reflect potential changes in relation to the key assumptions made in the mine closure plan. Discount rates applied to determine environmental restoration and decommissioning provisions represent a market assessment of the time value of money only i.e. a risk-free rate. These rates are calculated on a real basis with reference to the yield for government bonds of the appropriate currency and duration. The Group has considered reasonably possible changes to discount rates and if the discount rates at 31 December 2023 were decreased by 1.0% then the total environmental restoration and decommissioning provisions would increase by $0.5 billion. Increase in discount rates by 1.0% would decrease the total restoration and decommissioning provisions by $0.4 billion.

The Group considers the impact of climate change on environmental restoration and decommissioning provisions, specifically the timing of future cash flows, and has concluded that it does not currently represent a key source of estimation uncertainty. Changes to legislation, including in relation to climate change, are factored into the provisions when the legislation becomes enacted.

Accounting policy

See note 39D for the Group's accounting policy on environmental restoration and decommissioning obligations.

Capital base

17. Deferred tax

Overview

The movement in net deferred tax liabilities during the year is as follows:

US$ million	2023	2022 (restated)[1]
At 1 January	(5,051)	(4,404)
Charged to the income statement	(469)	(852)
Credited to equity	13	77
Currency movements	189	128
At 31 December	(5,318)	(5,051)

[1] Comparative figures are restated for the adoption of the amendment to IAS 12, see note 39A.

Further information

Where there is a right of offset of deferred tax balances within the same tax jurisdiction, IAS 12 *Income Taxes* requires these to be presented after such offset in the Consolidated balance sheet. The closing deferred tax balances before this offset are as follows:

US$ million	2023	2022 (restated)[1]
Deferred tax assets before offset		
Tax losses	706	875
Depreciation in excess of capital allowances	240	163
Other temporary differences	638	745
	1,584	1,783
Deferred tax liabilities before offset		
Capital allowances in excess of depreciation	(4,410)	(4,317)
Fair value adjustments	(548)	(645)
Withholding tax	(22)	(20)
Other temporary differences	(1,922)	(1,852)
	(6,902)	(6,834)

[1] Comparative figures are restated for the adoption of the amendment to IAS 12, see note 39A.

The closing deferred tax balances after offset are as follows:

US$ million	2023	2022 (restated)[1]
Deferred tax assets	262	198
Deferred tax liabilities	(5,580)	(5,249)
	(5,318)	(5,051)

[1] Comparative figures are restated for the adoption of the amendment to IAS 12, see note 39A.

Other temporary differences primarily arise in relation to deferred stripping costs and functional currency differences.

The amount of deferred tax charged to the Consolidated income statement is as follows:

US$ million	2023	2022
Capital allowances in excess of depreciation	(252)	(712)
Fair value adjustments	67	1
Tax losses	(92)	(404)
Provisions	(123)	45
Other temporary differences	(69)	218
	(469)	(852)

Deferred tax charged to the income statement includes a credit of $119 million (2022: $72 million) relating to deferred tax remeasurements, a deferred tax on special items and remeasurement credit of $301 million (2022: $27 million) and a deferred tax special items charge of $300 million (2022: credit of $56 million).

Deferred tax assets are recognised to the extent that the business has forecast taxable profits against which the assets can be recovered. While the Group is in an overall net deferred tax liability (2022: liability) position, some deferred tax assets remain unrecognised in jurisdictions where no taxable profits are forecast and no right of offset against the Group's deferred tax liabilities exists.

Capital base

17. Deferred tax continued

The Group has the following temporary differences for which no deferred tax assets have been recognised:

	2023				2022 (restated)[1]			
US$ million	Tax losses – revenue	Tax losses – capital	Other temporary differences	Total	Tax losses – revenue	Tax losses – capital	Other temporary differences	Total
Expiry date								
Less than five years	155	—	139	294	126	—	2	128
Greater than five years	864	—	898	1,762	832	—	—	832
No expiry date	9,767	2,394	6,594	18,755	6,239	2,501	5,509	14,249
	10,786	2,394	7,631	20,811	7,197	2,501	5,511	15,209

(1) The 2022 comparative figures have been restated to include $1,279 million of revenue tax losses and other temporary differences.

No deferred tax has been recognised in respect of temporary differences associated with investments in subsidiaries, branches, associates and interests in joint ventures and joint operations where the Group is in a position to control the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future. Consistent with the Group's impairment testing, the Group uses the Board approved forecasts as the basis for the profits expected to arise in the foreseeable future. The aggregate amount of temporary differences associated with such investments in subsidiaries, branches, associates and interests in joint ventures and joint operations is represented by the contribution of those investments to the Group's retained earnings and amounted to $20,969 million (2022: $20,620 million).

Accounting judgements and estimates

Recognition of deferred tax asset

In accordance with the requirements of IAS 12 *Income Taxes*, the Group reassesses the recognition and recoverability of deferred tax assets at the end of each reporting period.

Accounting policy

See note 39G for the Group's accounting policy on tax.

Working capital

This section includes analysis of inventories, receivables and payables. These balances principally relate to current assets and liabilities held to support operating activities.

US$ million	2023	2022
Inventories	7,234	7,407
Trade and other receivables	4,983	4,923
Trade and other payables	(6,700)	(7,629)
	5,517	4,701

Net working capital increased in 2023 led by a decrease in payables largely driven by the impact of lower Platinum Group Metals prices. Inventory and receivables remain broadly flat.

18. Inventories

Overview

Inventories represent goods held for sale in the ordinary course of business (finished products), ore being processed into a saleable condition (work in progress) and spares, raw materials and consumables to be used in the production process (raw materials and consumables).

	2023			2022		
US$ million	Expected to be used within one year	Expected to be used after more than one year	Total	Expected to be used within one year	Expected to be used after more than one year	Total
Raw materials, consumables and other	1,100	8	1,108	889	—	889
Work in progress	2,138	822	2,960	2,777	798	3,575
Finished products	3,149	17	3,166	2,932	11	2,943
	6,387	847	7,234	6,598	809	7,407

Further information

The cost of inventories recognised as an expense and included in operating costs amounted to $15,457 million (2022: $16,983 million). The write-down of inventories to net realisable value (net of revaluation of provisionally priced purchases) amounted to $357 million (2022: $106 million).

Accounting estimates

Accounting for inventory involves the use of judgements and estimates, particularly in relation to the measurement and valuation of work in progress inventory within the production process. Certain estimates, including expected metal recoveries and work in progress volumes, are calculated by engineers using available industry, engineering and scientific data. Estimates used are periodically reassessed taking into account technical analysis, historical performance and physical counts. During the year, the Platinum Group Metals business updated its estimate of work in progress quantities following the completion of a physical count. This change in estimate reduced the carrying value of inventories by $89 million.

Accounting policy

See note 39E for the Group's accounting policy on inventories.

Working capital

19. Trade and other receivables

Overview
Trade receivables are amounts due from the Group's customers for commodities and services the Group has provided. Many of the Group's sales are provisionally priced, which means that the price is finalised at a date after the sale takes place. When there is uncertainty about the final amount that will be received, the receivable is marked to market based on the forward price.

Trade and other receivables also includes amounts receivable for VAT and other indirect taxes, prepaid expenses and deferred consideration.

			2023			2022
US$ million	Due within one year	Due after one year	Total	Due within one year	Due after one year	Total
Trade receivables	2,468	43	2,511	2,175	46	2,221
Tax receivables	974	214	1,188	978	120	1,098
Accrued income	182	—	182	254	—	254
Prepayments	391	22	413	530	41	571
Contract assets	67	—	67	46	—	46
Other receivables	434	188	622	500	233	733
	4,516	467	4,983	4,483	440	4,923

Further information
The Group applies the simplified expected credit loss model for its trade receivables measured at amortised cost, as permitted by IFRS 9 *Financial Instruments*. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience, credit profiles and financial metrics, adjusted as appropriate for current observable data.

As part of its approach to working capital management, the Group uses debtor discounting arrangements. These arrangements are on a non-recourse basis and hence the related receivables are derecognised from the Consolidated balance sheet.

Of the year end trade receivables balance $82 million (2022: $76 million) were past due, stated after an associated impairment provision of $33 million (2022: $22 million). Given the use of payment security instruments and the nature of the related counterparties, these amounts are considered recoverable. The historical level of customer default is minimal and there is no current observable data to indicate a material future default. As a result, the credit quality of year end trade receivables is considered to be high.

Trade receivables do not incur any interest as they are principally short term in nature and therefore are measured at their nominal value (with the exception of receivables relating to provisionally priced sales, as set out in the revenue recognition accounting policy, see note 39C), net of appropriate provisions for estimated irrecoverable amounts.

20. Trade and other payables

Overview
Trade and other payables include amounts owed to suppliers, tax authorities and other parties that are typically due to be settled within 12 months. The total also includes contract liabilities, which represents monies received from customers but for which we have not yet delivered the associated goods or service. These amounts are recognised as revenue when the goods are delivered or the service is provided. All revenue relating to performance obligations which were incomplete as at 31 December 2022 was recognised during the year. Other payables include deferred consideration in respect of business combinations and dividends payable to non-controlling interests.

US$ million	2023	2022
Trade payables	2,716	2,987
Accruals	2,504	2,399
Contract liabilities and deferred income	719	1,492
Tax and social security	198	131
Other payables	563	620
	6,700	7,629

Further information
Trade payables are non-interest bearing and are measured at their nominal value (with the exception of payables relating to provisionally priced commodity purchases which are marked to market using the appropriate forward price) until settled. $189 million (2022: $249 million) of trade and other payables are included within non-current liabilities.

Contract liabilities and deferred income include $608 million (2022: $1,358 million) for payments received in advance for metal which is expected to be delivered within six months and $80 million (2022: $99 million) in respect of freight and performance obligations which are expected to be completed within 30 to 45 days. The decrease in contract liabilities and deferred income is primarily driven by a decrease in metal prices.

Net debt and financial risk management

Net debt increased from $6.9 billion to $10.6 billion during the year, which includes a working capital cash outflow of $1.2 billion, primarily due to a reduction in payables. Gearing has increased from 17% at 31 December 2022 to 25% at 31 December 2023.

US$ million	2023	2022 (restated)[(1)]
Net assets	31,617	33,953
Net debt including related derivatives (note 21)	10,615	6,918
Variable vessel leases	637	127
Total capital	42,869	40,998
Gearing	25%	17%

(1) Comparative figures are restated for the adoption of the amendment to IAS 12, see note 39A.

Net debt is calculated as total borrowings excluding variable vessel lease contracts that are priced with reference to a freight index, less cash and cash equivalents (including derivatives that provide an economic hedge of net debt but excluding the impact of the debit valuation adjustment on these derivatives). Total capital is calculated as 'Net assets' (as shown in the Consolidated balance sheet) excluding net debt and variable vessel leases.

21. Net debt

Overview

The disclosures in this note include certain Alternative Performance Measures (APMs). For more information on the APMs used by the Group, including definitions, please refer to page 318.

Movement in net debt

US$ million	Short term borrowings	Medium and long term borrowings	Total financing activity liabilities	Removal of variable vessel leases	Cash and cash equivalents	Derivatives hedging net debt	Net debt including derivatives
At 1 January 2022	(1,226)	(11,621)	(12,847)	74	9,057	(126)	(3,842)
Cash flow	1,274	(2,990)	(1,716)	(86)	(420)	103	(2,119)
Interest accrued on borrowings	(430)	(130)	(560)	1	—	—	(559)
Reclassifications	(940)	940	—	—	—	—	—
Movement in fair value	8	886	894	—	—	(1,069)	(175)
Other movements	(141)	(143)	(284)	138	—	—	(146)
Currency movements	47	113	160	—	(237)	—	(77)
At 31 December 2022	(1,408)	(12,945)	(14,353)	127	8,400	(1,092)	(6,918)
Cash flow	1,538	(1,941)	(403)	(133)	(2,287)	610	(2,213)
Interest accrued on borrowings	(719)	(75)	(794)	12	—	—	(782)
Reclassifications	(847)	847	—	—	—	—	—
Movement in fair value	14	(293)	(279)	—	—	54	(225)
Other movements	(329)	(622)	(951)	631	—	—	(320)
Currency movements	25	(143)	(118)	—	(39)	—	(157)
At 31 December 2023	(1,726)	(15,172)	(16,898)	637	6,074	(428)	(10,615)

Other movements within financing activity liabilities include $576 million relating to leases entered into in the year ended 31 December 2023 (2022: $278 million) and $362 million (2022: $8 million) relating to shipping lease revaluations, refer to note 23.

Further information

Reconciliation to the Consolidated balance sheet

	Cash and cash equivalents		Short term borrowings		Medium and long term borrowings	
US$ million	2023	2022	2023	2022	2023	2022
Balance sheet	6,088	8,412	(1,740)	(1,420)	(15,172)	(12,945)
Bank overdrafts	(14)	(12)	14	12	—	—
Net cash/(debt) classifications	6,074	8,400	(1,726)	(1,408)	(15,172)	(12,945)

Other

Debit valuation adjustments of $3 million (2022: $29 million) reduce the valuation of derivative liabilities hedging net debt reflecting the impact of the Group's own credit risk. These adjustments are excluded from the Group's definition of net debt.

Cash and cash equivalents includes $532 million which is restricted (2022: $513 million). This primarily relates to cash which is held in joint operations where the timing of dividends is jointly controlled by the joint operators.

Accounting policy

See note 39F for the Group's accounting policy on cash and debt.

Net debt and financial risk management

22. Borrowings

Overview

The Group borrows mostly in the capital markets through bonds issued in the US markets and under the Euro Medium Term Note (EMTN) programme. The Group uses interest rate and cross currency swaps to ensure that the majority of the Group's borrowings are exposed to floating rate US dollar interest rates.

As part of its routine financing activities, in March 2023, the Group issued €500 million 4.5% Senior Notes due September 2028 and €500 million 5% Senior Notes due March 2031, and in May 2023, $900 million 5.5% Senior Notes due May 2033.

At 31 December 2022, the following bonds were retained as fixed rate exposure: $193 million 5.375% due April 2025, $99 million 5% due May 2027, $500 million 3.95% due September 2050, and $750 million 4.75% due March 2052. During the year ended 31 December 2023, the Group converted the following bonds to floating rates of interest for the next ten years by entering into interest rate swaps for a notional amount totalling $1.25 billion: $500 million 3.95% due September 2050 and $750 million 4.75% due March 2052. All other bonds at 31 December 2023 and 31 December 2022 were swapped to floating rate exposures.

Further information

	2023				2022			
US$ million	Short term borrowings	Medium and long term borrowings	Total borrowings	Contractual repayment at hedge rates	Short term borrowings	Medium and long term borrowings	Total borrowings	Contractual repayment at hedge rates
Secured								
Bank loans and overdrafts	43	71	114	114	38	96	134	134
Leases	408	1,107	1,515	1,515	184	676	860	860
	451	1,178	1,629	1,629	222	772	994	994
Unsecured								
Bank loans and overdrafts	489	503	992	992	253	509	762	762
Bank sustainability linked loans	—	66	66	66	—	40	40	40
Bonds issued under EMTN programme								
3.25% €750m bond due April 2023	—	—	—	—	800	—	800	1,033
1.625% €600m bond due September 2025	—	637	637	714	—	595	595	714
1.625% €500m bond due March 2026	—	523	523	566	—	485	485	566
4.5% €500m bond due September 2028	—	570	570	528	—	—	—	—
3.375% £300 million bond due March 2029	—	341	341	395	—	306	306	395
5% €500m bond due March 2031	—	578	578	528	—	—	—	—
4.75% €745m sustainability linked bond due September 2032	—	825	825	745	—	749	749	745
US bonds								
3.625% $650m bond due September 2024	635	—	635	650	—	620	620	650
5.375% $193m bond due April 2025	—	193	193	193	—	192	192	193
4.875% $339m bond due May 2025	—	326	326	339	—	320	320	339
4.75% $700m bond due April 2027	—	664	664	700	—	651	651	700
5% $99m bond due May 2027[(1)]	—	128	128	159	—	120	120	159
4% $650m bond due September 2027	—	609	609	650	—	595	595	650
2.25% $500m bond due March 2028	—	448	448	500	—	433	433	500
4.5% $650m bond due March 2028	—	622	622	650	—	612	612	650
3.875% $500m bond due March 2029	—	464	464	500	—	454	454	500
5.625% $750m bond due April 2030	—	753	753	750	—	748	748	750
2.625% $1bn bond due September 2030	—	811	811	1,000	—	780	780	1,000
2.875% $500m bond due March 2031	—	430	430	500	—	419	419	500
5.5% $900m bond due May 2033	—	874	874	900	—	—	—	—
3.95% $500m bond due September 2050	—	499	499	500	—	490	490	500
4.75% $750m bond due March 2052	—	749	749	750	—	732	732	750
Mitsubishi facility	—	2,381	2,381	2,381	—	2,323	2,323	2,323
Interest payable and other loans	165	—	165	165	145	—	145	145
	1,289	13,994	15,283	15,821	1,198	12,173	13,371	14,564
Total borrowings	1,740	15,172	16,912	17,450	1,420	12,945	14,365	15,558

(1) Bond acquired as part of the acquisition of Sirius Minerals plc (Crop Nutrients). At maturity the bond will be redeemed at 160% of par value.

Accounting policy

See note 39F for the Group's accounting policies on bank borrowings and lease liabilities.

Net debt and financial risk management

23. Leases

Overview
Leases relate principally to shipping vessels, corporate offices, employee accommodation and diamond jewellery retail outlets. Leases for shipping vessels typically run for 1 to 10 years and the majority are priced with reference to a freight index and the lease liability is therefore revalued to the spot freight rate at the end of each period. The leases for office space typically run for 5 to 25 years, employee accommodation up to 25 years and leases of retail stores 5 to 25 years. Some longer leases incorporate fixed increases in rentals or provide for annual uplifts based upon an index, typically a measure of inflation.

Further information
Amounts recognised in the Consolidated balance sheet
Lease agreements give rise to the recognition of a right-of-use asset (see note 12) and a related liability for future lease payments (see note 22).

Lease liabilities balance and maturity analysis:

US$ million	2023	2022
Amount due for repayment within one year	450	204
Greater than one year, less than two years	266	121
Greater than two years, less than three years	176	96
Greater than three years, less than four years	153	80
Greater than four years, less than five years	124	67
Greater than five years	806	579
Total due for repayment after more than one year	1,525	943
Total	1,975	1,147
Effect of discounting	(460)	(287)
Lease liabilities	1,515	860

Amounts recognised in the statement of profit or loss

US$ million	2023	2022
Depreciation of right-of-use assets (see note 12)	292	239
Interest expense for lease liabilities (included in finance costs, see note 4)	62	42
Expense relating to short term leases less than 12 months, variable leasing costs and leases of low value	145	167

Amounts recognised in the Consolidated cash flow statement
In the Consolidated cash flow statement for the year ended 31 December 2023, the total amount of cash paid in respect of leases recognised on the Consolidated balance sheet are split between repayments of principal of $309 million (2022: $266 million) and repayments of interest of $53 million (2022: $31 million), both included within cash flows from financing activities. The repayment of both principal and interest forms part of both the Attributable free cash flow and Sustaining attributable free cash flow Alternative Performance Measures (APMs). For more information on the APMs used by the Group, including definitions, please refer to page 318.

Further disclosures
In addition to the lease commitments above, the Group has lease commitments in relation to leases not yet commenced of $204 million.

Accounting judgements
At the date of inception of a new contract or significant modification of an existing contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the asset for a period of time in exchange for consideration. To identify lease arrangements, the Group assesses whether:

- The contract specifies the use of an identified asset or collection of assets
- The Group has the right to obtain substantially all of the economic benefits from the use of the identified asset(s)
- The Group has the right to direct the use of the asset(s).

The Group has paid particular attention to the judgement over whether the lessor has a substantive right to substitute the specified assets for alternatives.

- Many assets used by the Group are highly specialised in nature and are purpose-built or modified to meet the Group's specification. Judgement is required to assess whether the assets can be substituted and used for other purposes without significant additional modification.
- The remote location of some of the Group's operations presents practical difficulties to the substitution of assets. Judgement is required to determine whether assets in remote locations can be relocated to other locations within a reasonable timeframe and cost.
- At some locations, high levels of security restrict the movement of assets to alternative locations, limiting the ability to substitute assets.
- The Group's health and safety standards exceed statutory requirements in some jurisdictions. This places limitations on the ability to substitute certain assets, such as vehicles. Judgement is required to assess whether equivalent assets meeting the Group's requirements can be sourced within required operational timeframes.

Accounting policy
Accounting policies applied to lease liabilities and corresponding right-of-use assets are set out respectively in notes 39F and 39D.

Net debt and financial risk management

24. Financial instruments and derivatives

Financial instruments overview

For financial assets and liabilities which are traded on an active market, such as listed investments or listed debt instruments, fair value is determined by reference to market value. For non-traded financial assets and liabilities, fair value is calculated using discounted cash flows, considered to be reasonable and consistent with those that would be used by a market participant, and based on observable market data where available (for example forward exchange rate, interest rate or commodity price curve), unless carrying value is considered to approximate fair value.

Where discounted cash flow models based on management's assumptions are used, the resulting fair value measurements are considered to be at level 3 in the fair value hierarchy, as defined in IFRS 13 *Fair Value Measurement*, as they depend to a significant extent on unobservable valuation inputs.

All derivatives that have been designated into hedge relationships have been separately disclosed.

						2023
US$ million	**At fair value through profit and loss**	**Financial assets at amortised cost**	**At fair value through other comprehensive income**	**Designated into hedges**	**Financial liabilities at amortised cost**	**Total**
Financial assets						
Trade and other receivables	**2,247**	**1,082**	**—**	**—**	**—**	**3,329**
Derivative financial assets	**241**	**—**	**—**	**115**	**—**	**356**
Cash and cash equivalents	**4,359**	**1,729**	**—**	**—**	**—**	**6,088**
Financial asset investments	**73**	**234**	**132**	**—**	**—**	**439**
Environmental rehabilitation trusts[1]	**103**	**5**	**—**	**—**	**—**	**108**
	7,023	**3,050**	**132**	**115**	**—**	**10,320**
Financial liabilities						
Trade and other payables	**(668)**	**—**	**—**	**—**	**(5,115)**	**(5,783)**
Derivative financial liabilities	**(172)**	**—**	**—**	**(570)**	**—**	**(742)**
Royalty liability	**—**	**—**	**—**	**(91)**	**(487)**	**(578)**
Borrowings	**—**	**—**	**—**	**(11,509)**	**(5,403)**	**(16,912)**
	(840)	**—**	**—**	**(12,170)**	**(11,005)**	**(24,015)**
Net financial assets/(liabilities)	**6,183**	**3,050**	**132**	**(12,055)**	**(11,005)**	**(13,695)**

						2022
US$ million	At fair value through profit and loss	Financial assets at amortised cost	At fair value through other comprehensive income	Designated into hedges	Financial liabilities at amortised cost	Total
Financial assets						
Trade and other receivables	2,106	1,114	—	—	—	3,220
Derivative financial assets	241	—	—	12	—	253
Cash and cash equivalents	6,447	1,965	—	—	—	8,412
Financial asset investments	35	226	167	—	—	428
Environmental rehabilitation trusts[1]	100	7	—	—	—	107
	8,929	3,312	167	12	—	12,420
Financial liabilities						
Trade and other payables	(735)	—	—	—	(5,271)	(6,006)
Derivative financial liabilities	(592)	—	—	(737)	—	(1,329)
Royalty liability	—	—	—	(80)	(430)	(510)
Borrowings	—	—	—	(8,681)	(5,684)	(14,365)
	(1,327)	—	—	(9,498)	(11,385)	(22,210)
Net financial assets/(liabilities)	7,602	3,312	167	(9,486)	(11,385)	(9,790)

[1] These funds are not available for the general purposes of the Group. All income from these assets is reinvested to meet specific environmental obligations. These obligations are included in provisions as per note 16.

The Group's cash and cash equivalents at 31 December 2023 include $4,359 million (2022: $6,447 million) held in high grade money market funds. These funds are selected to ensure compliance with the minimum credit rating requirements and counterparty exposure limits set out in the Group's Treasury policy.

Net debt and financial risk management

24. Financial instruments and derivatives continued

Fair value hierarchy

An analysis of financial assets and liabilities carried at fair value is set out below:

				2023				2022
US$ million	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets								
At fair value through profit and loss								
Provisionally priced trade receivables	—	2,113	—	2,113	—	1,799	—	1,799
Other receivables	—	12	122	134	—	—	307	307
Derivatives hedging net debt	—	119	—	119	—	49	—	49
Other derivatives	—	122	—	122	—	192	—	192
Cash and cash equivalents	4,359	—	—	4,359	6,447	—	—	6,447
Financial asset investments	—	68	5	73	—	31	4	35
Environmental rehabilitation trusts[1]	—	103	—	103	—	100	—	100
Designated into hedges								
Derivatives hedging net debt	—	115	—	115	—	12	—	12
At fair value through other comprehensive income								
Financial asset investments	46	—	86	132	60	—	107	167
	4,405	2,652	213	7,270	6,507	2,183	418	9,108
Financial liabilities								
At fair value through profit and loss								
Provisionally priced trade payables	—	(426)	—	(426)	—	(368)	—	(368)
Other payables	—	—	(242)	(242)	—	—	(367)	(367)
Derivatives hedging net debt	—	(92)	—	(92)	—	(416)	—	(416)
Other derivatives	—	(82)	(1)	(83)	—	(205)	—	(205)
Debit valuation adjustment to derivative liabilities	—	3	—	3	—	29	—	29
Designated into hedges								
Derivatives hedging net debt	—	(570)	—	(570)	—	(737)	—	(737)
Royalty liability	—	—	(91)	(91)	—	—	(80)	(80)
	—	(1,167)	(334)	(1,501)	—	(1,697)	(447)	(2,144)
Net assets carried at fair value	4,405	1,485	(121)	5,769	6,507	486	(29)	6,964

(1) These funds are not available for the general purposes of the Group. All income from these assets is reinvested to meet specific environmental obligations. These obligations are included in provisions as per note 16.

Fair value hierarchy	Valuation technique
Level 1	Valued using unadjusted quoted prices in active markets for identical financial instruments. This category includes cash and cash equivalents held in money market funds, listed equity shares and quoted futures.
Level 2	Instruments in this category are valued using valuation techniques where all of the inputs that have a significant effect on the valuation are directly or indirectly based on observable market data. This category includes provisionally priced trade receivables and payables and over-the-counter derivatives.
Level 3	Instruments in this category have been valued using a valuation technique where at least one input (which could have a significant effect on the instrument's valuation) is not based on observable market data. Where inputs can be observed from market data without undue cost and effort, the observed input is used. Otherwise, management determines a reasonable estimate for the input. This category includes deferred consideration, receivables relating to disposals, unlisted equity investments and the embedded derivative relating to the Royalty liability.

The movements in the fair value of the level 3 financial assets and liabilities are shown as follows:

		Assets		Liabilities
US$ million	2023	2022	2023	2022
At 1 January	418	830	(447)	(464)
Net (loss)/profit recorded in the income statement	(22)	(79)	9	(73)
Net (loss)/profit recorded in the statement of comprehensive income	(12)	53	(11)	(80)
Reclassification (from)/to level 3 financial assets/(liabilities)	(7)	9	(23)	—
Additions	94	22	—	—
Settlements and disposals	(233)	(388)	119	153
Currency movements	(25)	(29)	19	17
At 31 December	213	418	(334)	(447)

Net debt and financial risk management

24. Financial instruments and derivatives continued

Further information on financial instruments

Borrowings designated in fair value hedges represent listed debt which is held at amortised cost, adjusted for the fair value of the hedged interest rate risk. The fair value of these borrowings is $11,546 million (2022: $8,846 million), which is measured using quoted indicative broker prices and consequently categorised as level 2 in the fair value hierarchy. The carrying value of the remaining borrowings at amortised cost includes bonds which are not designated into hedge relationships, bank borrowings and lease liabilities. The carrying value of these bonds is $323 million (2022: $1,608 million) and the fair value is $330 million (2022: $1,381 million). The carrying value of the remaining borrowings at amortised cost are considered to approximate the fair value.

Offsetting of financial assets and liabilities

The Group offsets financial assets and liabilities and presents them on a net basis in the Consolidated balance sheet only where there is a legally enforceable right to offset the recognised amounts, and the Group intends to either settle the recognised amounts on a net basis or to realise the asset and settle the liability simultaneously.

At 31 December 2023, certain over-the-counter derivatives entered into by the Group and recognised at fair value through profit and loss are both subject to enforceable ISDA master netting arrangements and intended to be settled on a net basis. In accordance with the requirements of IAS 32 *Financial Instruments: Presentation*, the positions of these derivatives have been offset; those in a liability position totalling $9 million (2022: $7 million) were offset against those in an asset position totalling $281 million (2022: $149 million). The net asset position of $272 million (2022: $142 million) is presented within derivative assets (2022: within derivative assets) in the Consolidated balance sheet.

If certain credit events (such as default) were to occur, additional derivative instruments would be settled on a net basis under ISDA agreements. Interest rate and cross currency interest rate swaps in an asset position totalling $243 million (2022: $78 million) would be offset against those in a liability position totalling $681 million (2022: $1,129 million). These instruments are presented on a gross basis in the Consolidated balance sheet as the Group does not have a legally enforceable right to offset the amounts in the absence of a credit event occurring.

Royalty liability

When the Group acquired the Woodsmith project, the Hancock royalty liability and related embedded derivative were recognised. The royalty liability and associated derivative does not form part of borrowings on the basis that obligations to make cash payments against this liability only arise when the Woodsmith project generates revenues, and that otherwise the Group is not currently contractually liable to make any payments under this arrangement (other than in the event of Anglo American Crop Nutrients Limited's insolvency).

Derivatives overview

The Group utilises derivative instruments to manage certain market risk exposures; however, it may choose not to designate certain derivatives as hedges for accounting purposes. Such derivatives are classified as 'Held for trading' and fair value movements are recorded in the Consolidated income statement.

The use of derivative instruments is subject to limits and the positions are regularly monitored and reported to senior management.

Fair value hedges

In accordance with the Group's policy, interest rate swaps are taken out to swap the Group's fixed rate borrowings to floating rate. These have been designated as fair value hedges. The carrying value of the hedged debt is adjusted at each balance sheet date to reflect the impact on its fair value of changes in market interest rates. At 31 December 2023, this adjustment was to decrease the carrying value of borrowings by $508 million (2022: $787 million decrease). Changes in the fair value of the hedged debt are offset against fair value changes in the interest rate swap and recognised in the Consolidated income statement as financing remeasurements. Recognised in the Consolidated income statement is a loss on fair value hedged items of $279 million (2022: $894 million gain), offset by a gain on fair value hedging instruments of $274 million (2022: $906 million loss).

Cash flow hedges

The royalty liability contains an embedded derivative as future payments are linked directly to future revenues. The Group has designated this embedded derivative as a cash flow hedge of future revenue from the Woodsmith project. During the year the Group recognised a loss within other comprehensive income of $11 million (2022: loss of $80 million) and a liability of $91 million (2022: liability of $80 million) within the royalty liability in respect of this derivative.

Held for trading

The Group may choose not to designate certain derivatives as hedges. This may occur where the Group is economically hedged but IFRS 9 *Financial Instruments* hedge accounting cannot be achieved or where gains and losses on both the derivative and hedged item naturally offset in the Consolidated income statement, as is the case for certain cross currency swaps of non-US dollar debt. A fair value gain of $149 million in respect of these cross currency swaps has been recognised in the Consolidated income statement (2022: loss of $1 million) and is presented within financing remeasurements net of foreign exchange losses on the related borrowings of $149 million (2022: gains of $30 million). Fair value changes on held for trading derivatives are recognised in the Consolidated income statement as remeasurements or within underlying earnings in accordance with the policy set out in note 9.

Net debt and financial risk management

24. Financial instruments and derivatives continued

Further information on derivatives

Fair value of derivative positions

The fair value of the Group's open derivative positions at 31 December (excluding normal purchase and sale contracts held off balance sheet) recorded within 'Derivative financial assets' and 'Derivative financial liabilities', is as follows:

	Current				Non-current			
	2023		2022		2023		2022	
US$ million	Asset	Liability	Asset	Liability	Asset	Liability	Asset	Liability
Derivatives hedging net debt								
Fair value hedge								
Interest rate swaps	—	(11)	12	—	115	(559)	—	(737)
Held for trading								
Cross currency swaps	—	—	—	(265)	119	(92)	49	(151)
Debit valuation adjustment to derivative liabilities	—	—	—	29	—	3	—	—
	—	(11)	12	(236)	234	(648)	49	(888)
Other derivatives	118	(83)	192	(205)	4	—	—	—
Total derivatives	118	(94)	204	(441)	238	(648)	49	(888)

Other derivatives primarily relate to forward foreign currency contracts hedging capital expenditure, forward commodity contracts and other commodity contracts that are accounted for as 'Held for trading'. These marked to market valuations are not predictive of the future value of the hedged position, nor of the future impact on the profit of the Group. The valuations represent the cost of closing all hedge contracts at 31 December, at market prices and rates available at the time.

Interest Rate Benchmark Reform

Benchmark transition progress

The Group transitioned all remaining trades referenced to the USD LIBOR rate to incorporate alternative risk-free rates with the principal benchmarks used now being EURIBOR, SOFR and SONIA. The Group does not hold any material lease agreements that contain references to existing benchmarks and as a result there is no material impact on the lease liabilities or right-of-use assets at 31 December 2023. Further details of the Group's transition is included in note 39F.

Fair value of financial instruments

Certain of the Group's financial instruments, principally derivatives, are required to be measured on the balance sheet at fair value. Where a quoted market price for an identical instrument is not available, a valuation model is used to estimate the fair value based on the net present value of the expected cash flows under the contract. Valuation assumptions are usually based on observable market data (for example forward foreign exchange rate, interest rate or commodity price curves) where available.

Accounting policies

See notes 39D and 39F for the Group's accounting policies on financial asset investments, impairment of financial assets, derivative financial instruments and hedge accounting.

Net debt and financial risk management

25. Financial risk management

Overview

The Board approves and monitors the risk management processes, including documented treasury policies, counterparty limits and controlling and reporting structures. The risk management processes of the Group's independently listed subsidiaries are in line with the Group's own policies.

The types of risk exposure, the way in which such exposure is managed and quantification of the level of exposure in the Consolidated balance sheet at 31 December is as follows:

- Liquidity risk
- Credit risk
- Commodity price risk
- Foreign exchange risk
- Interest rate risk.

A. Liquidity risk

The Group ensures that there are sufficient committed loan facilities (including refinancing, where necessary) in order to meet short term business requirements, after taking into account cash flows from operations and its holding of cash and cash equivalents, as well as any Group distribution restrictions that exist. In addition, certain projects may be financed by means of limited recourse project finance, if appropriate.

Certain borrowing facilities within the Group are the subject of financial covenants that vary from facility to facility, but which would be considered normal for such facilities, such as the ratio of debt to tangible net worth. The respective borrowers were not in breach with these financial covenants as at 31 December 2023.

The expected undiscounted cash flows of the Group's financial liabilities, by remaining contractual maturity, based on conditions existing at the balance sheet date, are as follows:

							2023
US$ million	Amount due for repayment within one year	Greater than one year, less than two years	Greater than two years, less than three years	Greater than three years, less than four years	Greater than four years, less than five years	Greater than five years	Total
Net financial liabilities							
Borrowings	(1,590)	(1,523)	(1,166)	(1,651)	(1,805)	(9,726)	(17,461)
Expected future interest payments	(547)	(491)	(460)	(430)	(359)	(2,140)	(4,427)
Derivatives hedging debt – net settled	(257)	(122)	(73)	(67)	(45)	(61)	(625)
Derivatives hedging debt – gross settled:							
– gross inflows	496	721	578	20	19	387	2,221
– gross outflows	(560)	(801)	(595)	(22)	(22)	(400)	(2,400)
Other financial liabilities	(5,651)	—	(11)	(8)	(14)	(445)	(6,129)
Total	(8,109)	(2,216)	(1,727)	(2,158)	(2,226)	(12,385)	(28,821)

							2022
US$ million	Amount due for repayment within one year	Greater than one year, less than two years	Greater than two years, less than three years	Greater than three years, less than four years	Greater than four years, less than five years	Greater than five years	Total
Net financial liabilities							
Borrowings	(1,267)	(773)	(1,340)	(1,056)	(1,568)	(9,077)	(15,081)
Expected future interest payments	(459)	(420)	(379)	(350)	(321)	(2,012)	(3,941)
Derivatives hedging debt – net settled	(237)	(198)	(127)	(87)	(79)	(115)	(843)
Derivatives hedging debt – gross settled:							
– gross inflows	1,044	80	709	563	22	388	2,806
– gross outflows	(1,343)	(104)	(796)	(595)	(22)	(423)	(3,283)
Other financial liabilities	(5,963)	(95)	—	(15)	(14)	(358)	(6,445)
Total	(8,225)	(1,510)	(1,933)	(1,540)	(1,982)	(11,597)	(26,787)

The table above does not include cash flows in relation to the Woodsmith royalty financing on the basis that cash flows under this arrangement are not contractually defined, but instead are wholly dependent upon Woodsmith revenue in future years. However, should the Woodsmith primary subsidiary, Anglo American Crop Nutrients Limited, enter insolvency, then it would be required to repay Hancock the principal value of $250 million upon its request.

Net debt and financial risk management

25. Financial risk management continued

The Group had the following undrawn committed borrowing facilities at 31 December:

US$ million	2023	2022
Expiry date		
Within one year	1,383	414
Greater than one year, less than two years	691	1,082
Greater than two years, less than three years	789	5,632
Greater than three years, less than four years	547	—
Greater than four years, less than five years	3,747	587
Greater than five years	1	—
	7,158	7,715

In the second half of 2023, the Group refinanced its $4.7 billion revolving credit facility maturing in March 2025, to a one year $1.0 billion facility maturing in November 2024, and a $3.7 billion five year facility maturing in November 2028.

B. Credit risk

Credit risk is the risk that a counterparty to a financial instrument will cause a loss to the Group by failing to pay its obligation.

The Group's principal financial assets are cash, trade and other receivables, investments and derivative financial instruments. The Group's maximum exposure to credit risk primarily arises from these financial assets and is as follows:

US$ million	2023	2022
Cash and cash equivalents	6,088	8,412
Trade and other receivables	3,329	3,220
Financial asset investments	307	261
Derivative financial assets	356	253
Environmental rehabilitation trust	108	107
	10,188	12,253

The Group limits credit risk on liquid funds and derivative financial instruments through diversification of exposures with a range of financial institutions. Counterparty limits are set for each financial institution with reference to credit ratings assigned by Standard & Poor's, Moody's and Fitch Ratings, shareholder equity (in the case of relationship banks) and fund size (in the case of asset managers).

Given the diverse nature of the Group's operations (both in relation to commodity markets and geographically), and the use of payment security instruments (including letters of credit from financial institutions), it does not have significant concentration of credit risk in respect of trade receivables, with exposure spread over a large number of customers.

The classification of trade and other receivables excludes prepayments and tax receivables, the classification of financial asset investments excludes equity investments held at fair value through other comprehensive income.

C. Commodity price risk

The Group's earnings are exposed to movements in the prices of the commodities it produces.

The Group's policy is to sell its products at prevailing market prices and is generally not to hedge commodity price risk, although some hedging may be undertaken for strategic reasons. In such cases, the Group generally uses forward contracts and other derivative instruments to economically hedge the price risk.

Certain of the Group's sales and purchases are provisionally priced, meaning that the selling price is determined normally 30 to 180 days after delivery to the customer, based on quoted market prices stipulated in the contract, and as a result are susceptible to future price movements. The exposure of the Group's financial assets and liabilities to commodity price risk is as follows:

	2023				2022			
	Commodity price linked				Commodity price linked			
US$ million	Subject to price movements	Fixed price	Not linked to commodity price	Total	Subject to price movements	Fixed price	Not linked to commodity price	Total
Total net financial instruments (excluding derivatives)	1,691	67	(15,067)	(13,309)	1,254	203	(10,171)	(8,714)
Derivatives	42	—	(428)	(386)	(13)	—	(1,063)	(1,076)
	1,733	67	(15,495)	(13,695)	1,241	203	(11,234)	(9,790)

Commodity price linked financial instruments subject to price movements include provisionally priced trade receivables and trade payables.

Commodity price linked financial instruments at fixed price include receivables and payables for commodity sales and purchases no longer subject to price adjustment at the balance sheet date.

D. Foreign exchange risk

As a global business, the Group is exposed to many currencies principally as a result of non-US dollar operating costs and, to a lesser extent, from non-US dollar revenue.

Net debt and financial risk management

25. Financial risk management continued

The South African rand, Australian dollar, Chilean peso, and Brazilian real are the most significant non-US dollar currencies influencing costs. A strengthening of the US dollar against the currencies to which the Group is exposed has a positive effect on the Group's earnings. The Group's policy is generally not to hedge such exposures given the correlation, over the longer term, with commodity prices and the diversified nature of the Group, although exceptions can be approved by a committee with delegated authority from the Executive Leadership Team.

In addition, currency exposures exist in respect of non-US dollar capital expenditure projects and non-US dollar borrowings in US dollar functional currency entities. The Group's policy is to evaluate whether or not to hedge its non-US dollar capital expenditure on a case-by-case basis, taking into account the estimated foreign exchange exposure, liquidity of foreign exchange markets and the cost of executing a hedging strategy. Further detail with respect to the Group's non-US dollar borrowings approach is included in note 22.

Net other financial liabilities (excluding net debt related balances, variable vessel leases and cash in disposal groups, but including the debit valuation adjustment attributable to derivatives hedging net debt) are $2,443 million. This includes net assets of $220 million denominated in US dollars, and net liabilities of $506 million denominated in Brazilian real, $413 million denominated in Australian dollars, $343 million denominated in Chilean pesos and $949 million denominated in South African rand.

E. Interest rate risk

Interest rate risk arises due to fluctuations in interest rates which impact the value of short term investments and financing activities. The Group is principally exposed to US and South African interest rates.

The Group transitioned all derivative instruments referenced to USD LIBOR to alternative risk-free rates during the year. Please see note 39F for further details.

The Group's policy is to borrow funds at fixed rates of interest. The Group uses interest rate derivatives to convert the majority of borrowings to floating rates of interest and manage its exposure to interest rate movements on its debt.

In respect of financial assets, the Group's policy is to invest cash at floating rates of interest and to maintain cash reserves in short term investments (less than one year) in order to maintain liquidity.

Analysis of interest rate risk associated with net debt balances and the impact of derivatives to hedge against this risk is included within the table below. Net other financial liabilities (excluding net debt related balances, variable vessel leases and cash in disposal groups, but including the debit valuation adjustment attributable to derivatives hedging net debt) of $2,443 million (2022: $2,745 million) are primarily non-interest bearing.

The table below reflects the exposure of the Group's net debt to currency and interest rate risk:

						2023
US$ million	**Cash and cash equivalents**	**Floating rate borrowings**	**Fixed rate borrowings**	**Derivatives hedging net debt**	**Impact of currency derivatives**	**Total**
US dollar	5,058	(3,049)	(9,432)	(428)	(3,534)	(11,385)
Euro	22	—	(3,185)	—	3,183	20
South African rand	280	(240)	(150)	—	—	(110)
Brazilian real	16	—	(38)	—	—	(22)
Australian dollar	254	—	(43)	—	—	211
Sterling	95	(7)	(663)	—	351	(224)
Other	349	(3)	(88)	—	—	258
Impact of interest rate derivatives	—	(11,509)	11,509	—	—	—
Total	6,074	(14,808)	(2,090)	(428)	—	(11,252)
Reconciliation:						
Variable vessel leases						637
Net debt						(10,615)

						2022
US$ million	Cash and cash equivalents	Floating rate borrowings	Fixed rate borrowings	Derivatives hedging net debt	Impact of currency derivatives	Total
US dollar	6,667	(2,994)	(7,742)	(1,092)	(2,985)	(8,146)
Euro	29	—	(2,673)	—	2,669	25
South African rand	421	(11)	(168)	—	—	242
Brazilian real	735	—	(18)	—	—	717
Australian dollar	161	—	(45)	—	—	116
Sterling	84	(6)	(613)	—	316	(219)
Other	303	(1)	(82)	—	—	220
Impact of interest rate derivatives	—	(8,682)	8,682	—	—	—
Total	8,400	(11,694)	(2,659)	(1,092)	—	(7,045)
Reconciliation:						
Variable vessel leases						127
Net debt						(6,918)

Based on the net foreign currency and interest rate risk exposures detailed above, and taking into account the effects of the hedging arrangements in place, management considers that earnings and equity are not materially sensitive to reasonable foreign exchange or interest rate movements in respect of the financial instruments held as at 31 December 2023 or 2022.

Equity

Equity represents the capital of the Group attributable to Company shareholders and non-controlling interests, and includes share capital, share premium and reserves.

Total equity

$31.6 bn

(2022: $34.0 bn)

Total equity has decreased from $34.0 billion to $31.6 billion in the year, driven by dividends to Company shareholders and non-controlling interests of $2.5 billion.

26. Called-up share capital and consolidated equity analysis

Called-up share capital

	2023		2022	
	Number of shares	US$ million	Number of shares	US$ million
Ordinary shares of $54^{86}/_{91}$ US cents each:				
At 1 January	1,337,577,913	734	1,341,651,975	737
Shares cancelled[1]	—	—	(4,074,062)	(3)
At 31 December	1,337,577,913	734	1,337,577,913	734

(1) During the year, no shares were cancelled under the buyback programme. In 2022, 4,074,062 shares were cancelled under the buyback programme.

The number and carrying value of called-up, allotted and fully paid ordinary shares as at 31 December 2023 (including the shares held by the Group in other structures, as outlined below) was 1,337,577,913 and $734 million (2022: 1,337,577,913 and $734 million).

At general meetings, every member who is present in person has one vote on a show of hands and, on a poll, every member who is present in person or by proxy has one vote for every ordinary share held.

Own shares

	2023		2022	
	Number of shares	US$ million	Number of shares	US$ million
Own shares				
Own shares held by subsidiaries and employee benefit trusts	125,245,665	6,275	124,618,014	6,272
Total	125,245,665	6,275	124,618,014	6,272

Included in Own shares are 112,300,129 (2022: 112,300,129) Anglo American plc shares held by Epoch Investment Holdings (RF) Proprietary Limited, Epoch Two Investment Holdings (RF) Proprietary Limited and Tarl Investment Holdings (RF) Proprietary Limited, which are consolidated by the Group by virtue of their contractual arrangements with Tenon Investment Holdings Proprietary Limited, a wholly owned subsidiary of Anglo American South Africa Proprietary Limited. Further details of these arrangements are provided in note 39B.

Included in the calculation of the dividend payable are 4,561,006 ($115 million) shares held in the Employee Benefit Trust in respect of forfeitable share awards granted to certain employees. Under the terms of these awards, the shares are beneficially owned by the respective employees, who are entitled to receive dividends in respect of the shares. The shares are released to the employees on vesting of the awards, and any shares that do not vest are returned to the Company or the Employee Benefit Trust. These shares are recognised on the Consolidated balance sheet within Own shares and are excluded from the calculation of basic earnings per share. They are included in the calculation of diluted earnings per share to the extent that the related share awards are dilutive (see note 3).

Equity

26. Called-up share capital and consolidated equity analysis continued

Consolidated equity analysis

Fair value and other reserves comprise:

US$ million	Share-based payment reserve	Financial asset revaluation reserve	Other reserves	Total fair value and other reserves
At 1 January 2022	460	31	160	651
Other comprehensive income/(loss)	—	31	(80)	(49)
Equity settled share-based payment schemes	1	—	—	1
Cancellation of treasury shares	—	—	3	3
Other	(4)	(32)	19	(17)
At 31 December 2022	457	30	102	589
Other comprehensive loss	—	(36)	(11)	(47)
Equity settled share-based payment schemes	25	—	—	25
Other	(3)	4	1	2
At 31 December 2023	479	(2)	92	569

Other reserves comprise a capital redemption reserve of $153 million (2022: $153 million) and other reserves.

27. Non-controlling interests

Overview

Non-controlling interests that are material to the Group relate to the following subsidiaries:

- Anglo American Sur S.A. (Anglo American Sur) is a company incorporated in Chile. Its principal operations are the Los Bronces and El Soldado copper mines and the Chagres smelter, which are located in Chile. Non-controlling interests hold a 49.9% (2022: 49.9%) interest in Anglo American Sur.
- Anglo American Quellaveco S.A. (Anglo American Quellaveco) is a company incorporated in Peru. Its principal operation is the Quellaveco copper mine, which is located in Peru. Non-controlling interests hold a 40.0% (2022: 40.0%) interest in Anglo American Quellaveco.
- Anglo American Platinum Limited (Anglo American Platinum) is a company incorporated in South Africa and listed on the Johannesburg Stock Exchange (JSE). Its principal mining operations are the Mogalakwena and Amandelbult platinum group metals mines, which are located in South Africa. Non-controlling interests hold an effective 20.8% (2022: 20.8%) interest in the operations of Anglo American Platinum, which represents the whole of the Platinum Group Metals reportable segment.
- De Beers plc (De Beers) is a company incorporated in Jersey. It is one of the world's leading diamond companies with operations across all key parts of the diamond value chain. Non-controlling interests hold a 15.0% (2022: 15.0%) interest in De Beers, which represents the whole of the Diamonds reportable segment.
- Kumba Iron Ore Limited (Kumba Iron Ore) is a company incorporated in South Africa and listed on the JSE. Its principal mining operations are the Sishen and Kolomela iron ore mines, which are located in South Africa. Non-controlling interests hold an effective 46.6% (2022: 46.6%) interest in the operations of Kumba Iron Ore, comprising the 30.0% (2022: 30.0%) interest held by other shareholders in Kumba Iron Ore and the 23.7% (2022: 23.7%) of Kumba Iron Ore's principal operating subsidiary, Sishen Iron Ore Company Proprietary Limited, that is held by shareholders outside the Group.

The disclosures in this note include certain Alternative Performance Measures (APMs). For more information on the APMs used by the Group, including definitions, please refer to page 318.

	2023							2022						
US$ million	Anglo American Sur	Quellaveco	Anglo American Platinum	De Beers	Kumba Iron Ore	Other	Total	Anglo American Sur	Quellaveco	Anglo American Platinum	De Beers	Kumba Iron Ore	Other	Total
Underlying earnings attributable to non-controlling interests	(92)	317	181	(56)	757	2	1,109	88	63	653	105	682	26	1,617
(Loss)/profit attributable to non-controlling interests	(93)	319	170	(89)	753	1	1,061	88	65	641	103	586	27	1,510
Distributions paid to non-controlling interests[1]	—	(320)	(149)	(46)	(420)	(43)	(978)	(234)	—	(754)	(21)	(738)	(47)	(1,794)
Balance sheet information:														
Equity attributable to non-controlling interests[2]	1,532	987	1,148	1,210	1,668	15	6,560	1,630	988	1,202	1,378	1,434	3	6,635

(1) Includes payments of $320 million related to share buy-backs at Quellaveco and dividend payments of $658 million.
(2) Comparative figures are restated for the adoption of the amendment to IAS 12, see note 39A.

Equity

27. Non-controlling interests continued

Further information

Summarised financial information on a 100% basis and before inter-company eliminations for Anglo American Sur, Quellaveco, Anglo American Platinum, De Beers and Kumba Iron Ore is as follows:

	2023					2022				
US$ million	Anglo American Sur	Quellaveco	Anglo American Platinum	De Beers	Kumba Iron Ore	Anglo American Sur	Quellaveco (restated)[1]	Anglo American Platinum	De Beers	Kumba Iron Ore
Non-current assets	5,154	8,831	6,249	6,422	3,229	4,890	8,194	6,125	8,023	3,104
Current assets	891	1,306	3,758	4,585	2,129	1,231	1,188	5,296	5,147	1,818
Current liabilities	(1,003)	(869)	(2,531)	(939)	(798)	(1,036)	(563)	(3,425)	(949)	(915)
Non-current liabilities	(1,968)	(6,800)	(1,416)	(2,808)	(858)	(1,817)	(6,352)	(1,531)	(2,489)	(802)
Net assets (restated)[1]	3,074	2,468	6,060	7,260	3,702	3,268	2,467	6,465	9,732	3,205
Revenue	2,382	2,722	6,734	4,198	4,674	2,758	600	10,096	6,609	4,612
(Loss)/profit for the financial year[2]	(186)	798	692	(1,989)	1,604	177	162	3,053	633	1,247
Total comprehensive (expense)/income	(195)	798	261	(2,328)	1,423	160	162	2,592	57	1,034
Net cash inflow/(outflow) from operating activities	318	1,704	899	(513)	1,584	772	(193)	2,869	1,112	1,746

(1) Comparative figures are restated for the adoption of the amendment to IAS 12, see note 39A.
(2) Stated after special items and remeasurements.

Employees

This section contains information about the Group's employee numbers and associated costs as well as the post employment benefits incurred by the Group.

Employees[1]

58,000

(2022: 57,000)

[1] Excluding contractors and associates' and joint ventures' employees and including a proportionate share of employees within joint operations.

28. Employee numbers and costs

Employee numbers

The average number of employees, excluding contractors and associates' and joint ventures' employees and including a proportionate share of employees within joint operations, by segment was:

Thousand	2023	2022[1]
Copper	5	5
Nickel	1	1
Platinum Group Metals[1]	27	27
De Beers	9	9
Iron Ore	9	9
Steelmaking Coal	3	2
Crop Nutrients	1	1
Corporate and other	3	3
	58	57

[1] Platinum Group Metals prior year number of employees was restated to exclude contractors.

The average number of employees, excluding contractors and associates' and joint ventures' employees and including a proportionate share of employees within joint operations, by principal location of employment was:

Thousand	2023	2022[1]
South Africa[1]	36	36
Other Africa	4	5
South America	10	9
North America	1	1
Australia and Asia	4	3
Europe	3	3
	58	57

[1] Prior year number of employees in South Africa was restated to exclude contractors.

Employee costs

Payroll costs in respect of the employees included in the tables above were:

US$ million	2023	2022
Wages and salaries	3,357	3,180
Social security costs	181	193
Post employment benefits	365	258
Share-based payments	193	218
Total payroll costs	4,096	3,849
Reconciliation:		
Less: Employee costs capitalised	(160)	(219)
Less: Employee costs included within special items	(97)	—
Employee costs included in operating costs before special items and remeasurements	3,839	3,630

Post employment benefits include contributions to defined contribution pension and medical plans, current and past service costs related to defined benefit pension and medical plans and other benefits provided to certain employees during retirement.

Employees

28. Employee numbers and costs continued

Key management

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (executive and non-executive) of the Group. Key management comprises members of the Board and the Executive Leadership Team.

Compensation for key management was as follows:

US$ million	2023	2022
Salaries and short term employee benefits	31	30
Social security costs	10	12
Termination benefits	3	1
Post employment benefits	2	2
Share-based payments	18	20
	64	65

Disclosure of directors' emoluments, pension entitlements, share options and long term incentive plan awards required by the Companies Act 2006 and those specified for audit by Part 3 and Schedule 8 of the Large and Medium-Sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013 are included in the Remuneration report.

29. Retirement benefits

Overview

The Group operates a number of defined contribution and defined benefit pension plans with the most significant plans being in South Africa and the United Kingdom. It also operates post employment medical plans, the majority of which are unfunded, principally in South Africa. The post employment medical plans provide health benefits to retired employees and certain dependants.

Defined contribution plans

The charge for the year for defined contribution pension plans (net of amounts capitalised) was $171 million (2022: $153 million) and for defined contribution medical plans (net of amounts capitalised) was $68 million (2022: $61 million).

Defined benefit pension plans and post employment medical plans

Characteristics of plans

The majority of the defined benefit pension plans are funded. The assets of these plans are held separately from those of the Group, in independently administered funds, in accordance with statutory requirements or local practice in the relevant jurisdiction. The responsibility for the governance of the funded retirement benefit plans, including investment and funding decisions, lies with the Trustees of each scheme. The unfunded liabilities are principally in relation to termination indemnity plans in Chile.

South Africa

The defined benefit pension plan in South Africa is in surplus. It is closed to new members and closed to future benefit accrual except for a small number of members. As the plan is in surplus no employer contributions are currently being made. The Group's provision of anti-retroviral therapy to HIV positive staff does not significantly impact the post employment medical plan liability.

United Kingdom

The Group operates a number of funded pension plans in the United Kingdom. These plans are closed to new members and to the future accrual of benefits. The Group is committed to make payments to certain United Kingdom pension plans under deficit funding plans agreed with the respective Trustees.

Other

Other pension and post employment medical plans primarily comprise obligations in Chile where legislation requires employers to provide for a termination indemnity, entitling employees to a cash payment made on the termination of an employment contract.

Contributions

Employer contributions are made in accordance with the terms of each plan and may vary from year to year. Employer contributions made to funded pension plans in the year ended 31 December 2023 were $6 million (2022: $4 million). In addition, $17 million (2022: $14 million) of benefits were paid in relation to unfunded pension plans and $13 million (2022: $14 million) of benefits were paid in relation to post employment medical plans. The Group expects to contribute $32 million to its pension plans and $14 million to its post employment medical plans in 2024.

Income statement

The amounts recognised in the Consolidated income statement are as follows:

	2023			2022		
US$ million	Pension plans	Post employment medical plans	Total	Pension plans	Post employment medical plans	Total
Charged to operating costs	18	1	19	15	2	17
Net (credit)/charge to net finance costs	(2)	20	18	5	20	25
Total net charge to the income statement	**16**	**21**	**37**	20	22	42

Net (credit)/charge to net finance costs includes interest expense on surplus restriction of $11 million (2022: $15 million).

Employees

29. Retirement benefits continued

Comprehensive income

The pre-tax amounts recognised in the Consolidated statement of comprehensive income are as follows:

			2023			2022
US$ million	Pension plans	Post employment medical plans	Total	Pension plans	Post employment medical plans	Total
Return on plan assets, excluding interest income	(32)	(2)	(34)	(1,576)	(14)	(1,590)
Actuarial (losses)/gains on plan liabilities	(64)	9	(55)	1,239	26	1,265
Movement in surplus restriction	18	—	18	38	—	38
Remeasurement of net defined benefit obligation	(78)	7	(71)	(299)	12	(287)

Actuarial gains on plan liabilities comprise net gains from changes in financial and demographic assumptions as well as experience on plan liabilities. The tax amounts arising on remeasurement of the net defined benefit obligations are disclosed in note 5.

Balance sheet

A summary of the movements in the net pension plan assets and retirement benefit obligations on the Consolidated balance sheet is as follows:

US$ million	2023	2022
Net (liability)/asset recognised at 1 January	(56)	284
Net income statement charge before special items	(37)	(42)
Remeasurement of net defined benefit obligation	(71)	(287)
Employer contributions to funded pension plans	6	4
Benefits paid to unfunded plans	30	28
Effects of curtailments/settlements	2	—
Other	(32)	—
Currency movements	32	(43)
Net liability recognised at 31 December	(126)	(56)
Amounts recognised as:		
Defined benefit pension plans in surplus	339	381
Retirement benefit obligation – pension plans	(285)	(243)
Retirement benefit asset – medical plans	66	73
Retirement benefit obligation – medical plans	(246)	(267)
	(126)	(56)

The Group, in consultation with scheme and legal advisers, has determined that once all beneficiaries of the schemes have been settled the full economic benefit of the surplus of each of the schemes would become payable to the relevant Group company. Therefore, defined benefit pension plans and post retirement medical plans assets are included in Pension asset surplus and other non-current assets on the Consolidated balance sheet.

Further information

Movement analysis

The changes in the fair value of plan assets are as follows:

			2023			2022
US$ million	Pension plans	Post employment medical plans	Total	Pension plans	Post employment medical plans	Total
At 1 January	3,315	84	3,399	5,450	102	5,552
Interest income	190	7	197	142	9	151
Return on plan assets, excluding interest income	(32)	(2)	(34)	(1,576)	(14)	(1,590)
Contributions paid by employer to funded pension plans	5	1	6	3	1	4
Benefits paid	(198)	(7)	(205)	(214)	(7)	(221)
Effects of curtailments/settlements	(33)	—	(33)	—	—	—
Other	(19)	—	(19)	7	—	7
Currency movements	104	(8)	96	(497)	(7)	(504)
As at 31 December	3,332	75	3,407	3,315	84	3,399

Employees

29. Retirement benefits continued

The changes in the present value of defined benefit obligations are as follows:

US$ million	2023 Pension plans	2023 Post employment medical plans	2023 Total	2022 Pension plans	2022 Post employment medical plans	2022 Total
At 1 January	(3,068)	(278)	(3,346)	(4,811)	(315)	(5,126)
Current service costs	(18)	(1)	(19)	(15)	(2)	(17)
Interest costs	(177)	(27)	(204)	(132)	(29)	(161)
Actuarial (losses)/gains	(64)	9	(55)	1,239	26	1,265
Benefits paid	215	20	235	228	21	249
Effects of curtailments/settlements	35	—	35	—	—	—
Other	(13)	—	(13)	(7)	—	(7)
Currency movements	(93)	22	(71)	430	21	451
As at 31 December	(3,183)	(255)	(3,438)	(3,068)	(278)	(3,346)

The most significant actuarial loss arose from changing financial assumptions totalling $78 million (2022: $1,353 million actuarial gain).

Pension plan assets and liabilities by geography
The split of the present value of funded and unfunded obligations in defined benefit pension plans and the fair value of pension assets at 31 December is as follows:

US$ million	2023 South Africa	2023 United Kingdom	2023 Other	2023 Total	2022 South Africa	2022 United Kingdom	2022 Other	2022 Total
Corporate bonds	96	1,427	1	1,524	115	1,621	1	1,737
Government bonds	326	1,313	66	1,705	341	1,566	61	1,968
Debt (Repurchase Agreements)	(39)	(452)	—	(491)	(27)	(844)	(1)	(872)
Equity	77	1	5	83	77	1	6	84
Cash	14	448	—	462	39	301	1	341
Other	12	37	—	49	8	49	—	57
Fair value of pension plan assets	486	2,774	72	3,332	553	2,694	68	3,315
Active members	(3)	—	(6)	(9)	(3)	—	(6)	(9)
Deferred members	(1)	(629)	(3)	(633)	(2)	(576)	(2)	(580)
Pensioners	(387)	(1,832)	(66)	(2,285)	(407)	(1,792)	(57)	(2,256)
Present value of funded obligations	(391)	(2,461)	(75)	(2,927)	(412)	(2,368)	(65)	(2,845)
Present value of unfunded obligations	—	(32)	(224)	(256)	—	(25)	(198)	(223)
Net surplus/(deficit) in pension plans	95	281	(227)	149	141	301	(195)	247
Surplus restriction	(95)	—	—	(95)	(109)	—	—	(109)
Recognised retirement benefit assets/(liabilities)	—	281	(227)	54	32	301	(195)	138
Non-current assets – pension asset surplus	—	338	1	339	32	349	—	381
Retirement benefit obligation – pension plans	—	(57)	(228)	(285)	—	(48)	(195)	(243)

Other assets principally comprise debt backed securities, annuities and property.

The fair value of assets is used to determine the funding level of the plans. The fair value of the assets of the funded plans was sufficient to cover 114% (2022: 117%) of the benefits that had accrued to members after allowing for expected increases in future earnings and pensions. The present value of unfunded obligations includes $234 million (2022: $203 million) relating to active members. All material investments are quoted.

In South Africa, the asset recognised is restricted to the amount in the Employer Surplus Account. The Employer Surplus Account is the amount that the Group is entitled to by way of a refund, taking into consideration any contingency reserves as recommended by the funds' actuaries.

Employees

29. Retirement benefits continued

Actuarial assumptions

The principal assumptions used to determine the actuarial present value of benefit obligations and pension charges and credits are detailed below (shown as weighted averages):

	2023			2022		
	South Africa	United Kingdom	Other	South Africa	United Kingdom	Other
Defined benefit pension plans						
Average discount rate for plan liabilities	11.4%	4.6%	5.6%	11.4%	4.9%	6.1%
Average rate of inflation	6.4%	3.0%	3.0%	6.6%	3.1%	3.7%
Average rate of increase of pensions in payment	6.4%	3.3%	2.6%	6.6%	3.4%	3.2%
Post employment medical plans						
Average discount rate for plan liabilities	11.4%	n/a	11.3%	11.4%	n/a	11.5%
Average rate of inflation	6.4%	n/a	6.9%	6.6%	n/a	7.1%
Expected average increase in healthcare costs	9.1%	n/a	9.4%	8.7%	n/a	9.5%

The weighted average duration of the South African plans is 7 years (2022: 9 years), United Kingdom plans is 13 years (2022: 13 years) and plans in other regions is 13 years (2022: 13 years). This represents the average period, weighted by discounted value, over which future benefit payments are expected to be made.

Mortality assumptions are determined based on standard mortality tables with adjustments, as appropriate, to reflect experience of conditions locally. In South Africa the PA90 tables are used. The main plans in the United Kingdom use CMI tables or Club Vita models with plan specific adjustments based on mortality investigations. The mortality tables used imply that a male or female aged 60 at the balance sheet date has the following future life expectancy (shown as weighted averages):

	Male		Female	
Years	2023	2022	2023	2022
South Africa	18.7	18.8	23.4	23.4
United Kingdom	27.4	27.8	29.2	29.6
Other	26.0	24.2	30.2	28.9

The table below summarises the expected life expectancy from the age of 60 for a male or female aged 45 at the balance sheet date. When viewed together with the respective life expectancy at age 60 in the table above, this indicates the anticipated improvement in life expectancy (shown as weighted averages):

	Male		Female	
Years	2023	2022	2023	2022
South Africa	18.7	18.8	23.4	23.4
United Kingdom	28.1	28.6	30.3	30.8
Other	27.8	25.6	31.7	30.2

Risk of plans

The Group has identified the main risk to its defined benefit pension schemes as being interest rate risk due to the impact on the UK discount rate assumption:

Risk	Description	Mitigation
Interest rate risk	An increase in longer term real and nominal interest rates expectations causes gilt yields and corporate bond yields to increase, which results in a higher discount rate being applied to the UK pension liabilities and so, with all else being held equal, the value of the pension scheme liabilities decreases. If the pension scheme assets decrease by more than the decrease in the pension scheme liabilities (caused by the increase in interest rates) then, all else being equal, this will result in a worsening of the pension scheme funding position.	The Trustees' investment strategies vary by plan for the UK and include investing, with the intention of counter-balancing the movements in the liabilities, in fully owned (fully funded) physical credit and gilts, and by gaining unfunded exposure to gilts (via gilt repurchase agreements) and other fixed income based derivatives to match the real and nominal interest rate sensitivity of the pension scheme liabilities. Approximately 90-100% (depending on the scheme) of the pension scheme liabilities are currently hedged against movements in real and nominal interest rates. The Trustees' hedging strategies are typically designed to protect the respective schemes' funding plans against volatility in market yields. The discount rate used to calculate any funding requirement for the schemes is linked to gilt yields rather than to corporate bond yields as required under IAS 19 *Employee Benefits*. Consequently the valuation of the net retirement benefit obligation for accounting purposes remains susceptible to movements in value due to the difference between corporate bond and gilt yields. In addition, since corporate bond yields are typically higher than gilt yields, this can result in the recognition of accounting surpluses in respect of schemes where cash contributions continue to be made to meet funding shortfalls.

Employees

29. Retirement benefits continued

Sensitivity analysis

Significant actuarial assumptions for the determination of pension and medical plan liabilities are the discount rate, inflation rate and mortality. The sensitivity analysis below has been provided by local actuaries on an approximate basis based on changes in the assumptions occurring at the end of the year, assuming that all other assumptions are held constant and the effect of interrelationships is excluded. The effect on plan liabilities is as follows:

				2023
US$ million	South Africa	United Kingdom	Other	Total
Discount rate – 1% decrease	(47)	(338)	(20)	(405)
Inflation rate – pension plans – 0.5% increase	(14)	(49)	(10)	(73)
Inflation rate – medical plans – 0.5% increase	(8)	—	(3)	(11)
Life expectancy – increase by 1 year	(20)	(97)	(3)	(120)

Independent qualified actuaries carry out full valuations at least every three years using the projected unit credit method. The actuaries have updated the valuations to 31 December 2023. Assumptions are set after consultation with the qualified actuaries. While management believes the assumptions used are appropriate, a change in the assumptions used would impact the Group's other comprehensive income.

Accounting judgements and estimates

Recoverability of pension asset surplus and estimation of retirement benefit obligations

The value of the Group's obligations for defined benefit schemes and post employment medical plans is dependent on the present value of the amount of benefits that are expected to be paid. The most significant assumption used in the calculation of this accounting estimate is the discount rate. The discount rate used is based on AA rated corporate bonds of a suitable duration and currency or, where there is no deep market for such bonds, is based on government bonds.

The Group does not believe that a reasonably possible change in the assumptions used to estimate retirement benefit obligations will have a material impact on the carrying value to the net surplus position within the next year given the hedging arrangements in place. The sensitivity of the gross liability value to reasonably possible changes in discount rate is presented above.

Management apply judgement in determining how much of any surplus is recoverable considering the arrangements in place for each scheme.

Accounting policy

See note 39H for the Group's accounting policy on retirement benefits.

Employees

30. Share-based payments

Overview

During the year ended 31 December 2023 the Group had share-based payment arrangements with employees relating to shares of the Company. All of these Company schemes, as well as any non-cyclical awards, are equity settled either by award of ordinary shares (BSP, LTIP, MyShare, SIP and Non-cyclical) or award of options to acquire ordinary shares (SAYE). The awards are conditional on employment. LTIPs vest in accordance with the achievement of relative TSR targets and a balanced scorecard of operational and financial measures.

The total share-based payment charge relating to Anglo American plc shares for the year is split as follows:

US$ million	2023	2022
BSP	123	99
LTIP	23	82
Other schemes	22	6
Share-based payment charge relating to Anglo American plc shares	168	187

In addition there are equity settled share-based payment charges of $11 million (2022: $13 million) relating to Kumba Iron Ore Limited shares and $13 million (2022: $14 million) relating to Anglo American Platinum Limited shares. Certain entities also operate cash settled employee share-based payment schemes.

Further information

The movements in the number of shares for the more significant share-based payment arrangements are as follows:

Bonus Share Plan

Ordinary shares of $54^{86}/_{91}$ US cents may be awarded under the terms of this scheme for no consideration.

Number of awards	2023	2022
Outstanding at 1 January	8,210,594	8,891,489
Conditionally awarded in year	2,782,466	2,564,499
Vested in year	(4,765,627)	(3,084,708)
Forfeited or expired in year	(218,488)	(160,686)
Outstanding at 31 December	6,008,945	8,210,594

Further information in respect of the BSP, including vesting conditions, is shown in the Remuneration report.

Long Term Incentive Plan

Ordinary shares of $54^{86}/_{91}$ US cents may be awarded under the terms of this scheme for no consideration.

Number of awards	2023	2022
Outstanding at 1 January	10,461,665	12,002,419
Conditionally awarded in year	3,880,609	2,734,704
Vested in year	(3,081,508)	(3,465,625)
Forfeited or expired in year	(3,077,814)	(809,833)
Outstanding at 31 December	8,182,952	10,461,665

The early vesting of share awards is permitted at the discretion of the Company upon, *inter alia*, termination of employment, ill health or death. Further information in respect of the LTIP, including performance conditions, is shown in the Remuneration report.

Accounting policy

See note 39H for the Group's accounting policy on share-based payments.

Unrecognised items and uncertain events

This section includes disclosure of items and transactions that are not reflected in the Group's results because they are uncertain or have been incurred after the end of the year. These disclosures are considered relevant to an understanding of the Group's financial position and the effect of expected or possible future events.

31. Events occurring after end of year

Iron Ore resource acquisition at Minas-Rio

On 21 February 2024, the Anglo American plc Board approved the acquisition and integration of the contiguous Serra da Serpentina ("Serpentina") high-grade iron ore resource owned by Vale SA ("Vale") into Anglo American's Minas-Rio mine in Brazil. Vale will contribute Serpentina and $157.5 million in cash to acquire a 15% shareholding in Anglo American Minério De Ferro Brasil S.A, the owner of the Minas-Rio operation subject to normal completion adjustments. A purchase price adjustment payment will be made depending on average iron ore prices over a four-year period in line with an agreed formula.

Following completion of the transaction, Vale will receive its pro rata share of Minas-Rio production. Vale will also have an option to acquire an additional 15% shareholding in the enlarged Minas-Rio operation, for cash subject to certain licensing milestones being achieved, at fair value calculated at the time of exercise of the option.

Management has considered the potential impact of the transaction on the valuation of the Minas-Rio CGU (see note 8), of which the mine forms part, and concluded that the valuation supports the carrying value of Minas-Rio at 31 December 2023 with no impairment or impairment reversal required. The transaction is expected to complete in Q4 2024, subject to regulatory conditions.

With the exception of the proposed final dividend for 2023 (see note 6), there have been no further reportable events since 31 December 2023.

32. Commitments

Overview

A commitment is a contractual obligation to make a payment in the future which is not provided for in the Consolidated balance sheet. The Group also has purchase obligations relating to take or pay agreements which are legally binding and enforceable.

Capital commitments (including cancellable and non-cancellable contracts) for subsidiaries and joint operations relating to the acquisition of property, plant and equipment are $3,055 million (2022: $4,531 million), of which 67% (2022: 55%) relates to expenditure to be incurred within the next year.

The Group's outstanding commitments relating to take or pay agreements are $14,320 million (2022: $14,233 million), of which 9% (2022: 11%) relate to expenditure to be incurred within the next year.

33. Contingent assets and liabilities

Overview

The assessment of risk and estimation of future outflows in respect of contingent liabilities is inherently uncertain and hence a material outflow may arise in future periods in relation to these matters.

Contingent assets

Steelmaking Coal

In 2014, the Steelmaking Coal business was granted an arbitration award of $94 million (Group's share) against MMTC Limited in respect of a contractual dispute. The award has since been challenged in the Indian courts, during which time interest has continued to accrue. On 17 December 2020, the Indian Supreme Court found in favour of the Steelmaking Coal business. The award, inclusive of interest, is currently valued at approximately $133 million (Group's share). The precise timing and value of receipt remains uncertain and hence no receivable has been recognised on the Consolidated balance sheet as at 31 December 2023.

Contingent liabilities

Global Industry Standard for Tailing Management (GISTM)

In 2022 the Group disclosed a contingent liability for costs of conformance with the GISTM for sites where reliable cost estimates were not available as technical studies and surveys were ongoing. In August 2023, the Group announced its significant progress towards conformance for all tailings dams in the highest priority rankings according to the GISTM. The Group continues to refine designs and all material costs of conformance with GISTM have been recorded within decommissioning and environmental restoration provisions.

Although the Group targets conformance with Anglo American equivalent standards for non-managed operations, there is no constructive obligation in respect of GISTM where the partner is not an ICMM member, unless a public commitment has been made by that partner.

Anglo American South Africa Proprietary Limited (AASA)

In October 2020, an application was initiated against Anglo American South Africa Proprietary Limited (AASA). The application sought the certification of class action litigation to be brought on behalf of community members residing in the Kabwe area in Zambia in relation to alleged lead-related health impacts. The certification hearing was held late in January 2023.

On 15 December 2023, the High Court of South Africa issued a judgment dismissing the claimants' application for certification and ruled that the applicants pay the costs incurred by AASA in responding to the application. In its judgment, the Court recognised the multiple legal and factual flaws in the claims made against AASA and deemed that it is not in the interests of justice for the class action to proceed.

The claimants have filed an application seeking leave to appeal against the December 2023 ruling. In light of the pending appeal lodged by the claimants, the outcome of this litigation is still subject to significant uncertainty, and no provision is recognised for this matter.

De Beers

Guarantees provided in respect of environmental restoration and decommissioning obligations involve judgements in terms of the outcome of future events. In one of the territories in which De Beers operates, conditions exist, or are proposed, with respect to backfilling pits on closure. A formal appeal has been lodged to remove the existing backfilling condition and no provision has been raised on the basis that it is not probable that this condition will be enforced. Should the appeal not be successful the estimated cost of backfilling is $217 million.

Accounting judgement

Where the existence of an asset is contingent on uncertain future events which are outside the Group's control, the asset is only recognised once it becomes virtually certain that the Group will receive future economic benefits.

A provision is recognised where it is considered probable that an outflow of resources will be required to settle a present obligation that can be measured reliably.

Determining the likelihood of a future event is an accounting judgement. These judgements are based on the Group's legal views and, in some cases, independent advice.

Group structure

This section includes details about the composition of the Group and how this is reflected in the Consolidated financial statements. It also includes disclosures of significant corporate transactions such as acquisitions and disposals.

34. Disposals

On 1 November 2023, the Platinum Group Metals business completed the disposal of its 50% interest in the Kroondal pool-and-share agreement (Kroondal PSA) and the Marikana pool-and-share agreement (Marikana PSA) (collectively the PSAs), to Sibanye-Stillwater Limited (Sibanye-Stillwater), the other 50% owner of the PSAs.

The gross assets and liabilities disposed of amounted to $161 million and $51 million, respectively. Estimated deferred consideration of $70 million was recognised within receivables. A loss on disposal of $40 million was recognised as a non-operating special item, refer to note 9.

Cash received of $210 million in respect of disposals principally related to the settlement of deferred consideration balances relating to the sale of the Rustenburg operations (Platinum Group Metals) completed in November 2016.

2022

Cash received of $564 million in respect of disposals for year ended 31 December 2022 principally related to the settlement of deferred consideration balances relating to the sale of the Rustenburg operations (Platinum Group Metals) completed in November 2016, the sale of the Group's remaining 8.0% shareholding in Thungela Resources Limited, the Group's disposal of the Cerrejón associate and the sale of the Group's 49% interest in Bokoni mine to African Rainbow Minerals Limited (Platinum Group Metals).

Group structure

35. Basis of consolidation

Overview

The principal subsidiaries, joint operations, joint ventures and associates of the Group and the Group percentage of equity capital are set out below. All these interests are held indirectly by the Parent Company and are consolidated within these financial statements.

A complete list of the Group's related undertakings can be found in note 36.

Segment and asset	Location	Accounting treatment	Percentage of equity owned 2023	Percentage of equity owned 2022
Copper				
Copper Chile				
Los Bronces	Chile	Full consolidation	**50.1%**	50.1%
El Soldado	Chile	Full consolidation	**50.1%**	50.1%
Chagres	Chile	Full consolidation	**50.1%**	50.1%
Collahuasi	Chile	Joint operation	**44%**	44%
Copper Peru				
Quellaveco	Peru	Full consolidation	**60%**	60%
Nickel				
Barro Alto	Brazil	Full consolidation	**100%**	100%
Platinum Group Metals[1]			**79%**	79%
Mogalakwena Mine	South Africa	Full consolidation	**100%**	100%
Amandelbult complex[2]	South Africa	Full consolidation	**100%**	100%
Twickenham Mine	South Africa	Full consolidation	**100%**	100%
Unki Mine	Zimbabwe	Full consolidation	**100%**	100%
Platinum Refining	South Africa	Full consolidation	**100%**	100%
Modikwa Platinum Joint Operation	South Africa	Joint operation	**50%**	50%
Mototolo	South Africa	Full consolidation	**100%**	100%
Kroondal Pooling and Sharing Agreement[3]	South Africa	Joint operation	**—**	50%
De Beers[4]			**85%**	85%
Debswana[5], comprising:	Botswana	Joint operation	**19.2%**	19.2%
Jwaneng				
Orapa regime				
Namdeb Holdings[6], comprising:	Namibia	Joint operation	**50%**	50%
Namdeb Diamond Corporation				
Debmarine Namibia				
De Beers Consolidated Mines[7], comprising:	South Africa	Full consolidation	**100%**	100%
Venetia				
De Beers Canada, comprising:				
Snap Lake	Canada	Full consolidation	**100%**	100%
Victor	Canada	Full consolidation	**100%**	100%
Gahcho Kué	Canada	Joint operation	**51%**	51%
Sales, comprising:				
De Beers Global Sightholder Sales	Botswana	Full consolidation	**100%**	100%
De Beers Sightholder Sales South Africa	South Africa	Full consolidation	**100%**	100%
Auction Sales	Singapore	Full consolidation	**100%**	100%
DTC Botswana	Botswana	Joint operation	**50%**	50%
Namibia DTC	Namibia	Joint operation	**50%**	50%
Element Six, comprising:				
Element Six Technologies	Global	Full consolidation	**100%**	100%
Element Six Abrasives	Global	Full consolidation	**60%**	60%
Brands, comprising:				
Forevermark	Global	Full consolidation	**100%**	100%
De Beers Jewellers	Global	Full consolidation	**100%**	100%

See page 278 for footnotes.

Group structure

35. Basis of consolidation continued

Segment and asset	Location	Accounting treatment	Percentage of equity owned 2023	2022
Iron Ore				
Kumba Iron Ore	South Africa	Full consolidation	69.7%	69.7%
Sishen[8]	South Africa	Full consolidation	76.3%	76.3%
Kolomela[8]	South Africa	Full consolidation	76.3%	76.3%
Minas-Rio	Brazil	Full consolidation	100%	100%
Ferroport[9]	Brazil	Equity accounted joint venture	50%	50%
Steelmaking Coal				
Coal Australia and Canada, comprising:				
Moranbah[10]	Australia	Joint operation	88%	88%
Grosvenor[10]	Australia	Joint operation	88%	88%
Capcoal[10]	Australia	Joint operation	70%	70%
Dawson[10]	Australia	Joint operation	51%	51%
Jellinbah[11][12]	Australia	Equity accounted associate	33.3%	33.3%
Dalrymple Bay Coal Terminal Pty Ltd	Australia	Equity accounted associate	25.3%	25.3%
Peace River Coal	Canada	Full consolidation	100%	100%
Manganese				
Samancor[11][13]	South Africa and Australia	Equity accounted joint venture	40%	40%
Crop Nutrients				
Woodsmith	United Kingdom	Full consolidation	100%	100%
Corporate and other				
Envusa Energy Proprietary Limited	South Africa	Equity accounted joint venture	50%	50%

(1) The Group's effective interest in Anglo American Platinum is 79.2% (2022: 79.2%), which excludes shares issued as part of a community empowerment deal.
(2) Amandelbult complex comprises Tumela mine and Dishaba mine.
(3) On 31 January 2022, Anglo American Platinum agreed to dispose of its 50% interest in the Kroondal pool-and-share agreement and Marikana pool-and-share agreement to Sibanye-Stillwater Limited, the other 50% owner. The remaining conditions precedent were waived and the disposal was effective 1 November 2023.
(4) 85% should be applied to all holdings within De Beers to determine the Group's attributable share of the asset.
(5) De Beers owns 50% of equity in Debswana, but consolidates 19.2% of Debswana on a proportionate basis, reflecting the economic interest. The Group's effective interest in Debswana is 16.3% (taking into account the Group's 85% interest in De Beers Group).
(6) The 50% interest in Namdeb Holdings is held indirectly through De Beers. The Group's effective interest in Namdeb Holdings is 42.5%.
(7) De Beers' legal ownership of De Beers Consolidated Mines (DBCM) and its subsidiaries is 74%. For accounting purposes De Beers consolidates 100% of DBCM as it is deemed to control the BEE entity, Ponahalo, which holds the remaining 26%. The Group's effective interest in DBCM is 85%.
(8) Sishen and Kolomela are fully owned by Sishen Iron Ore Company Proprietary Limited (SIOC). Kumba Iron Ore Limited has a 76.3% interest in SIOC (2022: 76.3%). Including shares held by Kumba Iron Ore in relation to its own employee share schemes, the Group's effective interest in Kumba Iron Ore is 69.97% (2022: 69.97%). Consequently, the Group's effective interest in SIOC is 53.4% (2022: 53.4%).
(9) Ferroport owns and operates the iron ore handling and shipping facilities at the port of Açu.
(10) The wholly owned subsidiary Anglo American Steelmaking Coal Holdings Limited holds the proportionately consolidated joint operations. These operations are unincorporated and jointly controlled.
(11) These entities have a 30 June year end.
(12) The Group's effective interest in the Jellinbah operation is 23.3%.
(13) Samancor is comprised of investments in Groote Eylandt Mining Company Proprietary Limited, Samancor Marketing Pte. Limited and Samancor Holdings Proprietary Limited. Samancor Holdings Proprietary Limited is the parent company of Hotazel Manganese Mines Proprietary Limited (HMM) and the Metalloys Smelter. BEE shareholders hold a 26% interest in HMM and therefore, the Group's effective ownership interest in HMM is 29.6%.

Accounting judgements

Joint arrangements

Joint arrangements are classified as joint operations or joint ventures according to the rights and obligations of the parties, as described in note 39I. Judgement is required in determining this classification through an evaluation of the facts and circumstances arising from each individual arrangement. When a joint arrangement has been structured through a separate vehicle, consideration has been given to the legal form of the separate vehicle, the terms of the contractual arrangement and, when relevant, other facts and circumstances. When the activities of an arrangement are primarily designed for the provision of output to the parties and, the parties are substantially the only source of cash flows contributing to the continuity of the operations of the arrangement, this indicates that the parties to the arrangement have rights to the assets and obligations for the liabilities. Certain joint arrangements that are structured through separate vehicles including Collahuasi, Debswana and Namdeb Holdings are accounted for as joint operations. These arrangements are primarily designed for the provision of output to the parties sharing joint control, indicating that the parties have rights to substantially all the economic benefits of the assets. The liabilities of the arrangements are in substance satisfied by cash flows received from the parties; this dependence indicates that the parties effectively have obligations for the liabilities. It is primarily these facts and circumstances that give rise to the classification as joint operations.

Functional Currency

The Group presents its financial statements in US dollars, the currency in which its business is primarily conducted. The functional currency for each subsidiary, joint operation, joint venture and associate is the currency of the primary economic environment in which it operates. The Group applies judgement in determining the functional currency of its operations, particularly where businesses primarily incur costs in local currencies and earn revenue in US dollars. Where the functional currency is unclear from analysis of the revenue and costs, particular attention is paid to the currency in which financing activities are conducted. The determination of functional currency affects the measurement of non-current assets such as property, plant and equipment and intangible assets and therefore the depreciation and amortisation charge for those assets. It also impacts the presentation of exchange gains and losses included in the income statement and in equity.

Group structure

36. Related undertakings of the Group

The Group consists of the Parent Company, Anglo American plc, incorporated in the United Kingdom and its subsidiaries, joint operations, joint ventures and associates. In accordance with Section 409 of the Companies Act 2006 a full list of related undertakings, the country of incorporation and the effective percentage of equity owned as at 31 December 2023 is disclosed below. Unless otherwise disclosed all entities with an indirect equity holding of greater than 50% are considered subsidiary undertakings. See note 35 for the Group's principal subsidiaries, joint operations, joint ventures and associates.

As disclosed in the Group's published tax strategy, the Group does not use tax haven jurisdictions to manage taxes. There remain a small number of undertakings in the Group which are registered in tax haven jurisdictions and have remained so for other business purposes. The Group is well advanced in our strategy to remove legacy undertakings from tax haven jurisdictions, and, where possible, these entities are resident for tax purposes in the United Kingdom regardless of where they are registered. Where the tax residency of a related undertaking is different from its country of incorporation, this is referenced in the notes to the list below.

Country of incorporation[(1)(2)]	Name of undertaking	Percentage of equity owned[(3)]	Share class	Registered address
See page 293 for footnotes.				
Angola	Anglo American Discovery (Moxico) - Prospeccao E Exploracao Mineira (SU), LDA	100%	Quota	Rua Rainha Ginga, no. 87 - 9th floor, Urban District of Ingombota, Luanda
Angola	Anglo American Discovery (Cunene) - Prospeccao E Exploracao Mineira (SU), LDA	100%	Quota	Rua Rainha Ginga, no. 87 - 9th floor, Urban District of Ingombota, Luanda
Angola	De Beers Angola Holdings SARL	85%	Quota	Rua Rainha Ginga, no. 87 - 9th floor, Urban District of Ingombota, Luanda
Angola	De Beers Angola Lunda Norte, Limitada	77%	Quota	Rua Rainha Ginga, no. 87 - 9th floor, Urban District of Ingombota, Luanda
Angola	De Beers Angola Lunda Sul, Limitada	77%	Quota	Rua Rainha Ginga, no. 87 - 9th floor, Urban District of Ingombota, Luanda
Argentina	Minera Anglo American Argentina S.A.U	100%	Ordinary Nominative Non-Endorsable	Esteban Echeverría 1776, Piso 2, Godoy Cruz, Mendoza
Australia	Anglo American Australia Finance Limited	100%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Anglo American Australia Holdings Pty Limited	100%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Anglo American Australia Limited	100%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Anglo American Energy Solutions (Australia) Pty Ltd	100%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Anglo American Exploration (Australia) Pty Limited	100%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Anglo American Steelmaking Coal Assets Eastern Australia Limited	100%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Anglo American Steelmaking Coal Assets Pty Ltd	100%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Anglo American Steelmaking Coal Finance Limited	100%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Anglo American Steelmaking Coal Holdings Limited	100%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Anglo American Steelmaking Coal Pty Ltd	100%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Anglo Coal (Archveyor Management) Pty Ltd	100%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Anglo Coal (Capcoal Management) Pty Limited	100%	A Class Ordinary B Class Ordinary C Class Ordinary D Class Ordinary E Class Ordinary F Class Ordinary G Class Ordinary H Class Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Anglo Coal (Dawson Management) Pty Ltd	100%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Anglo Coal (Dawson Services) Pty Ltd	100%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000

Group structure

36. Related undertakings of the Group continued

Country of incorporation[(1)(2)]	Name of undertaking	Percentage of equity owned[(3)]	Share class	Registered address
See page 293 for footnotes.				
Australia	Anglo Coal (Dawson South Management) Pty Ltd	100%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Anglo Coal (Dawson South) Pty Ltd	100%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Anglo Coal (Dawson) Holdings Pty Ltd	100%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Anglo Coal (Dawson) Limited	100%	Limited by guarantee	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Anglo Coal (German Creek) Pty Ltd	100%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Anglo Coal (Grasstree Management) Pty Limited	100%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Anglo Coal (Grosvenor Management) Pty Ltd	100%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Anglo Coal (Grosvenor) Pty Ltd	100%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Anglo Coal (Jellinbah) Holdings Pty Ltd	100%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Anglo Coal (Moranbah North Management) Pty Limited	100%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Anglo Coal (Roper Creek) Pty Ltd	100%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Anglo Coal (Theodore South) Pty Ltd	100%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Anglo Operations (Australia) Pty Ltd	100%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Bowen Basin Coal Pty. Ltd.	23%	Ordinary	Level 20, 66 Eagle Street, Brisbane QLD 4000
Australia	Capricorn Coal Developments Joint Venture	70%	N/A	N/A
Australia	Dalrymple Bay Coal Terminal Pty. Ltd.	25%	Ordinary	Martin Armstrong Drive, Hay Point QLD 4740
Australia	Dawson Coal Processing Pty Ltd	100%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Dawson Highwall Mining Pty Ltd	100%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Dawson Joint Venture	51%	N/A	N/A
Australia	Dawson Sales Pty Ltd	51%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Dawson South Exploration Joint Venture	51%	N/A	N/A
Australia	Dawson South Joint Venture	51%	N/A	N/A
Australia	Dawson South Sales Pty Ltd	51%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	De Beers Australia Exploration Limited	85%	Ordinary	23 North Street, Mount Lawley, WA 6050
Australia	First Mode Pty Ltd	81%	Ordinary	165-169 Aberdeen Street, Northbridge, 6003,
Australia	German Creek Coal Pty. Limited	70%	B Class Ordinary C Class Ordinary D Class Ordinary E Class Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Groote Eylandt Mining Company Proprietary Limited	40%	Ordinary	Level 35, 108 St Georges Terrace, Perth WA 6000
Australia	Jellinbah East Joint Venture	23%	N/A	N/A
Australia	Jellinbah Group Pty Ltd	33%	Ordinary A Class Ordinary E Class Ordinary F Class Ordinary	Level 20, 66 Eagle Street, Brisbane QLD 4000
Australia	Jellinbah Mining Pty Ltd	33%	Ordinary	Level 20, 66 Eagle Street, Brisbane QLD 4000
Australia	Jellinbah Resources Pty Ltd	33%	Ordinary	Level 20, 66 Eagle Street, Brisbane QLD 4000
Australia	Jena Pty. Limited	100%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Jena Unit Trust	100%	N/A	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	JG Land Company Pty Ltd	23%	Ordinary	Level 20, 66 Eagle Street, Brisbane QLD 4000
Australia	Lake Vermont Joint Venture	23%	N/A	N/A
Australia	Lake Vermont Marketing Pty Ltd	33%	Ordinary	Level 20, 66 Eagle Street, Brisbane QLD 4000
Australia	Lake Vermont Resources Pty Ltd	33%	Ordinary	Level 20, 66 Eagle Street, Brisbane QLD 4000
Australia	Monash Energy Coal Limited	100%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Moranbah North Coal (No2) Pty Ltd	100%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Moranbah North Coal (Sales) Pty Ltd	88%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000

Group structure

36. Related undertakings of the Group continued

Country of incorporation[(1)(2)]	Name of undertaking	Percentage of equity owned[(3)]	Share class	Registered address
See page 293 for footnotes.				
Australia	Moranbah North Coal Joint Venture	88%	N/A	N/A
Australia	Moranbah North Coal Pty Ltd	100%	Ordinary	Level 11, 201 Charlotte Street, Brisbane QLD 4000
Australia	Moranbah South Exploration Joint Venture	50%	N/A	N/A
Australia	QCMM (Lake Vermont Holdings) Pty Ltd	33%	Ordinary	Level 20, 66 Eagle Street, Brisbane QLD 4000
Australia	QCMM Finance Pty Ltd	33%	Ordinary	Level 20, 66 Eagle Street, Brisbane QLD 4000
Australia	Roper Creek Joint Venture	86%	N/A	N/A
Australia	Theodore South Joint Venture	51%	N/A	N/A
Australia	Tremell Pty. Ltd.	33%	Ordinary	Level 20, 66 Eagle Street, Brisbane QLD 4000
Belgium	De Beers Auction Sales Belgium NV	85%	Ordinary	21 Schupstraat, 2018 Antwerp
Belgium	International Institute of Diamond Grading and Research (Belgium) NV	85%	Ordinary	21 Schupstraat, 2018 Antwerp
Bermuda	Coromin Insurance Limited	100%	Common	Wellesley House, 90 Pitts Bay Road, Hamilton
Bermuda	Holdac Insurance Limited	100%	Common	Wellesley House, 90 Pitts Bay Road, Hamilton
Botswana	Ambase Prospecting (Botswana) (Pty) Ltd	100%	Ordinary	Plot 32, Unit G3 Victoria House, Independence Avenue, Gaborone, AD54 ACJ
Botswana	Anglo American Corporation Botswana (Services) Limited	100%	Ordinary	Plot 67977, Fairground Office Park, Gaborone
Botswana	Broadhurst Primary School (Proprietary) Limited	45%	Ordinary	Plot 113, Unit 28 Kgale Mews, Gaborone International Finance Park, Gaborone
Botswana	De Beers Global Sightholder Sales (Pty) Ltd	85%	Ordinary	3rd Floor, DTCB Building, Plot 63016, Block 8, Airport Road, Gaborone
Botswana	De Beers Holdings Botswana (Pty) Ltd	85%	Ordinary	5th Floor, Debswana House, Main Mall, Gaborone
Botswana	Debswana Diamond Company (Proprietary) Limited[(4)]	43%	Ordinary	First Floor Debswana Corporate Centre, Plot 64288 Airport Road, Block 8, Gaborone
Botswana	Debswana Wellness Fund	43%	N/A	First Floor Debswana Corporate Centre, Plot 64288 Airport Road, Block 8, Gaborone
Botswana	Diamond Trading Company Botswana (Pty) Ltd	43%	Ordinary	Plot 63016, Airport Road, Block 8, Gaborone
Botswana	Naledi Mining Services Company (Proprietary) Limited	43%	Ordinary	First Floor Debswana Corporate Centre, Plot 64288 Airport Road, Block 8, Gaborone
Botswana	Sesiro Insurance Company (Proprietary) Limited	43%	Ordinary	First Floor Debswana Corporate Centre, Plot 64288 Airport Road, Block 8, Gaborone
Botswana	The Diamond Trust	85%	N/A	Debswana House, The Mall, Gaborone
Botswana	Tokafala (Proprietary) Limited	57%	Ordinary	3rd Floor, DTCB Building, Plot 63016, Block 8, Airport Road, Gaborone
Brazil	Anglo American Comercializadora E Exportadora Ltda.	100%	Membership interest	Rua Maria Luiza Santiago, n.,200, 16º andar, parte, bairro Santa Lúcia, CEP 30360-740
Brazil	Anglo American Holding Patrimonial Ltda.	100%	Membership interest	Rua Maria Luiza Santiago, n.,200, 16º andar, parte, bairro Santa Lúcia, CEP 30360-740
Brazil	Anglo American Investimentos - Minério de Ferro Ltda.	100%	Membership interest	Rua Maria Luiza Santiago, nº 200, 16º andar, sala 1603, bairro Santa Lúcia, CEP 30360-740, Belo Horizonte, Minas Gerais
Brazil	Anglo American Minério de Ferro Brasil S.A	100%	Ordinary	Rua Maria Luiza Santiago, nº 200, 16º andar, sala 1601, bairro Santa Lucia, CEP 30360-740, Belo Horizonte, Minas Gerais
Brazil	Anglo American Niquel Brasil Ltda.	100%	Membership interest	Rua Maria Luiza Santiago, nº. 200, 8º andar (parte), Santa Lúcia, CEP 30360-740, Belo Horizonte, Minas Gerais
Brazil	Anglo Ferrous Brazil Participações S.A.	100%	Ordinary	Rua Maria Luiza Santiago, nº 200, 16º andar, sala 1601, bairro Santa Lucia, CEP 30360-740, Belo Horizonte, Minas Gerais
Brazil	Ferroport Logística Comercial Exportadora S.A.	50%	Ordinary	Rua da Passagem, nº 123, 11º andar, sala 1101, Botafogo, CEP 22290-030, Rio de Janeiro/RJ

Group structure

36. Related undertakings of the Group continued

Country of incorporation[(1)(2)]	Name of undertaking	Percentage of equity owned[(3)]	Share class	Registered address
See page 293 for footnotes.				
Brazil	GD Empreendimentos Imobiliários S.A.	33%	Ordinary Preference	Rua Visconde de Ouro Preto, nº 5, 11º andar (parte), Botafogo, Rio de Janeiro/RJ
Brazil	Guaporé Mineração Ltda.	49%	Membership interest	Rua Maria Luiza Santiago, nº. 200, 8º andar (parte), bairro Santa Lúcia, CEP 30.360-740, Belo Horizonte, Minas Gerais
Brazil	Mineração Tanagra Ltda.	49%	Membership interest	Rua Maria Luiza Santiago, nº. 200, 20º andar (parte), bairro Santa Lúcia, CEP 30.360-740, Belo Horizonte, Minas Gerais
Brazil	Ventos de Santa Alice Energias Renováveis S/A	98%	Ordinary	Rodovia Doutor Mendel Steinbruch, nº 10.800, sala 236, Distrito Industrial, Maracanaú/CE, CEP 61939-906
Brazil	Ventos de Santa Alice Holding S/A	98%	Ordinary	Rodovia Doutor Mendel Steinbruch, nº 10.800, sala 236, Distrito Industrial, Maracanaú/CE, CEP 61939-906
Brazil	Ventos de Santa Sara Energias Renováveis S/A	98%	Ordinary	Rodovia Doutor Mendel Steinbruch, nº 10.800, sala 236, Distrito Industrial, Maracanaú/CE, CEP 61939-906
Brazil	Ventos de Santa Sara Holding S/A	98%	Ordinary	Rodovia Doutor Mendel Steinbruch, nº 10.800, sala 236, Distrito Industrial, Maracanaú/CE, CEP 61939-906
Brazil	Ventos de São Felipe Energias Renováveis S/A	98%	Ordinary	Rodovia Doutor Mendel Steinbruch, nº 10.800, sala 236, Distrito Industrial, Maracanaú/CE, CEP 61939-906
Brazil	Ventos de São Felipe Holding S/A	98%	Ordinary	Rodovia Doutor Mendel Steinbruch, nº 10.800, sala 236, Distrito Industrial, Maracanaú/CE, CEP 61939-906
British Virgin Islands	De Beers Centenary Angola Properties Ltd	85%	Ordinary	Craigmuir Chambers, Road Town, Tortola, VG1109
British Virgin Islands	Delibes Holdings Limited[(5)]	85%	A Ordinary	Craigmuir Chambers, Road Town, Tortola, VG1110
British Virgin Islands	Loma de Niquel Holdings Limited[(5)]	94%	Class A1 Class A2 Class B Class C	Craigmuir Chambers, Road Town, Tortola, VG1110
Canada	0912055 B.C. Ltd.	100%	Common	c/- McCarthy Tetrault, Suite 2400, 745 Thurlow Street, Vancouver, BC, V6E 0C5
Canada	Anglo American Exploration (Canada) Ltd.	100%	Common Class B Preference Class C Preference	Suite 620 – 650 West Georgia Street, Vancouver, BC, V6B 4N8
Canada	Auspotash Corporation	100%	N/A	333 Bay Street, Suite 2400, Toronto, ON, M5H2T6
Canada	Central Ecuador Holdings Ltd.	70%	Class A Common Class B Common	c/o Borden Ladner Gervais, 1200 Waterfront Centre, 200 Burrard Street, Vancouver, BC, V6C 3L6
Canada	De Beers Canada Holdings Inc.	85%	A Ordinary B Ordinary	2400-333 Bay St, Toronto, ON, M5H2T6
Canada	De Beers Canada Inc.	85%	Preference	2400-333 Bay St, Toronto, ON, M5H2T6
Canada	Lion Battery Technologies Inc.	37%	Class A Preferred	Suite 2600, Three Bentall Centre, 595 Burrard Street, P.O. Box 49314, Vancouver, BC, V7X 1L3
Canada	Peace River Coal Inc.	100%	Common Class A Non-Voting Preference	c/- McCarthy Tetrault, Suite 2400, 745 Thurlow Street, Vancouver, BC, V6E 0C5
Canada	Peregrine Diamonds Ltd	85%	Common Preference	2400-333 Bay St, Toronto, ON, M5H 2T6
Chile	Anglo American Chile Limitada	100%	Ordinary	Isidora Goyenechea 2800, piso 46, Las Condes, Santiago
Chile	Anglo American Copper Finance SpA	100%	Ordinary	Isidora Goyenechea 2800, piso 46, Las Condes, Santiago
Chile	Anglo American Marketing Chile SpA	100%	Ordinary	Isidora Goyenechea 2800, piso 46, Las Condes, Santiago
Chile	Anglo American Sur S.A.	50%	Ordinary	Isidora Goyenechea 2800, piso 46, Las Condes, Santiago
Chile	Compañía Minera Dona Ines De Collahuasi SCM	44%	Ordinary	Av. Andrés Bello 2457 Piso 39 Providencia, Santiago, Región Metropolitana

Group structure

36. Related undertakings of the Group continued

Country of incorporation[(1)(2)]	Name of undertaking	Percentage of equity owned[(3)]	Share class	Registered address
See page 293 for footnotes.				
Chile	Compañía Minera Westwall S.C.M	50%	Ordinary	Av. Andrés Bello 2457 Piso 39 Providencia, Santiago, Región Metropolitana
Chile	First Mode Chile SpA	81%	Nominative and without par value	Alonso De Cordova 4355, Of 1503, Vitacura
Chile	Inversiones Anglo American Norte SpA	100%	Ordinary	Isidora Goyenechea 2800, piso 46, Las Condes, Santiago
Chile	Inversiones Anglo American Sur SpA	100%	Ordinary	Isidora Goyenechea 2800, piso 46, Las Condes, Santiago
Chile	Inversiones Minorco Chile SpA	100%	Ordinary	Isidora Goyenechea 2800, piso 46, Las Condes, Santiago
China	Anglo American Resources Trading (China) Co., Ltd.	100%	Equity interest	Units 01, 02A, 07A, 08, Floor 32, No. 1198 Century Avenue, Pudong New Area, Shanghai
China	De Beers Jewellers Commercial (Shanghai) Co., Ltd	85%	Equity interest	Suite 4607, The Park Place, No.1601 Nan Jing West Road, Shanghai
China	Element Six Trading (Shanghai) Co., Ltd	51%	Equity interest	Room 807, Floor 8, No 390-408 East Beijing Road, Huangpu District, Shanghai
China	Forevermark Marketing (Shanghai) Company Limited	85%	Equity interest	Suite 4601, 4602 and 4608, The Park Place, No.1601 Nan Jing West Road, Shanghai
China	Platinum Guild International (Shanghai) Co., Limited	77%	Ordinary	Room 601, L'Avenue, 99 XianXia Road, Shanghai 200051
China	Suzhou Yibai Environmental Protection Technologies Co., Ltd	24%	N/A	No. 558, Fenhu Avenue, Lili Town, Wujiang District, Suzhou
Colombia	Anglo American Colombia Exploration S.A.	100%	Ordinary	Carrera 7 No. 71-52 Torre B, Piso 9, Bogotá
Democratic Republic of Congo	Ambase Exploration Africa (DRC) SPRL	100%	Ordinary	c/o KPMG, 500b. Av. Mpala/Quartier Golf, Lubumbashi
Ecuador	Anglo American Ecuador S.A.	100%	Ordinary	Av. Patria E4-69 y Av. Amazonas, Cofiec ,16th Floor
Ecuador	Central Ecuador EC-CT S.A.	70%	Ordinary	Av. Patria E4-69 y Av. Amazonas, Edif.COFIEC, piso 17, Quito
Finland	AA Sakatti Mining Oy	100%	Ordinary	AA Sakatti Mining Oy, Tuohiaavantie 2, 99600, Sodankylä
Gabon	Samancor Gabon SA	40%	Ordinary	C/- Fiduge SARL, Battery IV, Soraya Building, PO Box 15.950, Liberville
Germany	Element Six GmbH	51%	Ordinary	Staedeweg 18, 36151, Burghaun
Germany	Kupfer Copper Germany GmbH	80%	Ordinary	Alfred-Herrhausen-Allee 3-5, 65760 Eschborn, Deutschland
Germany	Anglo American Exploration Germany GmbH	100%	Ordinary	Alfred-Herrhausen-Allee 3-5, 65760 Eschborn, Deutschland
Greenland	NAIP West Exploration A/S	75%	Ordinary	Issortarfimmut 6, 3905 Nuussuaq
Hong Kong	De Beers Auction Sales Holdings Limited	85%	Ordinary	2602-2606, 26/F, Kinwick Centre, 32 Hollywood Road, Central
Hong Kong	De Beers Jewellers (Hong Kong) Limited	85%	Ordinary	RM 02B&03-06 26/F, Kinwick Centre, 32 Hollywood Road, Central
Hong Kong	Forevermark Limited	85%	Ordinary	RM 02B&03-06 26/F, Kinwick Centre, 32 Hollywood Road, Central
Hong Kong	Platinum Guild International (Hong Kong) Limited	77%	Ordinary	Suites 2901-2, Global Trade Square, No.21 Wong Chuk Hang Road
India	Anglo American Crop Nutrients (India) Private Limited	100%	Ordinary	Regus Elegance, 2F, Elegance, Jasola Districe Centre Old Mathura Road, New Delhi, 110025
India	Anglo American Services (India) Private Limited	100%	Equity	A- 1/292, Janakpuri, New Delhi - 110058
India	De Beers India Private Ltd	85%	Ordinary Equity Preference Equity	601, 6th floor, TCG Financial Centre, C -53, G Block, Bandra Kurla Complex, Bandrar (East), Mumbai - 400 058

Group structure

36. Related undertakings of the Group continued

Country of incorporation[(1)(2)]	Name of undertaking	Percentage of equity owned[(3)]	Share class	Registered address
See page 293 for footnotes.				
India	Hindustan Diamond Company Private Limited	43%	Ordinary equity	Office No. 12, 14th Floor, Navjivan Society Building, No.3, Lamington Road, Mumbai - 400 008
India	Platinum Guild India Private Limited	77%	Ordinary	Notan Classic, 3rd Floor, 114 Turner Road, Bandra West, Mumbai 400 050
Indonesia	PT Anglo American Indonesia	100%	Ordinary	Treasury Tower, 11th Floor Unit A & B, District 8, SCBD Lot. 28 Jl. Jend. Sudirman Kav. 52-53, RT/RW 5/3, Kel. Senayan, Kec. Kebayoran Baru, South Jakarta 12190
Indonesia	PT Minorco Services Indonesia	100%	Ordinary	Treasury Tower, 11th Floor Unit A & B, District 8, SCBD Lot. 28 Jl. Jend. Sudirman Kav. 52-53, RT/RW 5/3, Kel. Senayan, Kec. Kebayoran Baru, South Jakarta 12190
Ireland	Coromin Insurance (Ireland) DAC	100%	Ordinary	Charlotte House, Charlemont Street, Dublin 2, D02 NV26
Ireland	Element Six (Holdings) Limited	51%	Ordinary	Shannon Airport, Shannon, Co.Clare
Ireland	Element Six (Trade Marks) Limited	51%	Ordinary A Ordinary	Shannon Airport, Shannon, Co.Clare
Ireland	Element Six Abrasives Treasury Limited	51%	Ordinary	Shannon Airport, Shannon, Co.Clare
Ireland	Element Six Limited	51%	Ordinary	Shannon Airport, Shannon, Co.Clare
Ireland	Element Six Technologies Limited	85%	Ordinary	Shannon Airport, Shannon, Co.Clare
Ireland	Element Six Treasury Limited	85%	Ordinary	Shannon Airport, Shannon, Co.Clare
Isle of Man	Element Six (Legacy Pensions) Limited	85%	Ordinary A Ordinary	1st Floor, 18-20 North Quay, Douglas, IM1 4LE
Israel	De Beers Auction Sales Israel Ltd	85%	Ordinary	11th Floor, Yahalom (Diamond) Building, 21 Tuval Street Ramat Gan 5252236
Italy	Forevermark Italy S.R.L.	85%	Ordinary	Via Burlamacchi Francesco 14, 20135, Milan
Japan	De Beers Jewellers Japan K.K.	85%	Common stock	New Otani Garden Court 7th Floor, 4-1 Kioi-cho, Chiyoda-ku, Tokyo.
Japan	De Beers K.K.	43%	Common stock	New Otani Garden Court, 7th Floor, 4-1 Kioi-cho, Chiyoda-ku, Tokyo
Japan	Element Six Limited	51%	Ordinary	9F PMO Hatchobori, 3-22-13 Hatchobori, Chuo-ku, Tokyo, 104
Japan	Forevermark KK	85%	Common stock	New Otani Garden Court, 7th Floor, 4-1 Kioi-cho, Chiyoda-ku, Tokyo
Japan	Furuya Eco-Front Technology Co., Ltd	31%	Common	MSB-21 Minami Otsuka Building, 2-37-5 Minami Otsuka, Toshima-ku, Tokyo
Japan	PGI KK	77%	Ordinary	Imperial Hotel Tower 17F, 1-1-1 Uchisaiwai-cho, Chiyoda-ku,Tokyo, 100-8575
Jersey	A.R.H. Investments Limited[(5)]	100%	Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	A.R.H. Limited[(5)]	100%	Class A Class B Class C	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	Ambras Holdings Limited[(5)(6)]	100%	Repurchaseable Class A Ordinary Repurchaseable Class B Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	Ammin Coal Holdings Limited[(5)]	100%	Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	Anglo African Exploration Holdings Limited[(5)]	100%	Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	Anglo American Amcoll UK Ltd[(5)]	100%	Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	Anglo American Buttercup Company Limited[(5)]	100%	Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	Anglo American Chile Investments UK Ltd[(5)]	100%	Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	Anglo American Clarent UK Ltd[(5)]	100%	Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	Anglo American Corporation de Chile Holdings Limited[(5)]	100%	Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG

Group structure

36. Related undertakings of the Group continued

Country of incorporation[1][2]	Name of undertaking	Percentage of equity owned[3]	Share class	Registered address
See page 293 for footnotes.				
Jersey	Anglo American Exploration Colombia Limited[5]	100%	Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	Anglo American Exploration Overseas Holdings Limited[5]	100%	Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	Anglo American Finland Holdings 2 Limited[5]	100%	Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	Anglo American Midway Investment Limited[5]	100%	A Shares B Shares	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	Anglo American Overseas Limited[5][7]	100%	Repurchaseable Class A Ordinary Repurchaseable Class B Ordinary Repurchaseable Class C Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	Anglo Australia Investments Limited[5]	100%	Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	Anglo Diamond Investments Limited[5]	100%	Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	Anglo Iron Ore Investments Limited[5]	100%	Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	Anglo Operations (International) Limited[5]	100%	Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	Anglo Peru Investments Limited[5]	100%	Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	Anglo Quellaveco Limited[5]	100%	Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	Anglo South American Investments Limited[5]	100%	Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	Anglo Venezuela Investments Limited[5]	100%	Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	Aval Holdings Limited[5]	100%	Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	Cheviot Holdings Limited[5]	85%	Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	De Beers Centenary Limited[5]	85%	Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	De Beers Exploration Holdings Limited[5]	85%	Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	De Beers Holdings Investments Limited[5]	85%	Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	De Beers Investments plc[5]	85%	Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	De Beers plc[5]	85%	A Ordinary B Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	Highbirch Limited[5]	100%	Class A Class B	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	Kumba International Trading Limited[5]	53%	Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	Minorco Overseas Holdings Limited[5]	100%	Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	Minorco Peru Holdings Limited[5]	100%	Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	Minpress Investments Limited[5]	100%	Ordinary	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	Sirius Minerals Finance Limited[5]	100%	Ordinary Preference	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Jersey	Sirius Minerals Finance No.2 Limited[5]	100%	Ordinary Preference	3rd Floor, 44 Esplanade, St Helier, JE4 9WG
Luxembourg	Kumba Iron Ore Holdings S.à r.l.	53%	Ordinary	58 rue Charles Martel, L-2134
Macau	De Beers Jewellers (Macau) Company Limited	85%	Ordinary	Avenida da Praia Grande No. 409, China Law Building 16/F – B79
Madagascar	Societe Civille De Prospection De Nickel A Madagascar	32%	N/A	Unknown
Mauritius	Anglo American International Limited[5]	100%	Normal Class A Ordinary Ordinary-B Repurchaseable Class A Ordinary	C/o AXIS Fiduciary Ltd, 2nd Floor, The AXIS, 26 Bank Street, Cybercity Ebene, 72201
Mexico	Anglo American Mexico S.A. de C.V.	100%	Common	c/o Sanchez Mejorada, Velasco y Ribe, S.C., Paseo de la Reforma No. 450, Col. Lomas de Chapultepec, 11000

Group structure

36. Related undertakings of the Group continued

Country of incorporation[(1)(2)]	Name of undertaking	Percentage of equity owned[(3)]	Share class	Registered address
See page 293 for footnotes.				
Mexico	Servicios Anglo American Mexico S.A. de C.V.	100%	Common	c/o Sanchez Mejorada, Velasco y Ribe, S.C., Paseo de la Reforma No. 450, Col. Lomas de Chapultepec, 11000
Mozambique	Anglo American Corporation Mocambique Servicos Limitada	100%	Quota	PricewaterhouseCoopers, Ltda. Avenida Vladimir Lenine, No 174, 4o andar, Edifício Millennium Park, Maputo
Namibia	Ambase Prospecting (Namibia) (Pty) Ltd	100%	Ordinary	c/o SGA, 24 Orban Street, Klein Windhoek, Windhoek
Namibia	De Beers Marine Namibia (Pty) Ltd	43%	Ordinary	4th Floor, Namdeb Centre, 10 Dr Frans Indongo Street, Windhoek
Namibia	De Beers Namibia Holdings (Pty) Ltd	85%	Ordinary	6th floor, Namdeb Centre, 10 Dr Frans Indongo Street, Windhoek
Namibia	Debmarine Namdeb Foundation	43%	N/A	10th Floor, Namdeb Centre, 10 Dr Frans Indongo Street, Windhoek
Namibia	DTC Valuations Namibia (Pty) Ltd	85%	Ordinary	4th Floor, Namdeb Centre, 10 Dr Frans Indongo Street, Windhoek
Namibia	Exclusive Properties (Pty) Ltd	43%	Ordinary	10th Floor, Namdeb Centre, 10 Dr Frans Indongo Street, Windhoek
Namibia	Longboat Trading (Pty) Ltd	100%	Ordinary	24 Orban Street, Klein Windhoek, Windhoek
Namibia	Mamora Mines & Estates Limited	28%	Ordinary	10th Floor, Namdeb Centre, 10 Dr Frans Indongo Street, Windhoek
Namibia	Namdeb Diamond Corporation (Pty) Ltd	43%	Ordinary	10th Floor, Namdeb Centre, 10 Dr Frans Indongo Street, Windhoek
Namibia	Namdeb Holdings (Pty) Ltd	43%	Ordinary	10th Floor, Namdeb Centre, 10 Dr Frans Indongo Street, Windhoek
Namibia	Namdeb Properties (Pty) Ltd	43%	Ordinary	10th Floor, Namdeb Centre, 10 Dr Frans Indongo Street, Windhoek
Namibia	Namibia Diamond Trading Company (Pty) Ltd	43%	Ordinary	9th Floor, Namdeb Centre, 10 Dr Frans Indongo Street, Windhoek
Namibia	OMDis Town Transformation Agency	43%	N/A	Unit 6, Gold Street Business Park, Gold Street, Prosperita, Windhoek
Namibia	Oranjemund Private Hospital (Proprietary) Limited	43%	Ordinary	10th Floor, Namdeb Centre, 10 Dr Frans Indongo Street, Windhoek
Namibia	Oranjemund Town Management Company (Pty) Ltd	43%	Ordinary	10th Floor, Namdeb Centre, 10 Dr Frans Indongo Street, Windhoek
Namibia	Namdeb Hospital Pharmacy (Pty) Ltd	43%	Ordinary	10th Floor, Namdeb Centre, 10 Dr Frans Indongo Street, Windhoek
Netherlands	Anglo American (TIH) B.V.[(5)]	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
Netherlands	Anglo American Europe B.V.[(5)]	100%	Ordinary	Kingsfordweg 151, 1043GR, Amsterdam
Netherlands	Anglo American Exploration B.V.[(5)]	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
Netherlands	Anglo American Exploration (Philippines) B.V.[(5)]	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
Netherlands	Anglo American International B.V.[(5)]	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
Netherlands	Anglo American Netherlands B.V.[(5)]	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
Netherlands	Anglo Operations (Netherlands) B.V.[(5)]	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
Netherlands	Erabas B.V.[(5)]	77%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
Netherlands	Loma de Niquel Holdings B.V.[(5)]	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
Netherlands	Minorco Exploration (Indonesia) B.V.[(5)]	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
North Macedonia	Anglo American Exploration West Tetyan Skopje	100%	Ordinary	Str. Risto Ravanovski no. 13A, 1000, Skopje, Municipality of Karpos
Papua New Guinea	Anglo American (Star Mountain) Limited	100%	Ordinary	c/o Pacific Legal Group Lawyers, Ground Floor, Iaraguma Haus, Lot 30 Section 38 Off Cameron Road, Gordons, National Capital District
Papua New Guinea	Anglo American Exploration (PNG) Limited	100%	Ordinary	c/o Pacific Legal Group Lawyers, Ground Floor, Iaraguma Haus, Lot 30 Section 38 Off Cameron Road, Gordons, National Capital District
Peru	Anglo American Marketing Peru S.A.	100%	Ordinary	Calle Esquilache 371, Piso 10, San Isidro, Lima 27

Group structure

36. Related undertakings of the Group continued

See page 293 for footnotes.

Country of incorporation[(1)(2)]	Name of undertaking	Percentage of equity owned[(3)]	Share class	Registered address
Peru	Anglo American Peru S.A.	100%	Ordinary	Calle Esquilache 371, Piso 10, San Isidro, Lima 27
Peru	Anglo American Quellaveco S.A.	60%	Class A Ordinary Class B Non-Voting	Calle Esquilache 371, Piso 10, San Isidro, Lima 27
Peru	Anglo American Servicios Perú S.A. en Liquidación	100%	Ordinary	Calle Esquilache 371, Piso 10, San Isidro, Lima 27
Peru	Asociación Quellaveco	100%	N/A	Calle Esquilache 371, Piso 10, San Isidro, Lima 27
Peru	Cobre del Norte S.A.	100%	Ordinary	Calle Esquilache 371, Piso 10, San Isidro, Lima 27
Philippines	Anglo American Exploration (Philippines) Inc.	100%	Ordinary	c/o SyCipLaw Center, 105 Paseo de Roxas, Makati City 1226, Metro Manila
Sierra Leone	Gemfair (SL) Limited	85%	Ordinary	31 Lightfoot Boston Street, Freetown
Singapore	Anglo American Crop Nutrients (Singapore) Pte Ltd	100%	Ordinary	9 Raffles Place, #26-01 Republic Plaza, 048619
Singapore	Anglo American Shipping Pte. Limited	100%	Ordinary	10 Collyer Quay, #38-00 Ocean Financial Centre, 049315
Singapore	De Beers Auction Sales Singapore Pte. Ltd.	85%	Ordinary	10 Collyer Quay, #03-04 Ocean Financial Centre, 049315
Singapore	Kumba Singapore Pte. Ltd.	53%	Ordinary	10 Collyer Quay, #38-00 Ocean Financial Centre, 049315
Singapore	MR Iron Ore Marketing Services Pte. Ltd.	50%	Ordinary	10 Collyer Quay, #38-00 Ocean Financial Centre, 049315
Singapore	Samancor Marketing Pte.Ltd.	40%	Ordinary	16 Collyer Quay #18-00 Collyer Quay Centre, 049318
Singapore	Sulista Forte Pte. Ltd.	100%	Ordinary	77 Robinson Road, #13-00 Robinson 77 Singapore 068896
South Africa	African Pipe Industries North (Pty) Ltd	40%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Amandelbult Solar Pv (Pty) Ltd	100%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Amaprop Townships Ltd	100%	Ordinary	61 Katherine Street, Sandton, 2196
South Africa	Ambase Investment Africa (Botswana) (Pty) Ltd	100%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Ambase Investment Africa (DRC) (Pty) Ltd	100%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Ambase Investment Africa (Tanzania) (Pty) Ltd	100%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Ambase Investment Africa (Zambia) (Pty) Ltd	100%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Anglo American Corporation of South Africa (Pty) Ltd	100%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Anglo American EMEA Shared Services (Pty) Ltd	100%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Anglo American Farms (Pty) Ltd	100%	Ordinary	Vergelegen Wine Farm, Lourensford Road, Somerset West, 7130
South Africa	Anglo American Farms Investment Holdings (Pty) Ltd	100%	Ordinary	Vergelegen Wine Farm, Lourensford Road, Somerset West, 7130
South Africa	Anglo American Group Employee Shareholder Nominees (Pty) Ltd	100%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Anglo American Marketing South Africa (Pty) Ltd	77%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Anglo American Platinum Limited	79%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Anglo American Properties Ltd	100%	Ordinary	61 Katherine Street, Sandton, 2196
South Africa	Anglo American Prospecting Services (Pty) Ltd	100%	Ordinary	55 Marshall Street, Johannesburg, 2001,

Group structure

36. Related undertakings of the Group continued

Country of incorporation[1][2]	Name of undertaking	Percentage of equity owned[3]	Share class	Registered address
See page 293 for footnotes.				
South Africa	Anglo American SA Finance Proprietary Limited	100%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Anglo American SEFA Mining Fund (Pty) Ltd	50%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Anglo American South Africa Investments Proprietary Limited	100%	Ordinary Preference	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Anglo American South Africa Proprietary Limited	100%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Anglo American Zimele (Pty) Ltd	100%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Anglo American Zimele Loan Fund (Pty) Ltd	100%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Anglo Coal Investment Africa (Botswana) (Pty) Ltd	100%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Anglo Corporate Enterprises (Pty) Ltd	100%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Anglo Corporate Services South Africa Proprietary Limited	100%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Anglo Platinum Management Services (Pty) Ltd	77%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Anglo South Africa (Pty) Ltd	100%	Ordinary Redeemable Preference	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Anglo South Africa Capital (Pty) Ltd	100%	Ordinary Redeemable Preference	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Atomatic Trading (Pty) Limited	57%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Balgo Nominees (Pty) Ltd	100%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Blinkwater Farms 244KR (Pty) Ltd	77%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Damelin Emalahleni (Pty) Ltd	20%	Ordinary	Cnr OR Tambo & Beatrix Avenue, Witbank, 1035
South Africa	DBCM Holdings (Pty) Ltd	63%	Ordinary Redeemable Preference	36 Stockdale Street, Kimberley, 8301
South Africa	De Beers Consolidated Mines (Pty) Ltd[8]	63%	Ordinary Redeemable Preference	36 Stockdale Street, Kimberley, 8301
South Africa	De Beers Group Services (Pty) Ltd	85%	Ordinary Redeemable Preference	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	De Beers Marine (Pty) Ltd	85%	Ordinary	DMB Gardens Golf Park, 2 Raapenberg Road, Cape Town, Western Cape, 7405
South Africa	Dido Nominees (Pty) Ltd	100%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Dingleton Home Owners Resettlement Trust	53%	N/A	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Element Six (Production) Proprietary Limited	51%	Ordinary	Debid Road, Nuffield, Springs, 1559
South Africa	Envusa Energy Proprietary Limited	50%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	First Mode SA (Pty) Ltd	81%	Ordinary No Par Value	144 Oxford Road, Rosebank, Johannesburg, Gauteng, 2196
South Africa	First Mode SA Holdings (Pty) Ltd	81%	Ordinary No Par Value	144 Oxford Road, Rosebank, Johannesburg, Gauteng, 2196

Group structure

36. Related undertakings of the Group continued

Country of incorporation[(1)(2)]	Name of undertaking	Percentage of equity owned[(3)]	Share class	Registered address
See page 293 for footnotes.				
South Africa	HMM Rehabilitation Trust Fund	30%	N/A	6 Hollard Street, Johannesburg, 2001
South Africa	Hotazel Manganese Mines Proprietary Limited	30%	Ordinary Preference	39 Melrose Boulevard, Melrose Arch, Johannesburg, 2076
South Africa	Khongoni Haaskraal Coal (Pty) Ltd	20%	Ordinary	Unit 3, Bauhinia Street, Highveld Technopark, Centurion, 0157
South Africa	KIO Investments Holdings (Pty) Ltd	70%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Kumba BSP Trust	53%	N/A	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Kumba Iron One Rehabilitation Trust	70%	N/A	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Kumba Iron Ore Limited	70%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Lexshell 49 General Trading (Pty) Ltd	35%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Longboat (Pty) Ltd	100%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Main Place Holdings Limited	39%	Ordinary	Suite 801, 76 Regent Road, Sea Point, Western Cape 8005
South Africa	Marikana Ferrochrome Limited	100%	Ordinary	44 Main Street, Johannesburg, 2001
South Africa	Marikana Minerals (Pty) Ltd	100%	Ordinary	55 Marshall Street, Johannesburg, 2001
South Africa	Matthey Rustenburg Refiners (Pty) Ltd	77%	A Ordinary Shares B Ordinary Shares	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Metalloys Manganese Smelter Proprietary Limited	40%	Ordinary NPV	39 Melrose Boulevard, Melrose Arch, Johannesburg, 2076
South Africa	Micawber 146 (Pty) Ltd	77%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Modikwa Mining Personnel Services (Pty) Ltd	38%	Ordinary	29 Impala Road, Chislehurston, Standton, 2196
South Africa	Modikwa Platinum Mine (Pty) Ltd	38%	Ordinary	16 North Road, Dunkeld Court, Dunkeld West, 2196
South Africa	Mogalakwena Platinum Limited	77%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Newshelf 480 (Pty) Ltd	55%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Norsand Holdings (Pty) Ltd	77%	Ordinary B Ordinary Non-Cumulative Redeemable Preference	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Peglerae Hospital (Pty) Ltd	31%	Ordinary	21 Oxford Manor, Rudd & Chaplin Roads, Illovo, Johannesburg, 2196
South Africa	Platmed (Pty) Ltd	77%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Platmed Properties (Pty) Ltd	77%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Polokwane Iron Ore Company (Pty) Ltd	27%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Precious Metals Refiners Proprietary Limited	77%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Pro Enviro (Pty) Ltd	20%	Ordinary	Greenside Colliery, PTN 0ff 331, Blackhills, 1032
South Africa	Resident Nominees (Pty) Ltd	100%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Rustenburg Base Metals Refiners Proprietary Limited	77%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg

Group structure

36. Related undertakings of the Group continued

See page 293 for footnotes.

Country of incorporation(1)(2)	Name of undertaking	Percentage of equity owned(3)	Share class	Registered address
South Africa	Rustenburg Platinum Mines Limited	77%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Samancor Holdings Proprietary Limited	40%	Ordinary	39 Melrose Boulevard, Melrose Arch, Johannesburg, 2076
South Africa	Samancor Manganese Proprietary Limited	40%	Ordinary NPV	39 Melrose Boulevard, Melrose Arch, Johannesburg, 2076
South Africa	Samancor Manganese Rehabilitation Trust	40%	N/A	6 Hollard Street, Johannesburg, 2001
South Africa	Sheba's Ridge Platinum (Pty) Ltd	27%	Ordinary	Harrowdene Office Park Building 5, Woodmead, 2128
South Africa	Sibelo Resource Development (Pty) Ltd	53%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	SIOC Employee Benefit Trust	53%	N/A	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	SIOC Employee Share Ownership Plan Trust	53%	N/A	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	SIOC Solar SPV (Pty) Ltd	53%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Sishen Iron Ore Company (Pty) Ltd	53%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Spectrem Air Pty Ltd	93%	Ordinary and no par value	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Tenon Investment Holdings (Pty) Ltd	100%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Terra Nominees Proprietary Limited	40%	Ordinary	39 Melrose Boulevard, Melrose Arch, Johannesburg, 2076
South Africa	The Village of Cullinan (Pty) Ltd	63%	Ordinary	36 Stockdale Street, Kimberley, 8301
South Africa	The Work Expert (Pty) Ltd	46%	Ordinary	17 Du Plooy Street, FH Building, Potchefstroom, North West, 2530
South Africa	Venetia Solar Project Pty Ltd	64%	Ordinary	De Beers House, Corner Diamond Drive and Crownwood Road, Theta, Johannesburg, 2013
South Africa	Vergelegen Wine Estate (Pty) Ltd	100%	Ordinary	Vergelegen Wine Farm, Lourensford Road, Somerset West, 7130
South Africa	Vergelegen Wines (Pty) Ltd	100%	Ordinary	Vergelegen Wine Farm, Lourensford Road, Somerset West, 7130
South Africa	Whiskey Creek Management Services (Pty) Ltd	77%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	WPIC Holdings Pty Ltd	40%	Ordinary	Rosebank Towers, 19 Biermann Ave, Rosebank, Johannesburg, 2196
South Africa	Zero Emissions Hydrogen Solutions (PTY) Ltd	100%	Ordinary	144 Oxford Road, Rosebank, Melrose 2196, Johannesburg
South Africa	Main Street 1252 (Pty) Ltd (RF)	63%	Ordinary	Cornerstone, Corner of Diamond Drive and Crownwood Road, Theta, Johannesburg, 2013
Sweden	Element Six AB	51%	Ordinary	c/o Advokatbyrån Kaiding, Box 385, 931 24 Skellefteå
Switzerland	De Beers Centenary AG(5)	85%	Ordinary	c/o Telemarketing, Plus AG, Sonnenplatz 6, 6020, Emmenbrücke
Switzerland	PGI SA	77%	Ordinary	Avenue Mon- Repos 24, Case postale 656, CH- 1001 Lausanne
Switzerland	Synova S.A.	28%	Ordinary	13 Route de Genolier, 1266 Duillier
Tanzania	Ambase Prospecting (Tanzania) (Pty) Ltd	100%	Ordinary	c/o Mawalla Advocates, Mawalla Road, Mawalla Heritage Park, Plot No. 175/20, Arusha
United Arab Emirates	De Beers DMCC	85%	Ordinary	Office 4D, Almas Tower, Jumeirah Lakes Towers, Dubai
United Kingdom	Anglo American Australia Investments Limited(9)	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Anglo American Capital Australia Limited	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA

Group structure

36. Related undertakings of the Group continued

See page 293 for footnotes.

Country of incorporation[(1)(2)]	Name of undertaking	Percentage of equity owned[(3)]	Share class	Registered address
United Kingdom	Anglo American Capital plc[(9)]	100%	Ordinary 3% Cumulative Preference	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Anglo American CMC Holdings Limited	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Anglo American Corporate Secretary Limited	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Anglo American Crop Nutrients Limited	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Anglo American Diamond Holdings Limited	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Anglo American Energy Solutions Limited	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Anglo American Finance (UK) Limited	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Anglo American Holdings Limited	100%	Ordinary 8% Preference 8.3% Preference B shares	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Anglo American International Holdings Limited	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Anglo American Investments (UK) Limited	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Anglo American Marketing Limited	100%	Ordinary Preference	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Anglo American Medical Plan Limited	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Anglo American Medical Plan Trust	100%	N/A	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Anglo American Prefco Limited[(9)]	100%	Ordinary Capital Preference Preference	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Anglo American Rand Capital Limited	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Anglo American REACH Limited	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Anglo American Services (UK) Ltd.[(9)]	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Anglo American Technical & Sustainability Limited	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Anglo American Technical & Sustainability Services Ltd	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Anglo American Woodsmith (Teesside) Limited	100%	Ordinary Non-voting	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Anglo American Woodsmith Limited	100%	Ordinary B preference Non-voting	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Anglo Base Metals Marketing Limited	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Anglo Platinum Marketing Limited	77%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Anglo UK Pension Trustee Limited	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	AP Ventures Fund I LP	39%	N/A	16 Littleworth Lane, Esher, Surrey, KT10 9PF
United Kingdom	Birchall Gardens LLP	50%	N/A	Bardon Hall, Copt Oak Road, Markfield, Leicestershire, LE67 9PJ
United Kingdom	Charterhouse CAP Limited	85%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Curtis Fitch Limited	21%	Ordinary B	Formal House, 60 St George's Place, Cheltenham, Gloucestershire, GL50 3PN
United Kingdom	De Beers Capital Southern Africa Limited	85%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	De Beers Corporate Secretary Limited	85%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	De Beers Jewellers Limited	85%	A Ordinary B Ordinary Deferred Share Special Dividend Share	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	De Beers Jewellers Trade Mark Limited	85%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	De Beers Jewellers UK Limited	85%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	De Beers UK Limited	85%	Ordinary	17 Charterhouse Street, London, EC1N 6RA

Group structure

36. Related undertakings of the Group continued

Country of incorporation[(1)(2)]	Name of undertaking	Percentage of equity owned[(3)]	Share class	Registered address
See page 293 for footnotes.				
United Kingdom	Debcore Limited	43%	Ordinary-A	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Ebbsfleet Property Limited	50%	Ordinary	Bardon Hall, Copt Oak Road, Markfield, Leicestershire, LE67 9PJ
United Kingdom	Element Six (UK) Limited	51%	Ordinary	Global Innovation Centre, Fermi Avenue, Harwell, Oxford, Didcot, Oxfordshire, OX11 0QR
United Kingdom	Element Six Abrasives Holdings Limited	51%	Ordinary Preference	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Element Six Holdings Limited	85%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Element Six Limited	85%	Ordinary	Global Innovation Centre, Fermi Avenue, Harwell, Oxford, Didcot, Oxfordshire, OX11 0QR
United Kingdom	Element Six Technologies Limited	85%	Ordinary	Global Innovation Centre, Fermi Avenue, Harwell, Oxford, Didcot, Oxfordshire, OX11 0QR
United Kingdom	Ferro Nickel Marketing Limited	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	First Mode IPP Limited	81%	Ordinary	10 Bloomsbury Way, London, WC1A 2SL
United Kingdom	Forevermark Limited	85%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Gemfair Limited	85%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	IIDGR (UK) Limited	85%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Lightbox Jewelry Ltd.	85%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Rhoanglo Trustees Limited	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Sach 1 Ltd	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Sach 2 Ltd	100%	Ordinary Redeemable Preference	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Security Nominees Limited	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Sirius Minerals Holdings Limited	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	Swanscombe Development LLP	50%	N/A	Bardon Hall, Copt Oak Road, Markfield, Leicestershire, LE67 9PJ
United Kingdom	Tarvos Limited	30%	N/A	Unit 107, 121 Upper Richmond Road, London, England, SW15 2DW
United Kingdom	The Diamond Trading Company Limited	85%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	TRACR Limited	85%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United Kingdom	York Potash Holdings Limited	100%	Ordinary	1 More London Place, London, SE1 2AF
United Kingdom	York Potash Intermediate Holdings Limited	100%	Ordinary	1 More London Place, London, SE1 2AF
United Kingdom	YPF Limited	100%	Ordinary	17 Charterhouse Street, London, EC1N 6RA
United States of America	Anglo American Crop Nutrients (USA), LLC	100%	Membership interest	7700 E Arapahoe Road, Suite 220, Centennial Colorado, 80112
United States of America	Anglo American US Holdings Inc.	100%	Common	c/o Corporation Service Company, 251 Little Falls Drive, Wilmington Delaware, 19808
United States of America	De Beers Jewellers US, Inc.	85%	Common	300 First Stamford Place, Stamford, CT, 06902
United States of America	Element Six Technologies (OR) Corp.	85%	Ordinary	Cogency Global Inc., 850 New Burton Road, Suite 201, Dover, DE 19904
United States of America	Element Six Technologies US Corporation	85%	Ordinary	3901 Burton Drive, Santa Clara, CA 95054
United States of America	Element Six US Corporation	51%	Common stock	24900 Pitkin Road, Suite 250, Spring TX 77386
United States of America	First Mode Holdings Inc.	81%	Ordinary	1209 Orange Street, City of Wilmington, Delaware, 19801
United States of America	Forevermark US Inc.	85%	Common	300 First Stamford Place, Stamford, CT, 06902
United States of America	Lightbox Jewelry Inc.	85%	Ordinary	Cogency Global Inc., 850 New Burton Road, Suite 201, Dover, DE 19904

Group structure

36. Related undertakings of the Group continued

Country of incorporation[(1)(2)]	Name of undertaking	Percentage of equity owned[(3)]	Share class	Registered address
See page 293 for footnotes.				
United States of America	Platinum Guild International (U.S.A.) Jewelry Inc.	77%	Ordinary	125 Park Avenue, 25th Floor, New York, New York 10017
United States of America	Synchronous LLC	81%	Membership Units	C/O Corpserve, Inc., 1001 Fourht Avenue, Ste. 4400, Seattle, WA 98154
Venezuela	Minera Loma de Niquel C.A.	100%	Class A	Torre Humboldt, floor 9, office 09-07, Rio Caura Street, Prados del Este. Caracas 1080.
Zambia	Anglo Exploration (Zambia) (Pty) Ltd	100%	Ordinary	11 Katemo Road, Rhodes Park, Lusaka
Zimbabwe	Amzim Holdings Limited	79%	Ordinary	28 Broadlands Road, Emerald Hill, Harare
Zimbabwe	Southridge Limited	79%	Ordinary	28 Broadlands Road, Emerald Hill, Harare
Zimbabwe	Unki Mines (Private) Limited	79%	Ordinary	28 Broadlands Road, Emerald Hill, Harare
Zimbabwe	Unki Solar PV (Private) Limited	79%	Ordinary	28 Broadlands Road, Emerald Hill, Harare

(1) All the companies with an incorporation in the United Kingdom are registered in England and Wales.
(2) The country of tax residence is disclosed where different from the country of incorporation.
(3) All percentages have been rounded.
(4) The interest in Debswana Diamond Company (Pty) Ltd is held indirectly through De Beers and is consolidated on a 19.2% proportionate basis, reflecting economic interest. The Group's effective interest in Debswana Diamond Company (Pty) Ltd is 16.3%.
(5) Tax resident in the United Kingdom.
(6) 2% direct holding by Anglo American plc.
(7) 0.03% direct holding by Anglo American plc.
(8) A 74% interest in De Beers Consolidated Mines (Pty) Ltd (DBCM) and its subsidiaries is held indirectly through De Beers. The 74% interest represents De Beers' legal ownership share in DBCM. For accounting purposes De Beers consolidates 100% of DBCM as it is deemed to control the BEE entity, Ponahalo, which holds the remaining 26%. The Group's effective interest in DBCM is 85%.
(9) 100% direct holding by Anglo American plc.

Other items

This section includes disclosures about related party transactions, auditors' remuneration and accounting policies.

37. Related party transactions

The Group has related party relationships with its subsidiaries, joint operations, associates and joint ventures (see notes 35 and 36). Members of the Board and the Executive Leadership Team are considered to be related parties.

The Company and its subsidiaries, in the ordinary course of business, enter into various sale, purchase and service transactions with joint operations, associates, joint ventures and others in which the Group has a material interest. These transactions are under terms that are no less favourable to the Group than those arranged with third parties.

	Associates		Joint ventures		Joint operations	
US$ million	**2023**	2022	**2023**	2022	**2023**	2022
Transactions with related parties						
Sale of goods and services	**—**	—	**3**	16	**118**	181
Purchase of goods and services	**—**	—	**(204)**	(190)	**(2,980)**	(4,253)
Balances with related parties						
Trade and other receivables from related parties	**—**	—	**2**	7	**18**	17
Trade and other payables to related parties	**—**	—	**(18)**	(18)	**(86)**	(250)
Loans receivable from related parties	**2**	2	**163**	147	**1**	—

Balances and transactions with joint operations or joint operation partners represent the portion that the Group does not have the right to offset against the corresponding amount recorded by the respective joint operations. These amounts primarily relate to purchases by De Beers and Platinum Group Metals from their joint operations in excess of the Group's attributable share of their production.

Loans receivable from related parties are included in Financial asset investments on the Consolidated balance sheet.

Remuneration and benefits received by directors are disclosed in the Remuneration report. Remuneration and benefits of key management personnel, including directors, are disclosed in note 28. Information relating to pension fund arrangements is disclosed in note 29.

38. Auditors' remuneration

	2023				2022			
	Paid/payable to PwC			**Paid/payable to auditor (if not PwC)**	Paid/payable to PwC			Paid/payable to auditor (if not PwC)
US$ million	**United Kingdom**	**Overseas**	**Total**	**United Kingdom and overseas**	United Kingdom	Overseas	Total	United Kingdom and overseas
Paid to the Company's auditor for audit of the Anglo American plc Annual Report[1]	**4.9**	**2.7**	**7.6**	**—**	6.0	1.7	7.7	—
Paid to the Company's auditor for other services to the Group								
Audit of the Company's subsidiaries	**1.6**	**7.0**	**8.6**	**0.4**	1.1	7.4	8.5	0.3
Total audit fees	**6.5**	**9.7**	**16.2**	**0.4**	7.1	9.1	16.2	0.3
Audit related assurance services	**1.0**	**0.7**	**1.7**	**—**	0.9	0.8	1.7	—
Other assurance services	**0.4**	**0.2**	**0.6**	**—**	0.4	0.1	0.5	—
Total non-audit fees	**1.4**	**0.9**	**2.3**	**—**	1.3	0.9	2.2	—

(1) In addition there is $0.6 million of audit fees paid in 2023 related to the audit for the year ended 31 December 2022.

Audit related assurance services includes $1.7 million (2022: $1.7 million) for the interim review.

Other items

39. Accounting policies

A. Basis of preparation

Basis of preparation

The financial statements have been prepared in accordance with the requirements of the Companies Act 2006, UK-adopted International Accounting Standards and those parts of the Companies Act 2006 applicable to companies reporting under those standards and the requirements of the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority in the United Kingdom as applicable to periodic financial reporting. The financial statements have been prepared under the historical cost convention as modified by the revaluation of pension assets and liabilities and certain financial instruments. A summary of the material Group accounting policies is set out below.

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

The Group's results are presented in US dollars, the currency in which its business is primarily conducted.

Changes in accounting policies, estimates and disclosures

The accounting policies applied are consistent with those adopted and disclosed in the Group financial statements for the year ended 31 December 2022 with the exception of new accounting pronouncements, which became effective on 1 January 2023 and have been adopted by the Group. The adoption of these new accounting pronouncements has not had a significant impact on the accounting policies, methods of computation or presentation applied by the Group except for the adoption of the amendment to IAS 12 *Income Taxes* below.

IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

An amendment to IAS 12 *Income Taxes* was published in May 2021 and became effective for the Group from 1 January 2023. The amendment narrowed the scope of the deferred tax recognition exemption so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

The Group has considered the impact of this amendment, notably in relation to the accounting for deferred taxes on leases and decommissioning and environmental restoration provisions. The impact of transitioning to the revised standard was to increase net deferred tax liabilities and reduce total equity as at 1 January 2022 and 31 December 2022 by $71million ($43 million reducing Retained earnings and $28 million reducing Non-controlling interests).

Going concern

The financial position of the Group, its cash flows, liquidity position and borrowing facilities are set out in the Group financial review on pages 90–93. Further details of our policy on financial risk management are set out in note 25 to the financial statements on pages 261-263. The Group's net debt (including related hedges) at 31 December 2023 was $10.6 billion (2022: $6.9 billion). During the first half of 2023, the Group issued $2.0 billion of bond debt. In March 2023, the Group issued €500 million 4.5% Senior Notes due 2028, €500 million 5.0% Senior Notes due 2031 and, in May 2023, $900 million 5.5% Senior Notes due 2033. In the second half of 2023, the Group refinanced its $4.7 billion revolving credit facility maturing in March 2025, to a one year $1 billion facility maturing in November 2024, and a $3.7 billion five year facility maturing in November 2028. The Group's liquidity position (defined as cash and undrawn committed facilities) of $13.2 billion at 31 December 2023 remains strong. Further details of borrowings and facilities are set out in note 22 and note 25 on pages 255 and 261–263 respectively, and net debt is set out in note 21 on page 254.

The directors have considered the Group's cash flow forecasts for the period to the end of December 2025 under base and downside scenarios, with reference to the Group's principal risks as set out within the Group viability statement on pages 79–80. In the downside scenario modelled (including pricing and production downsides, alongside a significant operational incident), the Group maintains sufficient liquidity throughout the period of assessment without the use of mitigating actions.

The Board is satisfied that the Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group will be able to operate within the level of its current facilities for the period of at least 12 months from the date of approval of the financial statements. For this reason the Group continues to adopt the going concern basis in preparing its financial statements.

New IFRS accounting standards, amendments and interpretations not yet adopted

The Group has not early adopted any other amendment, standard or interpretation that has been issued but is not yet effective. It is expected that where applicable, these standards and amendments will be adopted on each respective effective date. The following new or amended IFRS accounting standards, amendments and interpretations not yet adopted are not expected to have a significant impact on the Group:

- Amendments to IAS 1 *Presentation of financial statements: non-current liabilities with covenants*
- Amendments to IFRS 16 *Leases: Lease Liability in a Sale and Leaseback*
- Amendments to IAS 7 and IFRS 7, Supplier finance-disclosure requirements

B. Basis of consolidation

Basis of consolidation

The financial statements incorporate a consolidation of the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The results of subsidiaries acquired or disposed of during the year are included in the income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the results of subsidiaries, joint arrangements and associates to bring their accounting policies into line with those used by the Group. Intra-group transactions, balances, income and expenses are eliminated on consolidation, where appropriate.

Other items

39. Accounting policies continued

For non-wholly owned subsidiaries, non-controlling interests are presented in equity separately from the equity attributable to shareholders of the Company. Profit or loss and other comprehensive income are attributed to the shareholders of the Company and to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in ownership interest in subsidiaries that do not result in a change in control are accounted for in equity. The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recorded directly in equity and attributed to the shareholders of the Company.

Foreign currency transactions and translation

Foreign currency transactions by Group companies are recognised in the functional currencies of the companies at the exchange rate ruling on the date of the transaction. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Gains and losses arising on retranslation are included in the income statement for the period and are classified in the income statement according to the nature of the monetary item giving rise to them.

Non-monetary assets and liabilities that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

On consolidation, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period where these approximate the rates at the dates of the transactions. Any exchange differences arising are classified within the statement of comprehensive income and transferred to the Group's cumulative translation adjustment reserve. Exchange differences on foreign currency balances with foreign operations for which settlement is neither planned nor likely to occur in the foreseeable future, and therefore form part of the Group's net investment in these foreign operations, are offset in the cumulative translation adjustment reserve.

Cumulative translation differences are recycled from equity and recognised as income or expense on disposal of the operation to which they relate.

Goodwill and fair value adjustments arising on the acquisition of foreign entities are treated as assets of the foreign entity and translated at the closing rate.

Tenon

Tenon Investment Holdings Proprietary Limited (Tenon), a wholly owned subsidiary of Anglo American South Africa Proprietary Limited (AASA), has entered into agreements with Epoch Investment Holdings (RF) Proprietary Limited (Epoch), Epoch Two Investment Holdings (RF) Proprietary Limited (Epoch Two) and Tarl Investment Holdings (RF) Proprietary Limited (Tarl) (collectively the Investment Companies), each owned by independent charitable trusts whose trustees are independent of the Group. Under the terms of these agreements, the Investment Companies have purchased Anglo American plc shares on the market and have granted to Tenon the right to nominate a third party (which may include Anglo American plc but not any of its subsidiaries) to take transfer of the Anglo American plc shares each has purchased on the market. Tenon paid the Investment Companies 80% of the cost of the Anglo American plc shares including associated costs for this right to nominate, which together with subscriptions by Tenon for non-voting participating redeemable preference shares in the Investment Companies, provided all the funding required to acquire the Anglo American plc shares through the market. These payments by Tenon were sourced from the cash resources of AASA. Tenon is able to exercise its right of nomination at any time up to 31 December 2025 against payment of an average amount of $2.93 per share to Epoch, $4.56 per share to Epoch Two and $3.78 per share to Tarl which will be equal to 20% of the total costs respectively incurred by Epoch, Epoch Two and Tarl in purchasing shares nominated for transfer to the third party. These funds will then become available for redemption of the preference shares issued by the Investment Companies. The amount payable by the third party on receipt of the Anglo American plc shares will accrue to Tenon and, as these are own shares of the Company, any resulting gain or loss recorded by Tenon will not be recognised in the Consolidated income statement of Anglo American plc.

Under the agreements, the Investment Companies will receive dividends on the shares they hold and have agreed to waive the right to vote on those shares. The preference shares issued to the charitable trusts are entitled to a participating right of up to 10% of the profit after tax of Epoch and 5% of the profit after tax of Epoch Two and Tarl. The preference shares issued to Tenon will carry a fixed coupon of 3% plus a participating right of up to 80% of the profit after tax of Epoch and 85% of the profit after tax of Epoch Two and Tarl. Any remaining distributable earnings in the Investment Companies, after the above dividends, are then available for distribution as ordinary dividends to the charitable trusts.

The structure effectively provides Tenon with a beneficial interest in the price risk on these shares together with participation in future dividend receipts. The Investment Companies will retain legal title to the shares until Tenon exercises its right to nominate a transferee.

At 31 December 2023 the Investment Companies together held 112,300,129 (2022: 112,300,129) Anglo American plc shares, which represented 8.4% (2022: 8.4%) of the ordinary shares in issue (excluding treasury shares) with a market value of $2,818 million (2022: $4,400 million). The Investment Companies are not permitted to hold more than an aggregate of 10% of the issued share capital of Anglo American plc at any one time.

The Investment Companies are considered to be structured entities. Although the Group has no voting rights in the Investment Companies and cannot appoint or remove trustees of the charitable trusts, the Group considers that the agreement outlined above, including Tenon's right to nominate the transferee of the Anglo American plc shares held by the Investment Companies, results in the Group having control over the Investment Companies as defined under IFRS 10 *Consolidated Financial Statements*. Accordingly, the Investment Companies are required to be consolidated by the Group.

C. Financial performance

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised in a manner that depicts the pattern of the transfer of goods and services to customers. The amount recognised reflects the amount to which the Group expects to be entitled in exchange for those goods and services. Sales contracts are evaluated to determine the performance obligations, the transaction price and the point at which there is transfer of control. The transaction price is the amount of consideration due in exchange for transferring the promised goods or services to the customer, and is allocated against the performance obligations and recognised in accordance with whether control is transferred over a defined period or at a specific point in time.

Revenue is derived principally from commodity sales. A sale is recognised when control has been transferred. This is usually when title and insurance risk have passed to the customer and the goods have been delivered to a contractually agreed location. Revenue from contracts with customers is measured at the fair value of consideration received or receivable as at the date control is transferred, after deducting discounts, volume rebates, value added tax and other sales

Other items

39. Accounting policies continued

taxes. Some sales are provisionally priced such that the price is not settled until a predetermined future date and is based on the market price at that time or a specified period to that date. For these sales, revenue from contracts with customers is recognised on the date control is transferred to the customer using the relevant forward price at that date. Sales of metal concentrate are stated at their invoiced amount which is net of treatment and refining charges.

Revenues from the sale of material by-products are recognised within revenue from contracts with customers at the point control passes. Where a by-product is not regarded as significant, revenue may be credited against operating costs.

Revenue from services is recognised over time in line with the policy above. For contracts which contain separate performance obligations for the sale of commodities and the provision of freight services, the portion of the revenue representing the obligation to perform the freight service is deferred and recognised over time as the obligation is fulfilled. In situations where the Group is acting as an agent, amounts billed to customers are offset against the relevant costs.

Revenue from other sources
Revenue from other sources principally relates to gains and losses on financial instruments which are intrinsically linked to the delivery of commodities to customers or to the Group's commodity trading activities.

Sales of commodities which are provisionally priced are marked to market at each reporting date using the forward price for the period equivalent to that outlined in the contract. Mark-to-market adjustments arising after control of the goods transfers to the customer are recognised in revenue from other sources.

Physically-settled contracts relating to the purchase and sale of material produced by third parties (third-party sales) are presented on a net basis within revenue from other sources where these contracts are entered into and managed collectively to generate a trading margin as part of the Group's Marketing business and are accounted for as derivatives prior to settlement. This includes third-party material purchased for blending activities conducted to benefit from short term pricing differentials (usually of less than twelve months). The sale and purchase of third-party material to mitigate shortfalls in the Group's own production are shown on a gross basis with sales reported within revenue from contracts with customers as such contracts are used to maintain customer relationships and fulfil physical sale commitments rather than to generate a trading margin.

Revenue from other sources also includes fair value gains and losses arising from mark-to-market adjustments to inventory purchased from third parties as part of trading activities and accounted for at fair value less costs to sell under the broker-trader exemption of IAS 2 *Inventories*.

Contracts with a right to repurchase
Where the Group enters into commodity sale or purchase agreements in the course of its commodity trading activities in which the seller has a right to repurchase, consideration is given to whether the risks and rewards of ownership have been transferred as a result of the sale. This assessment is made with reference to the criteria in IFRS 9 *Financial Instruments*. Key considerations in this assessment include whether the purchaser has a practical ability to use the commodity and whether price risk has been transferred.

Where risks and rewards have been transferred, the sale or purchase contract is accounted for separately from the repurchase obligation (which is recorded as a derivative financial instrument). Where risks and rewards have not been transferred or the arrangements do not relate to the Group's commodity trading activities, any consideration received or paid is recorded as a liability or asset as appropriate and no adjustment is made to revenue or inventory.

Interest income
Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividend income
Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

Exploration and evaluation expenditure
Exploration and evaluation expenditure is expensed in the year in which it is incurred.

Exploration expenditure is the cost of exploring for Mineral Resources other than that occurring at existing operations and projects and comprises geological and geophysical studies, exploratory drilling and sampling and Mineral Resource development.

Evaluation expenditure includes the cost of conceptual and pre-feasibility studies and evaluation of Mineral Resources at existing operations.

When a decision is taken that a mining project is technically feasible and commercially viable, usually after a pre-feasibility study has been completed, subsequent directly attributable expenditure, including feasibility study costs, are considered development expenditure and are capitalised within property, plant and equipment.

Exploration properties acquired are recognised on the balance sheet when management considers that their value is recoverable. These properties are measured at cost less any accumulated impairment losses.

Short term and low value leases
Leases with a term of less than 12 months or those with committed payments of less than $5,000 are not recognised in the balance sheet. The Group recognises payments for these leases as an expense on a straight-line basis over the lease term within operating costs in underlying EBITDA.

Borrowing costs
Interest on borrowings directly relating to the financing of qualifying assets in the course of construction is added to the capitalised cost of those projects under 'Capital works in progress', until such time as the assets are substantially ready for their intended use or sale.

Where funds have been borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Group during the period. All other borrowing costs are recognised in the income statement in the period in which they are incurred.

All cash flows relating to interest on borrowings are presented within interest paid in the cash flow statement.

D. Capital base

Business combinations and goodwill arising thereon
The identifiable assets, liabilities and contingent liabilities of a subsidiary, a joint arrangement or an associate, which can be measured reliably, are recorded at their provisional fair values at the date of acquisition. The estimation of the fair value of identifiable assets and liabilities is subjective and the use of different valuation assumptions could have a significant impact on financial results. Goodwill is the fair value of the consideration transferred (including contingent consideration and previously held non-controlling interests) less the fair value of the Group's share of identifiable net assets on acquisition.

Where a business combination is achieved in stages, the Group's previously held interests in the acquiree are remeasured to fair value at the acquisition date and the resulting gain or loss is recognised in the income statement.

Other items

39. Accounting policies continued

Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to the income statement, where such treatment would be appropriate if that interest were disposed of.

Transaction costs incurred in connection with the business combination are expensed. Provisional fair values are finalised within 12 months of the acquisition date.

Goodwill in respect of subsidiaries and joint operations is included within intangible assets. Goodwill relating to associates and joint ventures is included within the carrying value of the investment.

Where the fair value of the identifiable net assets acquired exceeds the cost of the acquisition, the surplus, which represents the discount on the acquisition, is recognised directly in the income statement in the period of acquisition.

For non-wholly owned subsidiaries, non-controlling interests are initially recorded at the non-controlling interests' proportion of the fair values of net assets recognised at acquisition.

Impairment of goodwill, intangible assets and property, plant and equipment

Goodwill arising on business combinations is allocated to the group of cash generating units (CGUs) that is expected to benefit from synergies of the combination, and represents the lowest level at which goodwill is monitored by the Group's Board of directors for internal management purposes. The recoverable amount of the CGU, or group of CGUs, to which goodwill has been allocated is tested for impairment annually, or when events or changes in circumstances indicate that it may be impaired.

Any impairment loss is recognised immediately in the income statement. Impairment of goodwill is not subsequently reversed.

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets are impaired. If such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment. Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the CGU to which the asset belongs. An intangible asset with an indefinite useful life is tested for impairment annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use (VIU) assessed using discounted cash flow models, as explained in note 7. In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognised in the income statement.

Where an impairment loss is subsequently reversed, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised for the asset or CGU.

A reversal of an impairment loss is recognised in the income statement.

In addition, in making assessments for impairment, management necessarily applies its judgement in allocating assets, including goodwill, that do not generate independent cash inflows to appropriate CGUs.

Subsequent changes to the CGU allocation, timing of cash flows or assumptions used to determine the cash flows could impact the carrying value of the respective assets.

Non-mining licences and other intangible assets

Non-mining licences and other intangible assets are measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired as part of an acquisition of a business are capitalised separately from goodwill if the asset is separable or arises from contractual or legal rights and the fair value can be measured reliably on initial recognition. Intangible assets are amortised over their estimated useful lives, usually between 3 and 20 years, except goodwill and those intangible assets that are considered to have indefinite lives. For intangible assets with a finite life, the amortisation period is determined as the period over which the Group expects to obtain economic benefits from the asset, taking account of all relevant facts and circumstances including contractual lives and expectations about the renewal of contractual arrangements without significant incremental costs. An intangible asset is deemed to have an indefinite life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate cash flows for the Group. Indefinite lived intangible assets are principally brands for which there is global recognition with no foreseeable timeframe of expected contribution that the Group is continuing to invest and actively market. Amortisation methods, residual values and estimated useful lives are reviewed at least annually.

Deferred stripping

The removal of rock or soil overlying a mineral deposit, overburden and other waste materials is often necessary during the initial development of an open pit mine site, in order to access the orebody. The process of removing overburden and other mine waste materials is referred to as stripping. The directly attributable cost of this activity is capitalised in full within 'Mining properties – owned', until the point at which the mine is considered to be capable of operating in the manner intended by management. This is classified as growth or life-extension capital expenditure, within investing cash flows.

The removal of waste material after the point at which depreciation commences is referred to as production stripping. When the waste removal activity improves access to ore extracted in the current period, the costs of production stripping are charged to the income statement as operating costs in accordance with the principles of IAS 2 *Inventories*.

Where production stripping activity both produces inventory and improves access to ore in future periods the associated costs of waste removal are allocated between the two elements. The portion that benefits future ore extraction is capitalised within 'Mining properties – owned'. This is classified as stripping and development capital expenditure, within investing cash flows. If the amount to be capitalised cannot be specifically identified, it is determined based on the volume of waste extracted compared with expected volume for the identified component of the orebody. This determination is dependent on an individual mine's design and Life of Asset Plan and therefore changes to the design or Life of Asset Plan will result in changes to these estimates. Identification of the components of a mine's orebody is made by reference to the Life of Asset Plan. The assessment depends on a range of factors including each mine's specific operational features and materiality.

In certain instances, significant levels of waste removal may occur during the production phase with little or no associated production. This may occur at both open pit and underground mines, for example longwall development.

The cost of this waste removal is capitalised in full to 'Mining properties – owned'.

Other items

39. Accounting policies continued

All amounts capitalised in respect of waste removal are depreciated using the unit of production method for the component of the orebody to which they relate, consistent with depreciation of property, plant and equipment.

The effects of changes to the Life of Asset Plan on the expected cost of waste removal or remaining Ore Reserves for a component are accounted for prospectively as a change in estimate.

Property, plant and equipment

Property, plant and equipment is stated at cost, less accumulated depreciation and accumulated impairment losses. Cost is the fair value of consideration required to acquire and develop the asset and includes the purchase price, acquisition of mineral rights, costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation and, for assets that take a substantial period of time to get ready for their intended use, borrowing costs. Revenue and costs arising from assets before they are capable of operating in the manner intended by management are recognised in the income statement.

Gains or losses on disposal of property, plant and equipment are determined by comparing the net proceeds from disposal with the carrying amount. The gain or loss is recognised in the income statement.

Depreciation of property, plant and equipment

Mining properties are depreciated to their residual values using the unit of production method based on Proved and Probable Ore Reserves and, in certain limited circumstances, other Mineral Resources included in the Life of Asset Plan. These other Mineral Resources are included in depreciation calculations where, taking into account historical rates of conversion to Ore Reserves, there is a high degree of confidence that they will be extracted in an economic manner. This is the case principally for diamond operations, where depreciation calculations are based on Diamond Reserves and Diamond Resources included in the Life of Asset Plan. This reflects the unique nature of diamond deposits where, due to the difficulty in estimating grade, Life of Asset Plans frequently include significant amounts of Inferred Resources.

Buildings and items of plant and equipment for which the consumption of economic benefit is linked primarily to utilisation or to throughput rather than production, are depreciated to their residual values at varying rates on a straight-line basis over their estimated useful lives, or the Reserve Life, whichever is shorter. Estimated useful lives normally vary from up to 20 years for items of plant and equipment to a maximum of 50 years for buildings. Under limited circumstances, items of plant and equipment may be depreciated over a period that exceeds the Reserve Life by taking into account additional Mineral Resources other than Proved and Probable Reserves included in the Life of Asset Plan, after making allowance for expected production losses based on historical rates of Mineral Resource to Ore Reserve conversion.

'Capital works in progress' are measured at cost less any recognised impairment. Depreciation commences when the assets are capable of operating in the manner intended by management, at which point they are transferred to the appropriate asset class.

Land is not depreciated.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components).

Depreciation methods, residual values and estimated useful lives are reviewed at least annually.

Leased right-of-use assets

Leased right-of-use assets are included within property, plant and equipment, and on inception of the lease are recognised at the amount of the corresponding lease liability, adjusted for any lease payments made at or before the lease commencement date, plus any direct costs incurred and an estimate of costs for dismantling, removing, or restoring the underlying asset and less any lease incentives received.

The right-of-use asset is depreciated on a straight-line basis over the term of the lease, or, if shorter, the useful life of the asset. The useful lives of right-of-use assets are estimated on the same basis as those of owned property, plant and equipment.

Financial assets

Investments, other than investments in subsidiaries, joint arrangements and associates, are financial asset investments and are initially recognised at fair value. The Group's financial assets are classified into the following measurement categories: debt instruments at amortised cost, equity instruments and debt instruments designated at fair value through other comprehensive income (OCI), and debt instruments, derivatives and equity instruments at fair value through profit and loss. Financial assets are classified as at amortised cost only if the asset is held within a business model whose objective is to collect the contractual cash flows and the contractual terms of the asset give rise to cash flows that are solely payments of principal and interest.

At subsequent reporting dates, financial assets at amortised cost are measured at amortised cost less any impairment losses. Other investments are classified as either at fair value through profit or loss (which includes investments held for trading) or at fair value through OCI. Both categories are subsequently measured at fair value. Where investments are held for trading purposes, unrealised gains and losses for the period are included in the income statement within other gains and losses.

The Group has elected to measure equity instruments, which are neither held for trading nor are contingent consideration in a business combination, at fair value through OCI as this better reflects the strategic nature of the Group's equity investments. For equity instruments at fair value through OCI, changes in fair value, including those related to foreign exchange, are recognised in other comprehensive income and there is no subsequent reclassification of fair value gains and losses to profit or loss.

Impairment of financial assets

A financial asset not measured at fair value through profit or loss is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. The Group assesses on a forward-looking basis the expected credit losses, defined as the difference between the contractual cash flows and the cash flows that are expected to be received, associated with its assets carried at amortised cost and fair value through OCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the simplified approach permitted by IFRS 9 is applied, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Losses are recognised in the income statement. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the income statement.

Impairment losses relating to equity instruments at fair value through OCI are not reported separately from other changes in fair value.

Derecognition of financial assets and financial liabilities

Financial assets are derecognised when the right to receive cash flows from the asset has expired, the right to receive cash flows has been retained but an obligation to on-pay them in full without material delay has been assumed or the right to receive cash flows has been transferred together with substantially all the risks and rewards of ownership.

Other items

39. Accounting policies continued

Financial liabilities are derecognised when the associated obligation has been discharged, cancelled or has expired.

Environmental restoration and decommissioning obligations

An obligation to incur environmental restoration, rehabilitation and decommissioning costs arises when disturbance is caused by the development or ongoing production of a mining asset. Costs for restoration of site damage, rehabilitation and environmental costs are estimated using either the work of external consultants or internal experts. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalised at the start of each project, as soon as the obligation to incur such costs arises.

These costs are recognised in the income statement over the life of the operation, through the depreciation of the asset and the unwinding of the discount on the provision. Costs for restoration of subsequent site damage which is created on an ongoing basis during production are provided for at their net present values and recognised in the income statement as ore extraction progresses.

The amount recognised as a provision represents management's best estimate of the consideration required to complete the restoration and rehabilitation activity, the application of the relevant regulatory framework and timing of expenditure. These estimates are inherently uncertain and could materially change over time. Changes in the measurement of a liability relating to the decommissioning of plant or other site preparation work (that result from changes in the estimated timing or amount of the cash flow or a change in the discount rate), are added to or deducted from the cost of the related asset in the current period. If a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in the income statement. If the asset value is increased and there is an indication that the revised carrying value is not recoverable, an impairment test is performed in accordance with the accounting policy set out above.

For some South African operations, annual contributions are made to dedicated environmental rehabilitation trusts to fund the estimated cost of rehabilitation during and at the end of the life of the relevant mine. The Group exercises full control of these trusts and therefore the trusts are consolidated. The trusts' assets are disclosed separately on the balance sheet as non-current assets.

The trusts' assets are measured based on the nature of the underlying assets in accordance with accounting policies for similar assets.

Carbon credits

Carbon credits held for future sale as part of the Group's trading activities, to meet obligations in compliance markets and those expected to be surrendered for the production of 'green' or 'carbon neutral' products are accounted for under the Group's inventory accounting policy.

Carbon credits used for other purposes such as to satisfy the Group's voluntary carbon emission targets or for capital appreciation over an extended period are accounted for under the Group's accounting policy for intangible assets.

Where carbon credits are required to meet obligations in compliance markets, provisions are recognised which reflect the cost of carbon credits needed to settle the obligation relating to emissions recorded to date.

E. Working capital

Inventories

Inventory and work in progress are measured at the lower of cost and net realisable value, except for inventory held by commodity broker-traders which is measured at fair value less costs to sell and are disclosed separately to the extent that they are material. The production cost of inventory includes an appropriate proportion of depreciation and production overheads. Cost is determined on the following basis:

- Raw materials and consumables are measured at cost on a first in, first out (FIFO) basis or a weighted average cost basis
- Work in progress and finished products are measured at raw material cost, labour cost and a proportion of production overhead expenses
- Metal and coal stocks are included within finished products and are measured at average cost.

At precious metals operations that produce 'joint products', cost is allocated among precious metal products according to production volumes.

Inventory is recognised as a current asset where it is expected to be consumed in the next 12 months. Stockpiles are classified as non-current where stockpiles are not expected to be processed in the next 12 months and there is no market to sell the product in its current state.

Metal leasing

Where the Group enters into metal leasing arrangements and metal is received or provided to counterparties for a specific period of time in return for a lease fee, consideration is given to the purpose of the arrangement and whether control of the metal inventory has been transferred.

Key considerations in this assessment include whether the lessee has a practical ability to use the commodity and whether price risk has been transferred.

Where control of the inventory has been transferred to the counterparty, inventory is derecognised and a financial receivable is recorded for the future receipt of metal. The financial receivable forms part of trade and other receivables where the purpose of the arrangement is to generate a trading margin and is otherwise presented within financial asset investments.

Where the Group receives control of inventory as a result of a lease arrangement, inventory is recognised and a payable is recorded to reflect the future return obligation. This liability forms part of trade and other payables where the purpose of the arrangement is to generate a trading margin or manage physical delivery requirements and is otherwise presented within financing liabilities.

Where control of the inventory is not transferred, the arrangement has no impact on the value of inventory recorded.

Trade and other payables

The majority of the Group's trade and other payables are measured at amortised cost, using the effective interest method.

Payables related to the purchase of provisionally priced third party PGM concentrate as part of the Group's processing activities are recognised at amortised cost on delivery. Any changes in pricing between the delivery date and the date that prices are confirmed is recognised as an embedded derivative. Changes in the fair value of the embedded derivative is capitalised to inventory as it forms part of the cost directly related to bringing the inventory to its present location and condition.

Provisionally priced payables arising from the Group's commodity trading activities are recognised at fair value and subsequent fair value movements form part of the net margin reported within revenue from other sources.

Other items

39. Accounting policies continued

F. Net debt and financial risk management

Cash and debt

Cash and cash equivalents
Cash and cash equivalents comprise cash in hand and on demand deposits, together with short term, highly liquid investments that are readily convertible to a known amount of cash and that are subject to an insignificant risk of changes in value. Initial margin relating to the Group's commodity trading activities is presented within cash and cash equivalents as the terms of the agreement allow the Group to request closure of the open positions and return of the margin within three days. Bank overdrafts are shown within short term borrowings in current liabilities on the balance sheet.

Cash and cash equivalents in the cash flow statement are shown net of overdrafts. Cash and cash equivalents are measured at amortised cost except for money market fund investments which are held at fair value as they are redeemed through the sale of units in the funds and not solely through the recovery of principal and interest.

Financial liabilities and equity instruments
Financial liabilities and equity instruments are classified and accounted for as debt or equity according to the substance of the contractual arrangements entered into.

Borrowings
Interest bearing borrowings and overdrafts are initially recognised at fair value, net of directly attributable transaction costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are recognised in the income statement using the effective interest method. They are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Where interest or principal payments are linked to non-financial ESG targets, the best estimate of the future payment is included in the calculation of the effective interest rate at inception. If this best estimate changes in subsequent periods, the carrying value of the borrowing is adjusted to reflect the revised forecast, discounted using the effective interest rate determined at inception and any resulting gain or loss is recognised in the income statement.

Lease liabilities
Lease liabilities recognised on balance sheet are recognised within borrowings, and with the exception of variable vessel leases are recognised as part of net debt. On inception, the lease liability is recognised as the present value of the expected future lease payments, discounted using the Group's incremental borrowing rate, adjusted to reflect the length of the lease and country of location. For a minority of leases where it is possible to determine the interest rate implicit in the lease, it is used in place of the Group's incremental borrowing rate.

Lease payments included in the lease liability consist of each of the following:

- Fixed payments, including in-substance fixed payments
- Payments whose variability is dependent only upon an index or a rate, measured initially using the index or rate at the lease commencement date. The lease liability is revalued when there is a change in future lease payments arising from a change in an index or rate
- Any amounts expected to be payable under a guarantee of residual value
- The exercise price of a purchase option that the Group is reasonably certain to exercise, the lease payments after the date of a renewal option if the Group is reasonably certain to exercise its option to renew the lease, and penalties for exiting a lease agreement unless the Group is reasonably certain not to exit the lease early.

Variable leasing costs (other than those referred to above) and the costs of non-lease components are not included in the lease liability and are charged to operating costs in underlying EBITDA as they are incurred.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change to the forecast lease payments. When the lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset.

Derivative financial instruments and hedge accounting

In order to hedge its exposure to foreign exchange, interest rate and commodity price risk, the Group enters into forward, option and swap contracts. Commodity based (own use) contracts that meet the scope exemption in IFRS 9 are recognised in earnings when they are settled by physical delivery. Commodity contracts which do not meet the own use criteria are accounted for as derivatives.

All derivatives are held at fair value in the balance sheet within 'Derivative financial assets' or 'Derivative financial liabilities' except if they are linked to settlement and delivery of an unquoted equity instrument and the fair value cannot be measured reliably, in which case they are carried at cost. A derivative cannot be measured reliably where the range of reasonable fair value estimates is significant and the probabilities of various estimates cannot be reasonably assessed. Derivatives are classified as current or non-current depending on the contractual maturity of the derivative.

Changes in the fair value of derivative financial instruments that are designated and effective as hedges of future cash flows (cash flow hedges) are recognised directly in equity. The gain or loss relating to the ineffective portion is recognised immediately in the income statement. If the cash flow hedge of a firm commitment or forecast transaction results in the recognition of a non-financial asset or liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of a non-financial asset or liability, amounts deferred in equity are recognised in the income statement in the same period in which the hedged item affects profit or loss.

For an effective hedge of an exposure to changes in fair value, the hedged item is adjusted for changes in fair value attributable to the risk being hedged. The corresponding entry and gains or losses arising from remeasuring the associated derivative are recognised in the income statement within financing remeasurements.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Group's material hedging instruments are interest rate swaps that have similar critical terms to the related debt instruments, such as payment dates, maturities and notional amount. As all critical terms matched during the year, there was no material hedge ineffectiveness. The Group also uses cross currency swaps to manage foreign exchange risk associated with borrowings denominated in foreign currencies. These are not designated in an accounting hedge as there is a natural offset against foreign exchange movements on associated borrowings.

The Group has designated the embedded derivative component of the royalty liability (see note 24) as a cash flow hedge of future revenue cash flows from the Woodsmith project. In future periods, assuming the hedge remains effective, fair value derivative gains and losses as a result of changing forecast price and production forecasts will be recorded within other comprehensive income and recycled to revenue as the related revenue is recognised.

Other items

39. Accounting policies continued

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, exercised, revoked, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained until the forecast transaction occurs. If a hedge transaction is no longer expected to occur, the net cumulative gain or loss previously recognised in equity is recycled to the income statement for the period.

Changes in the fair value of any derivative instruments that are not designated in a hedge relationship are recognised immediately in the income statement.

Derivatives embedded in other financial instruments or non-financial host contracts (other than financial assets in the scope of IFRS 9) are treated as separate derivatives when their risks and characteristics are not closely related to those of their host contracts and the host contracts themselves are not carried at fair value with unrealised gains or losses reported in the income statement.

Derivatives embedded in contracts which are financial assets in the scope of IFRS 9 are not separated and the whole contract is accounted for at either amortised cost or fair value.

Interest Rate Benchmark Reform: IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures*

The Group uses interest rate derivatives to swap the majority of its Euro, Sterling and US dollar bonds from fixed interest rates to EURIBOR, SONIA and SOFR rates respectively. Any non-USD interest rate derivatives are swapped to SOFR using cross currency interest rate swaps which are not designated into accounting hedges. The interest rate derivatives are designated into accounting fair value hedges.

The Group transitioned all remaining trades referenced to the USD LIBOR rate to incorporate alternative risk-free rates with the principal benchmarks used now being EURIBOR, SOFR and SONIA. The Group does not hold any material lease agreements that contain references to existing benchmarks and as a result there is no material impact on the lease liabilities or right-of-use assets at 31 December 2023.

G. Taxation

Tax

The tax expense includes the current tax and deferred tax charge recognised in the income statement.

Current tax payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Probable taxable profits are based on evidence of historical profitability and taxable profit forecasts limited by reference to the criteria set out in IAS 12 *Income Taxes*. Such assets and liabilities are not recognised if the temporary differences arise from the initial recognition of goodwill or of an asset or liability in a transaction (other than in a business combination) that affects neither taxable profit nor accounting profit, and does not give rise to equal taxable and deductible temporary differences.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, joint arrangements and associates except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also taken directly to equity.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis with that taxation authority.

H. Employees

Retirement benefits

The Group's accounting policy involves the use of 'best estimate' assumptions in calculating the schemes' valuations in accordance with the accounting standard. This valuation methodology differs from that applied in calculating the funding valuations, which require the use of 'prudent' assumptions, such as lower discount rates, higher assumed rates of future inflation expectations and greater improvements in life expectancy, leading to a higher value placed on the liabilities. The funding valuations are carried out every three years, using the projected unit credit method, by independent qualified actuaries and are used to determine the money that must be put into the funded schemes. The Group operates both defined benefit and defined contribution pension plans for its employees as well as post employment medical plans. For defined contribution plans the amount recognised in the income statement is the contributions paid or payable during the year.

For defined benefit pension and post employment medical plans, full actuarial valuations are carried out at least every three years using the projected unit credit method and updates are performed for each financial year end. The average discount rate for the plans' liabilities is based on AA-rated corporate bonds of a suitable duration and currency or, where there is no deep market for such bonds, is based on government bonds. Pension plan assets are measured using year end market values.

Remeasurements comprising actuarial gains and losses, movements in asset surplus restrictions and the return on scheme assets (excluding interest income) are recognised immediately in the statement of comprehensive income and are not recycled to the income statement. Any increase in the present value of plan liabilities expected to arise from employee service during the year is charged to operating profit. The net interest income or cost on the net defined benefit asset or liability is included in investment income or interest expense respectively.

The retirement benefit obligation recognised on the balance sheet represents the present value of the deficit or surplus of the defined benefit plans. Any recognised surplus is limited to the present value of available refunds or reductions in future contributions to the plan.

Other items

39. Accounting policies continued

Share-based payments

The Group makes equity settled share-based payments to certain employees, which are measured at fair value at the date of grant and expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest. For those share schemes with market related vesting conditions, the fair value is determined using the Monte Carlo model at the grant date. The fair value of share options issued with non-market vesting conditions has been calculated using the Black Scholes model.

For all other share awards, the fair value is determined by reference to the market value of the shares at the grant date. For all share schemes with non-market vesting conditions, the likelihood of vesting has been taken into account when determining the relevant charge. Vesting assumptions are reviewed during each reporting period to ensure they reflect current expectations.

I. Group structure

Associates and joint arrangements

Associates are investments over which the Group has significant influence, which is the power to participate in the financial and operating policy decisions of the investee, but without the ability to exercise control or joint control. Typically the Group owns between 20% and 50% of the voting equity of its associates.

Joint arrangements are arrangements in which the Group shares joint control with one or more parties. Joint control is the contractually agreed sharing of control of an arrangement, and exists only when decisions about the activities that significantly affect the arrangement's returns require the unanimous consent of the parties sharing control.

Judgement is required in determining this classification through an evaluation of the facts and circumstances arising from each individual arrangement. Joint arrangements are classified as either joint operations or joint ventures based on the rights and obligations of the parties to the arrangement. In joint operations, the parties have rights to the assets and obligations for the liabilities relating to the arrangement, whereas in joint ventures, the parties have rights to the net assets of the arrangement.

Joint arrangements that are not structured through a separate vehicle are always joint operations. Joint arrangements that are structured through a separate vehicle may be either joint operations or joint ventures depending on the substance of the arrangement. In these cases, consideration is given to the legal form of the separate vehicle, the terms of the contractual arrangement and, where relevant, other facts and circumstances. When the activities of an arrangement are primarily designed for the provision of output to the parties, and the parties are substantially the only source of cash flows contributing to the continuity of the operations of the arrangement, this indicates that the parties to the arrangements have rights to the assets and obligations for the liabilities.

Certain joint arrangements that are structured through separate vehicles including Collahuasi, Debswana and Namdeb are accounted for as joint operations. These arrangements are primarily designed for the provision of output to the parties sharing joint control, indicating that the parties have rights to substantially all the economic benefits of the assets. The liabilities of the arrangements are in substance satisfied by cash flows received from the parties; this dependence indicates that the parties effectively have obligations for the liabilities. It is primarily these facts and circumstances that give rise to the classification as joint operations.

The Group accounts for joint operations by recognising the assets, liabilities, revenue and expenses for which it has rights or obligations, including its share of such items held or incurred jointly.

Investments in associates and joint ventures are accounted for using the equity method of accounting except when classified as held for sale. The Group's share of associates' and joint ventures' net income is based on their most recent audited financial statements or unaudited interim statements drawn up to the Group's balance sheet date.

The total carrying values of investments in associates and joint ventures represent the cost of each investment including the carrying value of goodwill, the share of post-acquisition retained earnings, any other movements in reserves and any long term debt interests which in substance form part of the Group's net investment, less any cumulative impairments. The carrying values of associates and joint ventures are reviewed on a regular basis and if there is objective evidence that an impairment in value has occurred as a result of one or more events during the period, the investment is impaired. Investments which have been previously impaired are regularly reviewed for indicators of impairment reversal.

The Group's share of an associate's or joint venture's losses in excess of its interest in that associate or joint venture is not recognised unless the Group has an obligation to fund such losses. Unrealised gains arising from transactions with associates and joint ventures are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way, but only to the extent that there is no evidence of impairment.

Non-current assets and disposal groups held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is met only when a sale is highly probable within one year from the date of classification, management is committed to the sale and the asset or disposal group is available for immediate sale in its present condition.

Non-current assets and disposal groups are classified as held for sale from the date these conditions are met and are measured at the lower of carrying amount and fair value less costs to sell. Any resulting impairment loss is recognised in the income statement.

On classification as held for sale the assets are no longer depreciated. Comparative amounts are not adjusted.

Black Economic Empowerment (BEE) transactions

Where the Group disposes of a portion of a South African based subsidiary or operation to a BEE company at a discount to fair value, the transaction is considered to be a share-based payment (in line with the principle contained in South Africa interpretation AC 503 *Accounting for Black Economic Empowerment (BEE) Transactions*).

The discount provided or value given is calculated in accordance with IFRS 2 *Share-based Payments* and the cost, representing the fair value of the BEE credentials obtained by the subsidiary, is recorded in the income statement.

Financial statements of the Parent Company

Balance sheet of the Parent Company, Anglo American plc, as at 31 December 2023

US$ million	Note	2023	2022
Fixed assets			
Investment in subsidiaries	1	**33,113**	32,971
Financial asset investments		**—**	7
		33,113	32,978
Current assets			
Cash at bank and in hand		**—**	2
		—	2
Creditors due within one year			
Amounts owed to Group undertakings		**(2,239)**	(1,874)
		(2,239)	(1,874)
Net current liabilities		**(2,239)**	(1,872)
Total assets less current liabilities		**30,874**	31,106
Net assets		**30,874**	31,106
Capital and reserves			
Called-up share capital	2	**734**	734
Share premium account	2	**2,558**	2,558
Capital redemption reserve	2	**153**	153
Other reserves	2	**1,955**	1,955
Retained earnings	2	**25,474**	25,706
Total shareholders' funds		**30,874**	31,106

Statement of changes in equity of the Parent Company

US$ million	Called-up share capital	Share premium account	Capital redemption reserve	Other reserves	Retained earnings	Total
At 1 January 2022	737	2,558	150	1,955	26,563	31,963
Profit for the financial year	—	—	—	—	1,921	1,921
Dividends[(1)]	—	—	—	—	(2,661)	(2,661)
Equity settled share-based payments schemes	—	—	—	—	1	1
Treasury shares purchased	—	—	—	—	(308)	(308)
Shares cancelled during the year	(3)	—	3	—	—	—
Capital contribution to Group undertakings	—	—	—	—	187	187
Other	—	—	—	—	3	3
At 31 December 2022	**734**	**2,558**	**153**	**1,955**	**25,706**	**31,106**
Profit for the financial year	**—**	**—**	**—**	**—**	**1,061**	**1,061**
Dividends[(1)]	**—**	**—**	**—**	**—**	**(1,213)**	**(1,213)**
Equity settled share-based payments schemes	**—**	**—**	**—**	**—**	**2**	**2**
Treasury shares purchased	**—**	**—**	**—**	**—**	**(254)**	**(254)**
Capital contribution to Group undertakings	**—**	**—**	**—**	**—**	**168**	**168**
Other	**—**	**—**	**—**	**—**	**4**	**4**
At 31 December 2023	**734**	**2,558**	**153**	**1,955**	**25,474**	**30,874**

(1) Dividends relate only to shareholders on the United Kingdom principal register excluding dividends waived by Wealth Nominees Limited as nominees for Estera Trust (Jersey) Limited, the trustee for the Anglo American employee share scheme. Dividends paid to shareholders on the Johannesburg branch register are distributed by a South African subsidiary in accordance with the terms of the Dividend Access Share Provisions of Anglo American plc's Articles of Association. The directors are proposing a final dividend in respect of the year ended 31 December 2023 of 41 US cents per share (see note 6 to the Consolidated financial statements). The profit after tax for the year of the Parent Company amounted to $1,061 million (2022: $1,921 million).

The financial statements of Anglo American plc, registered number 03564138, were approved by the Board of directors on 21 February 2024 and signed on its behalf by:

Duncan Wanblad
Chief Executive

John Heasley
Finance Director

1. Investment in subsidiaries

US$ million	2023	2022
Cost		
At 1 January	32,971	31,804
Capital contributions(1)	142	167
Additions	—	1,000
At 31 December	33,113	32,971
Provisions for impairment		
At 1 January	—	(8)
Impairment reversal	—	8
At 31 December	—	—
Net book value	33,113	32,971

(1) This amount represents the Group share-based payment charge and is net of $26 million (2022: $20 million) of intra-group recharges.

Further information about subsidiaries is provided in note 36 to the Consolidated financial statements.

2. Accounting policies: Anglo American plc (the Company)

The Parent Company balance sheet and related notes have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 100 *Application of Financial Reporting Requirements* (FRS 100) and Financial Reporting Standard 101 *Reduced Disclosure Framework* (FRS 101).

The Parent Company financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410).

A summary of the material accounting policies is set out below.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Parent Company's accounting policies.

As permitted by section 408 of the Companies Act 2006, the statement of comprehensive income of the Parent Company is not presented as part of these financial statements.

The Parent Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 *Share-based Payments*
- the requirements of IFRS 7 *Financial Instruments: Disclosures*
- the requirements of paragraphs 91-99 of IFRS 13 *Fair Value Measurement*
- the requirement in paragraph 38 of IAS 1 *Presentation of Financial Statements* to present comparative information in respect of paragraph 79(a)(iv) of IAS 1
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 *Presentation of Financial Statements*
- the requirements of IAS 7 *Statement of Cash Flows*
- the requirements of paragraphs 30 and 31 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*
- the requirements of paragraphs 17 and 18A of IAS 24 *Related Party Disclosures*
- the requirements in IAS 24 *Related Party Disclosures* to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

Material accounting policies

Investments

Investments represent equity holdings in subsidiaries and are measured at cost less accumulated impairment.

Financial instruments

The Parent Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are derecognised when they are discharged or when the contractual terms expire.

Dividends

Interim equity dividends are recognised when declared. Final equity dividends are recognised when approved by the shareholders at an Annual General Meeting.

Share-based payments

The Parent Company has applied the requirements of IFRS 2 *Share-based Payments*.

2. Accounting policies: Anglo American plc (the Company) continued

The Parent Company makes equity settled share-based payments to the directors, which are measured at fair value at the date of grant and expensed on a straight-line basis over the vesting period, based on the Parent Company's estimate of shares that will eventually vest. For those share schemes with market related vesting conditions, the fair value is determined using the Monte Carlo model at the grant date. The fair value of share options issued with non-market vesting conditions has been calculated using the Black Scholes model. For all other share awards, the fair value is determined by reference to the market value of the shares at the grant date. For all share schemes with non-market vesting conditions, the likelihood of vesting has been taken into account when determining the relevant charge. Vesting assumptions are reviewed during each reporting period to ensure they reflect current expectations.

The Parent Company also makes equity settled share-based payments to certain employees of certain subsidiary undertakings. Equity settled share-based payments that are made to employees of the Parent Company's subsidiaries are treated as increases in equity over the vesting period of the award, with a corresponding increase in the Parent Company's investments in subsidiaries, based on an estimate of the number of shares that will eventually vest.

Any payments received from subsidiaries are applied to reduce the related increases in Investments in subsidiaries.

Insurance contracts

IFRS 17 *Insurance Contracts* was issued in May 2017 and became effective for the Parent Company from 1 January 2023.

Adoption of the new standard principally impacts issued financial guarantee contracts, which have previously been asserted to be insurance contacts under IFRS 4 *Insurance Contracts*. The Parent Company has elected to account for the majority of such arrangements under IFRS 9 *Financial Instruments*. The additional liabilities under these arrangements are deemed to be of an immaterial value.

Taxation

Current and deferred tax is recognised in the statement of comprehensive income of the Parent Company, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The only income of the Parent Company is dividend income from subsidiaries. This income is non-taxable and there is no tax charge for the year (2022: nil).

Significant accounting judgements and estimates

In the course of preparing financial statements, management necessarily makes judgements and estimates that can have a significant impact on the financial statements. The critical judgements that affect the results for the year ended 31 December 2023 are set out below.

Impairment of investments in subsidiaries

Judgement is required to determine whether there are indicators that the Company's equity investments in subsidiaries may be impaired. When making this judgement, consideration is given to various factors, including the market capitalisation of the Group, the net asset value of the Company's direct subsidiaries and the recoverable amount of operating assets based on the Group's impairment and impairment reversal assessments (see note 7 and note 8 for further information).

If an impairment indicator were identified, estimation would be required to determine the recoverable amount of the investments. Recoverable amount is the higher of fair value less costs of disposal and value in use.

If the recoverable amount of an investment is estimated to be less than its carrying amount, the carrying amount of the investment is reduced to its recoverable amount and an impairment loss is recognised in the statement of comprehensive income.

3. Fees for non-audit services

Fees payable to PwC for non-audit services to the Parent Company are not required to be disclosed because they are included within the consolidated disclosure in note 38 to the Consolidated financial statements.

Summary by operation

This section includes certain Alternative Performance Measures (APMs). For more information on the APMs used by the Group, including definitions, please refer to page 318.

Marketing activities are allocated to the underlying operation to which they relate.

								2023
US$ million (unless otherwise stated)	Sales volume	Realised price	Unit cost	Group revenue[1]	Underlying EBITDA	Underlying EBIT	Underlying earnings	Capital expenditure
	kt	c/lb	c/lb					
Copper	843 (2)	384 (3)	166 (4)	7,360	3,233	2,451	1,099	1,684
Copper Chile	505 (2)	384 (3)	200	4,615	1,452	893	n/a	1,268
Los Bronces[5]	217	n/a	304 (4)	1,724	114	(94)	n/a	552
Collahuasi[6]	248	n/a	113 (4)	2,197	1,372	1,124	760	678
Other operations[7]	40	n/a	n/a	694	(34)	(137)	n/a	38
Copper Peru (Quellaveco)[8]	339	384	111 (4)	2,745	1,781	1,558	578	416
	kt	$/lb	c/lb					
Nickel	40	7.71	541 (9)	653	133	62	65	91
	koz	$/PGM oz	$/PGM oz					
Platinum Group Metals	3,925 (10)	1,657 (11)	968 (12)	6,734	1,209	855	448	1,108
Mogalakwena	1,011 (10)	1,718 (11)	884 (12)	1,740	778	601	n/a	519
Amandelbult	668 (10)	1,934 (11)	1,189 (12)	1,294	323	276	n/a	75
Processing and trading[13]	1,352 (10)	n/a	n/a	2,247	(138)	(173)	n/a	n/a
Other[14]	894	1,587	973	1,453	246	151	n/a	514
	'000 cts	$/ct	$/ct					
De Beers	24,682 (15)	147 (16)	71 (17)	4,267 (18)	72	(252)	(314)	623
Mining								
Botswana	n/a	168 (16)	31 (17)	n/a	412	349	n/a	74
Namibia	n/a	515 (16)	246 (17)	n/a	159	123	n/a	35
South Africa	n/a	109 (16)	97 (17)	n/a	26	5	n/a	403
Canada	n/a	85 (16)	48 (17)	n/a	35	(6)	n/a	63
Trading	n/a	n/a	n/a	n/a	(104)	(111)	n/a	2
Other[19]	n/a	n/a	n/a	n/a	(456)	(612)	n/a	46
	Mt	$/t	$/t					
Iron Ore	61.5 (20)	114 (21)	38 (22)	8,000	4,013	3,549	1,792	909
Kumba Iron Ore[23]	37.2 (20)	117 (21)	41 (22)	4,680	2,415	2,136	772	538
Iron Ore Brazil (Minas-Rio)	24.3 (20)	110 (21)	33 (22)	3,320	1,598	1,413	1,020	371
	Mt	$/t	$/t					
Steelmaking Coal	14.9 (24)	261 (25)	121 (26)	4,153	1,320	822	684	619
	Mt	$/t	$/t					
Manganese (Samancor)	3.7	n/a	n/a	670	231	145	66	–
Crop Nutrients	n/a	n/a	n/a	225	(60)	(61)	(75)	641
Woodsmith	n/a	n/a	n/a	n/a	n/a	n/a	n/a	641
Other[27]	n/a	n/a	n/a	225	(60)	(61)	(75)	–
Corporate and other[28]	n/a	n/a	n/a	440	(193)	(403)	(833)	59
Exploration	n/a	n/a	n/a	n/a	(107)	(107)	(97)	3
Corporate activities and unallocated costs	n/a	n/a	n/a	440	(86)	(296)	(736)	56
	n/a	n/a	n/a	32,502	9,958	7,168	2,932	5,734

See page 308 for footnotes.

2022

US$ million (unless otherwise stated)	Sales volume	Realised price	Unit cost	Group revenue[1]	Underlying EBITDA	Underlying EBIT	Underlying earnings	Capital expenditure
	kt	c/lb	c/lb					
Copper	641 [2]	385 [3]	154 [4]	5,599	2,182	1,595	760	2,031
Copper Chile	563 [2]	386 [3]	157	4,991	1,952	1,387	n/a	1,217
Los Bronces[5]	268	n/a	214 [4]	2,185	533	306	n/a	725
Collahuasi[6]	256	n/a	87 [4]	2,180	1,512	1,259	865	419
Other operations[7]	39	n/a	n/a	626	(93)	(178)	n/a	73
Copper Peru (Quellaveco)[8]	78	379	136 [4]	608	230	208	87	814
	kt	$/lb	c/lb					
Nickel	39	10.26	513 [9]	858	381	317	259	79
	koz	$/PGM oz	$/PGM oz					
Platinum Group Metals	3,861 [10]	2,551 [11]	937 [12]	10,096	4,417	4,052	2,266	1,017
Mogalakwena	1,010 [10]	2,451 [11]	826 [12]	2,466	1,548	1,380	n/a	394
Amandelbult	700 [10]	2,883 [11]	1,127 [12]	2,010	1,036	982	n/a	74
Processing and trading[13]	1,309 [10]	n/a	n/a	3,350	800	768	n/a	n/a
Other[14]	842	2,615	928	2,270	1,033	922	n/a	549
	'000 cts	$/ct	$/ct					
De Beers	30,355 [15]	197 [16]	59 [17]	6,622 [18]	1,417	994	552	593
Mining								
Botswana	n/a	193 [16]	32 [17]	n/a	614	537	n/a	70
Namibia	n/a	599 [16]	293 [17]	n/a	181	149	n/a	34
South Africa	n/a	134 [16]	42 [17]	n/a	413	315	n/a	378
Canada	n/a	100 [16]	50 [17]	n/a	(10)	(68)	n/a	48
Trading	n/a	n/a	n/a	n/a	589	582	n/a	4
Other[19]	n/a	n/a	n/a	n/a	(370)	(521)	n/a	59
	Mt	$/t	$/t					
Iron Ore	58.0 [20]	111 [21]	38 [22]	7,534	3,455	2,962	1,337	834
Kumba Iron Ore[23]	36.7 [20]	113 [21]	40 [22]	4,580	2,211	1,894	653	674
Iron Ore Brazil (Minas-Rio)	21.3 [20]	108 [21]	35 [22]	2,954	1,244	1,068	684	160
	Mt	$/t	$/t					
Steelmaking Coal	14.7 [24]	304 [25]	107 [26]	5,034	2,749	2,369	1,640	648
	Mt	$/t	$/t					
Manganese (Samancor)	3.6	n/a	n/a	840	378	312	148	—
Crop Nutrients	n/a	n/a	n/a	254	(44)	(45)	(51)	522
Woodsmith	n/a	n/a	n/a	n/a	n/a	n/a	n/a	522
Other[27]	n/a	n/a	n/a	254	(44)	(45)	(51)	—
Corporate and other[28]	n/a	n/a	n/a	554	(440)	(593)	(875)	14
Exploration	n/a	n/a	n/a	n/a	(155)	(162)	(148)	2
Corporate activities and unallocated costs	n/a	n/a	n/a	554	(285)	(431)	(727)	12
	n/a	n/a	n/a	37,391	14,495	11,963	6,036	5,738

(1) Group revenue is shown after deduction of treatment and refining charges (TC/RCs).
(2) Excludes 444 kt third-party sales (2022: 422 kt).
(3) Represents realised copper price and excludes impact of third-party sales.
(4) C1 unit cost includes by-product credits.
(5) Figures on a 100% basis (Group's share: 50.1%).
(6) 44% share of Collahuasi sales and financials.
(7) Other operations form part of the results of Copper Chile. Production and sales are from El Soldado mine (figures on a 100% basis, Group's share 50.1%). Financials include El Soldado and Chagres (figures on a 100% basis, Group's share 50.1%), third-party trading, projects and corporate costs.
(8) Figures on a 100% basis (Group's share: 60%). Included in capex is the project capex which represents the Group's share after deducting direct funding from non-controlling interests. The Group's share of project capex was $138 million (on a 100% basis, $230 million). In 2022, the Group's share was $633 million (on a 100% basis, $1,055 million).
(9) C1 unit cost.
(10) Sales volumes exclude tolling and third-party trading activities. PGM volumes consist of 5E metals and gold.
(11) Average US$ realised basket price, based on sold ounces (own mined and purchased concentrate). Excludes the impact of the sale of refined metal purchased from third parties.
(12) Total cash operating costs (includes on-mine, smelting and refining costs only) per own mined PGM ounce of production.
(13) Includes purchase of concentrate from joint operations and third parties for processing into refined metals, tolling and third-party trading activities, with the exception of production and sales volumes which exclude tolling and trading. The disposal of our 50% interest in Kroondal on 1 November 2023, resulted in Kroondal moving to a 100% third-party POC arrangement, until it transitions to a toll arrangement expected at the end of H1 2024.
(14) Includes Unki, Mototolo, our 50% share of Modikwa (joint operation), and our 50% share of Kroondal until the disposal of our interest in the joint operation on 1 November 2023.
(15) Total sales volumes on a 100% basis were 27.4 million carats (2022: 33.7 million carats). Total sales volumes (100%) include De Beers Group's joint arrangement partners' 50% proportionate share of sales to entities outside De Beers Group from Diamond Trading Company Botswana and Namibia Diamond Trading Company.
(16) Pricing for the mining businesses is based on 100% selling value post-aggregation of goods. Realised price includes the price impact of the sale of non-equity product and, as a result, is not directly comparable to the unit cost.
(17) Unit cost is based on consolidated production and operating costs, excluding depreciation and operating special items, divided by carats recovered.
(18) Includes rough diamond sales of $3.6 billion (2022: $6.0 billion).
(19) Other includes Element Six, brands and consumer markets, and corporate.
(20) Sales volumes are reported as wet metric tonnes. Product is shipped with c.1.6% moisture from Kumba and c.9% moisture from Minas-Rio.
(21) Prices for Kumba Iron Ore are the average realised export basket price (FOB Saldanha) (wet basis). Prices for Minas-Rio are the average realised export basket price (FOB Brazil) (wet basis). Prices for total iron ore are a blended average.
(22) Unit costs are reported on an FOB wet basis. Unit costs for total iron ore are a blended average.
(23) Sales volumes and realised price could differ to Kumba's stand-alone reported results due to sales to other Group companies.
(24) Sales volumes exclude thermal coal sales of 1.7 Mt (2022: 1.7 Mt). Includes sales relating to third-party product purchased and processed by Anglo American.
(25) Realised price is the weighted average hard coking coal and PCI export sales price achieved at managed operations.
(26) FOB unit cost comprises managed operations and excludes royalties.
(27) Other comprises projects and corporate costs as well as the share in associate results from The Cibra Group, a fertiliser distributor based in Brazil.
(28) Revenue within Corporate activities and unallocated costs primarily relates to third-party shipping activities, as well as the Marketing business's energy solutions activities.

Key financial data

This section includes certain Alternative Performance Measures (APMs). For more information on the APMs used by the Group, including definitions, please refer to page 318.

US$ million (unless otherwise stated)	2023	2022 (restated)	2021	2020 (restated)	2019 (restated)	2018	2017	2016	2015	2014
Income statement measures										
Group revenue[1]	**32,502**	37,391	43,258	26,883	31,825	30,196	28,650	23,142	23,003	30,988
Underlying EBIT	**7,168**	11,963	17,790	7,050	7,010	6,377	6,247	3,766	2,223	4,933
Underlying EBITDA	**9,958**	14,495	20,634	9,802	10,006	9,161	8,823	6,075	4,854	7,832
Revenue[1]	**30,652**	35,118	41,554	25,447	29,870	27,610	26,243	21,378	20,455	27,073
Net finance costs (before special items and remeasurements)	**(556)**	(342)	(277)	(775)	(420)	(380)	(473)	(209)	(458)	(256)
Profit/(loss) before tax	**3,595**	9,480	17,629	5,464	6,146	6,189	5,505	2,624	(5,454)	(259)
Profit/(loss) for the financial year	**1,344**	6,024	11,699	3,328	4,582	4,373	4,059	1,926	(5,842)	(1,524)
Non-controlling interests	**(1,061)**	(1,510)	(3,137)	(1,239)	(1,035)	(824)	(893)	(332)	218	(989)
Profit/(loss) attributable to equity shareholders of the Company	**283**	4,514	8,562	2,089	3,547	3,549	3,166	1,594	(5,624)	(2,513)
Underlying earnings	**2,932**	6,036	8,925	3,135	3,468	3,237	3,272	2,210	827	2,217
Balance sheet measures										
Capital employed[2]	**42,427**	40,541	38,312	37,970	35,576	32,269	32,813	31,904	32,842	43,782
Net assets[2]	**31,617**	33,953	34,770	32,766	31,385	29,832	28,882	24,325	21,342	32,177
Non-controlling interests[2]	**(6,560)**	(6,635)	(6,945)	(6,942)	(6,590)	(6,234)	(5,910)	(5,309)	(4,773)	(5,760)
Equity attributable to equity shareholders of the Company[2]	**25,057**	27,318	27,825	25,824	24,795	23,598	22,972	19,016	16,569	26,417
Cash flow measures										
Cash flows from operations	**8,115**	11,889	20,588	7,998	9,260	7,782	8,375	5,838	4,240	6,949
Capital expenditure	**(5,734)**	(5,738)	(5,193)	(4,125)	(3,840)	(2,818)	(2,150)	(2,387)	(4,177)	(6,018)
Net debt[3]	**(10,615)**	(6,918)	(3,842)	(5,530)	(4,535)	(2,848)	(4,501)	(8,487)	(12,901)	(12,871)
Metrics and ratios										
Underlying earnings per share (US$)	**2.42**	4.97	7.22	2.53	2.75	2.55	2.57	1.72	0.64	1.73
Earnings per share (US$)	**0.23**	3.72	6.93	1.69	2.81	2.80	2.48	1.24	(4.36)	(1.96)
Ordinary dividend per share (US cents)	**96**	198	289	100	109	100	102	—	32	85
Ordinary dividend cover (based on underlying earnings per share)	**2.5**	2.5	2.5	2.5	2.5	2.6	2.5	—	2.0	2.0
Underlying EBIT margin	**22.1%**	32.0%	41.1%	26.2%	22.0%	21.1%	21.8%	16.3%	9.7%	15.9%
Underlying EBIT interest cover[4]	**15.5**	31.8	45.2	11.2	18.0	19.9	16.5	16.7	10.1	30.1
Underlying effective tax rate	**38.5%**	34.0%	31.4%	31.2%	30.8%	31.3%	29.7%	24.6%	31.0%	29.8%
Gearing (net debt to total capital)[5]	**25%**	17%	10%	14%	13%	9%	13%	26%	38%	29%

(1) Third-party trading amounts restated from a gross to a net presentation in 2020. Amounts prior to 2020 have not been restated.
(2) 2022 figures are restated for the adoption of the amendment to IAS 12, see note 39A.
(3) The Group amended the definition of net debt in 2021 to exclude variable vessel leases. The amounts for 2020 and 2019 were therefore restated from $5,575 million to $5,530 million in 2020 and from $4,626 million to $4,535 million in 2019. Amounts prior to 2019 have not been restated.
(4) Underlying EBIT interest cover is underlying EBIT divided by net finance costs, excluding net foreign exchange gains and losses, unwinding of discount relating to provisions and other liabilities, financing special items and remeasurements, and including the Group's attributable share of associates' and joint ventures' net finance costs.
(5) Net debt to total capital is calculated as net debt divided by total capital (being 'Net assets' as shown in the Consolidated balance sheet excluding net debt and variable vessel leases). 2020 restated to exclude variable vessel leases. Amounts prior to 2020 have not been restated.

Exchange rates and commodity prices

US$ exchange rates	2023	2022
Year end spot rates		
South African rand	18.52	16.94
Brazilian real	4.86	5.28
Sterling	0.79	0.83
Australian dollar	1.47	1.47
Euro	0.90	0.93
Chilean peso	885	859
Botswanan pula	13.43	12.76
Peruvian sol	3.70	3.82
Average rates for the year		
South African rand	18.46	16.37
Brazilian real	4.99	5.16
Sterling	0.80	0.81
Australian dollar	1.51	1.44
Euro	0.92	0.95
Chilean peso	840	874
Botswanan pula	13.35	12.34
Peruvian sol	3.74	3.83

Commodity prices		2023	2022
Year end spot prices			
Copper[1]	US cents/lb	384	380
Nickel[1]	US$/lb	7.39	13.80
Platinum[2]	US$/oz	1,006	1,065
Palladium[2]	US$/oz	1,119	1,788
Rhodium[3]	US$/oz	4,425	12,250
Iron ore (62% Fe CFR)[4]	US$/tonne	141	117
Iron ore (65% Fe Fines CFR)[5]	US$/tonne	152	132
Hard coking coal (FOB Australia)[4]	US$/tonne	324	295
PCI (FOB Australia)[4]	US$/tonne	176	285
Manganese ore (44% CIF China)[5]	US$/dmtu	4.17	5.13
Average market prices for the year			
Copper[1]	US cents/lb	385	399
Nickel[1]	US$/lb	9.74	11.61
Platinum[2]	US$/oz	965	961
Palladium[2]	US$/oz	1,336	2,111
Rhodium[3]	US$/oz	6,611	15,465
Iron ore (62% Fe CFR)[4]	US$/tonne	120	120
Iron ore (65% Fe Fines CFR)[5]	US$/tonne	132	139
Hard coking coal (FOB Australia)[4]	US$/tonne	296	364
PCI (FOB Australia)[4]	US$/tonne	219	331
Manganese ore (44% CIF China)[5]	US$/dmtu	4.75	6.06

(1) Source: London Metal Exchange (LME).
(2) Source: London Platinum and Palladium Market (LPPM).
(3) Source: Johnson Matthey.
(4) Source: Platts.
(5) Source: Metal Bulletin.

Ore Reserves and Mineral Resources
as at 31 December 2023

The Ore Reserve and Mineral Resource estimates presented in this report were prepared in accordance with the Anglo American Group Ore Reserves and Mineral Resources Reporting Policy. This policy stipulates that the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code), 2012 edition, be used as a minimum standard. This section should be read in conjunction with the Ore Reserves and Mineral Resources Report 2023.

Some Anglo American subsidiaries have a primary listing in South Africa where public reporting is carried out in accordance with the South African Code for Reporting of Exploration Results, Mineral Resources and Mineral Reserves (the SAMREC Code), 2016 edition. The SAMREC Code is similar to the JORC Code and the Ore Reserve and Mineral Resource terminology appearing in this section follows the definitions in both the JORC (2012) and SAMREC (2016) Codes. Ore Reserves in the context of this report have the same meaning as 'Mineral Reserves' as defined by the SAMREC Code and the CIM (Canadian Institute of Mining Metallurgy and Petroleum) Definition Standards on Mineral Resources and Mineral Reserves.

The Anglo American Mineral Resources and Reserves (MinRes) team is responsible for ensuring the implementation of the Ore Reserve and Mineral Resource Reporting Policy and associated requirements document by all Anglo American businesses. This team provides technical assurance, through the Technical & Operations director, to the Anglo American Audit Committee and the Anglo American Board of directors on the integrity of the published estimates. MinRes's role is to plan and manage the annual reporting process, to validate the information supplied by the businesses and from that, compile the Ore Reserves and Mineral Resources Report. Anglo American has well-established governance processes and internal controls to support the generation and publication of Ore Reserves and Mineral Resources, including a series of peer reviews.

The information on Ore Reserves and Mineral Resources was prepared by or under the supervision of Competent Persons (CPs) as defined in the JORC or SAMREC Codes. All CPs have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking. All the CPs consent to the inclusion of the information in this report, in the form and context in which it appears. The names of the CPs, along with their Recognised Professional Organisation (RPO) affiliation and years of relevant experience, are listed in the Ore Reserves and Mineral Resources Report 2023.

The Anglo American Group of companies is subject to reviews aimed at providing assurance in respect of Ore Reserve and Mineral Resource estimates. The reviews are conducted by suitably qualified CPs from within the Group or independent consultants. The frequency and depth of review are a function of the perceived risks and/or uncertainties associated with a particular Ore Reserve and Mineral Resource. The overall value of the entity and time that has elapsed since an independent third-party review are also considered. Those operations/projects subjected to independent third-party reviews during the year are indicated in explanatory notes to the tables in the Ore Reserves and Mineral Resources Report 2023.

Both the JORC and SAMREC Codes require due consideration of reasonable prospects for eventual economic extraction for Mineral Resource definition. The estimation of Ore Reserves and Mineral Resources is based on long term price assumptions, which include long range commodity price forecasts that are prepared by in-house specialists using projections of future supply and demand and long term economic outlooks. Ore Reserves are dynamic and likely to be affected by fluctuations in the prices of commodities, uncertainties in production costs, processing costs and other mining, infrastructure, legal, environmental, social and governmental factors which may impact the financial condition and prospects of the Group. Mineral Resource estimates also change in time and tend to be mostly influenced by new information pertaining to the understanding of the deposit, as well as by conversion to Ore Reserves.

Mineral Resource classification defines the confidence associated with different parts of the Mineral Resource. The confidence that is assigned refers collectively to the reliability of estimates of grade and tonnage. This includes considering the quality of the underlying sample data, the demonstrated continuity of the geology and the likely precision of grade and density estimates that collectively affect confidence in the Mineral Resource. Most businesses have developed commodity-specific approaches to the classification of their Mineral Resources.

The appropriate Mineral Resource classification is determined by the appointed CPs. The choice of appropriate category of Mineral Resource depends upon the quantity, distribution and quality of geoscientific information available and the level of confidence in this data.

Anglo American makes use of a web-based Group reporting database called the Anglo Reserve and Resource Reporting system (ARR) for the compilation, review and approval of Ore Reserve and Mineral Resource data. The system allows the CPs to capture the estimates, year-on-year reconciliations and other supplementary information, thus supporting the Ore Reserves and Mineral Resources publication.

The estimates of Ore Reserves and Mineral Resources are stated as at 31 December 2023. The tabulated estimates are rounded and, if used to derive totals and averages, minor differences may result. Unless stated otherwise, Mineral Resources are additional to (i.e. exclusive of) those resources converted to Ore Reserves and are reported on a dry tonnes basis. Mineral Resources should not be added to Ore Reserves, as Modifying Factors have been applied to Ore Reserves.

The Ore Reserves and Mineral Resources Report 2023 should be considered the only valid source of Ore Reserve and Mineral Resource information for the Group exclusive of Kumba Iron Ore Limited and Anglo American Platinum Limited, which publish their own independent annual reports.

It is accepted that mine planning may include some Inferred Mineral Resources. Inferred Mineral Resources in the Life of Asset Plan (LoAP) are described as 'Inferred (in LoAP)' separately from the remaining Inferred Mineral Resources described as 'Inferred (ex. LoAP)', as required. These resources are declared without application of Modifying Factors. Reserve Life reflects the scheduled extraction or processing period in years for the total Ore Reserves (*in situ* and stockpiles) in the approved LoAP.

The ownership (attributable) percentage that Anglo American holds in each operation and project is presented beside the name of each entity and reflects the Group's share of equity owned. The reported estimates represent 100% of the Ore Reserves and Mineral Resources. Operations and projects which fall below the internal threshold for reporting (25% attributable interest) are not reported. Operations which were disposed of during 2023 and hence not reported are: Kroondal, Marikana, Siphumelele 3 shaft (Platinum Group Metals).

Ore Reserves and Mineral Resources are reported for properties over which mineral tenure has been granted and is valid, or where applications have been submitted or will be submitted at the appropriate time and there is a reasonable expectation that the rights will be granted in due course (any associated comments appear in the Ore Reserves and Mineral Resources Report 2023).

The effective management of risk is integral to good management practice. Anglo American is committed to an effective, robust system of risk identification and an appropriate response to such risks, in order to support the achievement of our objectives. Risk registers related to Ore Reserves and Mineral Resources are maintained for each operation, covering key risks pertaining to, but not limited to, technical, environmental, social, health, safety, economic and political aspects. Mitigation measures are identified and actioned to address the material risks at each operation.

▶-The detailed Ore Reserve and Mineral Resource estimates, Ore Reserve and Mineral Resource reconciliation overview, Definitions and Glossary are contained in the separate Ore Reserves and Mineral Resources Report 2023, which is available in the Annual Reporting Centre on the Anglo American website.

Estimated Ore Reserves[1]

as at 31 December 2023

Detailed Proved and Probable estimates appear on the referenced pages in the Ore Reserves and Mineral Resources Report 2023.

Total Proved and Probable

COPPER OPERATIONS (See pages 23 & 24 in R&R Report for details)		Ownership %	Mining Method	Reserve Life[2] (years)	Contained Copper (kt)	ROM Tonnes (Mt)	Grade (%TCu)
Collahuasi	Sulphide (direct feed)	44.0	OP	74	25,578	2,634.3	0.97
	Low grade sulphide (incl. stockpile)				7,243	1,483.7	0.49
El Soldado	Sulphide – flotation (incl. stockpile)	50.1	OP	5	208	28.9	0.72
Los Bronces	Sulphide – flotation	50.1	OP	33	6,520	1,227.7	0.53
	Sulphide – dump leach				1,204	426.3	0.28
Quellaveco	Sulphide – flotation (incl. stockpile)	60.0	OP	35	8,212	1,595.2	0.51

NICKEL OPERATIONS (See page 33 in R&R Report for details)		Ownership %	Mining Method	Reserve Life[2] (years)	Contained Nickel (kt)	ROM Tonnes (Mt)	Grade (%Ni)
Barro Alto	Saprolite (incl. stockpile)	100	OP	18	737	58.5	1.26
Niquelândia	Saprolite	100	OP	13	77	6.2	1.24

PGMs[3] OPERATIONS (See page 39 in R&R Report for details)		Ownership %	Mining Method	Reserve Life[2] (years)	Contained Metal (4E Moz)	ROM Tonnes (Mt)	Grade (4E g/t)
Amandelbult	MR & UG2 Reefs	78.6	UG	25	12.3	84.0	4.55
Mogalakwena	Platreef (incl. stockpile)	78.6	OP	74	114.3	1,201.5	2.95
Modikwa	UG2 Reef	39.3	UG	25	5.1	37.8	4.22
Mototolo	UG2 Reef	78.6	UG	51	13.3	126.5	3.27
Unki	Main Sulphide Zone	78.6	UG	19	4.7	44.6	3.27

DIAMOND[4] OPERATION – DBCi (See page 46 in R&R Report for details)		Ownership %	Mining Method	LoA[5] (years)	Saleable Carats (Mct)	Treated Tonnes (Mt)	Recovered Grade (cpht)
Gahcho Kué	Kimberlite	43.4	OP	8	32.0	22.0	145.4

DIAMOND[4] OPERATION – DBCM (See page 50 in R&R Report for details)		Ownership %	Mining Method	LoA[5] (years)	Saleable Carats (Mct)	Treated Tonnes (Mt)	Recovered Grade (cpht)
Venetia (UG)	Kimberlite	62.9	UG	22	59.7	79.1	75.4

DIAMOND[4] OPERATIONS – Debswana (See page 54 in R&R Report for details)		Ownership %	Mining Method	LoA[5] (years)	Saleable Carats (Mct)	Treated Tonnes (Mt)	Recovered Grade (cpht)
Jwaneng	Kimberlite	42.5	OP	13	113.2	90.2	125.4
Letlhakane	TMR & ORT	42.5	n/a	20	5.6	25.9	21.5
Orapa	Kimberlite	42.5	OP	14	127.2	79.7	159.5

DIAMOND[4] OPERATIONS – Namdeb (See pages 60 & 63 in R&R Report for details)		Ownership %	Mining Method	LoA[5] (years)	Saleable Carats (kct)	Treated Tonnes (kt)	Recovered Grade (cpht)
Mining Area 1	Beaches	42.5	OC	19	18	346	5.20
Orange River	Fluvial placers	42.5	OC	5	95	16,476	0.58

		Ownership %	Mining Method	LoA[5] (years)	Saleable Carats (kct)	Area k (m^2)	Recovered Grade (cpm^2)
Atlantic 1	Marine placers	42.5	MM	34	9,682	165,681	0.06

Operations = mines in steady-state or projects in ramp-up phase.
Mining method: OP = open pit, UG = underground, OC = opencast/cut, MM = marine mining. TMR = Tailings Mineral Resource. ORT = Old Recovery Tailings.
Mt = Million tonnes. kt = thousand tonnes. Moz = Million troy ounces. Mct = Million carats. kct = thousand carats. k (m^2) = thousand square metres.
ROM = run of mine.
TCu = total copper.
4E is the sum of platinum, palladium, rhodium and gold. g/t = grams per tonne. MR = Merensky Reef.
Diamond Recovered Grade is quoted as carats per hundred metric tonnes (cpht) or as carats per square metre (cpm^2).

Estimated Ore Reserves continued

					Total Proved and Probable	
KUMBA IRON ORE OPERATIONS (See page 68 in R&R Report for details)		Ownership %	Mining Method	Reserve Life[2] (years)	Saleable Product (Mt)	Grade (%Fe)
Kolomela	Haematite (incl. stockpile)	52.5	OP	11	125.3	63.4
Sishen	Haematite (incl. stockpile)	52.5	OP	15	379.6	64.1
IRON ORE BRAZIL OPERATION (See page 72 in R&R Report for details)		Ownership %	Mining Method	Reserve Life[2] (years)	Saleable Product[6] (Mt)	Grade[6] (%Fe)
Serra do Sapo	Friable itabirite & haematite	100	OP	51	619.7	67.0
	Itabirite				1,062.8	67.0
STEELMAKING COAL OPERATIONS (See page 77 in R&R Report for details)		Ownership %	Mining Method	Reserve Life[2] (years)	Saleable Tonnes[7] (Mt)	Saleable Quality[7]
Capcoal (OC)*	Metallurgical – coking	79.5	OC	17	32.8	5.0 CSN
	Metallurgical – other				44.3	6,750 kcal/kg
	Thermal – export				10.6	5,970 kcal/kg
Capcoal (UG) – Aquila*	Metallurgical – coking	70.0	UG	6	26.6	9.0 CSN
Dawson	Metallurgical – coking	51.0	OC	13	64.6	7.0 CSN
	Thermal – export				26.3	5,930 kcal/kg
Grosvenor	Metallurgical – coking	88.0	UG	13	63.1	8.0 CSN
Moranbah North	Metallurgical – coking	88.0	UG	21	151.6	7.5 CSN
SAMANCOR MANGANESE[8] OPERATIONS (See page 84 in R&R Report for details)		Ownership %	Mining Method	Reserve Life[2] (years)	Tonnes (Mt)	Grade (%Mn)
GEMCO[9]	ROM	40.0	OP	5	37	42.6
	Sands				6.3	40.0
Mamatwan		29.6	OP	14	39	36.1
Wessels		29.6	UG	38	57	41.8
CROP NUTRIENTS PROJECT (See page 88 in R&R Report for details)		Ownership %	Mining Method	Reserve Life[2] (years)	ROM Tonnes (Mt)	Grade (%Pht)
Woodsmith	Shelf	100	UG	27	290.0	88.8

Operations = mines in steady-state or projects in ramp-up phase.
Mining method: OP = open pit, UG = underground, OC = opencast/cut.
Mt = Million tonnes.
ROM = run of mine.
*Capcoal comprises opencast operations at Lake Lindsay and Oak Park, with an underground longwall operation at Aquila.

(1) Estimated Ore Reserves are the sum of Proved and Probable Ore Reserves (Mineral Resources are reported as additional to Ore Reserves unless stated otherwise). Refer to the detailed Ore Reserve estimate tables in the Anglo American Ore Reserves and Mineral Resources Report for the individual Proved and Probable Ore Reserve estimates. The Ore Reserve estimates are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2012) as a minimum standard. Ore Reserve estimates for operations in South Africa are reported in accordance with the South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves (the SAMREC Code, 2016), unless stated otherwise. The figures reported represent 100% of the Ore Reserves. Anglo American ownership is stated separately and reflects the Group's share of equity owned in each operation. Rounding of figures may cause computational discrepancies.
(2) Reserve Life = The scheduled extraction or processing period in years for the total Ore Reserves (*in situ* and stockpiles) in the approved LoAP.
(3) In the 2022 report, Reserve Life was defined as the scheduled extraction restricted by the current mining right. In this report the mining right restriction has been removed and Reserve Life is stated per the schedule in the approved LoAP.
(4) DBCi = De Beers Canada, DBCM = De Beers Consolidated Mines, Debswana = Debswana Diamond Company, Namdeb = Namdeb Holdings. Reported Diamond Reserves are based on a bottom cut-off (BCO), which refers to the bottom screen size aperture and varies between 1.00 mm and 3.00 mm (nominal square mesh). Specific BCOs applied to derive estimates are included in the detailed Diamond Reserve tables in the Anglo American Ore Reserves and Mineral Resources Report.
(5) LoA = Life of Asset is the scheduled extraction or processing period in years of Probable Diamond Reserves, including some Inferred Diamond Resources, considered in the LoAP.
(6) Iron Ore Brazil Saleable Product tonnes are reported on a wet basis (average moisture content is 9.5 weight % of the wet mass) with grade stated on a dry basis.
(7) Total Saleable Tonnes represents the product tonnes quoted as metric tonnes on a product moisture basis. The coal quality for Coal Reserves is quoted as either kilocalories per kilogram (kcal/kg) or Crucible Swell Number (CSN). Kilocalories per kilogram represent Calorific Value (CV) on a Gross As Received (GAR) basis. CV is rounded to the nearest 10 kcal/kg and CSN to the nearest 0.5 index.
(8) The Ore Reserve estimates are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2012) for Australian and South African operations.
(9) GEMCO Ore Reserve manganese grades are reported as expected product and should be read together with their respective mass yields, ROM: 56%, Sands: 22%.

Estimated Mineral Resources[1]
as at 31 December 2023

Detailed Measured, Indicated and Inferred estimates appear on the referenced pages in the Ore Reserves and Mineral Resources Report 2023.

				Total Measured and Indicated			Total Inferred[2]		
COPPER OPERATIONS (See pages 25, 26 & 27 in R&R Report for details)		Ownership %	Mining Method	Contained Copper (kt)	Tonnes (Mt)	Grade (%TCu)	Contained Copper (kt)	Tonnes (Mt)	Grade (%TCu)
Collahuasi	Oxide and mixed leach	44.0	OP	468	66.7	0.70	551	110.3	0.50
	Sulphide – flotation			8,884	987.9	0.90	25,979	2,885.3	0.90
	Low grade sulphide			1,873	398.4	0.47	9,399	2,040.2	0.46
El Soldado	Sulphide – flotation (incl. stockpile)	50.1	OP	1,109	193.8	0.57	121	28.7	0.42
Los Bronces	Sulphide – flotation	50.1	OP	13,056	2,887.7	0.45	3,194	738.2	0.43
	Sulphide – dump leach			—	—	—	29	8.7	0.33
Quellaveco	Sulphide – flotation	60.0	OP	2,744	703.7	0.39	4,888	1,186.0	0.41
NICKEL OPERATIONS (See pages 33 & 34 in R&R Report for details)		Ownership %	Mining Method	Contained Nickel (kt)	Tonnes (Mt)	Grade (%Ni)	Contained Nickel (kt)	Tonnes (Mt)	Grade (%Ni)
Barro Alto	Saprolite (incl. stockpile)	100	OP	180	16.0	1.13	110	9.2	1.19
	Ferruginous laterite			87	6.9	1.26	47	4.1	1.15
Niquelândia	Saprolite	100	OP	32	2.5	1.25	—	—	—
	Ferruginous laterite			—	—	—	36	3.2	1.13
PGMs[3] OPERATIONS (See pages 40 & 41 in R&R Report for details)		Ownership %	Mining Method	Contained Metal (4E Moz)	Tonnes (Mt)	Grade (4E g/t)	Contained Metal (4E Moz)	Tonnes (Mt)	Grade (4E g/t)
Amandelbult	MR & UG2 Reefs	78.6	UG	53.9	283.6	5.92	23.0	114.2	6.26
Mogalakwena	Platreef (incl. stockpile)	78.6	OP, UG	129.0	1,685.3	2.38	26.4	366.3	2.24
Modikwa	MR & UG2 Reefs	39.3	UG	32.1	204.2	4.89	27.2	207.3	4.08
Mototolo	MR & UG2 Reefs	78.6	UG	28.5	208.2	4.25	26.7	197.7	4.20
Twickenham	MR & UG2 Reefs	78.6	UG	60.7	335.7	5.62	56.0	313.9	5.55
Unki	Main Sulphide Zone	78.6	UG	17.1	127.9	4.16	4.2	32.6	3.96
DIAMOND[4] OPERATION – DBCi (See page 46 in R&R Report for details)		Ownership %	Mining Method	Carats (Mct)	Tonnes (Mt)	Grade (cpht)	Carats (Mct)	Tonnes (Mt)	Grade (cpht)
Gahcho Kué	Kimberlite	43.4	OP	3.3	2.2	146.2	23.8	13.3	179.3
DIAMOND[4] OPERATIONS – DBCM (See page 50 in R&R Report for details)		Ownership %	Mining Method	Carats (Mct)	Tonnes (Mt)	Grade (cpht)	Carats (Mct)	Tonnes (Mt)	Grade (cpht)
Venetia (UG)	Kimberlite	62.9	UG	—	—	—	51.6	59.8	86.3
DIAMOND[4] OPERATIONS – Debswana (See pages 54 & 55 in R&R Report for details)		Ownership %	Mining Method	Carats (Mct)	Tonnes (Mt)	Grade (cpht)	Carats (Mct)	Tonnes (Mt)	Grade (cpht)
Damtshaa	Kimberlite	42.5	OP	5.5	25.2	21.9	6.4	26.6	24.1
Jwaneng	Kimberlite	42.5	OP	54.3	67.7	80.2	66.2	80.3	82.4
	TMR & ORT		n/a	—	—	—	18.1	20.2	89.8
Letlhakane	TMR & ORT	42.5	n/a	0.6	0.0	6,644.4	12.3	45.5	27.0
Orapa	Kimberlite	42.5	OP	271.7	280.4	96.9	64.5	75.0	86.0
DIAMOND[4] OPERATIONS – Namdeb (See pages 60, 61 & 63 in R&R Report for details)		Ownership %	Mining Method	Carats (kct)	Tonnes (kt)	Grade (cpht)	Carats (kct)	Tonnes (kt)	Grade (cpht)
Mining Area 1	Beaches	42.5	OC	219	19,000	1.15	3,332	187,193	1.78
Orange River	Fluvial placers	42.5	OC	78	20,158	0.39	159	54,316	0.29
		Ownership %	Mining Method	Carats (kct)	Area k (m^2)	Grade (cpm^2)	Carats (kct)	Area k (m^2)	Grade (cpm^2)
Atlantic 1	Marine placers	42.5	MM	13,605	204,299	0.07	66,798	829,059	0.08
Midwater	Marine	42.5	MM	998	5,557	0.18	672	5,173	0.13

Operations = mines in steady-state or projects in ramp-up phase.
Mining method: OP = open pit, UG = underground, OC = opencast/cut, MM = marine mining. TMR = Tailings Mineral Resource. ORT = Old Recovery Tailings.
Mt = Million tonnes. kt = thousand tonnes. Moz = Million troy ounces. Mct = Million carats. kct = thousand carats. k (m^2) = thousand square metres.
TCu = total copper.
4E is the sum of platinum, palladium, rhodium and gold. g/t = grams per tonne. MR = Merensky Reef.
Diamond Grade is quoted as carats per hundred metric tonnes (cpht) or as carats per square metre (cpm^2).
Values reported as 0.0 represent estimates less than 0.05.

Estimated Mineral Resources continued

				Total Measured and Indicated		Total Inferred[2]	
KUMBA IRON ORE OPERATIONS (See page 68 in R&R Report for details)		Ownership %	Mining Method	Tonnes (Mt)	Grade (%Fe)	Tonnes (Mt)	Grade (%Fe)
Kolomela	Haematite	52.5	OP	114.2	64.0	18.5	62.6
Sishen	Haematite (incl. stockpile)	52.5	OP	444.0	55.9	9.1	49.6
IRON ORE BRAZIL OPERATION (See page 72 in R&R Report for details)		Ownership %	Mining Method	Tonnes[5] (Mt)	Grade[5] (%Fe)	Tonnes[5] (Mt)	Grade[5] (%Fe)
Serra do Sapo	Friable itabirite & haematite	100	OP	268.1	33.0	41.6	36.1
	Itabirite			1,376.4	31.0	363.4	31.0
STEELMAKING COAL OPERATIONS (See page 78 in R&R Report for details)		Ownership %	Mining Method	Tonnes[6] (Mt)	Coal Quality[6] (kcal/kg)	Tonnes[6] (Mt)	Coal Quality[6] (kcal/kg)
Capcoal (OC)*		79.5	OC	140.5	6,900	137.0	6,840
Capcoal (UG) – Aquila*		70.0	UG	39.4	6,700	2.8	6,190
Dawson		51.0	OC	594.0	6,720	220.7	6,730
Grosvenor		88.0	UG	294.5	6,460	95.9	6,390
Moranbah North		88.0	UG	178.3	6,670	25.4	6,530
SAMANCOR MANGANESE[7] OPERATIONS (See page 84 in R&R Report for details)		Ownership %	Mining Method	Tonnes (Mt)	Grade (%Mn)	Tonnes (Mt)	Grade (%Mn)
GEMCO[8]	ROM	40.0	OP	97	43.4	26	44.2
	Sands			12	20.0	—	—
Mamatwan		29.6	OP	65	35.0	—	—
Wessels		29.6	UG	118	41.9	14	41.8
CROP NUTRIENTS PROJECT (See page 88 in R&R Report for details)		Ownership %	Mining Method	Tonnes (Mt)	Grade (%Pht)	Tonnes (Mt)	Grade (%Pht)
Woodsmith	Shelf	100	UG	230.0	81.5	810.0	82.3
	Basin			—	—	960.0	86.3

Operations = mines in steady-state or projects in ramp-up phase.
Mining method: OP = open pit, UG = underground, OC = opencast/cut.
Mt = Million tonnes.
*Capcoal comprises opencast operations at Lake Lindsay and Oak Park, with an underground longwall operation at Aquila.

(1) Estimated Mineral Resources are presented on an exclusive basis, i.e. Mineral Resources are reported as additional to Ore Reserves unless stated otherwise. Refer to the detailed Mineral Resource estimate tables in the Anglo American Ore Reserves and Mineral Resources Report for the individual Measured, Indicated and Inferred Resource estimates. The Mineral Resource estimates are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2012) as a minimum standard. The Mineral Resource estimates for operations in South Africa are reported in accordance with the South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves (the SAMREC Code, 2016), unless stated otherwise. The figures reported represent 100% of the Mineral Resources. Anglo American ownership is stated separately and reflects the Group's share of equity owned in each operation. Rounding of figures may cause computational discrepancies.

(2) Total Inferred is the sum of 'Inferred (in LoAP)', the Inferred Resources within the scheduled LoAP and 'Inferred (ex. LoAP)', the portion of Inferred Resources with reasonable prospects for eventual economic extraction not considered in the LoAP as relevant. Due to the uncertainty attached to Inferred Mineral Resources, it cannot be assumed that all or part of an Inferred Mineral Resource will necessarily be upgraded to an Indicated or Measured Mineral Resource after continued exploration.

(3) Merensky Reef, UG2 Reef and Main Sulphide Zone Mineral Resources are estimated over a 'resource cut' which takes cognisance of the mining method, potential economic viability and geotechnical aspects in the hangingwall or footwall of the reef.

(4) DBCi = De Beers Canada, DBCM = De Beers Consolidated Mines, Debswana = Debswana Diamond Company, Namdeb = Namdeb Holdings. Estimated Diamond Resources are presented on an exclusive basis, i.e. Diamond Resources are quoted as additional to Diamond Reserves. Reported Diamond Resources are based on a bottom cut-off (BCO), which refers to the bottom screen size aperture and varies between 1.00 mm and 3.00 mm (nominal square mesh). Specific BCOs applied to derive estimates are included in the detailed Diamond Resource tables in the Anglo American Ore Reserves and Mineral Resources Report.

(5) Iron Ore Brazil Mineral Resource tonnes and grade are reported on a dry basis.

(6) Coal Resources are quoted on a Mineable Tonnes *In Situ* (MTIS) basis in million tonnes, which are in addition to those Coal Resources that have been modified to produce the reported Coal Reserves. Dawson, Grosvenor and Moranbah North operations have been reported on a Gross Tonnes *In Situ* (GTIS) basis in million tonnes. Coal Resources are reported on an *in situ* moisture basis. The coal quality for Coal Resources is quoted on an *in situ* heat content as kilocalories per kilogram (kcal/kg), representing Calorific Value (CV) on a Gross As Received (GAR) basis. CV is rounded to the nearest 10 kcal/kg.

(7) The Mineral Resource estimates are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2012) for Australian and South African operations. Manganese Mineral Resources are quoted on an inclusive basis and must not be added to the Ore Reserves.

(8) GEMCO ROM Mineral Resource tonnes are stated as *in situ*, manganese grades are given as per washed ore samples and should be read together with their respective mass recovery expressed as yield. GEMCO Sands Mineral Resource tonnes and manganese grades are stated as *in situ*.

Glossary of terms

Ore Reserves
An 'Ore Reserve' is the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at pre-feasibility or feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified. 'Modifying Factors' are (realistically assumed) considerations used to convert Mineral Resources to Ore Reserves. These include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors. Ore Reserves are sub-divided in order of increasing confidence into Probable Ore Reserves and Proved Ore Reserves.

A 'Proved Ore Reserve' is the economically mineable part of a Measured Mineral Resource. A Proved Ore Reserve implies a high degree of confidence in the Modifying Factors.

A 'Probable Ore Reserve' is the economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. The confidence in the Modifying Factors applying to a Probable Ore Reserve is lower than that applying to a Proved Ore Reserve. A Probable Ore Reserve has a lower level of confidence than a Proved Ore Reserve but is of sufficient quality to serve as the basis for a decision on the development of the deposit.

Mineral Resources
A 'Mineral Resource' is a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade (or quality), and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade (or quality), continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories.

A 'Measured Mineral Resource' is that part of a Mineral Resource for which quantity, grade (or quality), densities, shape and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes, and is sufficient to confirm geological and grade (or quality) continuity between points of observation where data and samples are gathered.

A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proved Ore Reserve or under certain circumstances to a Probable Ore Reserve.

An 'Indicated Mineral Resource' is that part of a Mineral Resource for which quantity, grade (or quality), densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes, and is sufficient to assume geological and grade (or quality) continuity between points of observation where data and samples are gathered.

An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Ore Reserve.

An 'Inferred Mineral Resource' is that part of a Mineral Resource for which quantity and grade (or quality) are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply, but not verify, geological and grade (or quality) continuity. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.

An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to an Ore Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

Life of Asset Plan (LoAP)
Life of Asset Plan is the most recent annual plan summarising a forecast of the development, operation and maintenance of the asset based on realistically assumed Modifying Factors. This plan shall cover a detailed mine design and schedule for ore tonnes and grade, waste movements, treatment schedule, production of saleable product, capital, operating and reclamation costs, together with reasonable estimates of cash flows and other costs and expenses (including corporate costs), in sufficient detail to demonstrate at the time of reporting that extraction is reasonably justified.

Reserve Life
The scheduled extraction or processing period in years for the total Ore Reserves (*in situ* and stockpiles) in the approved LoAP.

Inferred (in LoAP)
Inferred Resources within the scheduled LoAP.

Inferred (ex. LoAP)
The portion of Inferred Resources with reasonable prospects for eventual economic extraction not considered in the LoAP.

Fatal-injury frequency rate (FIFR)(1)
FIFR is the number of employee or contractor fatal injuries due to all causes per 1,000,000 hours worked.

Lost time injury frequency rate (LTIFR)(1)
LTIFR is the number of lost time injuries (LTIs) for both employees and contractors per 1,000,000 hours worked. An LTI is a work-related injury resulting in the person being unable to attend work or perform the routine functions of his/her job, on the next calendar day after the day of the injury, whether a scheduled workday or not. Restricted work cases are therefore counted as LTIs.

Total recordable injury frequency rate (TRIFR)(1)
TRIFR is the number of fatal injuries, lost time injuries and medical treatment cases for both employees and contractors per 1,000,000 hours worked.

New cases of occupational disease (NCOD)(1)
NCOD is the sum of all recorded, irreversible occupational diseases. An occupational disease is a health condition or disorder (e.g., silicosis, coal-workers' pneumoconiosis, chronic obstructive air ways disease, occupational cancers, sensitisation to platinum or rhodium salts, work-related mental disorders, etc.) that is caused by the work environment or activities related to work.

Total energy consumed(1)
Total amount of energy consumed is the sum of total energy from electricity purchased, total energy from fossil fuels and total energy from renewable fuels and is measured in million gigajoules (GJ).

Total water withdrawals[1]

Total water withdrawals by source, reported in line with International Council on Metals and Mining (ICMM) guidance, includes: surface water; groundwater; seawater, and third-party water, and is measured in million m^3.

Fresh water withdrawals in water scarce areas[1]

Naturally occurring water that meets the criteria of the Minerals Council of Australia's Water Accounting Framework (WAF) Category 1, excluding precipitation and run-off, which reasonably cannot effectively be prevented from entry into our operational processes in million m^3.

Greenhouse gases (GHGs)[1]

The Intergovernmental Panel on Climate Change 2006 report (as updated in 2011) factors are applied as defaults for all carbon dioxide-equivalent (CO_2e) and energy calculations. Where emission factors are available for specific countries or sub-regions from government and regulatory authorities, these are applied. Australian operations apply conversion factors required by the government for regulatory reporting and operations in Brazil apply local factors for biomass and biofuel. Factors for CO_2e from electricity are based on local grid factors.

Based on a self-assessment, Anglo American believes it reports in accordance with the WRI/WBCSD GHG Protocol, as issued prior to the 2015 revision on Scope 2 emissions reporting. In line with the GHG Protocol's 'management control' boundary, 100% of the direct and indirect emissions for managed operations are accounted for while zero emissions for associates, joint ventures and other investments are included in the reporting scope.

Level 3, 4 and 5 environmental incidents[1]

Environmental incidents are unplanned or unwanted events resulting from our operations that adversely impact the environment or contravene local regulations/permit conditions. They are classified from minor (Level 1) to significant (Level 5) depending on the duration and extent of impact, as well as the sensitivity and/or biodiversity value of the receiving environment. Level 3-5 incidents are those which we consider to have prolonged impacts on the local environments, lasting in excess of one month and affecting areas greater than several hundred metres on site, or extending beyond the boundaries of our immediate operations.

Total amount spent on community social investment

Categories for community social investment (CSI) expenditure include charitable donations, community investment and community commercial initiatives. CSI contributions can take the form of cash donations, contributions in kind and employees' working hours spent on charity and volunteering projects during work hours. Not included is expenditure that is necessary for the development of an operation (e.g. resettlement of families) or receiving a licence. Training expenditure for individuals who will be employed by the Company following completion of training is not included. CSI is reported in US dollars and converted from the currency of the operations at the average foreign exchange rate applied by Anglo American for financial reporting purposes.

Charitable donations include charitable and philanthropic gifts and contributions that tend to be ad hoc and one-offs.

Community investment includes the funding of community projects/programmes which address social issues, the costs of providing public facilities to community members who are not employees or dependents, the marginal value of land or other assets transferred to community ownership, and income creation schemes or mentoring/volunteering initiatives that do not have a principally commercial justification.

Commercial initiatives include enterprise development and other community initiatives/partnerships that can also directly support the success of the Company (such as supplier development). There must, however, be a clear and primary element of public benefit.

We prohibit the making of donations for political purposes to any politician, political party or related organisation, an official of a political party or candidate for political office in any circumstances either directly or through third parties.

Jobs supported through livelihoods' initiatives

Anglo American supports jobs through various community livelihoods' initiatives. This includes – but is not limited to – local procurement, training, mentoring and capacity development, loan funding to small businesses, agriculture programmes and collaborative regional development initiatives. The number of jobs supported includes existing jobs through activities to support increased security of those jobs, as well as newly created jobs through a range of development programmes and projects. Jobs supported are measured as full time equivalent jobs.

Inclusive procurement measurement

Our Inclusive Procurement Policy provides a framework for supporting development outcomes through targeted procurement interventions. This policy is further strengthened by region specific regulations and processes where it relates to host community procurement. Inclusive procurement strategies take into account the regions and communities within which our operations are located.

The measurement of performance against our inclusive procurement strategy is informed by a combination of development outcomes and legal requirements. Inclusive procurement encompasses a combination of multiple factors, including procurement from local (or in country/region), host and designated entities.

- **Host communities:** includes suppliers who have their main place of business in the direct vicinity of the operation, as defined per region.
- **Designated groups:** include First Nation-owned companies (Canada region), Aboriginal owned supplier businesses (Australia) and BEE entities (South Africa).
- **Local companies:** businesses that are registered and based in the country of the operation – also referred to as in-country suppliers.

Our inclusive procurement initiatives are aimed at ensuring maximum impact on host communities.

(1) Data relates to subsidiaries and joint operations over which Anglo American has management control. See Anglo American plc Sustainability Report 2023 for the full list of entities within the reporting scope.

Alternative performance measures

Introduction

When assessing and discussing the Group's reported financial performance, financial position and cash flows, management makes reference to Alternative Performance Measures (APMs) of historical or future financial performance, financial position or cash flows that are not defined or specified under International Financial Reporting Standards (IFRS).

The APMs used by the Group fall into two categories:

- Financial APMs: These financial measures are usually derived from the financial statements, prepared in accordance with IFRS. Certain financial measures cannot be directly derived from the financial statements as they contain additional information, such as financial information from earlier periods or profit estimates or projections. The accounting policies applied when calculating APMs are, where relevant and unless otherwise stated, substantially the same as those disclosed in the Group's Consolidated financial statements for the year ended 31 December 2022 with the exception of the new accounting pronouncements disclosed in note 39.
- Non-financial APMs: These measures incorporate certain non-financial information that management believes is useful when assessing the performance of the Group.

APMs are not uniformly defined by all companies, including those in the Group's industry. Accordingly, the APMs used by the Group may not be comparable with similarly titled measures and disclosures made by other companies.

APMs should be considered in addition to, and not as a substitute for or as superior to, measures of financial performance, financial position or cash flows reported in accordance with IFRS. Measures used by the Group exclude the impact of certain items, which impact the financial performance and cash flows, in order to aid comparability of financial information reported. The adjustments performed to defined IFRS measures and rationale for adjustments are detailed on pages 318 to 320.

Purpose

The Group uses APMs to improve the comparability of information between reporting periods and businesses, either by adjusting for uncontrollable factors or special items which impact upon IFRS measures or, by aggregating measures, to aid the user of the Annual Report in understanding the activity taking place across the Group's portfolio.

Their use is driven by characteristics particularly visible in the mining sector:

1. Earnings volatility: The Group mines and markets commodities and precious metals and minerals. The sector is characterised by significant volatility in earnings driven by movements in macro-economic factors, primarily price and foreign exchange. This volatility is outside the control of management and can mask underlying changes in performance. As such, when comparing year-on-year performance, management excludes certain items (such as those classed as 'special items') to aid comparability and then quantifies and isolates uncontrollable factors in order to improve understanding of the controllable portion of variances.
2. Nature of investment: Investments in the sector typically occur over several years and are large, requiring significant funding before generating cash. These investments are often made with partners and the nature of the Group's ownership interest affects how the financial results of these operations are reflected in the Group's results e.g. whether full consolidation (subsidiaries), consolidation of the Group's attributable assets and liabilities (joint operations) or equity accounted (associates and joint ventures). Attributable metrics are therefore presented to help demonstrate the financial performance and returns available to the Group, for investment and financing activities, excluding the effect of different accounting treatments for different ownership interests.
3. Portfolio complexity: The Group operates in a number of different, but complementary commodities, precious metals and minerals. The cost, value of and return from each saleable unit (e.g. tonne, pound, carat, ounce) can differ materially between each business. This makes understanding both the overall portfolio performance, and the relative performance of its constituent parts on a like-for-like basis, more challenging. The Group therefore uses composite APMs to provide a consistent metric to assess performance at the portfolio level.

Consequently, APMs are used by the Board and management for planning and reporting. A subset is also used by management in setting director and management remuneration, such as attributable free cash flow prior to growth capital expenditure. The measures are also used in discussions with the investment analyst community and credit rating agencies.

Financial APMs

Group APM	Closest equivalent IFRS measure	Adjustments to reconcile to primary statements	Rationale for adjustments
Income statement			
Group revenue	Revenue	– Revenue from associates and joint ventures – Revenue special items and remeasurements	– Exclude the effect of different basis of consolidation to aid comparability – Exclude the impact of certain items due to their size and nature to aid comparability
Underlying EBIT	Profit/(loss) before net finance income/ (costs) and tax	– Revenue, operating and non-operating special items and remeasurements – Underlying EBIT from associates and joint ventures	– Exclude the impact of certain items due to their size and nature to aid comparability – Exclude the effect of different basis of consolidation to aid comparability
Underlying EBITDA	Profit/(loss) before net finance income/ (costs) and tax	– Revenue, operating and non-operating special items and remeasurements – Depreciation and amortisation – Underlying EBITDA from associates and joint ventures	– Exclude the impact of certain items due to their size and nature to aid comparability – Exclude the effect of different basis of consolidation to aid comparability

Group APM	Closest equivalent IFRS measure	Adjustments to reconcile to primary statements	Rationale for adjustments
Underlying earnings	Profit/(loss) for the financial year attributable to equity shareholders of the Company	– Special items and remeasurements	– Exclude the impact of certain items due to their size and nature to aid comparability
Underlying effective tax rate	Income tax expense	– Tax related to special items and remeasurements – The Group's share of associates' and joint ventures' profit before tax, before special items and remeasurements, and tax expense, before special items and remeasurements	– Exclude the impact of certain items due to their size and nature to aid comparability – Exclude the effect of different basis of consolidation to aid comparability
Basic underlying earnings per share	Earnings per share	– Special items and remeasurements	– Exclude the impact of certain items due to their size and nature to aid comparability
Mining EBITDA margin	Operating profit margin, defined by IFRS	– Revenue from associates and joint ventures – Revenue, operating and non-operating special items and remeasurements – Underlying EBIT from associates and joint ventures – Adjustment to Debswana to reflect as a 50/50 joint operation – Exclusion of third-party sales, purchases and trading activity	– Exclude non-mining revenue and EBITDA to show a margin for mining operations only, which provides a relevant comparison to peers
Balance sheet			
Net debt	Borrowings less cash and related hedges	– Debit valuation adjustment – Borrowings are adjusted to exclude vessel lease contracts that are priced with reference to a freight index – Borrowings do not include the royalty liability (note 24) on the basis that obligations to make cash payments against this liability only arise when the Woodsmith project generates revenues, and that otherwise the Group is not currently contractually liable to make any payments under this arrangement (other than in the event of the Anglo American Crop Nutrients Limited's insolvency)	– Exclude the impact of accounting adjustments from the net debt obligation of the Group – Exclude the volatility arising from vessel lease contracts that are priced with reference to a freight index. These liabilities are required to be remeasured at each reporting date to the latest spot freight rate, which means that the carrying value of the lease liability is not necessarily consistent with the average lease payments which are expected to be made over the lease term
Attributable ROCE	No direct equivalent	– Non-controlling interests' share of capital employed and underlying EBIT – Average of opening and closing attributable capital employed	– Exclude the effect of different basis of consolidation to aid comparability

Group APM	Closest equivalent IFRS measure	Adjustments to reconcile to primary statements	Rationale for adjustments
Cash flow			
Capital expenditure (capex)	Expenditure on property, plant and equipment	– Cash flows from derivatives related to capital expenditure – Proceeds from disposal of property, plant and equipment – Direct funding for capital expenditure from non-controlling interests	– To reflect the net attributable cost of capital expenditure taking into account economic hedges
Attributable free cash flow	Cash flows from operations	– Capital expenditure – Cash tax paid – Dividends from associates, joint ventures and financial asset investments – Net interest paid – Dividends to non-controlling interests – Capital repayment of lease obligations – Expenditure on non-current intangible assets (excluding goodwill)	– To measure the amount of cash available to finance returns to shareholders or growth after servicing debt, providing a return to minority shareholders and meeting existing capex commitments
Sustaining attributable free cash flow	Cash flows from operations	– Cash tax paid – Dividends from associates, joint ventures and financial asset investments – Net interest paid – Dividends to non-controlling interests – Capital repayment of lease obligations – Sustaining capital expenditure – Capitalised operating cash flows relating to life extension projects	– To measure the amount of cash available to finance returns to shareholders or growth after servicing debt, providing a return to minority shareholders and meeting the capex commitments needed to sustain the current production base of existing assets. It is calculated as attributable free cash flow prior to growth capex and expenditure on non-current intangible assets (excluding goodwill)

Group revenue
Group revenue includes the Group's attributable share of associates' and joint ventures' revenue and excludes revenue special items and remeasurements. A reconciliation to 'Revenue', the closest equivalent IFRS measure to Group revenue, is provided within note 2 to the Consolidated financial statements.

Underlying EBIT
Underlying EBIT is 'Operating profit/(loss)' presented before special items and remeasurements(1) and includes the Group's attributable share of associates' and joint ventures' underlying EBIT. Underlying EBIT of associates and joint ventures is the Group's attributable share of associates' and joint ventures' revenue less operating costs before special items and remeasurements(1) of associates and joint ventures.

A reconciliation to 'Profit/(loss) before net finance income/(costs) and tax', the closest equivalent IFRS measure to underlying EBIT, is provided within note 2 to the Consolidated financial statements.

Underlying EBITDA
Underlying EBITDA is underlying EBIT before depreciation and amortisation and includes the Group's attributable share of associates' and joint ventures' underlying EBIT before depreciation and amortisation.

A reconciliation to 'Profit/(loss) before net finance income/(costs) and tax', the closest equivalent IFRS measure to underlying EBITDA, is provided within note 2 to the Consolidated financial statements.

Underlying earnings
Underlying earnings is 'Profit/(loss) for the financial year attributable to equity shareholders of the Company' before special items and remeasurements(1) and is therefore presented after net finance costs, income tax expense and non-controlling interests.
A reconciliation to 'Profit/(loss) for the financial year attributable to equity shareholders of the Company', the closest equivalent IFRS measure to underlying earnings, is provided within note 2 to the Consolidated financial statements.

Underlying effective tax rate
The underlying effective tax rate equates to the income tax expense, before special items and remeasurements(1) and including the Group's share of associates' and joint ventures' tax before special items and remeasurements(1), divided by profit before tax before special items and remeasurements(1) and including the Group's share of associates' and joint ventures' profit before tax before special items and remeasurements(1).

A reconciliation to 'Income tax expense', the closest equivalent IFRS measure to underlying effective tax rate, is provided within note 5 to the Consolidated financial statements.

(1) Special items and remeasurements are defined in note 9 to the Consolidated financial statements.

Underlying earnings per share
Basic and diluted underlying earnings per share are calculated as underlying earnings divided by the basic or diluted shares in issue. The calculation of underlying earnings per share is disclosed within note 3 to the Consolidated financial statements.

Mining EBITDA margin
The mining EBITDA margin is derived from the Group's underlying EBITDA as a percentage of Group revenue, adjusted to exclude certain items to better reflect the performance of the Group's mining business. The mining EBITDA margin reflects Debswana accounting treatment as a 50/50 joint operation, excludes third-party sales, purchases and trading and excludes Platinum Group Metals' purchase of concentrate.

US$ million (unless otherwise stated)	2023	2022
Underlying EBITDA	9,958	14,495
Group revenue	32,502	37,391
Margin	31%	39%
Adjustments for:		
Debswana adjustment to reflect as a 50/50 joint operation	2%	3%
Exclude third-party purchases, trading activity and processing[1]	6%	5%
Mining EBITDA margin	39%	47%

[1] Third-party purchases, trading activity and processing consists of Platinum Group Metals' purchase of concentrate, third-party sales and purchases and the impact of third-party trading activity.

Net debt
Net debt is calculated as total borrowings less variable vessel lease contracts that are priced with reference to a freight index, and cash and cash equivalents (including derivatives that provide an economic hedge of net debt, see note 24, but excluding the impact of the debit valuation adjustment on these derivatives, explained in note 21). A reconciliation to the Consolidated balance sheet is provided within note 21 to the Consolidated financial statements.

Capital expenditure (capex)
Capital expenditure is defined as cash expenditure on property, plant and equipment, including related derivatives, and is presented net of proceeds from disposal of property, plant and equipment and includes direct funding for capital expenditure from non-controlling interests in order to match more closely the way in which it is managed.
A reconciliation to 'Expenditure on property, plant and equipment', the closest equivalent IFRS measure to capital expenditure, is provided within note 13 to the Consolidated financial statements.

Following the adoption of the amendment to IAS 16 *Proceeds before intended use* in 2022, operating cash flows generated by operations that have not yet reached commercial production are presented in Cash flows from operating activities in the Consolidated cash flow statement and no longer included in capital expenditure.

Sustaining capital
Sustaining capital is calculated as capital expenditure excluding growth projects. Expenditure on growth projects in 2023 and 2022 principally related to Quellaveco and the Woodsmith project. The Group uses sustaining capital as a measure to provide additional information to understand the capital needed to sustain the current production base of existing assets.

Attributable return on capital employed (ROCE)
ROCE is a ratio that measures the efficiency and profitability of a company's capital investments. Attributable ROCE displays how effectively assets are generating profit on invested capital for the equity shareholders of the Company. It is calculated as attributable underlying EBIT divided by average attributable capital employed.

Attributable underlying EBIT excludes the underlying EBIT of non-controlling interests.

Capital employed is defined as net assets excluding net debt, vessel lease contracts that are priced with reference to a freight index, the debit valuation adjustment attributable to derivatives hedging net debt and financial asset investments. Attributable capital employed excludes capital employed of non-controlling interests. Average attributable capital employed is calculated by adding the opening and closing attributable capital employed for the relevant period and dividing by two.

Attributable ROCE is also used as an incentive measure in executives' remuneration and is predicated upon the achievement of ROCE targets in the final year of a three year performance period.

A reconciliation to 'Profit/(loss) before net finance income/(costs) and tax', the closest equivalent IFRS measure to underlying EBIT, is provided within note 2 to the Consolidated financial statements.
A reconciliation to 'Net assets', the closest equivalent IFRS measure to capital employed, is provided within note 10 to the Consolidated financial statements. The table below reconciles underlying EBIT and capital employed to attributable underlying EBIT and average attributable capital employed by segment.

	Attributable ROCE %	
	2023	2022
Copper	20	16
Nickel	6	24
Platinum Group Metals	15	86
De Beers	(3)	11
Iron Ore	34	28
Steelmaking Coal	27	85
Manganese	81	138
Crop Nutrients	n/a	n/a
Corporate and other	n/a	n/a
	16	30

US$ million	Underlying EBIT	Less: Non-controlling interests' share of underlying EBIT	Attributable underlying EBIT	Opening attributable capital employed	Closing capital employed	Less: Non-controlling interests' share of closing capital employed	Closing attributable capital employed	Average attributable capital employed
								2023
Copper	2,451	(608)	1,843	8,909	14,309	(5,016)	9,293	9,101
Nickel	62	—	62	1,393	588	—	588	991
Platinum Group Metals	855	(227)	628	3,915	5,175	(960)	4,215	4,065
De Beers	(252)	29	(223)	7,089	7,257	(1,181)	6,076	6,583
Iron Ore	3,549	(1,044)	2,505	7,245	9,044	(1,391)	7,653	7,449
Steelmaking Coal	822	—	822	2,837	3,364	—	3,364	3,101
Manganese	145	(2)	143	210	141	—	141	176
Crop Nutrients	(61)	—	(61)	489	1,309	—	1,309	899
Corporate and other	(403)	34	(369)	492	1,240	(16)	1,224	858
	7,168	(1,818)	5,350	32,579	42,427	(8,564)	33,863	33,223

US$ million	Underlying EBIT	Less: Non-controlling interests' share of underlying EBIT	Attributable underlying EBIT	Opening attributable capital employed (restated)[1]	Closing capital employed (restated)[1]	Less: Non-controlling interests' share of closing capital employed (restated)[1]	Closing attributable capital employed (restated)[1]	Average attributable capital employed (restated)[1]
								2022
Copper	1,595	(286)	1,309	7,307	13,661	(4,752)	8,909	8,108
Nickel	317	—	317	1,285	1,393	—	1,393	1,339
Platinum Group Metals	4,052	(896)	3,156	3,411	4,753	(838)	3,915	3,663
De Beers	994	(171)	823	7,256	8,218	(1,129)	7,089	7,173
Iron Ore	2,962	(952)	2,010	7,169	8,488	(1,243)	7,245	7,207
Steelmaking Coal	2,369	—	2,369	2,712	2,837	—	2,837	2,775
Manganese	312	(3)	309	238	210	—	210	224
Crop Nutrients	(45)	—	(45)	1,563	489	—	489	1,026
Corporate and other	(593)	14	(579)	406	492	—	492	448
	11,963	(2,294)	9,669	31,347	40,541	(7,962)	32,579	31,963

(1) Comparative figures are restated for the adoption of the amendment to IAS 12, see note 39A.

Attributable free cash flow

Attributable free cash flow is calculated as 'Cash flows from operations' plus dividends received from associates, joint ventures and financial asset investments, less capital expenditure, less expenditure on non-current intangible assets (excluding goodwill), less tax cash payments excluding tax payments relating to disposals, less net interest paid including interest on derivatives hedging net debt, less dividends paid to non-controlling interests.

A reconciliation of 'Cash flows from operations', the closest equivalent IFRS measure, is provided on page 92 of the Group financial review.

Sustaining attributable free cash flow

Sustaining attributable free cash flow is used to measure the amount of cash available to finance returns to shareholders or growth after servicing debt, providing a return to minority shareholders and meeting the capex commitments needed to sustain the current production base of existing assets. Sustaining attributable free cash flow is also used as an incentive measure in executives' remuneration. It is calculated as attributable free cash flow prior to growth capex and expenditure on non-current intangible assets (excluding goodwill). A reconciliation of 'Cash flows from operations', the closest equivalent IFRS measure, is provided on page 92 of the Group financial review. Growth capital expenditure in 2023 and 2022 principally related to Quellaveco and Woodsmith.

Non-financial APMs

Some of our measures are not reconciled to IFRS either because they include non-financial information, there is no meaningful IFRS comparison or the purpose of the measure is not typically covered by IFRS.

Copper equivalent production

Copper equivalent production, expressed as copper equivalent tonnes, shows changes in underlying production volume. It is calculated by expressing each commodity's volume as revenue, subsequently converting the revenue into copper equivalent units by dividing by the copper price (per tonne). Long term forecast prices (and foreign exchange rates where appropriate) are used, in order that period-on-period comparisons exclude any impact for movements in price.

When calculating copper equivalent production, sales from non-mining activities are excluded. Volume from projects in pre-commercial production are included.

Unit cost

Unit cost is the direct cash cost including direct cash support costs incurred in producing one unit of saleable production. Unit cost relates to equity production only.

For iron ore and coal, unit costs shown are FOB i.e. cost on board at port. For copper and nickel, they are shown at C1 i.e. after inclusion of by-product credits and logistics costs. For PGMs and diamonds, unit costs include all direct expensed cash costs incurred i.e. excluding, among other things, market development activity, corporate overhead etc. Royalties are excluded from all unit cost calculations.

Copper equivalent unit cost

Copper equivalent unit cost is the cost incurred to produce one tonne of copper equivalent. Only the cost incurred in mined output from subsidiaries and joint operations is included, representing direct costs in the Consolidated income statement controllable by the Group. Costs and volumes from associates and joint ventures are excluded, as are those from operations that are not yet in commercial production, that deliver domestic production, and those associated with third-party volume purchases of diamonds and PGMs concentrate.

When calculating copper equivalent unit cost, unit costs for each commodity are multiplied by relevant production, combined and then divided by the total copper equivalent production, to get a copper equivalent unit cost i.e. the cost of mining one tonne of copper equivalent. The metric is in US dollars and, where appropriate, long term foreign exchange rates are used to convert from local currency to US dollars.

Volume and cash cost improvements

The Group uses an underlying EBITDA waterfall to understand its year-on-year underlying EBITDA performance. The waterfall isolates the impact of uncontrollable factors in order that the real year-on-year improvement in performance can be seen by the user.

Three variables are normalised, in the results of subsidiaries and joint operations, for:

- Price: The movement in price between comparative periods is removed by multiplying current year sales volume by the movement in realised price for each product group.
- Foreign exchange: The year-on-year movement in exchange is removed from the current year non-US dollar cost base i.e. costs are restated at prior year foreign exchange rates. The non-US dollar cash cost base excludes costs which are price linked (e.g. purchase of concentrate from third-party PGMs providers, third-party diamond purchases).
- Inflation: CPI is removed from cash costs, restating these costs at the pricing level of the base year.

The remaining variances in the underlying EBITDA waterfall are in real US dollar terms for the base year i.e. for a waterfall comparing 2023 with 2022, the sales volume and cash cost variances exclude the impact of price, foreign exchange and CPI and are hence in real 2022 terms. This allows the user of the waterfall to understand the underlying real movement in sales volumes and cash costs on a consistent basis.

Production statistics

The figures below include the entire output of consolidated entities and the Group's attributable share of joint operations, associates and joint ventures where applicable, except for De Beers' joint operations which are quoted on a 100% basis.

	2023	2022
Copper (tonnes)[1]		
Copper production	826,200	664,500
Copper sales	843,300	640,500
Copper Chile		
Los Bronces mine[2]		
Ore mined	50,430,300	46,756,500
Ore processed – Sulphide	43,763,800	45,943,600
Ore grade processed – Sulphide (% TCu)[3]	0.51	0.62
Production – Copper in concentrate	184,800	231,500
Production – Copper cathode	30,700	39,400
Total production	215,500	270,900
Collahuasi 100% basis (Anglo American share 44%)		
Ore mined	60,577,500	82,222,600
Ore processed – Sulphide	57,351,800	57,316,400
Ore grade processed – Sulphide (% TCu)[3]	1.17	1.11
Production – Copper in concentrate	573,200	570,700
Anglo American's 44% share of copper production for Collahuasi	252,200	251,100
El Soldado mine[2]		
Ore mined	7,656,200	6,779,300
Ore processed – Sulphide	6,799,500	7,548,500
Ore grade processed – Sulphide (% TCu)[3]	0.72	0.65
Production – Copper in concentrate	39,500	40,200
Chagres Smelter[2]		
Ore smelted[4]	113,500	100,600
Production	110,100	97,500
Total copper production[5]	507,200	562,200
Total payable copper production	487,600	540,200
Total copper sales volumes	504,800	563,000
Total payable sales volumes	485,000	540,600
Third party sales[6]	443,700	422,300
Copper Peru		
Quellaveco mine[7]		
Ore mined	42,047,000	27,431,000
Ore processed – Sulphide	39,764,900	11,719,400
Ore grade processed – Sulphide (% TCu)[3]	0.96	1.12
Total copper production	319,000	102,300
Total payable copper production	308,400	98,900
Total copper sales volumes	338,500	77,500
Total payable copper sales volumes	327,000	74,800
Nickel (tonnes)[8]		
Barro Alto		
Ore mined	4,300,800	3,424,800
Ore processed	2,476,400	2,421,600
Ore grade processed – %Ni	1.45	1.49
Production	31,800	32,700
Codemin		
Ore mined	27,800	800
Ore processed	599,500	531,100
Ore grade processed – %Ni	1.41	1.44
Production	8,200	7,100
Total nickel production	40,000	39,800
Nickel sales volumes	39,800	39,000

See page 326 for footnotes.

	2023	2022
Platinum Group Metals		
Produced PGMs ('000 oz)[9]	3,806.1	4,024.0
Own-mined	2,460.2	2,649.2
Mogalakwena	973.5	1,026.2
Amandelbult	634.2	712.5
Unki	243.8	232.1
Mototolo	288.7	289.9
Modikwa – joint operation[10]	145.4	144.5
Kroondal – joint operation[11]	174.6	244.0
Purchase of concentrate	1,345.9	1,374.8
Modikwa – joint operation[10]	145.4	144.5
Kroondal – joint operation[11]	174.6	244.0
Third parties	1,025.9	986.3
Refined production[9][12]		
Platinum ('000 oz)	1,749.1	1,782.9
Palladium ('000 oz)	1,268.6	1,198.5
Rhodium ('000 oz)	225.6	249.2
Other PGMs and Gold ('000 oz)	557.3	600.5
Nickel (tonnes)	21,800	21,300
Tolled material ('000 oz)[13]	620.6	622.6
4E Head grade (g/tonne milled)[14]	3.22	3.27
PGMs sales – own-mined and purchase of concentrate[9]	3,925.3	3,861.3
PGMs sales – third party trading[9][15]	4,336.4	1,849.9
De Beers[16]		
Carats recovered ('000 carats) 100% basis		
Jwaneng	13,329	13,445
Orapa[17]	11,371	10,697
Botswana	24,700	24,142
Debmarine Namibia	1,859	1,725
Namdeb (land operations)	468	412
Namibia	2,327	2,137
Venetia	2,004	5,515
South Africa	2,004	5,515
Gahcho Kué (51% basis)	2,834	2,815
Canada	2,834	2,815
Total carats recovered	31,865	34,609
Sales volumes		
Total sales volume (100%) (Mct)[18]	27.4	33.7
Consolidated sales volume (Mct)[18]	24.7	30.4
Number of Sights (sales cycles)[18]	10	10
Iron Ore ('000 tonnes)		
Iron Ore production[19]	59,926	59,281
Iron Ore sales[19]	61,488	57,985
Kumba production[19]	35,715	37,699
Lump	23,290	24,671
Fines	12,425	13,028
Kumba production by mine		
Sishen	25,421	27,017
Kolomela	10,294	10,682
Kumba sales volumes[19][20]		
Export iron ore[20]	37,172	36,670
Minas-Rio production		
Pellet feed[19]	24,211	21,582
Minas-Rio sales		
Export – pellet feed (wet basis)[19]	24,316	21,315

See page 326 for footnotes.

	2023	2022
Steelmaking Coal ('000 tonnes)		
Steelmaking Coal production[21][22][23]	16,001	15,007
Hard coking coal[22]	12,239	12,088
PCI/SSCC	3,762	2,919
Export thermal coal	1,083	1,645
Steelmaking Coal sales by product[22]	14,940	14,683
Hard coking coal[22]	11,566	11,311
PCI/SSCC	3,374	3,372
Export thermal coal	1,673	1,681
Steelmaking Coal production by operation[21][22][23]	16,001	15,007
Moranbah[22]	3,132	3,395
Grosvenor	2,797	3,037
Capcoal (including Aquila)[22][24]	4,138	3,446
Dawson[23]	2,902	2,087
Jellinbah	3,032	3,042
Manganese (tonnes)		
Samancor production		
Manganese ore[25]	3,670,600	3,740,700
Sales volumes		
Manganese ore	3,725,000	3,596,200

(1) Excludes copper production from the Platinum Group Metals business.
(2) Anglo American ownership interest of Los Bronces, El Soldado and the Chagres Smelter is 50.1%. Production is stated at 100% as Anglo American consolidates these operations.
(3) TCu = total copper. Includes third-party concentrate.
(4) Copper contained basis.
(5) Total copper production includes Anglo American's 44% interest in Collahuasi.
(6) Relates to sales of copper not produced by Anglo American operations.
(7) Anglo American ownership interest of Quellaveco is 60%. Production is stated at 100% as Anglo American consolidates this operation.
(8) Excludes nickel production from the Platinum Group Metals business.
(9) Ounces refer to troy ounces. PGMs consists of 5E+gold (platinum, palladium, rhodium, ruthenium and iridium plus gold).
(10) Modikwa is a 50% joint operation. The 50% equity share of production is presented under 'Own mined' production. Anglo American Platinum purchases the remaining 50% of production, which is presented under 'Purchase of concentrate'.
(11) Kroondal was a 50% joint operation until 1 November 2023. Up until this date, the 50% equity share of production was presented under 'Own mined' production and the remaining 50% of production, that Anglo American Platinum purchased, was presented under 'Purchase of concentrate'. Upon the disposal of our 50% interest, Kroondal transitioned to a 100% third-party POC arrangement, whereby 100% of production will be presented under 'Purchase of concentrate: Third parties' until it transitions to a toll arrangement, expected at the end of H1 2024.
(12) Refined production excludes toll material.
(13) Tolled volume measured as the combined content of platinum, palladium, rhodium and gold, reflecting the tolling agreements in place.
(14) 4E: the grade measured as the combined content of: platinum, palladium, rhodium and gold, excludes tolled material. Minor metals are excluded due to variability.
(15) Relates to sales of metal not produced by Anglo American operations, and includes metal lending and borrowing activity.
(16) De Beers Group production is on a 100% basis, except for the Gahcho Kué joint operation which is on an attributable 51% basis.
(17) Orapa constitutes the Orapa Regime which includes Orapa, Letlhakane and Damtshaa.
(18) Consolidated sales volumes exclude De Beers Group's JV partners' 50% proportionate share of sales to entities outside De Beers Group from the Diamond Trading Company Botswana and the Namibia Diamond Trading Company, which are included in total sales volume (100% basis).
(19) Total iron ore is the sum of Kumba and Minas-Rio and reported in wet metric tonnes. Kumba product is shipped with ~1.6% moisture and Minas-Rio product is shipped with ~9% moisture.
(20) Sales volumes could differ to Kumba's standalone results due to sales to other Group companies.
(21) Anglo American's attributable share of saleable production.
(22) Includes production relating to third-party product purchased and processed at Anglo American's operations.
(23) Steelmaking coal production figures may include some product sold as thermal coal.
(24) Includes production from the Aquila longwall operation from February 2022. Prior to then, includes production from the Grasstree longwall operation.
(25) Anglo American's 40% attributable share of saleable production.

Quarterly production statistics

					Quarter ended	% Change (Quarter ended)	
	31 December 2023	**30 September 2023**	**30 June 2023**	**31 March 2023**	31 December 2022	31 December 2023 v 30 September 2023	31 December 2023 v 31 December 2022
Copper (tonnes)[1]	229,900	209,100	209,100	178,100	244,300	10 %	(6)%
Copper Chile	136,200	121,600	130,800	118,600	162,300	12 %	(16)%
Copper Peru	93,700	87,500	78,300	59,500	82,000	7 %	14 %
Nickel (tonnes)[2]	11,100	9,300	9,900	9,700	10,200	19 %	9 %
PGMs M&C ('000 oz)[3]	932.2	1,029.6	943.1	901.2	990.4	(9)%	(6)%
PGMs refined ('000 oz)[3][4]	1,191.1	909.7	1,073.8	626.0	877.2	31 %	36 %
Platinum ('000 oz)	565.2	428.5	489.4	266.0	391.2	32 %	44 %
Palladium ('000 oz)	400.0	285.5	352.6	230.5	278.5	40 %	44 %
Rhodium ('000 oz)	61.3	57.1	68.4	38.8	51.7	7 %	19 %
Other PGMs and gold ('000 oz)[3]	164.6	138.6	163.4	90.7	155.8	19 %	6 %
Nickel (tonnes)	7,000	5,400	6,100	3,300	4,800	30 %	46 %
De Beers[5]							
Carats recovered ('000 carats)							
100% basis							
Diamonds	7,937	7,408	7,590	8,930	8,155	7 %	(3)%
Iron Ore ('000 tonnes)[6]	13,806	15,397	15,647	15,076	15,682	(10)%	(12)%
Iron ore – Kumba	7,234	9,736	9,320	9,425	9,961	(26)%	(27)%
Iron ore – Minas-Rio	6,572	5,661	6,327	5,651	5,721	16 %	15 %
Steelmaking Coal ('000 tonnes)[7]	4,756	4,356	3,356	3,533	4,650	9 %	2 %
Hard Coking Coal	3,804	3,235	2,358	2,842	3,647	18 %	4 %
PCI/SSCC	952	1,121	998	691	1,003	(15)%	(5)%
Export thermal Coal	34	284	481	284	428	(88)%	(92)%
Manganese (tonnes)							
Manganese ore[8]	847,800	1,012,100	969,800	840,900	984,300	(16)%	(14)%

(1) Copper production shown on a contained metal basis. Reflects copper production from the Copper operations in Chile and Peru only (excludes copper production from the Platinum Group Metals business).
(2) Excludes nickel production from the Platinum Group Metals business.
(3) Ounces refer to troy ounces. PGMs consists of 5E+gold (platinum, palladium, rhodium, ruthenium and iridium plus gold).
(4) Refined production excludes toll refined material.
(5) De Beers Group production is on a 100% basis, except for the Gahcho Kué joint operation which is on an attributable 51% basis.
(6) Total iron ore is the sum of Kumba and Minas-Rio and reported in wet metric tonnes. Kumba product is shipped with ~1.6% moisture and Minas-Rio product is shipped with ~9% moisture.
(7) Anglo American's attributable share of saleable production. Steelmaking coal production may include some product sold as thermal coal and includes production relating to third-party product purchased and processed at Anglo American's operations.
(8) Anglo American's 40% attributable share of saleable production.

Non-financial data

	2023	2022	2021	2020	2019
Anglo American plc data					
Safety[1]					
Work-related fatalities[2][3]	3	2	2	2	4
Fatal-injury frequency rate (FIFR)[2][3]	0.010	0.008	0.008	0.010	0.017
Total recordable injury frequency rate (TRIFR)[2]	1.78	2.19	2.24	2.14	2.21
Lost-time injury frequency rate (LTIFR)[2]	1.23	1.40	1.52	1.34	1.36
Occupational health[1]					
New cases of occupational disease (NCOD)[2]	15	5	16	30	39
Environment[1]					
Total greenhouse gas (GHG) emissions – Scopes 1 and 2 (Mt CO_2e)[2]	12.5	13.3	14.5	15.4	16.9
Total energy consumed (million GJ)[2]	89	83	84	78	83
Fresh water withdrawals (million m^3)	38	36	37	37	43
People					
Number of employees ('000)[4]	60	59	64	65	63
Women in senior management[5]	29%	29%	29%	27%	24%
Historically Disadvantaged South Africans in management[6]	85%	71%	73%	68%	65%
Voluntary turnover (%)[7]	3.5%	3.6%	3.5%	2.8%	2.9%
Social					
Community Social Investment spend (total in US$ million)[8]	148	175	138	125	114
Community Social Investment spend (% of underlying EBIT)[8]	2	2	1	2	2
Number of jobs supported off site[9]	139,308	114,534	104,860	92,397	n/a

	2023	2022	2021	2020	2019
Select Business data					
Safety[1]					
Work-related fatalities – Copper Chile	2	–	–	–	1
Work-related fatalities – Copper Peru	–	–	1	–	1
Work-related fatalities – Nickel	–	–	–	–	–
Work-related fatalities – PGMs	–	–	1	1	–
Work-related fatalities – De Beers	–	1	–	–	–
Work-related fatalities – Iron Ore – Kumba	1	–	–	–	–
Work-related fatalities – Iron Ore – IOB	–	–	–	–	–
Work-related fatalities – Coal – Steelmaking Coal	–	1	–	–	1
Work-related fatalities – Coal – Thermal Coal South Africa	n/a	n/a	–	1	1
Work-related fatalities – Crop Nutrients[10]	–	–	–	–	n/a
Work-related fatalities – Corporate and Other	–	–	–	–	–
TRIFR – Copper Chile	1.14	1.42	1.55	1.58	1.15
TRIFR – Copper Peru	1.47	2.23	2.93	2.20	0.91
TRIFR – Nickel	5.65	3.67	1.26	1.51	2.75
TRIFR – PGMs	1.61	2.34	2.60	2.40	2.50
TRIFR – De Beers	2.05	2.19	2.03	2.18	3.07
TRIFR – Iron Ore – Kumba	0.98	1.55	0.80	1.74	2.06
TRIFR – Iron Ore – IOB	1.32	1.60	2.24	1.87	1.48
TRIFR – Coal – Steelmaking Coal	4.39	5.63	4.12	4.72	6.20
TRIFR – Coal – Thermal Coal South Africa	n/a	n/a	1.57	1.55	1.56
TRIFR – Crop Nutrients[10]	1.96	1.90	2.59	0.81	n/a
TRIFR – Corporate and Other	1.58	0.37	0.97	0.63	0.17

See next page for footnotes.

	2023	2022	2021	2020	2019
Environment[1]					
GHG emissions – Mt CO_2e – Copper Chile	**0.4**	0.4	0.4	1.1	1.2
GHG emissions – Mt CO_2e – Copper Peru	**0.2**	0.2	0.1	0.1	0.2
GHG emissions – Mt CO_2e – Nickel	**1.1**	1.1	1.3	1.2	1.2
GHG emissions – Mt CO_2e – PGMs	**4.3**	4.1	4.5	3.9	4.4
GHG emissions – Mt CO_2e – De Beers	**0.4**	0.5	0.4	0.4	0.5
GHG emissions – Mt CO_2e – Iron Ore – Kumba	**1.0**	1.0	1.0	0.9	1.0
GHG emissions – Mt CO_2e – Iron Ore – IOB	**0.2**	0.2	0.3	0.2	0.2
GHG emissions – Mt CO_2e – Coal – Steelmaking Coal	**4.9**	5.8	6.4	8.2	6.9
GHG emissions – Mt CO_2e – Coal – Thermal Coal South Africa	**n/a**	n/a	0.8	0.8	0.9
GHG emissions – Mt CO_2e – Crop Nutrients[10]	**0.0**	0.0	0.0	0.0	n/a
GHG emissions – Mt CO_2e – Corporate and Other	**0.0**	0.0	0.0	0.0	0.0
Energy consumption – million GJ – Copper Chile	**12.6**	13.0	12.8	11.3	12.3
Energy consumption – million GJ – Copper Peru	**6.3**	3.4	1.6	0.6	2.0
Energy consumption – million GJ – Nickel	**20.6**	20.3	20.8	21.3	20.2
Energy consumption – million GJ – PGMs	**20.6**	18.9	20.8	18.1	20.1
Energy consumption – million GJ – De Beers	**3.8**	4.2	4.2	3.8	4.5
Energy consumption – million GJ – Iron Ore – Kumba	**8.9**	9.0	8.7	8.1	8.8
Energy consumption – million GJ – Iron Ore – IOB	**5.4**	5.1	5.1	5.2	5.1
Energy consumption – million GJ – Coal – Steelmaking Coal	**10.2**	9.2	9.3	8.5	10.1
Energy consumption – million GJ – Coal – Thermal Coal South Africa	**n/a**	n/a	3.1	3.5	3.5
Energy consumption – million GJ – Crop Nutrients[10]	**0.3**	0.1	0.2	0.1	n/a
Energy consumption – million GJ – Corporate and Other	**0.2**	0.1	0.1	0.1	0.1
Total water withdrawals – million m^3 – Copper Chile	**32.6**	34.9	33.5	35.8	24.7
Total water withdrawals – million m^3 – Copper Peru	**20.0**	8.7	0.7	1.5	n/a
Total water withdrawals – million m^3 – Nickel	**6.9**	7.0	7.0	8.0	6.3
Total water withdrawals – million m^3 – PGMs	**37.5**	42.2	42.6	43.9	47.4
Total water withdrawals – million m^3 – De Beers	**7.3**	7.2	11.6	10.1	9.9
Total water withdrawals – million m^3 – Iron Ore – Kumba	**9.9**	11.4	11.2	10.6	10.6
Total water withdrawals – million m^3 – Iron Ore – IOB	**27.5**	41.4	32.2	35.3	28.8
Total water withdrawals – million m^3 – Coal – Steelmaking Coal	**32.8**	31.8	20.9	21.0	17.9
Total water withdrawals – million m^3 – Coal – Thermal Coal South Africa	**n/a**	n/a	14.9	31.0	34.2
Total water withdrawals – million m^3 – Crop Nutrients[10]	**0.1**	0.1	0.1	0.2	n/a
Total water withdrawals – million m^3 – Corporate and Other	**0.0**	1.9	1.8	0.0	n/a
People[4]					
Number of employees – Copper Chile	**4,000**	4,400	4,300	3,800	4,000
Number of employees – Copper Peru	**1,000**	1,000	750	400	300
Number of employees – Nickel	**1,000**	1,400	1,400	1,400	1,000
Number of employees – PGMs	**27,000**	26,500	31,400	31,500	31,000
Number of employees – De Beers	**10,900**	10,500	10,000	10,700	9,000
Number of employees – Iron Ore – Kumba	**6,700**	6,700	6,100	6,200	6,000
Number of employees – Iron Ore – IOB	**2,600**	2,600	2,600	2,500	3,000
Number of employees – Coal – Steelmaking Coal	**2,500**	2,000	1,900	2,000	2,000
Number of employees – Coal – Thermal Coal South Africa	**n/a**	n/a	n/a	4,600	5,000
Number of employees – Crop Nutrients[10]	**1,000**	500	600	300	n/a
Number of employees – Corporate and Other	**3,200**	3,000	4,700	6,900	2,000

(1) Data relates to subsidiaries and joint operations over which Anglo American has management control. Data excludes De Beers' joint operations in Namibia and Botswana. See page 107 of the Anglo American plc Sustainability Report 2023 for the full list of entities within the reporting scope. Divested businesses are included up until the point of divestment, with the exception of total Group GHG emissions, energy consumed and total water withdrawals where current and historical data has been adjusted to exclude Thermal Coal South Africa, which was divested in May 2021.

(2) See pages 316–317 for definitions and basis of calculation.

(3) The work-related fatal injuries and FIFR figures presented for 2021 have been restated to reflect the death of an employee in April 2022, following a fall-related injury in November 2021.

(4) Average number of employees for 2023–2020 excludes contractors and associates and joint ventures employees, and includes a share of employees within joint operations, based on shareholding. Data for 2019 is presented on the same basis, with the exception of Debswana (De Beers), where employee numbers are included at 19.2%, reflecting Anglo American's economic interest. PGMs employee numbers for 2022 have been restated to exclude contractors.

(5) Female representation within the Executive Leadership Team and those reporting to them.

(6) Historically Disadvantaged South African employees within bands seven and above divided by the total number of South African employees in bands seven and above.

(7) The number of people who resigned as a percentage of the total work force, excluding contractors.

(8) CSI spend is the sum of donations for charitable purposes and community investment (which includes cash and in-kind donations and staff time) as well as investments in commercial initiatives with public benefit (such as enterprise development).

(9) The number of jobs supported includes existing jobs (in activities supported by the intervention) and newly created jobs through Anglo American's various community Livelihoods' programmes. Jobs supported are measured as full time equivalent jobs.

(10) Comparative data for Crop Nutrients prior to 2020 is not presented as the acquisition of Sirius Minerals Plc was completed in 2020.

Directors' report

This section includes certain disclosures which are required by law to be included in the Directors' report.

In accordance with the Companies Act 2006 (Companies Act), the following items have been reported in other sections of the Integrated Annual Report and are included in this Directors' report by reference:

- Details of the directors of the Company can be found on pages 142–145
- Directors' interests in shares at 31 December 2023 and any changes thereafter, can be found on page 202–203 of the directors' remuneration report
- Events occurring after the end of the year are set out in note 31 to the financial statements on page 274
- The Strategic Report on pages 2–138 gives a fair review of the business and an indication of likely future developments and fulfils the requirements set out in section 414C of the Companies Act
- Details of the Group's governance arrangements and its compliance with the UK Corporate Governance Code (the Code) can be found on pages 139–211
- Comprehensive details of the Group's approach to financial risk management are given in note 25 to the financial statements on pages 261–263
- The Group's disclosure of its greenhouse gas emissions can be found on page 55. The Group's Streamlined Energy and Carbon Reporting (SECR) disclosures can be found on page 138
- The Group's disclosures related to the recommendations of the Taskforce on Climate-Related Financial Disclosures (TCFD) can be found on pages 132–137
- Details of employee engagement can be found on pages 70–75 and 161–162
- Details of stakeholder engagement can be found on pages 16–19 and 161–163.

Going concern

The financial position of the Group, its cash flows, liquidity position and borrowing facilities are set out in the Group financial review on pages 90-93. The Group's net debt (including related hedges) at 31 December 2023 was $10.6 billion (2022: $6.9 billion). During the first half of 2023, the Group issued $2.0 billion of bond debt. In March 2023, the Group issued €500 million 4.5% Senior Notes due 2028, €500 million 5.0% Senior Notes due 2031 and, in May 2023, $900 million 5.5% Senior Notes due 2033. In the second half of 2023, the Group refinanced its $4.7 billion revolving credit facility maturing in March 2025, to a one year $1 billion facility maturing in November 2024, and a $3.7 billion five year facility maturing in November 2028. The Group's liquidity position (defined as cash and undrawn committed facilities) of $13.2 billion at 31 December 2023 remains strong. Further details of borrowings and facilities are set out in note 22 and note 25 on pages 255 and 261–263 respectively, and net debt is set out in note 21 on page 254.

The directors have considered the Group's cash flow forecasts for the period to the end of December 2025 under base and downside scenarios, with reference to the Group's principal risks as set out within the Group viability statement on pages 79–80. In the downside scenario modelled (including pricing and production downsides, alongside a significant operational incident), the Group maintains sufficient liquidity throughout the period of assessment without the use of mitigating actions.

The Board is satisfied that the Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group will be able to operate within the level of its current facilities for the period of at least 12 months from the date of approval of the financial statements. For this reason the Group continues to adopt the going concern basis in preparing its financial statements.

Dividends

An interim dividend of US$0.55 per ordinary share was paid on 26 September 2023. The directors are recommending that a final dividend of US$0.41 per ordinary share be paid on 3 May 2024 to ordinary shareholders on the register at the close of business on 15 March 2024 subject to shareholder approval at the AGM to be held on 30 April 2024. This would bring the total dividend in respect of 2023 to US$0.96 per ordinary share. In accordance with the UK-adopted International Accounting Standards, the final dividend will be accounted for in the financial statements for the year ended 31 December 2024.

The Anglo American Employee Benefit Trust (EBT) holds shares to facilitate the operation of certain of the Group's share option and share incentive schemes (share plans). The EBT has waived the right to receive dividends on all unallocated shares not allocated to dividend bearing share awards.

Share capital

The Company's issued share capital as at 31 December 2023 is set out in note 26 on page 264–265.

Significant shareholdings

Taking into account the information available to the Company as at 21 February 2024, the table below shows the Company's understanding of interests in 3% or more of the Total Voting Rights attaching to its issued ordinary share capital:

Company	Number of shares	Percentage of voting rights
Public Investment Corporation	93,551,783	6.86
BlackRock Inc	84,968,927	6.05
Tarl Investment Holdings (RF) Proprietary Limited[1]	47,275,613	3.37
Epoch Two Investment Holdings (RF) Proprietary Limited[1]	42,166,686	3.01

(1) Epoch Two Investment Holdings (RF) Proprietary Limited (Epoch Two) and Tarl Investment Holdings (RF) Proprietary Limited (Tarl) are two of the independent companies that have purchased shares as part of Anglo American's 2006 share buyback programme. Epoch Two and Tarl have waived their right to vote all the shares they hold, or will hold, in Anglo American plc.

Sustainable development

The Sustainability Report 2023 will be published on the Group's website on 4 March 2024.

This report focuses on the safety, health, sustainable development and environmental performance of the Group's managed operations, its performance with regard to our Code of Conduct, and the operational dimensions of its social programmes.

Audit information

The directors confirm that, so far as they are aware, there is no relevant audit information of which the auditor is unaware, that all directors have taken all reasonable steps to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Disclosure table pursuant to Listing Rule 9.8.4C

Listing Rule	Information to be included	Disclosure
9.8.4(1)	Interest capitalised by the Group	See note 4, page 230
9.8.4(2)	Unaudited financial information (LR 9.2.18)	None
9.8.4(4)	Long term incentive scheme only involving a director (LR 9.4.3)	None
9.8.4(5)	Directors' waivers of emoluments	None
9.8.4(6)	Directors' waivers of future emoluments	None
9.8.4(7)	Non pro rata allotments for cash (issuer)	None
9.8.4(8)	Non pro rata allotments for cash (major subsidiaries)	None
9.8.4(9)	Listed company is a subsidiary of another company	Not applicable
9.8.4(10)	Contracts of significance involving a director	None
9.8.4(11)	Contracts of significance involving a controlling shareholder	Not applicable
9.8.4(12)	Waivers of dividends	See 'Dividends' paragraph on page 330
9.8.4(13)	Waivers of future dividends	See 'Dividends' paragraph on page 330
9.8.4(14)	Agreement with a controlling shareholding LR 9.2.2AR(2)(a)	Not applicable

Employment and other policies

The Group's key operating businesses are empowered to manage within the context of the different legislative and social demands of the diverse countries in which those businesses operate, subject to the standards embodied in Anglo American's Code of Conduct. Within all the Group's businesses, the safe and effective performance of employees and the maintenance of positive employee relations are of fundamental importance. Managers are charged with ensuring that the following key principles are upheld:

- Adherence to national legal standards on employment and workplace rights at all times
- Adherence to the International Labour Organization's core labour rights, including: prohibition of child labour; prohibition of inhumane treatment of employees and any form of forced labour, physical punishment or other abuse; recognition of the right of our employees to freedom of association and the promotion of workplace equality; and the elimination of all forms of unfair discrimination
- Continual promotion of safe and healthy working practices
- Provision of opportunities for employees to enhance their work related skills and capabilities
- Adoption of fair and appropriate procedures for determining terms and conditions of employment.

It is the Group's policy that everybody should have full and fair consideration for all vacancies. Employment is considered on merit and with regard only to the ability of any applicant to carry out the role. We endeavour to retain the employment of, and arrange suitable retraining, for any employees in the workforce who become disabled during their employment. Where possible we will adjust a person's working environment to enable them to stay in our employment.

The Group promotes an inclusive and diverse environment where every colleague is valued and respected for who they are, and has the opportunity to fulfil their potential. The Group is focused on providing a workplace where everyone can thrive and has introduced a number of Group-wide policies to encourage this. The Group's inclusion and diversity policy reflects its commitment as a signatory to the United Nations Global Compact and is aligned both to the labour rights principles set out in the International Labour Organization core conventions and with the United Nations Sustainable Development Goals. The Group has also introduced policies related to bullying, harassment and victimisation and recognising and responding to domestic violence, which clearly states its zero tolerance to such behaviours, along with a Group-wide flexible working policy and family friendly and carer policy recognising changing societal needs.

Further, the Group is committed to treating employees at all levels with respect and consideration, to investing in their development and to ensuring that their careers are not constrained by discrimination or arbitrary barriers.

Our Code of Conduct is supported by a number of policies and procedures which provide specific guidance to employees on the behaviour required to reinforce the Group's Values and uphold the Group's commitments to prioritise safety, health and the environment; treat people with care and respect, conduct business with integrity and protect its physical assets and information. The Code of Conduct can be accessed via the Group's website.

In addition to meeting legal requirements, suppliers to Anglo American must adhere to the requirements of the Responsible Sourcing Standard for Suppliers, which is available on the Group's website and referenced in contracts. The standard includes a dedicated pillar providing unambiguous guidance on our expectations of conducting business fairly and with integrity; including anti-bribery, anti-competitive, anti-collusive, information security and transparent business behaviours expected by all supplier partners.

The Business Integrity Policy sets out the Group's anti-bribery and corruption commitment by clearly stating that the Group will neither give nor accept bribes, nor permit others to do so in its name. The Policy sets out the standards of conduct required across Anglo American, (including subsidiaries and managed joint operations), by those with which the Group does business and by those who work on the Group's behalf, in combating corrupt behaviour of all types. The Policy is supported by 11 Prevention of Corruption Procedures, which have been translated into the main languages that are used across the Group's operations.

A dedicated team, operating within a broader risk management and business assurance team oversees the implementation of the Business Integrity Policy. Working closely with other corporate functions, and senior managers in the businesses, the team provides guidance and support on the implementation and monitoring of the Policy. The team also assists on bribery and corruption risk identification and management, and providing online and face-to-face training for relevant employees, including those in high-risk roles. The internal audit team regularly provide risk based assurance on the implementation of the anti-bribery and corruption controls framework.

The Group's whistleblowing facility, YourVoice, is available to employees and external stakeholders to confidentially and, if they choose, anonymously report concerns about behaviour which might be unethical, unlawful or unsafe, or contrary to the Group's Values and Code of Conduct.

Political donations

No political donations were made during 2023. Anglo American has an established policy of not making donations to, or incurring expenses for the benefit of, any political party in any part of the world, including any political party or political organisation as defined in the Political Parties, Elections and Referendums Act 2000.

Additional information for shareholders

Set out below is a summary of certain provisions of the Company's current Articles of Association (Articles) and applicable English law concerning companies (the Companies Act) required as a result of the implementation of the Takeover Directive in English law. This is a summary only and the relevant provisions of the Articles or the Companies Act should be consulted if further information is required.

Dividends and distributions

Subject to the provisions of the Companies Act, the Company may, by ordinary resolution, from time to time declare final dividends not exceeding the amount recommended by the Board. The Board may pay interim dividends whenever the financial position of the Company, in the opinion of the Board, justifies such payment.

The Board may withhold payment of all, or any part of any dividends or other monies payable in respect of the Company's shares, from a person with a 0.25% interest or more (as defined in the Articles) if such a person has been served with a notice after failing to provide the Company with information concerning interests in those shares required to be provided under the Companies Act.

Rights and obligations attaching to shares

The rights and obligations attaching to the shares are set out in the Articles.

The Articles may only be changed by a special resolution passed by the shareholders.

Voting

Subject to the Articles generally and to any special rights or restrictions as to voting attached by or in accordance with the Articles to any class of shares, on a show of hands every member who is present in person at a general meeting shall have one vote and, on a poll, every member who is present in person or by proxy shall have one vote for every share of which he/she is the holder. It is, and has been for some years, the Company's practice to hold a poll on every resolution at shareholder meetings.

Where shares are held by trustees/nominees in respect of the Group's employee share plans and the voting rights attached to such shares are not directly exercisable by the employees, it is the Company's practice that such rights are not exercised by the relevant trustee/nominee.

Under the Companies Act, members are entitled to appoint a proxy, who need not be a member of the Company, to exercise all or any of their rights to attend and to speak and vote on their behalf at a general meeting or class meeting.

A member may appoint more than one proxy in relation to a general meeting or class meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. A member that is a corporation may appoint one or more individuals to act on its behalf at a general meeting or class meeting as a corporate representative. Where a shareholder appoints more than one corporate representative in respect of its shareholding, but in respect of different shares, those corporate representatives can act independently of each other, and validly vote in different ways.

Restrictions on voting

No member shall, unless the directors otherwise determine, be entitled in respect of any share held by him/her to vote either personally or by proxy at a shareholders' meeting, or to exercise any other right conferred by membership in relation to shareholders' meetings, if any call or other sum presently payable by him/her to the Company in respect of that share remains unpaid. In addition, no member shall be entitled to vote if he/she has been served with a notice after failing to provide the Company with information concerning interests in those shares required to be provided under the Companies Act.

Issue of shares

Subject to the provisions of the Companies Act relating to authority and pre-emption rights and of any resolution of the Company in a UK general meeting, all unissued shares of the Company shall be at the disposal of the directors and they may allot, grant options over, or otherwise dispose of them to such persons at such times, and on such terms, as they think proper.

Shares in uncertificated form

Any share or class of shares of the Company may be issued or held (including any shares or class of shares held on the South African Branch Register or any other overseas branch register of the members of the Company) on such terms, or in such a way, that: title to it or them is not, or must not be, evidenced by a certificate; or it or they may or must be transferred wholly or partly without a certificate. The directors have power to take such steps as they think fit in relation to: the evidencing of and transfer of title to uncertificated shares (including in connection with the issue of such shares); any records relating to the holding of uncertificated shares; the conversion of certificated shares into uncertificated shares; or the conversion of uncertificated shares into certificated shares. The Company may by notice to the holder of a share require that share: if it is uncertificated, to be converted into certificated form; and if it is certificated, to be converted into uncertificated form, to enable it to be dealt with in accordance with the Articles.

If the Articles give the directors power to take action, or require other persons to take action, in order to sell, transfer or otherwise dispose of shares; and uncertificated shares are subject to that power, but the power is expressed in terms which assume the use of a certificate or other written instrument, the directors may take such action as is necessary or expedient to achieve the same results when exercising that power in relation to uncertificated shares. The directors may take such action as they consider appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of an uncertificated share or otherwise to enforce a lien in respect of it. This may include converting such share to certificated form. Unless the directors resolve otherwise, shares which a member holds in uncertificated form must be treated as separate holdings from any shares which that member holds in certificated form. A class of shares must not be treated as two classes simply because some shares of that class are held in certificated form and others are held in uncertificated form.

Deadlines for exercising voting rights

Votes are exercisable at a general meeting of the Company in respect of which the business being voted upon is being heard. Votes may be exercised in person, by proxy, or in relation to corporate members, by corporate representative. The Articles provide a deadline for submission of proxy forms of not less than 48 hours before the time appointed for the holding of the meeting or adjourned meeting.

Variation of rights

Subject to statute, the Articles specify that rights attached to any class of shares may be varied with the written consent of the holders of not less than three-quarters in nominal value of the issued shares of that class, or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of those shares. At every such separate general meeting the quorum shall be two persons holding, or representing by proxy, at least one-third in nominal value of the issued shares of the class (calculated excluding any shares held as treasury shares). The rights conferred upon the holders of any shares shall not, unless otherwise expressly provided in the rights attaching to those shares, be deemed to be varied by the creation or issue of further shares ranking *pari passu* with them.

Transfer of shares

All transfers of shares that are in certificated form may be effected by transfer in writing in any usual or common form or in any other form acceptable to the directors and may be under hand only. The instrument of transfer shall be signed by, or on behalf of, the transferor and (except in the case of fully paid shares) by or on behalf of the transferee. The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the register of shareholders. All transfers of shares registered on the main register of members that are in uncertificated form may be effected by means of the CREST system. All transfers of uncertified shares registered on the branch register of members in South Africa may be effected via the Transfer Secretary.

The directors may decline to recognise any instrument of transfer relating to shares in certificated form unless it:

(a) is in respect of only one class of share

(b) is lodged at the transfer office (duly stamped if required) accompanied by the relevant share certificate(s) and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his/her behalf, the authority of that person so to do).

The directors may decline to register any transfer of shares in certificated form unless: the instrument of transfer is in respect of only one class of share; the instrument of transfer is lodged (duly stamped if required) at the Transfer Office accompanied by the relevant share certificate(s) or such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer or, if the instrument of transfer is executed by some other person on the transferor's behalf, the authority of that person to do so; and it is fully paid. The directors may also refuse to register an allotment or transfer of shares (whether fully paid or not) in favour of more than four persons jointly.

If the directors refuse to register an allotment or transfer, they shall send the refusal to the allottee or the transferee within two months after the date on which the letter of allotment or transfer was lodged with the Company.

A shareholder does not need to obtain the approval of the Company, or of other shareholders of shares in the Company, for a transfer of shares to take place.

Directors
Directors shall not be fewer than five nor more than 18 in number. A director is not required to hold any shares of the Company by way of qualification. The Company may by ordinary resolution increase or reduce the maximum or minimum number of directors.

Powers of directors
Subject to the Articles, the Companies Act and any directions given by special resolution, the business of the Company will be managed by the Board who may exercise all the powers of the Company.

The Board may exercise all the powers of the Company to borrow money and to mortgage or charge any of its undertaking, property and uncalled capital and to issue debentures and other securities, whether outright or as collateral security, for any debt, liability or obligation of the Company or of any third party.

The Company may by ordinary resolution declare dividends, but no dividend shall be payable in excess of the amount recommended by the directors.

Subject to the provisions of the Articles and to the rights attaching to any shares, any dividends or other monies payable on or in respect of a share may be paid in such currency as the directors may determine. The directors may deduct from any dividend payable to any member all sums of money (if any) presently payable by him/her to the Company on account of calls or otherwise in relation to shares of the Company. The directors may retain any dividends payable on shares on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

Appointment and replacement of directors
The directors may from time to time appoint one or more directors. The Board may appoint any person to be a director (so long as the total number of directors does not exceed the limit prescribed in the Articles). Any such director shall hold office only until the next AGM and shall then be eligible for election.

The Articles provide that at each AGM all those directors who have been in office for three years or more since their election, or last re-election, shall retire from office. In addition, a director may at any AGM retire from office and stand for re-election. However, in accordance with the Code, all directors will be subject to annual re-election.

Stock Exchange Listings
The Company's ordinary shares are listed on the London Stock Exchange (the primary listing), the JSE Limited, the SIX Swiss Exchange, the Botswana Stock Exchange and the Namibian Stock Exchange.

Significant agreements: change of control
At 31 December 2023, Anglo American had committed bilateral and syndicated borrowing facilities totalling $9.6 billion with a number of relationship banks which contain change of control clauses. $11.3 billion of the Group's bond issues also contain change of control provisions. In aggregate, this financing is considered significant to the Group and in the event of a takeover (change of control) of the Company, these contracts may be terminated, become immediately payable or be subject to acceleration.

In the ordinary course of its business the Group's subsidiaries enter into a number of other commercial agreements, some of which may alter or be terminated upon a change of control of the Company. None of these are considered by the Group to be significant to the Group as a whole.

Purchases of own shares
At the AGM held on 26 April 2023, authority was given for the Company to purchase, in the market, up to 200.5 million ordinary shares of $54^{86}/_{91}$ US cents each. The Company did not purchase any of its own shares under this authority during 2023. This authority will expire at the 2024 AGM and, in accordance with usual practice, a resolution to renew it for another year will be proposed.

Indemnities
To the extent permitted by law and the Articles, the Company has made qualifying third-party indemnity provisions for the benefit of its directors during the year, which remain in force at the date of this report. Copies of these indemnities are open for inspection at the Company's registered office.

By order of the Board

Richard Price
Legal and Corporate Affairs Director (Company Secretary)
21 February 2024

Shareholder information

Annual General Meeting (AGM)
Our AGM will be held at 11:00 on Tuesday, 30 April 2024, at The Mermaid London, Puddle Dock, London EC4V 3DB and online via the Lumi platform.

Further details on how to access the AGM electronically or attend in person, ask questions and vote, can be found in the Notice of 2024 AGM which will be available on our website.

Investors holding shares through a nominee service should arrange with that nominee service for them to be appointed as a proxy in respect of their shareholding to attend and vote at the meeting electronically.

Shareholding enquiries
Enquiries relating to shareholdings should be made to the Company's UK Registrars, or the South African Transfer Secretaries, at the relevant address below:

UK Registrars
Equiniti
Aspect House, Spencer Road, Lancing
West Sussex BN99 6DA, England

Telephone:
In the UK: 0371 384 2026
From overseas: +44 (0) 371 384 2026

Transfer Secretaries in South Africa
Computershare Investor Services (Pty) Limited
Rosebank Towers, 15 Biermann Avenue
Rosebank, Johannesburg, 2196, South Africa
Private Bag X9000, Saxonwold, 2132, South Africa

Telephone: +27 (0) 11 370 5000

Enquiries on other matters should be addressed to the company secretary at the following address:

Registered and Head Office
Anglo American plc
17 Charterhouse Street
London EC1N 6RA
England

Telephone: +44 (0) 20 7968 8888
Registered number: 03564138

www.angloamerican.com
CoSec.Admin@angloamerican.com
On the Investors section of the Group website a range of useful information for shareholders can be found, including: Investor calendar and presentations; share price and tools; dividend information; AGM information; FAQs.

Electronic communication
Shareholders may elect to receive, electronically, notification of the availability on the Group's website of future shareholder correspondence, e.g. Integrated Annual Reports and Notices of AGMs.

By registering for this service, UK shareholders can also vote online in respect of future AGMs and access information on their shareholding including, for example, dividend payment history, sales and purchases and indicative share prices. In order to register for these services, UK shareholders should contact the UK Registrars or log on to **www.shareview.co.uk** and follow the on-screen instructions. It will be necessary to have a shareholder reference number when registering, which is shown on share certificates, dividend tax vouchers and proxy cards.

Dividends
Dividends are declared and paid in US dollars to shareholders with registered addresses in all countries except the UK, eurozone countries, Botswana and South Africa where they are paid in sterling, euros, Botswanan pula and South African rand respectively. Shareholders outside Botswana and South Africa may elect to receive their dividends in US dollars.

Shareholders with bank accounts in the UK or South Africa can have their cash dividends credited directly to their own accounts. Shareholders should contact the relevant Registrar or Transfer Secretary to make use of this facility. South African branch register shareholders would need South African exchange control approval to mandate their dividends to an account outside South Africa.

The Company operates a dividend reinvestment plan (DRIP) in the UK and South Africa, which enables shareholders to reinvest their cash dividends into purchasing Anglo American shares. Details of the DRIP and how to join are available from Anglo American's UK Registrars and South African Transfer Secretaries and on the Group's website.

ShareGift
The Company supports ShareGift, the charity share donation scheme administered by The Orr Mackintosh Foundation (registered charity number 1052686). Through ShareGift, shareholders with very small numbers of shares which might be considered uneconomic to sell are able to donate them to charity. Donated shares are aggregated and sold by ShareGift, the proceeds being passed on to a wide range of charities. For those shareholders who wish to use ShareGift, transfer forms are available from the Registrars and further details of the scheme can be found on the website **www.sharegift.org**.

Share dealing service
Telephone, internet and postal share dealing services have been arranged through Equiniti, providing a simple way for UK residents to buy or sell Anglo American shares. For telephone transactions call 0345 603 7037 (or +44 (0) 345 603 7037 from overseas) during normal office hours and for internet dealing log on to **www.shareview.co.uk/dealing**. You will need your shareholder reference number, found on share certificates, dividend tax vouchers and proxy cards. For further details on the postal dealing service, which is available for certain European residents, call 0371 384 2248 (or +44 (0) 371 384 2248 from overseas).

Unsolicited mail
Under the Companies Act, the Company is obliged to make the share register available upon request on payment of the appropriate fee. Because of this, some shareholders may receive unsolicited mail. If you wish to limit the receipt of addressed marketing mail you can register with the Mailing Preference Service (MPS). The quickest way to register with the MPS is via the website: **www.mpsonline.org.uk**. Alternatively you can register by telephone on: 020 7291 3310, or by email to: mps@dma.org.uk, or by writing to MPS Freepost LON20771, London W1E 0ZT.

Other Anglo American publications

- Sustainability Report
- Ore Reserves and Mineral Resources Report
- Tax and Economic Contribution Report
- Transformation Report
- Climate Change Report
- Our Code of Conduct
- The Safety, Health and Environment (SHE) Way
- The Social Way
- Notice of 2024 AGM
- www.facebook.com/angloamerican
- www.twitter.com/angloamerican
- www.linkedin.com/company/anglo-american
- www.youtube.com/angloamerican
- www.flickr.com/angloamerican
- www.slideshare.com/angloamerican

Financial and other reports may be found at:
www.angloamerican.com/reporting

A printed copy of the Anglo American Integrated Annual Report can be ordered online at:
www.angloamerican.com/site-services/contact-us

Group terminology

In this document, references to "Anglo American", the "Anglo American Group", the "Group", "we", "us", and "our" are to refer to either Anglo American plc and its subsidiaries and/or those who work for them generally, or where it is not necessary to refer to a particular entity, entities or persons. The use of those generic terms herein is for convenience only, and is in no way indicative of how the Anglo American Group or any entity within it is structured, managed or controlled. Anglo American subsidiaries, and their management, are responsible for their own day-to-day operations, including but not limited to securing and maintaining all relevant licences and permits, operational adaptation and implementation of Group policies, management, training and any applicable local grievance mechanisms. Anglo American produces group-wide policies and procedures to ensure best uniform practices and standardisation across the Anglo American Group but is not responsible for the day to day implementation of such policies. Such policies and procedures constitute prescribed minimum standards only. Group operating subsidiaries are responsible for adapting those policies and procedures to reflect local conditions where appropriate, and for implementation, oversight and monitoring within their specific businesses.

Disclaimer

This document is for information purposes only and does not constitute, nor is to be construed as, an offer to sell or the recommendation, solicitation, inducement or offer to buy, subscribe for or sell shares in Anglo American or any other securities by Anglo American or any other party. Further, it should not be treated as giving investment, legal, accounting, regulatory, taxation or other advice and has no regard to the specific investment or other objectives, financial situation or particular needs of any recipient.

Forward-looking statements and third party information

This document includes forward-looking statements. All statements other than statements of historical facts included in this document, including, without limitation, those regarding Anglo American's financial position, business, acquisition and divestment strategy, dividend policy, plans and objectives of management for future operations, prospects and projects (including development plans and objectives relating to Anglo American's products, production forecasts and Ore Reserve and Mineral Resource positions) and sustainability performance related (including environmental, social and governance) goals, ambitions, targets, visions, milestones and aspirations, are forward-looking statements. By their nature, such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Anglo American or industry results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Such forward-looking statements are based on numerous assumptions regarding Anglo American's present and future business strategies and the environment in which Anglo American will operate in the future. Important factors that could cause Anglo American's actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, levels of actual production during any period, levels of global demand and commodity market prices, unanticipated downturns in business relationships with customers or their purchases from Anglo American, mineral resource exploration and project development capabilities and delivery, recovery rates and other operational capabilities, safety, health or environmental incidents, the effects of global pandemics and outbreaks of infectious diseases, the impact of attacks from third parties on our information systems, natural catastrophes or adverse geological conditions, climate change and extreme weather events, the outcome of litigation or regulatory proceedings, the availability of mining and processing equipment, the ability to obtain key inputs in a timely manner, the ability to produce and transport products profitably, the availability of necessary infrastructure (including transportation) services, the development, efficacy and adoption of new or competing technology, challenges in realising resource estimates or discovering new economic mineralisation, the impact of foreign currency exchange rates on market prices and operating costs, the availability of sufficient credit, liquidity and counterparty risks, the effects of inflation, terrorism, war, conflict, political or civil unrest, uncertainty, tensions and disputes and economic and financial conditions around the world, evolving societal and stakeholder requirements and expectations, shortages of skilled employees, unexpected difficulties relating to acquisitions or divestitures, competitive pressures and the actions of competitors, activities by courts, regulators and governmental authorities such as in relation to permitting or forcing closure of mines and ceasing of operations or maintenance of Anglo American's assets and changes in taxation or safety, health, environmental or other types of regulation in the countries where Anglo American operates, conflicts over land and resource ownership rights and such other risk factors identified in Anglo American's most recent Annual Report. Forward-looking statements should, therefore, be construed in light of such risk factors and undue reliance should not be placed on forward-looking statements. These forward-looking statements speak only as of the date of this document. Anglo American expressly disclaims any obligation or undertaking (except as required by applicable law, the City Code on Takeovers and Mergers, the UK Listing Rules, the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority, the Listings Requirements of the securities exchange of the JSE Limited in South Africa, the SIX Swiss Exchange, the Botswana Stock Exchange and the Namibian Stock Exchange and any other applicable regulations) to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in Anglo American's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Nothing in this document should be interpreted to mean that future earnings per share of Anglo American will necessarily match or exceed its historical published earnings per share. Certain statistical and other information included in this document is sourced from third party sources (including, but not limited to, externally conducted studies and trials). As such it has not been independently verified and presents the views of those third parties, but may not necessarily correspond to the views held by Anglo American and Anglo American expressly disclaims any responsibility for, or liability in respect of, such information.

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