



Sustainability Performance H2 2022

31 October 2022

Introduction

Anik Michaud

Group Director, Corporate Relations & Sustainable Impact, Anglo American Plc

Slide 1 – Welcome

Good morning ladies and gentlemen.

Welcome, good to see so much interest and thank you for joining us this afternoon, our second Sustainability Performance Presentation of the year.

This continues our twice yearly updates as we chart our progress towards achieving our broad set of Sustainability ambitions.

And as we've said before, this is all deeply integrated into our strategy.

Slide 2 – Cautionary statement

I encourage you to read this slide carefully in your own time.

Slide 3 – Agenda

The order of play today.

After talking about some of our key sustainability metrics and progress, Duncan will update you on our response to Climate Change. Tony will then take you through some of the work we are progressing in the Biodiversity space and finally, Hilton will bring us a customer perspective on Responsible Mining.

Slide 4 – Safety share – fatal incident

Safety is always top of mind as we strive towards zero harm for every one of our employees and contractors, every single day. Nothing – and I mean nothing – can ever come before safety.

I wanted to talk a bit about how we and others in the industry share learnings from incidents so that everyone is aware of particular issues quickly and can take action to help prevent repeats and therefore save lives. We call on every mining company to do the same, consistently and without undue delay.

One such example was a fatal incident in our business this year. A technician was working to repair the hydraulic power pack of the boarding steps of a haul truck. These trucks are massive – the tyres are 13 feet diameter and the trucks weigh 200 tonnes when they are empty. Crews get on and off these trucks many times a day, in all weathers. Retractable boarding steps like the ones in the photo are offered by the OEMs and by third-party producers to reduce the risk of people falling from the vertical ladders that were traditionally fitted.

This design is used on trucks at several of our mines, as well as by many other mining companies around the world. The hydraulic power pack for the stairs is mounted in the floor of the first landing of the truck and, in order to observe the pumps and pipes in the pack, you need to look down into the floor area. While doing the maintenance, we believe the technician had positioned himself on steps outside the handrailed area and somehow activated the hydraulic system, which tragically crushed him with fatal consequences.

Immediately following the accident, we deployed trauma counsellors and senior leadership to the mine to support the site team and of course our employee assistance programme has been in full swing. Based on

initial information about the incident, we issued an internal alert, an Immediate Call to Action, to all of our mines. This instructed them to immediately review procedures and risks around powered ancillaries such as these steps. An investigation by the regulator is ongoing, and we are and will of course continue to support that investigation with information and access. An initial briefing was also shared with the ICMM as part of our commitment to safety of the broader industry and this is also why I wanted to share this with you today. Awareness and sharing the details of incidents is really important for saving lives – many lives across the industry every year.

Now I will hand across to Duncan.

Opening Remarks

Duncan Wanblad

Chief Executive, Anglo American Plc

Thanks Anik, and welcome everyone, good to see you and thank you for joining us this afternoon, my first Sustainability Performance presentation as Chief Executive.

Before I get into the detail of our sustainability performance, you may remember that in July I talked about a \$100 million 10-year loan agreement with the IFC. This is linked to the delivery of sustainability goals that are integral to our Sustainable Mining Plan: in this case, in South Africa, supporting the partnership we have with government to significantly increase attainment levels in host community schools and creating or supporting 3 offsite jobs for every onsite job by 2025. Since then, we have issued our first sustainability-linked bond, including performance targets to reduce greenhouse gas emissions and fresh water abstraction, and to support job creation in host communities. This was the first of its type for a mining major.

There is growing awareness of the centrality of mining to enabling the energy transition, and the contribution we can make to delivering a more sustainable future. Recognising that many of the metals and minerals we produce are critical to the technologies required to decarbonise the world's energy and transport systems, our commitment to being part of the solution to climate change begins in our own business by meeting our emissions reduction and carbon neutrality goals, while supporting our communities in terms of skills, jobs and helping catalyse new economic activity. This transition must consider all of society – it must be "Just".

That is why we have decided to put in place our Sustainability Financing Framework, further demonstrating our commitments to sustainability in the round, and meaningfully linking certain of our funding requirements to the stretching sustainability objectives we have set for our business.

Slide 6 - Focused on restoring improvement trend

As Anik, talked about, safety is always top of mind as we strive towards zero harm for every one of our employees and contractors. I am sad to report that we experienced a second fatality this year at our managed operations – in September. An Immediate Call to Action was launched by the Group to address initial findings from the incidents.

I have talked about our uptick in injury rates as we climb out of the Covid disruptions, after many years of continuous improvement. We remain laser-focused on reversing this trend – and we have seen an improvement in the recent quarter.

We have continued to record zero new cases of occupational health issues in 2022 as well as no level 3 or above environmental incidents – both reflecting our continued work on working environments and planning, controls, and predictive monitoring programmes.

Slide 7 - Positive progress towards sustainability objectives

Looking briefly at three of the key components of our sustainability performance.

For both energy & GHG emissions, our efficiency improvements offset the additional emissions from increased production in Steelmaking Coal compared to 2021, as well as Quellaveco coming online.

Continued good work on the implementation of our Social Way 3.0 management system – as well. As I have said before, it is a much higher bar than any in the industry. Our 49% implementation of the foundational requirements, from the end of in 2021 already represents a higher overall level of performance than the 96% that we reported in 2019 against our old Social Way, and the wedge on the right hand side shows you broadly what we expect for 2022.

Slide 8 - 2030 Sustainable Mining Plan goals integral to strategy

You will be familiar with our Purpose and strategy context – but it is worth re-iterating how our innovative approach to Sustainability is at the heart of our business strategy.

Our Sustainable Mining Plan is designed to deliver outcomes aligned with our Purpose of re-imagining mining to improve people's lives – and deliver enduring value in its many different forms for our wide range of stakeholders.

The three pillars of our Sustainable Mining Plan, originally launched in 2018, include goals aligned to 12 of the 17 UN Sustainable Development Goals – the ones we felt we could most positively impact. These goals are embedded into our business planning at a granular level, in the same way as our operational objectives, which is critical in turning ambitions into outcomes.

And, we ensure that this set of goals remains relevant to our stakeholders through significant engagement and scanning of what we perceive as key risks to ensure we are still focusing on the right issues. We are broadly comfortable with the set of goals as they stand but will continue to evolve them as needed over time.

Climate Change

Duncan Wanblad

Chief Executive, Anglo American Plc

Climate change is undeniably the defining challenge of our time and, as we have said repeatedly, we're committed to playing our part. Today I want to update you on how we're delivering against the commitments we've made and in positioning the portfolio to deliver the future enabling products the world needs for a cleaner, greener, more sustainable future.

Slide 10 - Our pathway to greener production of metals & minerals

First a reminder of our decarbonisation commitments.

For Scopes 1 and 2, we have a target of reducing emissions by 30% against a 2016 baseline by 2030, on our way to achieving carbon neutrality across the portfolio by 2040 - you'll be familiar with the chart on the left which gives a clear indication as to how we expect our emissions profile to evolve.

We always said that over time we would fill in the detail of achieving our reduction targets and there have been a couple of developments since our April presentation:

1. As we have talked about a couple of times - the launch of nuGen and the first motion of our zero emissions haulage solution.
2. The creation of Envusa Energy, a new joint company with EDF Renewables, which we are setting up to produce the renewable energy we need to decarbonise our Southern African operations

For Scope 3 we have set an ambition to reduce our scope 3 emissions by 50% by 2040 from a 2020 baseline. I won't be sharing more on Scope 3 today, but we're working hard to turn that ambition into a pathway and we'll share it soon. This month we signed a memorandum of understanding with longstanding customer Thyssenkrupp Steel to collaborate on developing new pathways for the decarbonisation of steelmaking. The collaboration will focus on joint research to accelerate the development of high-quality feedstock for lower carbon steel production and builds on similar partnerships we have formed with other longstanding steel customers such as Salzgitter and Nippon Steel.

Another area we'll be able to talk more about soon is enhancing our approach to assessing and mitigating the risks associated with the changing climate. The resilience that such an approach will bring, will not only be important for our operations, but also key points in our value chains and for our host communities.

Slide 11 - 2040 carbon neutrality before 90% of 1.5°C pathways

Before getting into the detail, I wanted to step back and look at the question of ambition.

Like many other companies, we are being asked whether our emission reduction targets are ambitious enough. As many put it, are we "aligned with Paris"?

This is a more difficult question to answer than it might seem. There is no agreed way to assess whether targets are aligned to pathways constraining global temperature increase to 1.5°C, and not even a single consensus definition of what this or 'alignment with Paris' means.

First, the context. We set our current Scope 1 and 2 target of an absolute 30% reduction by 2030 of our 2016 emissions in 2018. At that stage the target was sector-leading. We also knew that our emissions would rise in the years immediately after 2016, due to production growth outpacing emissions reductions. This means that the reduction from peak emissions in 2019 to 2030 is actually ~45%.

With this as the context, to assess our level of ambition we undertook an internal review and then sought third party verification of our work from the Carbon Trust. This review compared the emissions reductions we were targeting between 2020 and 2030 with the many 1.5°C pathways defined by the UN's Intergovernmental Panel on Climate Change (IPCC).

The combination of our internal analysis and the independent gap assessment give the Group confidence that our Scope 1 and 2 targets and trajectory are aligned with a well-below 2°C scenario and broadly in the range of a 1.5°C world.

Beyond 2030, our scope 1 & 2 emissions target of carbon neutrality by 2040 is well within the range of Paris aligned scenarios that are out there.

Slide 12 - Collaboration & partnership key to decarbonisation

Purchased electricity and diesel emissions are two major contributors to our operational emissions. For the first part of this, renewables are key for our decarbonisation pathways.

We already have contracts in place across our South America operations meaning that around half of our electricity supply is already from renewable sources.

The solution for Southern Africa is necessarily different, as the renewable capacity does not yet exist. Our creation of Envusa Energy, which I just mentioned, is the next step towards a renewable energy ecosystem across Southern Africa – with a 3-5 GW increase to grid capacity.

We expect this investment will be funded by a number of equity partners & debt financing typical for high quality infrastructure projects of this type. The first wave of projects to deliver over 600MW should begin construction in 2023.

This is not a process that we can do alone though. It needs effective collaboration and partnership across business and government to drive this change – and our work in South Africa demonstrates this.

We are working to support South Africa's NDC climate goals, which specifically state the need for public private partnerships. 18 months ago the public policy space was very different, and our ability to build the type of renewable capacity we are looking to was impossible. But through constructive and deliberate engagement about how we can play our part in creating solutions for South Africa, and not just solve our own carbon emissions conundrum, along with other changes in stakeholder expectations, has taken us now to a very different place and having the types of public private partnerships discussions we know we need to move forward at pace.

Finally, on diesel emissions, you have heard from us a few times about our work developing hydrogen powered trucks, towards achieving zero emissions haulage. We announced a few months ago a non-binding agreement to bring together nuGen with First Mode – our engineering technology partner on nuGen – in a new combined business to accelerate the development and commercialisation of this technology, including for applications beyond mining – such as rail. This would also allow strategic third parties to co-invest, helping drive scale more quickly and supporting broader decarbonisation objectives that will benefit from the potential of this clean technology. It also means that we don't need to just use our balance sheet to fund this game-changing technology.

Assuming we progress as we envisage, we expect to replace our global fleet (which is currently ~400 diesel trucks) with zero emission ones over the next decade.

Slide 13 - Our diversified portfolio is suited to future demand trends

The vast majority of our portfolio is of what we call future-enabling products, being the metals and minerals needed to enable the future that we are all aiming for. Our portfolio thereby exposes us to the major long-term demand themes – primarily a cleaner, greener, more sustainable world with a growing, global population that needs homes, transport, food and a decent quality of life.

Next slide please, and I will hand over to Tony.

Biodiversity

Tony O'Neill

Technical Director, Anglo American Plc

Slide 15 - Re-balancing nature and nurturing biodiversity is integral to our Purpose

Our planet and its ecosystems are at a tipping point due to the pressures of climate change and the way humanity uses our resources, including Nature and Biodiversity which are declining at an unprecedented and accelerating rate, with potential for significant negative impacts for humanity within the next 10 years.

Living up to our Purpose includes Nature and Biodiversity - given its fundamental role to enabling thriving ecosystems through healthy waterways, climate change impact, wildlife and habitats.

This challenge impacts the communities and stakeholders that we partner with, and it refocuses our responsibility as it is imperative we play our part and contribute to the re-balancing and nurturing of nature, ensuring that we understand the biodiversity in the areas we operate, our impact on it, and how we ensure our overall biodiversity impact is net positive. We have a huge opportunity in front of us, going beyond compliance to operating with purpose.

Slide 16 - Biodiversity and water are inextricably linked

Approx 65% of our operational sites site within semi-arid areas.

In general, these areas lack strong on-ground information, data is erratically collected.... we are playing a role in addressing this..

One of our biggest challenges is water - and biodiversity has a major role to play in the quality and quantity of water, particularly in semi-arid areas where we operate and vice versa, water obviously plays a huge role in maintaining biodiversity.

Looking more closely at these semi-arid areas; In Chile and our sites in Kumba Iron ore we modelled and designed new rehabilitation landforms that promote increased water retention, reduce land and soil erosion from run off which in turn creates a cleaner and more reliable supply of water to supply both the ecosystems needs and also that of the wider community.

In Peru we undertook a wide catchment level evaluation looking both at our Quellaveco site and well beyond so we have a more detailed understanding of the functionality of the whole ecosystem. This level of assessment as part of our biodiversity management programme had never been done to this detail before which included a much improved definition of the important Bofedales habitat within our operational footprint, its extent and needs. So our management plan focuses on more water retention in this wetland, improving wetland function which will overall increase biodiversity in this region and improves the overall management of the catchment.

In Australia at our Dawson mine we are rehabilitating old pit locations through storing water and utilizing microbes, a key biodiversity feature often missed, to allow us to both improve the quality of this water which in turns makes it more available for other uses and promotes more biodiversity gain locally that will in-turn spread create new biodiversity corridors that will enhance a wider catchment area. We recognize that biodiversity exists at large and small scale and we are excited about our innovative work on microbes and role they can play in supporting both nature and water outcomes.

Slide 17 - Positive outcomes across our business

Water is only one of the connections with biodiversity, obviously there are others, including climate change and ecosystem functionality. Across our organization we are already achieving positive biodiversity outcomes now.

Here are a few selected examples from across the business.

In Brazil at our Iron Ore operations not only have we created a significant voluntary offset area to protect key threatened regional habitats we have created a new nursery that is cultivating important native plant species, rehabilitates relocated plants and integrates them into habitat improvement projects across our own site as well as the neighbouring landscape. 160 native species are in cultivation and already reforested. And we are also targeting the protection and restoration of important Iron Stone Forest habitats.

While over in Chile, in our Copper business, we have partnered with local communities and governments to redevelop important local seed banks, we have increased our own and community-owned nursery capacity and integrated this into a re-planting programme on areas of land impacted prior to our operations on site. We have several important endemic vulnerable species in our banks that will support future rehab efforts.

Using eDNA in our Woodsmith project we identified key species that have returned to the site area as a result of our ongoing biodiversity management plans and establishment of a new wetland. Subsequent creation of more of this habitat has also increased biodiversity in insects populations, bats and birds. For example the Harvest Mouse, a previously thought to be extinct in the NY Moors area.

We have many more examples across the business and across the diverse landscapes in which we operate and we continue to drive innovation and set-up partnerships to increase our positive impact and to measure our progress.

Slide 18 - Our commitment: To deliver Net Positive Impact on biodiversity across Anglo American

You can see that we recognise the threat of nature loss and helping to re-balance the system requires going beyond a business as usual or no net loss approach. Consequently, as part of our Sustainable Mining Plan, we committed in 2018 to deliver Net Positive Impact on biodiversity across our managed operations over their life – assessed against a verified 2018 baseline, and to have these plans independently assessed and embedded in our life of asset plans.

We have laid out a pathway to demonstrating net biodiversity gains in the areas we operate, which started with the roll out and implementation of our Biodiversity Standard at the end of 2018, this defines how we measure, assess and manage biodiversity. It is critical that biodiversity impacts are incorporated into the design principles of a mine and fully integrated with mine planning, from the source, through engineering, through technical innovation and along the value chain, at all stages of our business from new projects to end of mine life.

We are working to understand how we can positively and pro-actively impact the biodiversity in the regions in which we operate, particularly in those that are semi-arid where biodiversity is harder to maintain and cultivate and information is also much less available and accurate.

By the end of last year, we had completed detailed baseline assessments across all managed operations, defining and assessing significant biodiversity features including key habitats, key species and important ecosystems to protect and further restore. From this, we developed biodiversity management programmes for each site. These programmes are multi-faceted. It defines the key features, it defines which ecosystems

can be improved or restored or further protected. It includes measurements of progress to ensure our actions are adding value. The plans are used to feed into both regional and national biodiversity programmes, so we add value beyond just our own site work.

Although the verified baseline is 2018, we also know we have had impacts before this time that need to be qualitatively assessed and compensated and we have also incorporated this into our plans where we define additional conservation actions (For example funding specialist research into threatened species or habitats so they can be better conserved).

Biodiversity is not easy to measure. Calculating Net Positive Impact requires a currency or metric, in order to quantify & qualify biodiversity lost & gained, which must rely on defensible & measurable units.

We have an industry leading eDNA programme, running at 16 sites now and will cover all our operational sites by the end of 2023. We are using eDNA sampling in water, soil, air and down to a microbial level to help us assess and monitor the environment. What does this tell us? It tells what is present at a level of detail not possible before, this enables a species and habitat level approach to biodiversity mgt. The microbial element also enables to assess overall ecosystem health and recovery. This means we can see gain from our mgt approaches occurring most faster but also where the mgt programme could be changed.

We see tools like eDNA, drone surveillance and fine level ecosystem mapping being integral to dynamic and successful biodiversity management programmes. These are in place across our sites, they assess and updated to ensure progress ad trajectory towards NPI.

Slide 19 - Long-term and meaningful global partnerships & collaborations

Finally, we cannot do this in isolation.

That is why we have developed, and continue to develop, programmes and projects with long-term credible partners who see our work as leading in the space, as well as networking with a broad range of groups in the biodiversity and nature sector. We are leading the way in creating a new e-Bio Atlas to make more improved data available to drive more protection and management decision making.

We are also at the forefront of efforts to develop nature-based disclosures – we are the only mining company that is a member of the Task Force on Nature-related Financial Disclosure or TNFD. TNFD is working towards transparent disclosure on nature-related risk at a detailed level, considering impacts, measurements, dependencies of companies on nature, and how these are being managed towards nature-positive outcomes. It is also designed to support the development of globally adoptable frameworks for disclosure that promote biodiversity and nature integration into business decisions and communicated through consistent metrics and KPIs. If we look at how TCFD helped to shape target setting and reporting on Carbon, TNFD aims to do the same for Nature, but in an accelerated manner based on the learnings from TCFD.

So in summary we continue our Net Positive Impact pathway with site owned and delivered biodiversity management plans that are driven by FutureSmart Mining and designed into our life of asset planning. At the same time we continue to work with our global biodiversity partners to deliver and verify positive outcomes and bring the ethos of future smart mining to our nature challenges.

Most importantly, we don't see our work on biodiversity and nature singularly, it is interwoven with our work on climate, water, carbon neutrality, thriving communities..... We will keep you updated as we continue our journey and now I would like to hand over to Hilton Ingram.

Responsible Mining

Hilton Ingram

Executive Head of Marketing, Anglo American Plc

Slide 21 - Maximising value from our mineral resources & market positions

Our strategy is centred around a portfolio of high quality and long-life assets, world class people united by a common purpose, and innovation.

FutureSmart Mining, and within it our sustainable mining plan, provides a sound foundation for us in Marketing to create value for our customers and for Anglo American through our three pillars of: product, partnership and provenance.

Product sees us maximising the value of our quality products through effective marketing, efficient value chains and sourcing complimentary third-party product.

Partnership is about us understanding our customers' unique needs and tailoring solutions to meet those needs.

And Provenance - assuring our customers that our products have been mined and sourced to the most exacting standards.

Slide 22 - Customers focused on supply chain integrity & ESG credentials

When customers choose to buy from Anglo American they put their reputation in our hands. We believe that the way we safeguard our customer's reputation sets us apart from the competition.

Our customers are increasingly being held accountable for the integrity and sustainability credentials of their supply chains. Thanks to increasing demand from consumers, shareholders, and legislators.

So, how do customers get assurance on the sustainability credentials of their suppliers?

- Regulation is no longer an option given different standards and levels of enforcement worldwide.
- Auditing every single supplier is also not an option – big manufacturers have too many suppliers to audit and the number of audits for those suppliers is becoming a real burden.
- So many of our customers are turning to sustainability certification programmes. But these have to be credible, including support from NGOs and trade unions, otherwise our customers still feel at risk of reputational and legal harm.

Slide 23 - Anglo American supported development of world's most respected responsible mining standards

Anglo American has been engaging with responsible mining standards since 2005. This started in De Beers and the work done with the Responsible Jewellery Council in response to the scourge of conflict diamonds. This raised questions about how to deal with similar challenges in our broader business, without having to create and be audited against new standards for each product or customer segment. So, in 2008, we joined other mining companies, customers, and NGOs to try and establish a universally acceptable responsible mining standard.

That process led to the development of the Initiative for Responsible Mining Assurance, or IRMA's, standard, which is widely regarded as the most rigorous of mining standards not least because of the multi-stakeholder coalition that supports it, including customers, NGOs and trade unions.

While Anglo American has taken a leadership position in IRMA, there are now 65 mining companies engaging with it, showing that there is support for a rigorous standard that has high levels of stakeholder trust.

We have also continued to engage constructively with other schemes in partnership with industry peers and customers, for example ICMM's Mining Principles, the CopperMark and Towards Sustainable Mining in Canada and more recently Australia. In 2022 our X Copper operations received the Copper mark

Slide 24 - Commitment to assure our operations against a recognised responsible mining standard by 2025

In recognition of the growing importance of provenance to customers, in 2018 we included a commitment to assuring all of our operations against recognised responsible mining standards by 2025. We set this out as one of nine stretch goals in our Sustainable Mining Plan and I'm pleased to report that we are on track to meet that target.

For De Beers, we are continuing with our longstanding commitment to the RJC, which provides an integrated system to ensure responsible practices across the whole of the diamond value chain, from mine to retail.

For our industrial metals and minerals, our approach is focused on IRMA. By adopting the most rigorous standard as our starting point we can efficiently meet the requirements of both membership organisations like ICMM and other certification schemes that our customers may look for without increasing the cost or audit burden on our sites.

One thing we are always keen to stress is that we mine to Anglo American's demanding standards. In most instances, our standards meet or exceed the requirements set by IRMA. For the balance of requirements, we are looking at where we could improve our standards, or where IRMA, which is still in its first iteration, could achieve its objectives in other ways.

The first site we audited against IRMA was Unki, one of our smaller PGM mines, based in Zimbabwe. We were delighted to get the IRMA 75 rating there. After a hiatus caused by the pandemic, we had six more sites audited last year. Final results for those will be published in the next few months and, while we don't necessarily expect to match Unki's very strong performance at every mine, we are hopeful of positive outcomes.

Slide 25 - Growing interest in mine certification from metals users

Not only is our commitment to credible mining standards further evidence of us living up to our Purpose, but it also makes sound economic sense. Does this mean we'll be able to add the mythical "greenium" to the bottom of an invoice? I'd never say never, but I think that's unlikely.

However, we are increasingly finding that our most valuable customers are those whose values and aspirations align with our own. Those who are interested not only in the tangible qualities and characteristics of the commodities we sell but, more importantly in the values and commitment of those who mine them.

This slide shows the companies that have publicly committed to using IRMA as it covers multiple commodities thereby simplifying their responsible sourcing activities by combining all their mined raw materials needs into one standard.

Their support creates opportunities for us in marketing to capture a first mover advantage with these companies and other early adopters.

It also enables us to build trust with our valued customers and to leverage this trust for greater value. Customers that trust a supplier are more open about opportunities to increase their revenue, decrease their cost or reduce their risk. All opportunities for us to add value to our customers and to Anglo American.

Trustworthiness is not only important to our customers but is equally important to our host governments that entrust Anglo American with their precious resources. and to the communities that afford us the opportunity to mine those resources

Finally, sustainability certification programs provide investors with the ability to benchmark responsible mining credentials, build trust, and hopefully make the right calls.

Positioned for a sustainable future

Duncan Wanblad

Chief Executive, Anglo American Plc

In summary, the world we are living in is changing in so many ways, not least in society's expectations of businesses across many industries. I believe we are well positioned to deliver. We have set this business up to be resilient, disciplined, opportunistic – and responsible. We have the people, the assets, and the capabilities to deliver sustainable returns.

Right now, our feet are firmly on the ground for the tough macro-outlook in the near term.

I want us ready to come out the other side even stronger and to deliver the metals and minerals the world urgently needs in the cleanest and most socially responsible way possible.

With that, we are very happy to take your questions.

Q&A

Myles Allsop (UBS): Thinking about this year and the performance of Anglo, there have been a whole host of operating issues, whether it is in steelmaking coal, in iron ore, PGMs, or copper - maybe it is worth contextualising what is behind that? I think it is probably quite common to a lot of companies, you have made all this progress from an ESG perspective, but it does not feel like the operating performance has been as reliable as it was 12 – 18 months ago?

Duncan Wanblad: Thank you Myles. I did point this out at the half year and the story has not changed significantly since then. It is an extraordinary year for all sorts of reasons, many of them related to the topic that we are discussing today - climate change and the impact that that is having on the business. We plan quite thoughtfully around cycles; it rains every year in almost every country but we cannot predict exactly what the rainfall is going to do.

We are going through our planning process for next year right now and we will take the data and learnings from this years' experience into the process.

At the beginning of this year, in every country that we operated in, we had excessive rainfall that took longer to deal with in terms of the impact on our mining operations and the infrastructure we use. On the other side of that coin, we had an excessive level of drought that affected the operations in Chile. Which by and large we managed to plan for, but actually, were more extreme than we expected them to be.

The second element is this issue of the impact of coming out of COVID. For two years we operated the business in a way that would be inconsistent with the operating model that we have, and that was deliberately so, in terms of managing access to sites, managing the social distancing between employees and contractors, managing the way we operated and had to work during what was a terribly disruptive period for everybody, not just for us.

I think the consequences of some of that, aligned with some of the climate issues, played through into the business. Your ability to execute planned work is a function of your ability to resource the work that you plan, and, for two years, there were some operations that had 50% of the people on site, as a result of dealing with conditions associated with the pandemic.

Primarily, those were two key overhanging issues that existed in the business that we are working through. I said that quarter two was going to be better than quarter one, and quarter three was going to be better than quarter two, and it was. We expect that trend to continue.

Myles Allsop (UBS): The other question is around legacy assets and how you are dealing with these. The tailings dam of the old De Beers mine in South Africa - how does that fit in with your broader approach to ESG? Obviously, it is very focused on current assets, but maybe there is a legacy challenge that impacts reputation as well?

Duncan Wanblad: I think we definitely have a responsibility to ensure that when we divest assets it is done responsibly. But I do not think it is true that we can be accountable for every single asset that we divest. We will take the right process and ensure that the people that are going to be operating those assets, are doing so in a way that we would expect them to be operated. I think that De Beers absolutely did that with Jagersfontein, more than that I do not think there is anything that we could do. That is different from legacy assets that we hold but do not operate anymore. There we have a direct responsibility to deal with those assets as if they were operating assets.

Sylvain Brunet (Exane BNP Paribas): My first question is on your GHG reduction target and pathway. You have given us the ambitious target to 2030. Wondering if you had some sense or a range of where you would like the company to be at the mid-point of that, in 2025?

My second question is on water, the bottleneck in Latin America and specifically Chile in your case. Do you believe the mining industry will manage to avoid new regulation in this area and are you engaging with the Chilean government on this? And what are the solutions that you are putting in place to avoid this?

My last question is on the S of ESG. How do you ensure that you stay on top of what communities really want? Often, they get asked extensively before a project gets started and at the time of approval, but how do you ensure that these trusts and this understanding of each other remains at its best throughout the life of the mine?

Duncan Wanblad: Thanks Sylvain. On the first one in terms of where we would like to be on our progress, that is described on slide 11. That is a trajectory, a pathway within our existing assets that show where we hope to be from a neutrality point of view. There are many things that this is dependent on - the rate at which we are able to develop technology, the rate at which governments change some of their regulatory environments, etc. But that is the direction of travel.

As far as water risk goes, particularly in Chile, this is a really big issue. The continued reliance on continental water in the region is going to be problematic. Tony and his team have been working very hard with Ruben to come up with more sustainable long-range water solutions that do not rely on having to swap around ground water sources in times of emergency. We are very close to a complete solution which would involve both the use of grey water and desalinated water, and that in time would see us eradicate our dependence on continental water.

I think it behoves industry to work more closely with one another in more effective partnerships. The number of desalination plants that are going up in South America, particularly in Chile are extraordinary. But to be able to consolidate around combining big infrastructure projects like that, is probably the next step of sustainability at a macro level that we as an industry all need to work on.

Anik Michaud: To answer the S and how we know what our communities want? Our approach is not mine-centric but engagement-centric. Engagement, engagement, engagement is the name of the game. From our processes point of view, one of the targets in the Trusted Corporate Leader part of our Sustainable Mining Plan (SMP) is that we have local accountability forums. That ensures that we are co-creating with a community, that we do not take a paternalistic approach in thinking that we know or that we understand what they want better than they do. We also have our Social Way 3.0 that we are in the process of implementing and through some of those processes, we have some ways of understanding some of the causes of the issues that we have.

Ian Rossouw (Barclays): To follow up on Sylvain's question about the Chile water situation, Duncan mentioned continuously trying to improve the water performance of the operation. If we have the same droughts next year as we had this year, do you have other measures or sources you can add to Los Bronces to improve production? Or when can we expect to see a bit more self-sufficiency on some of the options you are looking at?

On Quellaveco, there has been some news reports about the community or local regional governors questioning some of the water licences. The water licences at Quellaveco have been issued and you have the permits but wanted to get a sense of what is going on. It seems that the Agricultural Ministry is looking at a review of those licences, so wanted to get your insights on that.

Then lastly, on the hydrogen truck at the Mogalakwena mine. Keen to hear how that is progressing. Has the truck been hauling ore or waste around? And whether you have been able to ramp up the electrolyser and producing hydrogen for that truck on site?

Duncan Wanblad: Ian thanks for the questions. Over the last few years, we have spent quite a lot of time trying to swap these ground water sources around for more sustainable long-term sources. We have done a lot of work with our neighbour at Andina, to ensure that we are optimising excess water between the two operations. That has been very constructive, but as we have pointed out, clearly not enough to cope with the extreme weather conditions that happen from time to time.

The integrated water solution that I mentioned was around the implementation of a desalination plant. That will take some time to get in place, but ultimately what we will do is swap that water out with the water that becomes available from a grey water plant facility. Stephen will be able to confirm the timeline on that.

In terms of next year, our water stocks going into next year are significantly healthier than they were coming into this year. Much of the water there is a function of the snow melting and there was some good snow this year.

Stephen Pearce: We will continue with the interim arrangements in terms of supplementary sources and trucking in water for the next couple of years. The Los Bronces solution will be implemented in a couple of stages. The first few stages will be some of the grey water sourcing and pipelines into the site. And then the second stage will be the desalination plant which will provide clean water. It is another 2-3 years by the time those phases are fully implemented.

Duncan Wanblad: Thanks Stephen. And then on Quellaveco, we do have all of our water licences. All the processes that we followed in terms of acquiring those water licences were the legislative processes that were in place at the time that they were acquired, and the consultation was done in terms of an effective dialogue with stakeholders. All of that said, it is true that there were questions from within Peru about whether these processes were followed appropriately, and subsequently it has been determined that it had.

I think this is the nature of any democratic society, these questions will come up from time to time. What we need to do is continue to engage, ensure that what we are doing is right and we are doing it the right way. At this point in time there is no threat to Quellaveco or its licences.

Ian Rossouw (Barclays): Reading some of the press articles – it is a 22 million cubic metre licence and I recall you are only going to use four of that and the rest will be released to the community. So, the community will benefit from that, but they seem to be complaining. Is that true?

Duncan Wanblad: The issue that arose here comes from a community that is in a completely different valley from the one that we operate in. It is a very complex set of equations that go to play which is why I am very confident that the process that we followed was robust and the technical solution is robust.

Anik Michaud: To add, we also had very good support from the regional governors of the valley where we operate, and many government officials have gone on record supporting our licences.

Tony O'Neill: On the hydrogen truck it was undergoing fully loaded trials last week - including tipping in the crusher. That all went well, so the whole development programme is going quite well. On the hydrogen side, we have been to market for gas, but we are also preparing to explore the commercials around going liquid. At this point, there is no further expansion of an electrolyser. It is not a critical path at this point, but we need to sort out the commercials for supply in the next six months. This investigation is more around range, the number of refuelling stops over a day, and if you go liquid, that solves for that.

Danielle Chigumira (Credit Suisse): Firstly, I found Hilton's comments on the lack of a likelihood for a greenium interesting - what is driving this view? Is it to do with how nascent the standards are or how small those customers are as a percentage of metal demand? Or something else?

Secondly, in terms of biodiversity, Tony spoke to some of the challenges around measurements, how will you measure overall whether the net impact on biodiversity is positive versus 2018? Will the eDNA, which you have spoken to, enable Anglo to adopt some kind of data-based nature capital accounting? And then what kind of timeframe should we be thinking about for that being disclosed to the market in terms of the data?

Then finally on Envusa - for the 600MW of projects which are almost shovel-ready, what is the financing agreement in place for those projects?

Hilton Ingram: When you talk to customers you will find that there is a bit of a reluctance to pay for what they think people should be doing anyway. Their perspective is that we should be doing the right thing, and Anglo signing up to IRMA and other certification standards is a clear demonstration of that.

That said, we are seeing increasing requests for these certification schemes to be added to contracts by our customers. This clearly gives us an opportunity because we are an early adopter to create additional value by engaging with those customers. Some days you can say that not having your competitors in the room is priceless. So, there are other ways for us to be able to get value, and not just through the distinct premium you can add to the bottom of an invoice.

Tony O'Neill: It is a good question because clearly measuring biodiversity change is somewhat subjective and there will be species change. So how do you rank the different species relevant to each other? At this point, we do not have the answer to that and clearly, we are going to have really good data, but it is probably going to take around 3-5 years for a methodology to be sorted out that everybody is happy with in this space. Maybe the TNFD (Taskforce on Nature-related Financial Disclosures) and the sources through that will help with that, but at this point, I actually think it is a question still to be solved.

Stephen Pearce: These projects are all quite typical of infrastructure energy projects and will be funded with that usual mix of equity and debt - around that 20% equity, 80% debt mark. We are still finalising the power purchase agreements that sit behind that, which will help determine the funding structures. But our equity contribution will be relatively modest. For that first 600MW, our equity contribution will be well below \$100 million over that next 2-3-year period, as those projects get built out. The majority of them are in Envusa and the one partnership with EDFR and their renewable in Mogalakwena. So really comfortable with how those projects will sit, and the funding arrangements are being finalised as we speak. They will largely be infrastructure funded with partners, community partners and bank counterparts with offtake arrangements for us as the customer.

Myles Allsop (UBS): Wanted to follow up on nuGen and can you give us a sense as to how much you have invested in these hydrogen trucks? What is the value because it is a huge opportunity above and beyond just Anglo American. And what is the timescale to monetise on this investment, the progress you have made so far?

Stephen Pearce: So far with all the work we have done, we have invested less than \$200 million. We will probably look to invest a similar amount over the next couple of years. Duncan mentioned we are looking at finalising the MoU announcement that we had with First Mode, assuming that that gets completed, that enables us to potentially attract other investors in that vehicle. Accelerating the rollout of trucks to ourselves, the broader industry and the deployment of the same technology into other businesses and industries. We think that is a potentially very valuable path forward. It does depend on a lot of hard work and rolling out a

very new technology that we did not see in the market and that we felt we needed to help fund that opportunity.

But it is a good example of what you view as potentially a cost in the early stages can become an investment and interest in a very valuable company going forward. When you are prepared to take a leadership position in some of these sorts of initiatives, it can change the equation from being a cost within the business to potentially being value-enhancing to the business.

Duncan Wanblad: Another example of this is when we changed our energy supplier agreements in South America to renewable energy, it was deeply NPV-accretive but at the time that we started that process it felt like it was going to be a big cost. The role that we are playing in terms of the integrated energy ecosystem that we are looking to develop in Southern Africa is very, very NPV-accretive.

Danielle Chigumira (Credit Suisse): Following up on the emissions flightpath. I think I heard Duncan mention that there will be additional emissions from increased production from Quellaveco and steelmaking coal. That does not seem to be reflected in the flightpath that you disclose. How do I square the circle for that?

Duncan Wanblad: The point that I was making was despite the fact that we have added Quellaveco we are still doing really well.

And yes, we will add and take away as assets come and go from the portfolio and every time we do that we will let you know. We have not done that yet.

[END OF TRANSCRIPT]