



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 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 meet the needs of a growing population, from homes and electronics, to food and luxuries – these are future-enabling products.

Cover image
Environmental engineer contractor Márcio da Silva inspecting trees planted as part of an initiative by our Barro Alto nickel operation to restore forest land in Brazil’s Pedras de Fogo region.

Sustainability performance

Safety and Health

Work-related fatal injuries 

3
2022: 2
Target: zero

Total recordable injury frequency rate 

1.78
2022: 2.19
Target: year-on-year reduction

New cases of occupational disease 

15
2022: 5
Target: year-on-year reduction

Workforce potentially exposed to noise over 85dBA 

19,173
2022: 23,179
Target: year-on-year reduction

Workforce potentially exposed to inhalable hazards over OEL 

533
2022: 317
Target: 5% year-on-year reduction

► See more on our sustainability data here: angloamerican.com/sustainabilitydata

Environment

Energy consumption 

89 million GJ
2022: 83 million GJ
Target: 30% improvement in energy efficiency by 2030, against a 2016 baseline

Greenhouse gas emissions (Scopes 1 and 2) 

12.5 Mt CO₂e
2022: 13.3 Mt CO₂e
Target: 30% absolute reduction by 2030, against a 2016 baseline

Fresh water withdrawals 

38,040 ML
2022: 35,910 ML
Target: Reduce the abstraction of fresh water by 50%, against a 2015 baseline by 2030

Levels 4–5 environmental incidents 

0
2022: 0
Target: Zero

Targets key

-  Target met
-  On track/in progress
-  Target not met



Further information around our key sustainability performance indicators can be found on page 18.

Socio-political

Social Way implementation (based on updated Social Way for 2020)⁽¹⁾ 

73%

Local procurement spend

\$13.0 bn
2022: \$13.6 bn

Taxes and royalties borne and taxes collected

\$5.1 bn
2022: \$5.9 bn

Number of off-site jobs supported

139,308
2022: 114,534

People

Women in management 

34%
2022: 32%
Target: 33% by 2023

Women in the workforce

26%
2022: 24%

Voluntary labour turnover

3.5%
2022: 3.6%

⁽¹⁾ 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.

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Inspecting a tree sapling at one of our many biodiversity regeneration projects in Brazil. (Photo credit: NITRO)

Our reporting suite

You can find this report and others, including the Integrated Annual 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/reporting

FutureSmart Mining™

In order to live up to our Purpose, we are changing the way we operate through smart innovation that connects technology, digitalisation and a holistic approach to sustainability.

► For more information, visit:
angloamerican.com/futuresmart

Social channels

 AngloAmerican

 @angloamerican

 Anglo American

 angloamerican

 angloamericanplc

About this report

This report is produced to provide our stakeholders with a transparent account of how we addressed the most material sustainability issues our company faced during 2023.

The report is aimed at those who work for us and their union representatives, non-governmental organisations (NGOs), civil society, investors, customers, suppliers and governments. In addition to reporting, we use a variety of tools to ensure that we engage meaningfully with local stakeholder groups on matters that are of specific interest to them. Individual reports are also published annually for the De Beers, Platinum Group Metals, Copper Chile and Kumba Iron Ore businesses, and provide greater detail on performance. These are available on the Anglo American website. The Anglo American Integrated Annual Report includes additional information about the management, operations and financial performance of the Group.

The Anglo American chief executive and the chairman of the Board’s Sustainability Committee have reviewed and endorsed this report.

Scope of the report

The Sustainability Report covers subsidiaries and joint ventures over which the Anglo American Group has management control or acts as operator. It does not include independently managed operations, such as Collahuasi and Samancor, unless specifically stipulated where there have been significant incidents. It also excludes De Beers’ non-managed joint operations in Namibia and Botswana from our reporting scope, unless specifically stipulated in the reporting.

Group terminology

In this report, 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 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 produces Group-wide policies and procedures to ensure uniform practices and standardisation across the Group, but is not responsible for the day-to-day implementation of such policies which 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.

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.

Assurance and basis of preparation

IBIS Consulting has provided independent assurance over selected sustainability key performance indicators, and on our statement of compliance with the International Council on Mining and Metals (ICMM) Mining Principles and reporting requirements. The basis of preparation of this report takes into account guidance from the ICMM Mining Principles, the Global Reporting Initiative (GRI) Standards and related Mining and Metals Supplement, the EU Non-Financial Disclosure Directive, the UN Global Compact Reporting Framework, and the UN Guiding Principles Reporting Framework.

Forward-looking statements and third party information

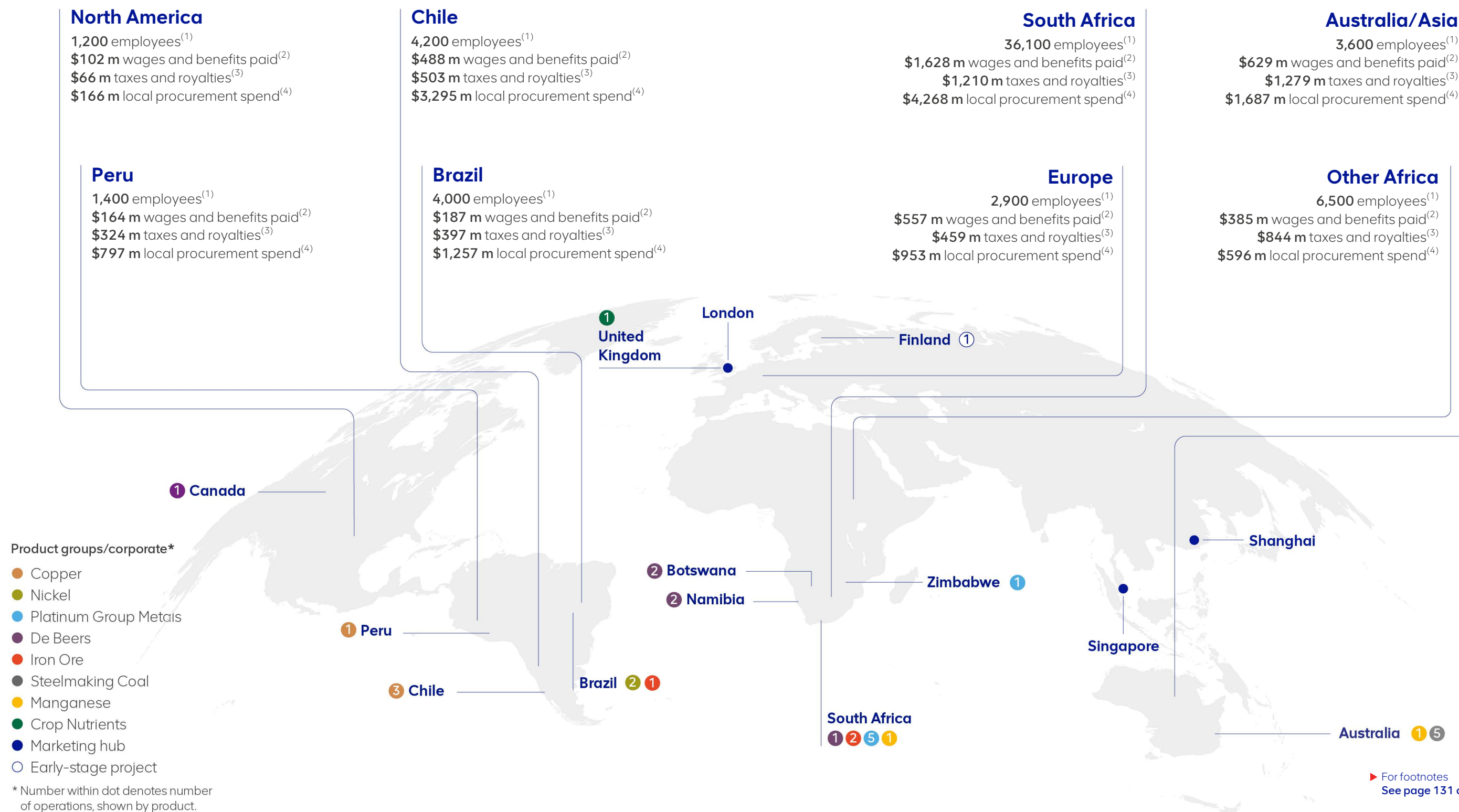
This document includes forward-looking statements. For information regarding forward-looking statements and third party information, please refer to the inside back cover of this document.

Units used in this report

‘Tonnes’ are metric tons, ‘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.

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.



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 of our Integrated Annual Report 2023



Our overview video gives a complete introduction to what we do and our ambitions for the future
Visit 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	Diamonds \$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[◊]

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

Chairman's statement

Anglo American continues to evolve its portfolio towards playing a critical role in supplying the mined products that are fundamental to enabling a low-carbon economy, raising the living standards of an increasing population – and in helping to feed them.

Safety

Our commitment to safety is unrelenting, and it is a matter of great sadness to me that three people died in two accidents at our managed businesses over the year – one at our Kumba iron ore operation in South Africa, and two at our Copper business in Chile.

While it is encouraging to see our total recordable injury frequency rate (TRIFR) once again on a declining trend, further work is needed to make the work environment safe for everybody. We believe a key aspect of that is the increased attention we are paying to visible felt leadership (VFL) to ensure it is being put into practice in an effective way. VFL involves leaders at our operations spending more time in the field and working, on a one-to-one or small-group basis, around a task or activity to ensure that it is done safely and effectively. As leaders at all levels of the organisation dedicate more time to being involved at the operations, we are seeing the benefits of VFL starting to come through in terms of improvements in overall physical and psychological safety, engagement, morale, and productivity.

Internally, we recently introduced a new Leadership Time in Field key performance indicator, which now forms part of management bonus structures. Our VFL approach is also becoming more systematised. 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 that allows learnings to be shared and forms the basis for any necessary follow-up action.

What we are doing on the safety front is of course inextricably interwoven with our sustainability agenda. Keeping our people safe not only concerns our employees and contractors, but the communities around our operations. In this regard, two technologies, which are central to our FutureSmart Mining™ programme, coarse particle recovery (CPR) and hydraulic dewatered stacking (HDS), are particularly pertinent. The technologies, especially when working in tandem, are both reducing our use of fresh water, and demonstrating the potential to move away from 'wet' tailings disposal, and safely store mining waste and by-products in a dry way – and thereby

avoid the potentially catastrophic spills that can happen when traditional wet tailings facilities are breached. We are already seeing further benefits in terms of increased production, lower energy consumption, less contaminated land, and a reduced environmental footprint overall.

Notably, too, as part of our quest to always be safe, both at our own operations and in the wider community, we have taken extensive steps towards conformance with the Global Industry Standard on Tailings Management (GISTM), which contains a set of principles and requirements for the management of tailings facilities, and which strives to achieve the ultimate goal of zero harm to people and the environment.

Sustainable mining

Our Sustainable Mining Plan, which encompasses the three elements of ESG, includes our aim, by 2030, to reduce greenhouse gas (GHG) emissions (Scopes 1 and 2) by 30%; achieve a 50% reduction in fresh water abstraction in water-scarce areas; and deliver net-positive impacts in biodiversity across our managed operations. Looking further ahead, we are planning to be carbon neutral across our operations by 2040, and have an ambition to halve our Scope 3 emissions by the same date.

In 2023, although we experienced a 2% increase in production volumes, our Scope 1 and 2 GHG emissions were 6% lower than 2022. With Quellaveco now being supplied with 100% renewable electricity, all our South American operations are drawing their electricity from renewable sources. Our assets in Australia are moving to renewable supply from 2025, by which time we 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 gaining significant momentum in the development of a number of wind and solar projects, while several others are going through the planning phases.

“Despite the world economy continuing to be volatile, with rising geopolitical tensions negatively affecting commodity prices and inflation more generally, these headwinds are not deflecting us from our sustainability pathway, and we are making significant headway towards reaching our emissions targets and realising our water-saving ambitions.”

Stuart Chambers
Chairman



At the 2023 AGM, Stuart Chambers is flanked by legal & corporate affairs director Richard Price and (far left) senior independent director Ian Tyler.



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 more efficient feed materials. Furthermore, as methane emissions from our Steelmaking Coal operations represent the largest component of our Scope 1 emissions, we are continuously enhancing operational methane management processes, and exploring technologies such as regenerative thermal oxidation to manage and abate these emissions.

We continue to work on technologies to reduce our use of fresh water. In South America, for example, we have a series of innovative water-stewardship initiatives and partnerships to drought-proof mining operations and safeguard water supply to local communities – ranging from building capacity in the form of reservoirs and desalination plants, to innovative schemes whereby local communities can 'swap' 'grey' water for potable water.

Building trust

Today, there is a widespread and persistent trust deficit when it comes to business and many other sectors of society – yet the expectations that stakeholders have of business, and particularly big multinational companies, have never been higher – and are increasingly being played out in the public arena.

The spotlight often seems to fall on the mining sector, which despite increasing recognition that the energy transition will require more mined products than ever before, still encounters widespread resistance to the idea of building new mines – including reluctance on the part of some traditional funding institutions to invest in the new mines needed across our industry to guarantee the supply of metals and minerals needed for a low-carbon future.

Moreover, society expects the transition to be a 'just' one – with mining making less of an impact on the physical landscape, emitting fewer greenhouse gases, providing ethical assurance throughout its value chains, and where people are not left behind by the introduction of new technologies and working practices.

For several years, Anglo American has been taking steps to address issues around lack of trust in our sector. A key mechanism within our Sustainable Mining Plan is our Collaborative Regional Development (CRD) programme, an innovative partnership model designed to foster economic and social development at scale across our operating regions. The programme is already making headway, at scale, in South Africa and South America.

We continue to be active participants in organisations that are working towards delivering true sustainability in the mining sector, and beyond. These include the Initiative for Responsible Mining Assurance (IRMA) and the Taskforce on Nature-related Financial Disclosures (TNFD). Anglo American is also an active and regular participant at the annual COP summits.

We are also constantly seeking to find new ways to provide greater assurance to customers through developing technologies that trace the provenance of the products we supply, and track their journey to market; for example, we have developed sophisticated technologies to trace a diamond from discovery to end-consumer. We have also recently launched Valutrax™, our proprietary digital traceability solution that provides a single point of access to core information about our products, helping to trace metals and minerals from Anglo American to our customers through a selection of key sustainability indicators.

We continue, too, to collaborate with industry participants on 'green' steel production, and to create copper products with strong provenance credentials. And our Crop Nutrients business is already conducting full scale farm trials around the world using POLY4, our high-value and comparatively low-carbon fertiliser product designed to help address the challenges around food security and environmental damage caused by many chemical fertilisers.

Finally, I wish to thank our Global Workforce Advisory Panel, chaired by non-executive director Marcelo Bastos, and represented by 12 colleagues drawn from all levels across our global footprint. The panel continues to forge stronger links between the Board and those who work for us, providing useful two-way insights, and playing its part in shaping the company's culture.



Stuart Chambers
Chairman



During the Board's Sustainability Committee's visit to Venetia diamond mine in South Africa in July 2023, general manager of underground production at Venetia, Kobus van den Berg, and Venetia's managing director of managed operations, Moses Madondo, discuss aspects of the mine's underground project with Stuart Chambers.

Chief Executive's statement

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.

Anglo American's learned experience in delivering improved sustainability outcomes from successful projects such as Quellaveco 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 established blueprints for success, we will continue to embed the latest thinking and technologies into safe and sustainable modern mine designs, and carbon neutral operations, as we seek to drive consistent, competitive performance to deliver our next phase of value creation.



On a visit to Brazil in August 2023, Duncan Wanblad (centre) examines mine plans at the Minas-Rio mining site with (next on right) executive manager of planning development Leonardo Queiroz.

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 (TRIFR), it was deeply saddening that three colleagues died in 2023 following two accidents at our managed operations: at our Kumba iron ore business in South Africa, 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.

Sustainability in action – FutureSmart Mining™

Building on our FutureSmart Mining™ blueprint 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 next potential greenfield project – Sakatti, in Finland. 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.

"Anglo American is a leading producer of many of the metals and minerals needed to help the world transition to and sustain a prosperous post-carbon future that will benefit all of society, and our planet."

Duncan Wanblad
Chief Executive



Healthy environment – water

Given that more than 80% of Anglo American's current asset portfolio is located in water scarce regions, it is essential that we reduce our dependence on water and associated tailings facilities. We will always need water, but we have increased efficiency through re-use and recycling with our innovative mining technologies such as coarse particle recovery (CPR) and hydraulic dewatered stacking (HDS).

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, mine closure can be carried out in months, rather than years, and the land can be repurposed for community benefit.

Healthy environment – reducing emissions

We are moving towards our goal of carbon neutral operations by 2040, evolving our pathways as we progress, and 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 readily available, we are working 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.

While Scope 3 emissions reduction is largely dependent on the decarbonisation of our value chains and the steel industry in particular, we are progressing towards our ambition to halve these emissions by 2040. We are working with several prominent steelmaking customers to help develop cleaner steelmaking technologies, collaborating to explore ways for premium quality, responsibly produced iron ore from our Kumba mines in South Africa and Minas-Rio mine in Brazil to be used as highly valued feedstock for less carbon intensive steel production processes.

Catalysing thriving communities

Through the implementation of our social performance management system – the Social Way – and through our Collaborative Regional Development programme, we are working actively to support local and regional economies, as well as the lives and livelihoods of the communities where we operate.

The Social Way guides our education programmes which are aimed at addressing the triple evils of poverty, inequality and

unemployment, and driving systemic and long term gains through supporting access to economic and employment opportunities and preparing students with the skills for the future. Our vision in education is for children in host communities to have access to excellent education and training. 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. When it comes to health, we plan to contribute towards the delivery of SDG 3 targets for health in host communities by 2030. Progress is being made towards this ambition, with programmes in place to address identified health priorities.

Human rights continue to be a critical aspect in every area of our business and form a foundational part of our Sustainable Mining Plan. We remain committed to the principles of the UN Global Compact and the Guiding Principles on Business and Human Rights.

Building trust with society

Operating in an industry with a widespread and persistent trust deficit, we are clear that we, as a company, must continue to act as a trusted corporate leader if we are to be in a position to provide so many of the materials that are required to decarbonise our planet and that are also the building blocks of modern life – from housing to food – for ever more people. We believe participation in recognised, independent assurance programmes such as IRMA sends an important message to our stakeholders on our commitment to transparency and best practices, and demonstrates our openness to discussions about the role of responsible mining for critical minerals. It also helps us build relationships with customers who are placing ever greater importance on assurance and traceability of metals and minerals.

Addressing this trust deficit often requires a two-way effort involving mining companies, governments (at various levels), local communities, NGOs and environmental organisations. Building trust involves open communication, transparent operations, adherence to regulations, a commitment to sustainable and responsible mining practices, and being accountable for responsibilities and actions. Our teams engage extensively and proactively on topics ranging from the rule of law and human rights to transparency and good governance, including convening multi-stakeholder forms in a number of our operating jurisdictions to encourage debate and help build and sustain broad societal trust. Most importantly, perhaps, we have zero tolerance for corruption of any nature and we expect our employees and our business partners to behave ethically and to consistently show care and respect for colleagues, communities and the environment in which we operate.



As part of the Board's visit to Crop Nutrients' Woodsmith project in September 2023, senior process engineer – projects Wesley Gounder and Duncan Wanblad examine granules of POLY4 at Wilton, where our polyhalite product will emerge from our transportation tunnel to be prepared for export.

Our people

I would like to thank the Board for its unwavering support, all our workforce for their hard work and resilience, and all those who we have worked with, to co-create effective and lasting solutions over the past year.

A handwritten signature in black ink, appearing to read 'D. Wanblad', written over a horizontal line.

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



► For more information on our value chain
See page 09 of the Integrated Annual Report 2023

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)

Group attributable ROCE

16%

CO₂ 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: **3.7Mt**

► For more on the value we create for stakeholders See pages 11–12

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.

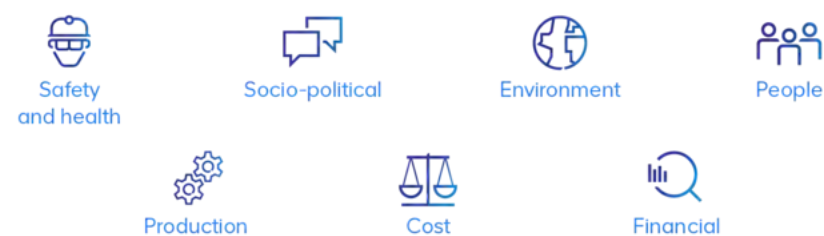
► For more information
See pages 139–177 of our Integrated Annual Report 2023

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 22–24

How we measure the value we create



► For our pillars of value See pages 18–21

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 13–15

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.



Stay up to date

► For more on our performance in the year, see the video link.
Visit youtube.com/watch?v=XFbv9KvAbs



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

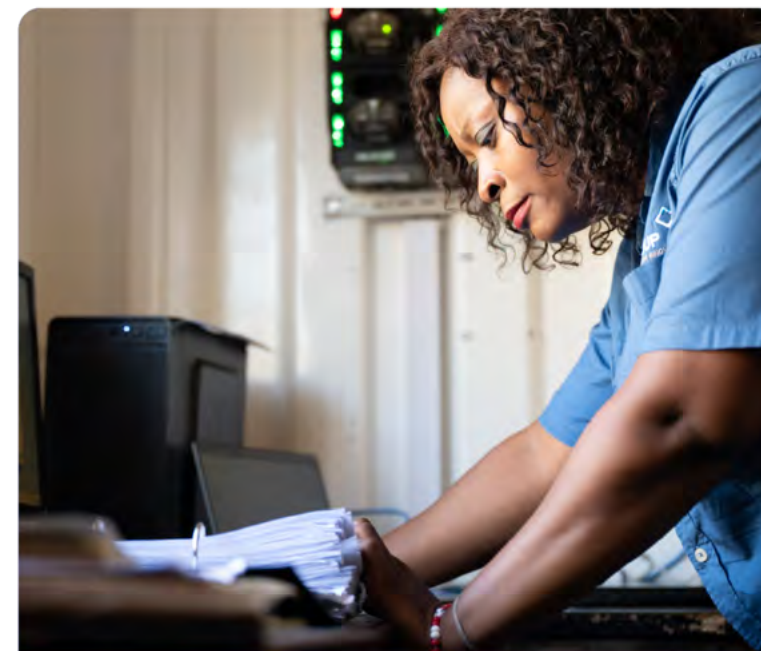
\$1.2 bn

Total returns to shareholders

4.2%*

Dividend yield

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



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



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
See pages 74–89

\$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
See pages 99–100

\$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](https://www.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 page 101

\$5.1 bn

Total taxes and royalties borne
and taxes collected

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

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

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

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

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

Our approach to sustainability

A sustainable business is purposeful, competitive, resilient and agile. It is a business that thrives throughout economic and social cycles.

Environmental, social, governance and commercial issues are often connected; they are part of a complex dynamic system that is constantly evolving.

At Anglo American, our work has evolved to match this complexity. Sustainability is embedded within our strategy, and is integrated into how we work and how we make decisions as we strive to understand the full impact of each decision we take.

None of the issues explored in this report happens in isolation; so, while we report one topic at a time, our work is multi-disciplinary and dynamic, informed by the environments in which we operate.

Our approach Sustainability at Anglo American



Guided by our Purpose, our strategy is to secure, develop and operate a portfolio of high quality, long life mineral assets. We then apply innovative practices and technologies in the hands of our world class people to deliver sustainable value for all our stakeholders.

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.

Innovation

Across our business, 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 from a foundation of operational excellence. We are developing a replicable model of differentiated practices and capabilities that is designed to deliver sustainable value to all our stakeholders.

People

Our people are critical to all that we do: we create working environments and an inclusive and diverse culture that encourages and supports high performance and innovative thinking. 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 sustained commercial success.

► For more information
See pages 30–75 of our Integrated Annual Report 2023

Innovation



The combination of the stability and consistency provided by our Operating Model, our innovative Marketing business, and our FutureSmart Mining™ approach to technology and sustainability, is fundamentally changing the way we extract, process and market metals and minerals, supporting our operating and financial performance.

Operating Model

Our Operating Model is the foundation of operational excellence, by providing structure, stability and predictability in the way we plan and execute every task.

Marketing

Our Marketing business optimises the value from our Mineral Resources and product offerings, including by tailoring solutions for customers and demonstrating the high sustainability standards we are committed to.

FutureSmart Mining™

Our innovation-led pathway to sustainable mining that is fundamentally changing how we mine, process, move and market our products to drive positive sustainability outcomes.

► For more information
See pages 40–65 of our Integrated Annual Report 2023

Sustainability



Our Sustainable Mining Plan, launched in 2018 and integral to our FutureSmart Mining™ programme, is built on our Critical Foundations and three major areas or Sustainability Pillars, which are designed to support the UN's Sustainable Development Goals.

Under each of the Sustainability Pillars we have a set of Global Stretch Goals. We are making great efforts to deliver them between now and 2030. These Global Stretch Goals are deliberately ambitious and designed to challenge us to lead and innovate.

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.

Healthy Environment

Maintaining a healthy environment that uses less fresh water and delivers net-positive biodiversity outcomes, ultimately moving us closer to our vision of carbon-neutral mining.

Thriving Communities

Catalysing thriving communities with better health, education and levels of employment.

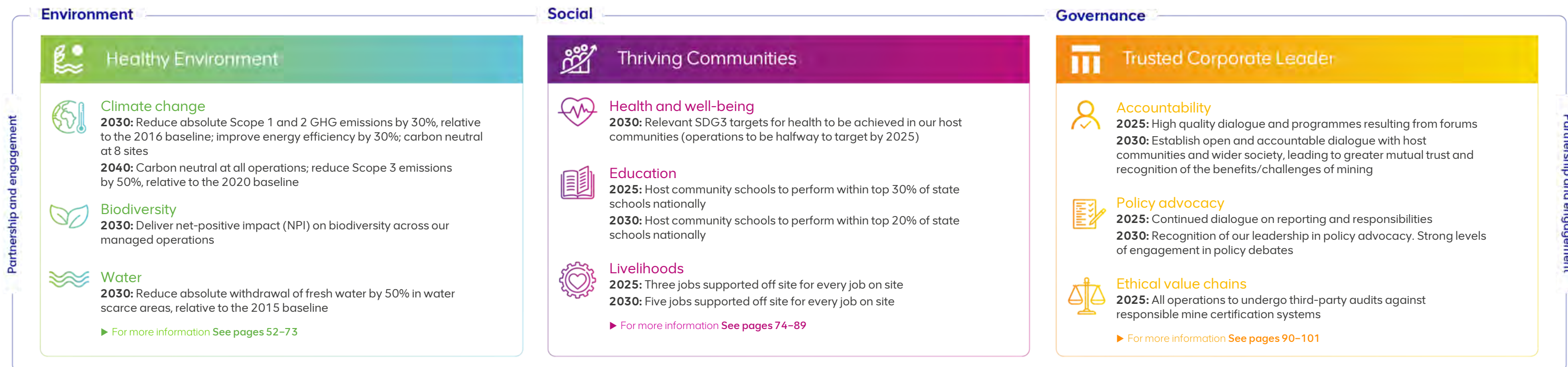
Trusted Corporate Leader

Developing trust as a corporate leader, providing ethical value chains and engaging in policy advocacy and improved accountability.

► For more information on our Sustainable Mining Plan
See page 17

Our Sustainable Mining Plan

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



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 82–84

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 25–30

Leadership and culture

► For more information See pages 31–39

Inclusion and diversity

► For more information See pages 40–43

Human rights

► For more information See pages 44–46

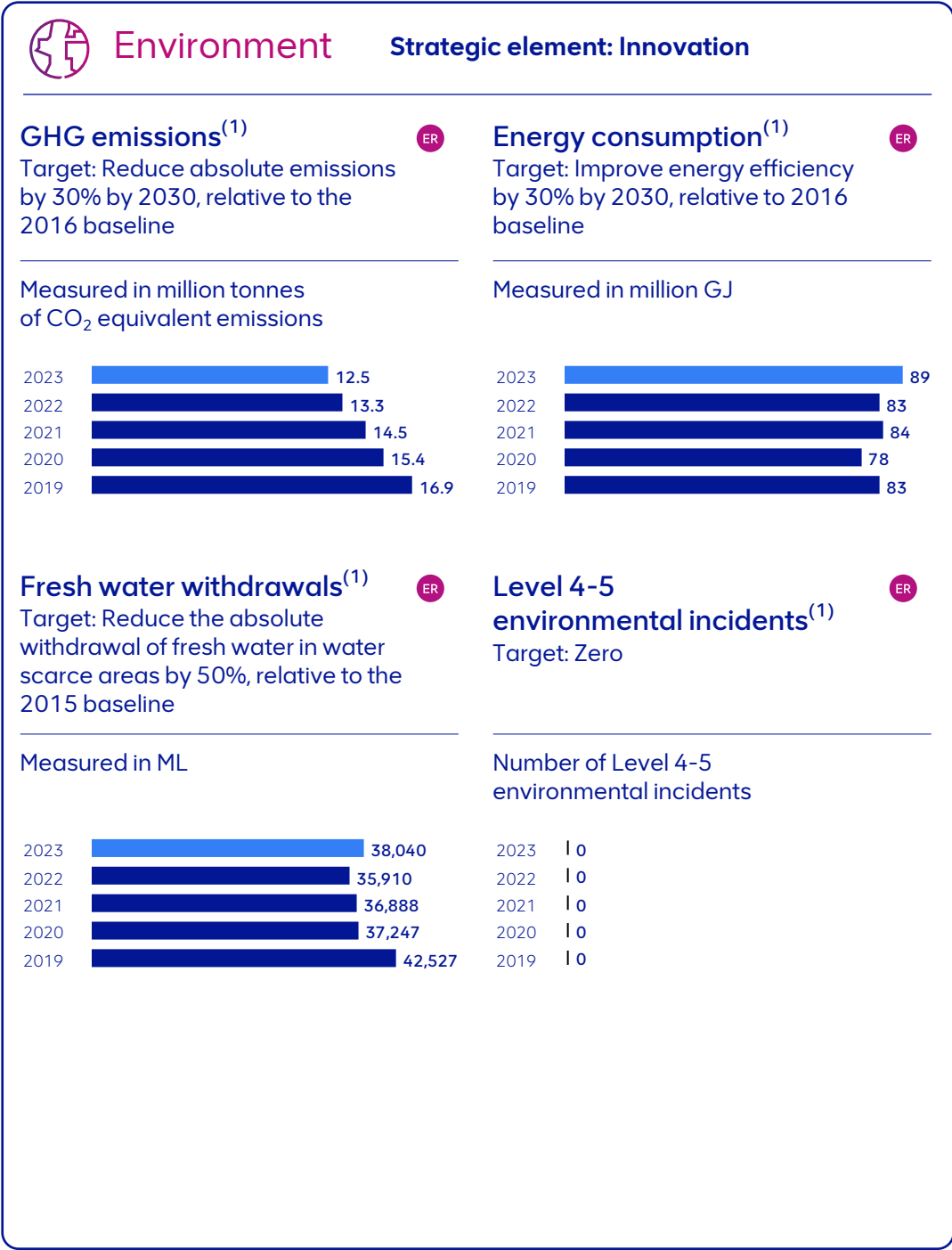
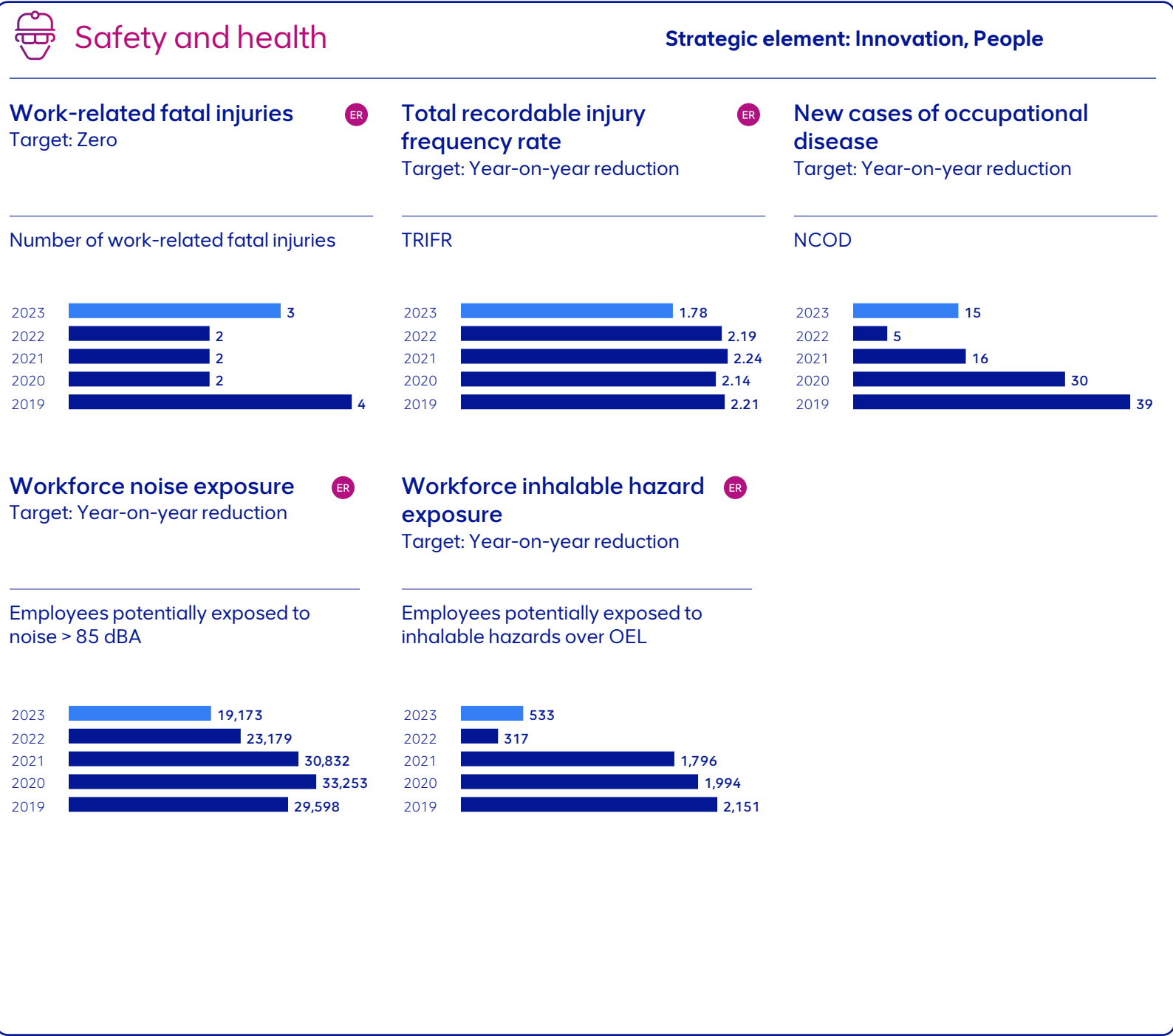
Group standards and processes

► For more information See pages 47–51

Compliance with legal requirements

► For more information See pages 47–51

Measuring our performance

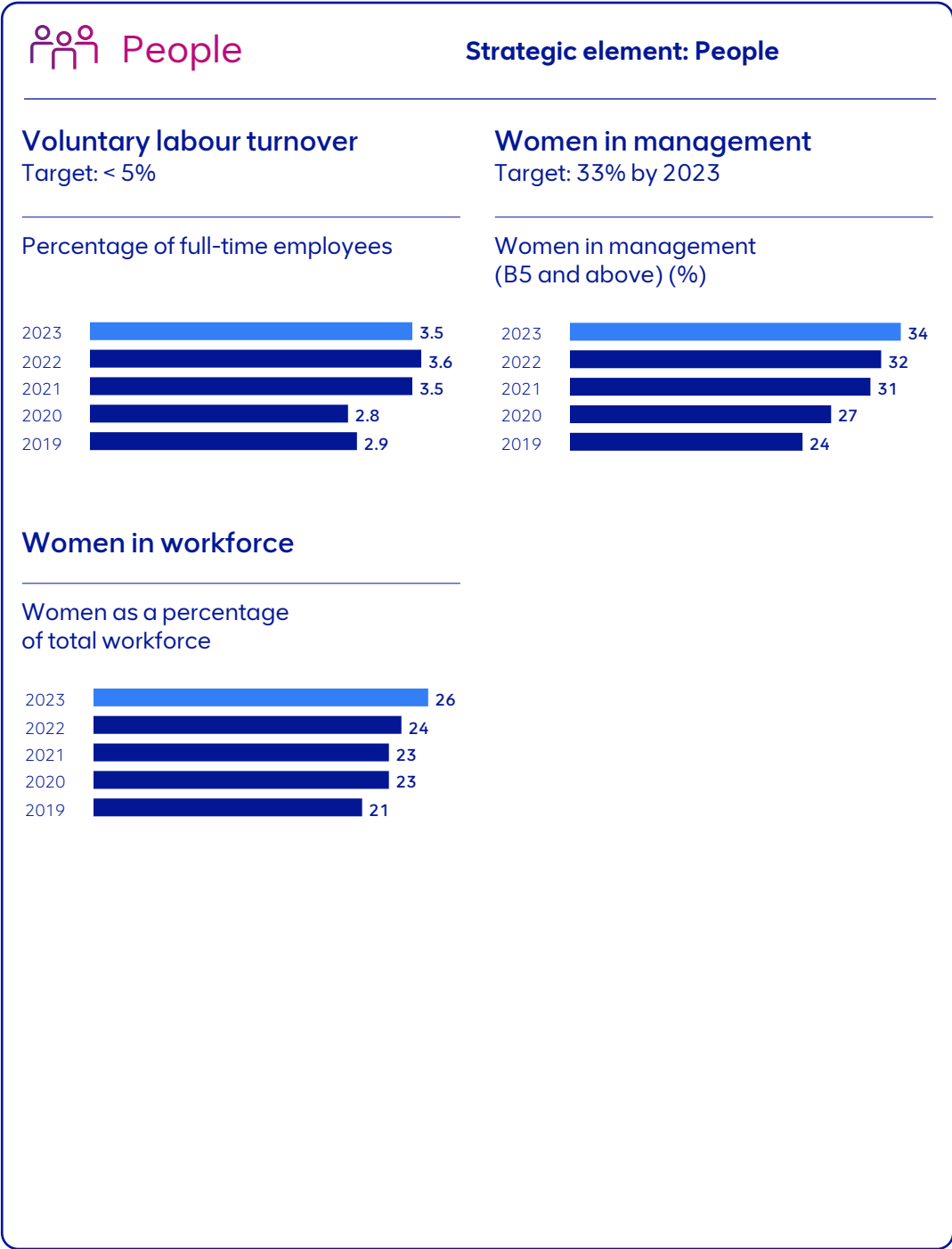
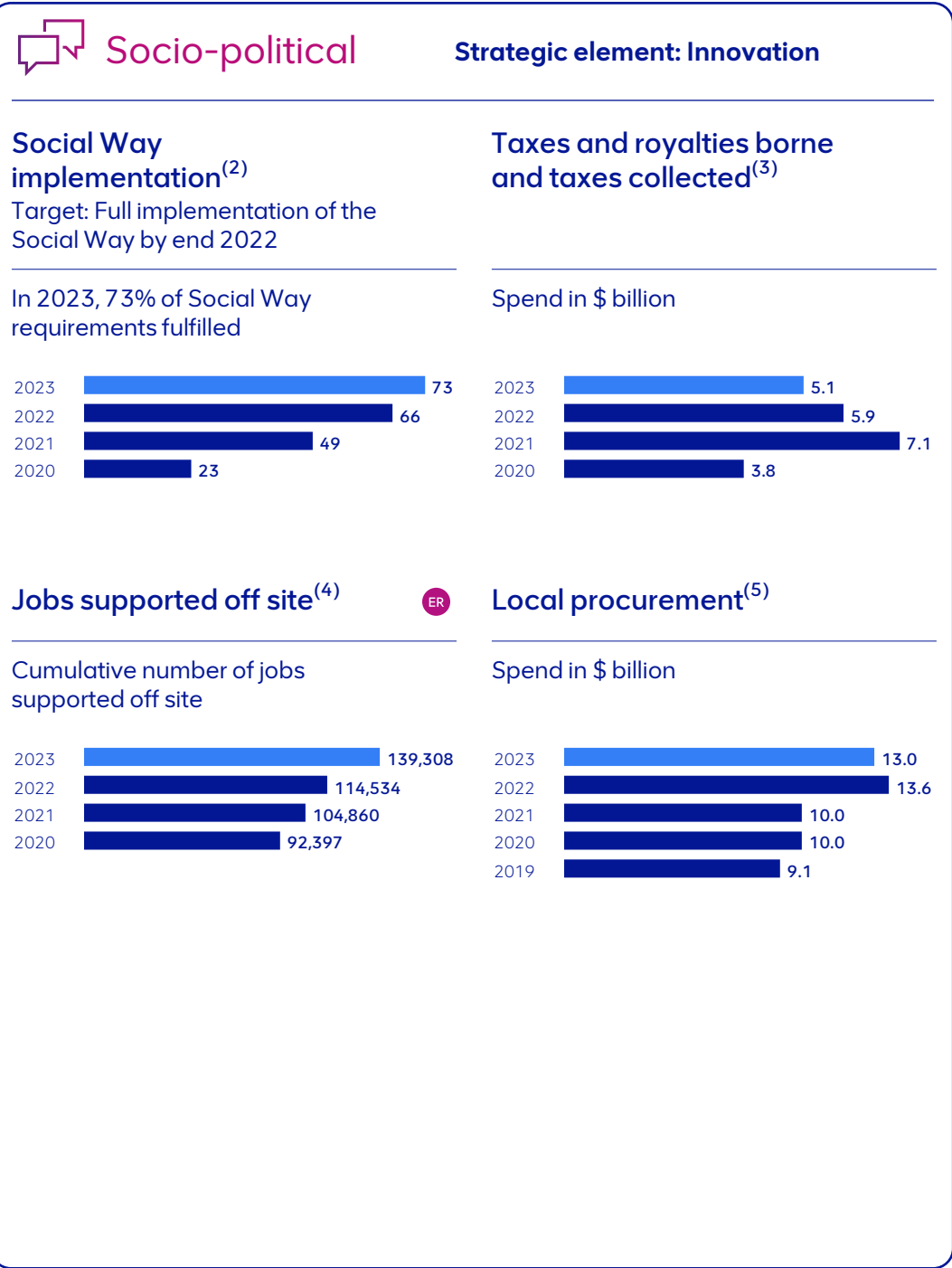


⁽¹⁾ Historical GHG, energy consumption and fresh water withdrawals data has been adjusted to exclude Thermal Coal South Africa, which was demerged in June 2021.

ER

 KPIs with this symbol are linked to executive remuneration; for more information, see the Remuneration report on pages 178-211 of the Integrated Annual Report 2023

► For full description and calculation methodology
See pages 316-317 of the Integrated Annual Report 2023

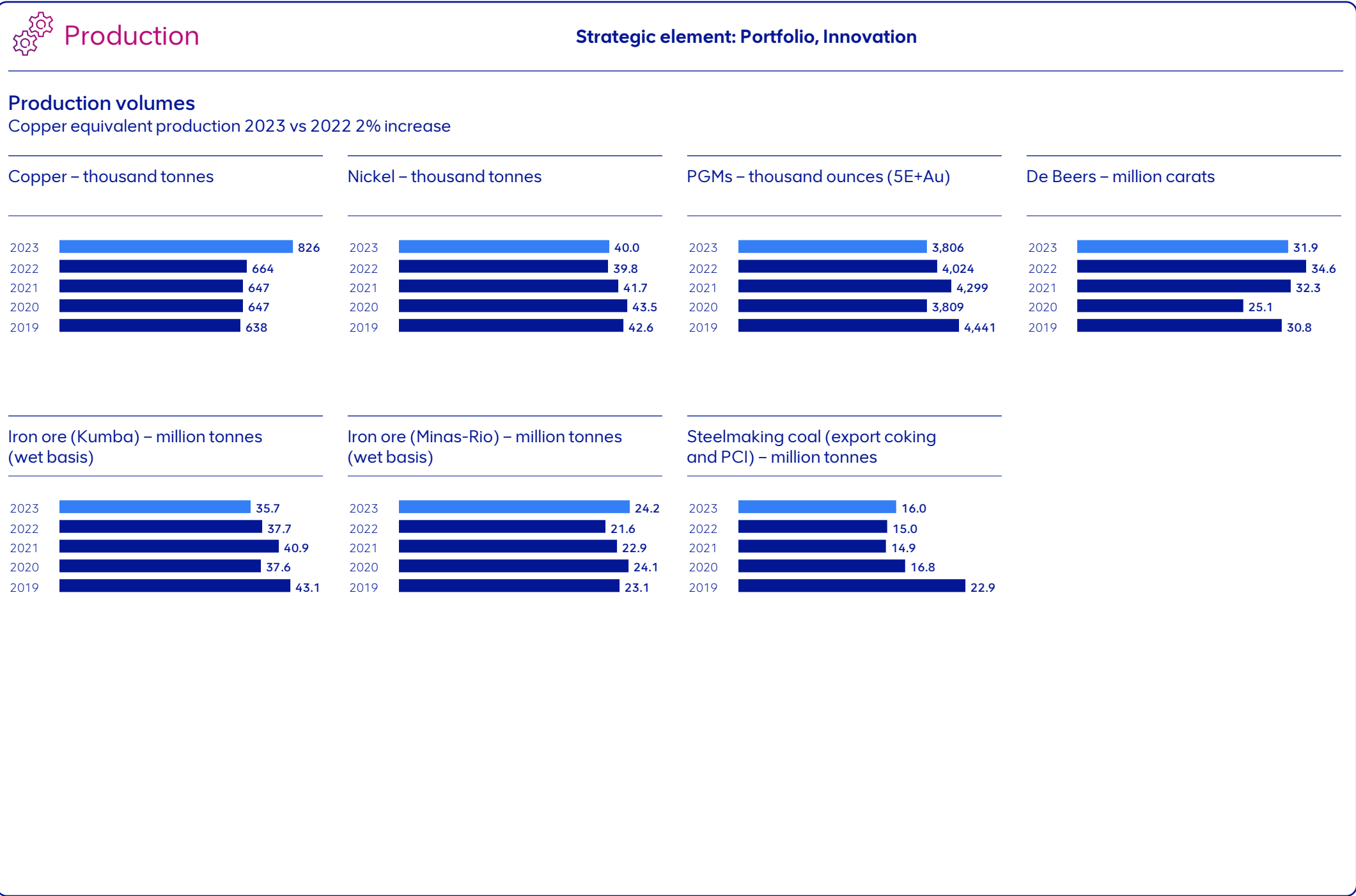


⁽²⁾ In 2020, we launched a new integrated social performance management system (Social Way) which has raised performance expectations and has resulted in continued improvement in our social performance. While sites are assessed annually against all requirements applicable to their context, for consistency during the transition period, the metric reflects performance against the Social Way foundational requirements.

⁽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⁾ 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.

⁽⁵⁾ 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.



 KPIs with this symbol are linked to executive remuneration; for more information, see the Remuneration report on pages 178-211 of the Integrated Annual Report 2023

► For full description and calculation methodology
See pages 316-317 of the Integrated Annual Report 2023



Cost

Strategic element: Portfolio, Innovation

Unit cost of production

Copper equivalent unit cost 2023 vs 2022: 4% increase in \$ terms

Copper – c/lb



Nickel – c/lb



PGMs – \$/PGM ounce



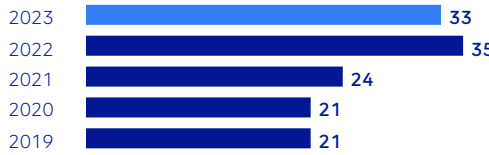
De Beers – \$/carat



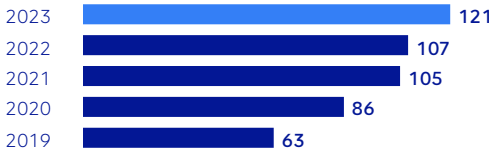
Kumba – \$/tonne (wet basis)



Minas-Rio – \$/tonne (wet basis)



Steelmaking coal – \$/tonne

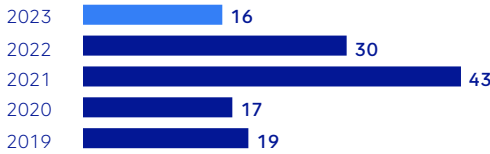


Financial

Strategic element: Portfolio, Innovation

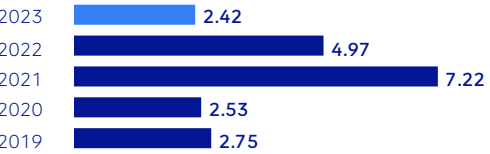
Attributable return on capital employed (ROCE) ^{ER}

Group attributable ROCE (%)



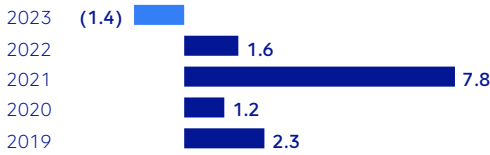
Underlying earnings per share (EPS) ^{ER}

Group underlying EPS – \$



Attributable free cash flow ⁽⁶⁾ ^{ER}

Group attributable free cash flow (\$ billion)



⁽⁶⁾ Attributable free cash flow includes expenditure on non-current intangible assets (excluding goodwill).

Our material matters



Kumba Communications officer Tshepiso Mocumi at Kolomela iron ore mine in South Africa.

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.

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.

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.

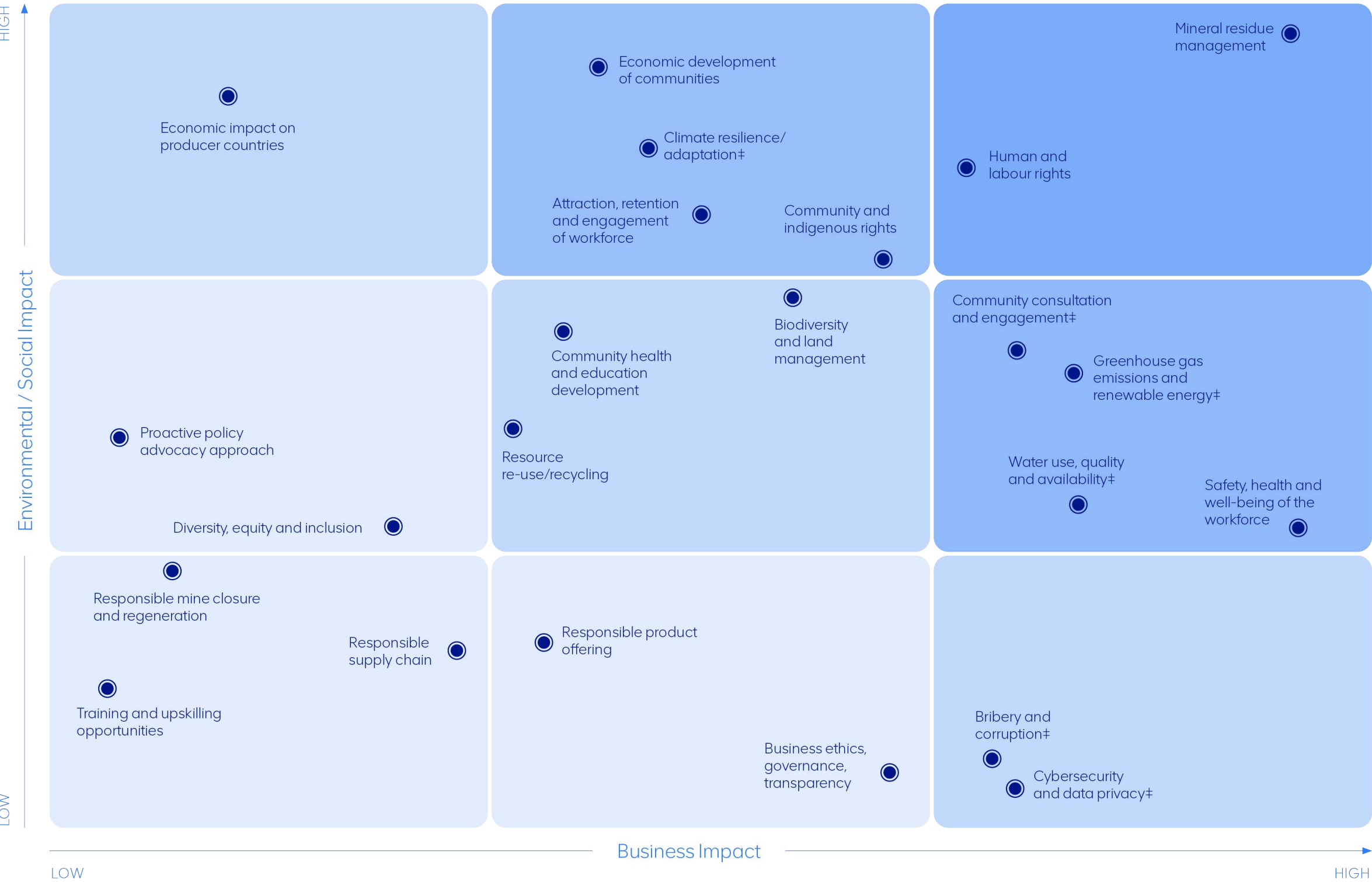
► For more information on how we engage with our stakeholders
See pages 13–15

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 (⊕).

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 of our Integrated Annual Report 2023
- ▶ Principal risks
See pages 81–85 of our Integrated Annual Report 2023
- ▶ Group financial review
See pages 90–93 of our Integrated Annual Report 2023
- ▶ Business performance reviews
See pages 94–129 of our Integrated Annual Report 2023



Our material matters

To better demonstrate and communicate how our material matters link to our Sustainable Mining Plan, we have mapped each one against the Critical Foundations and three Global Sustainability Pillars that underpin the Sustainable Mining Plan.

Mapping sustainability material matters to the Sustainable Mining Plan (SMP)

Critical Foundations

SMP elements	Material matters	Read more
Zero mindset	Safety, health and well-being of the workforce‡	Page 25
Leadership and culture	Business ethics, governance and transparency‡	Page 32
	Attraction, retention and engagement of workforce	Page 36
	Bribery and corruption‡	Page 32
	Cybersecurity and data privacy‡	Page 34
	Training and upskilling opportunities	Page 38
Inclusion and diversity	Diversity, equity and inclusion	Page 40
Human rights	Human and labour rights	Page 44
Governance and policies ⁺	Group standards and processes ^{**}	Page 47
	Compliance with legal requirements ^{**}	Page 47

^{**} Includes sustainability governance and combines our Critical Foundations on group standards and processes, and compliance with legal requirements. 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 this Sustainability Report.

Global sustainability pillars

SMP elements	Material matters	Read more
 Healthy Environment	Climate resilience and adaptation‡	Page 54
	Greenhouse gas emissions (GHGs) and renewable energy‡	Page 54
	Biodiversity and land management	Page 62
	Water use, quality and availability‡	Page 65
	Mineral residue management‡	Page 68
	Resource re-use/recycling	Page 70
 Thriving Communities	Community and indigenous rights	Page 85
	Community consultation and engagement‡	Pages 76 & 92
	Economic development of communities	Page 82
	Community health and education development	Pages 77 & 80
	Responsible mine closure and regeneration	Page 88
 Trusted Corporate Leader	Proactive policy advocacy approach	Page 93
	Responsible product offering	Page 96
	Responsible supply chain	Page 99
	Economic impact on producer countries	Page 101

Zero mindset

Protecting the safety and health of employees, contractors, local communities and other stakeholders is a fundamental responsibility for Anglo American and all mining companies. A safe and healthy workforce translates into an engaged, motivated and productive one that mitigates operational stoppages, and reduces potential legal liabilities.



Occupational safety

At Anglo American, we are committed, and believe it is possible, to stop our people from being harmed. 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.

Strategy and approach

Safety comes foremost in everything we do; we train, equip and empower our people to work safely, because we believe that everybody, everywhere should come home safe at the end of their working day.

Our Safety, Health and Environment (SHE) Policy

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
See page 50

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.

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.

► For more information on our sustainability governance
See pages 48–49

► For more information on external assurance
See pages 102–103

Managing risks and opportunities

Managing risk

‘Always Safe’ is our vision for safety, and our programmes for managing risk are helping us move towards an injury and fatality free workplace. Each of the policy components and supporting programmes described below is part of an integrated management approach that allows us to progress on our safety journey.

Risk management is a central component of our strategic, operational and project management. It is the process through which we methodically assess and address the risks associated with business and operational activities.

We adopt the Risk and Assurance Governance Framework, built on the ‘Three Lines Model’ of the Chartered Institute of Internal Auditors, and are committed to embedding this approach across the business. We are seeking to understand where we are most vulnerable, as well as improving risk understanding and management to prevent repeat incidents.

Safety ⁽¹⁾	2023	2022	2021	2020	2019
Anglo American total					
Work-related loss of life	3	2	2	2	4
Lost-time injuries (LTIs)	300	360	375	277	325
Medical treatment cases (MTCs)	132	202	177	165	199
First aid cases (FAC)	1,497	1,481	1,565	1,370	1,424
Total recordable cases (fatal injuries + LTIs + MTCs)	435	564	554	444	528
Total injuries (recordable cases + FACs)	1,932	2,045	2,119	1,814	1,952
Total hours worked (thousand)	244,081	257,144	246,758	207,021	239,351
Fatal injury frequency rate	0.010	0.008	0.008 ⁽²⁾	0.010	0.017
Total recordable injury frequency rate	1.78	2.19	2.24	2.14	2.21
Lost-time injury frequency rate	1.23	1.40	1.52	1.34	1.36

⁽¹⁾ Safety related data includes Thermal Coal up to the point of divestment (June 2021).
⁽²⁾ FIFR has been re-stated to reflect 2021 incident, which resulted in a loss of life in April 2022.

► See more on our sustainability data here:
angloamerican.com/sustainabilitydata

Technical standards

Our standards ensure a common and consistent approach is taken to address inherent risks throughout our global operations. They ensure that everyone knows what is expected of them, allowing us to consistently manage safety, health, environmental and operational risk across Anglo American. Our Standards Hub provides colleagues with a single source to access the most up-to-date information on our standards.

Process safety

Our Process Safety Management (PSM) standard is a disciplined framework used to manage the integrity of hazardous operating systems and processes by applying safe design principles, engineering, operating and maintenance practices. It is aligned with international best practice and integrated with existing organisational processes. It draws on lessons learned from previous incidents at Anglo American and other industry peers, which have shown that the application of a systematic PSM framework strengthens the understanding, management and learning in the area of major accident risks.

In 2023, we completed 11 process safety hazard risk reviews across the Group, identifying PSM implementation focus areas for our higher hazard sites. We also worked to embed a stronger understanding of process safety across the Group through the targeted and tailored roll-out of a PSM awareness course and maintained a global PSM community of practice, sharing lessons learned from incidents and progressing PSM self-assessments, where required.

Targets and progress

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). We also reported a 12% improvement in the 2023 loss time injury frequency rate (LTIFR) to 1.23 (2022: 1.40). This improvement in our lagging metrics reflects the operational rigour and progressive maturity of our operational safety processes.

We recorded 435 occupational injuries, a decrease of 23% (2022: 564). We remain absolutely committed to working towards a step-change in the reduction of injuries and are continuing to implement our targeted safety strategy, investing in systems and technology, standards, and training our people.

As part of our continuous practice of safety interventions, we continue to focus on: CEO safety summits with senior leaders from across the business; supporting operational leaders to spend more time in the field; observing and continuously monitoring catastrophic and fatal risks; sharing of lessons learned and actions taken from incidents across the organisation; safety stand-downs (voluntary events to pause production and talk with employees and contractors about safety); employee-engagement sessions; and enhanced reporting and progress tracking of safety-improvement initiatives.

In 2023, overall bonus payments to executive directors were reduced by 15%, reflecting the fatal incidents in the year.

► For our 2023 Remuneration Report
See page 178-211 of our Integrated Annual Report 2023

Activities in 2023

Creating a safe place to work

Continuing the improvement in our safety performance is dependent on our people and how they are enabled to work safely. It also requires a holistic approach to understanding safety challenges both in the workplace and outside it, including topics such as psychological safety and the impact of domestic and gender-based violence.

Our initiatives in this area are highlighted below:

Visible Felt Leadership

In 2023, a key focus has been an increase in what we call Visible Felt Leadership (VFL). VFL involves 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 proactive and highly visible expression of our Values is helping to build trust with our workforce, fostering understanding and improvements in safety performance, as well as encouraging our employees and contractors to feel safe to speak up about safety concerns.

► For more on VFL
See page 28

Safety 365

To live our Values 24 hours a day, 365 days a year, we enshrine them at the heart of both our safety leadership and our annual employee safety engagement programme: Safety 365.

In 2023, the Safety 365 journey continued to focus on the theme ‘Stand up for safety’. Our programme encourages all of us to have the conviction to do the right, safe thing; to take pride in following our processes and procedures; and to continually find ways to improve and hold ourselves and our colleagues to account. Standing up for safety means doing whatever it takes to keep each other safe – physically and psychologically – because nothing is more important than our safety.

A highlight of the year is our Global Safety Day, an annual event where employees, contractors and visitors across Anglo American stop work and gather physically and virtually to reflect, celebrate and remind ourselves of the importance of safety.

Transforming safety practices

Safety Leadership Practices Live (SLP Live) is our systematic approach to building the right safety behaviours across the organisation. Following the successful launch of SLP Live in 2022 at our Steelmaking Coal business in Australia, in 2023 we

launched SLP Live at our Crop Nutrients’ Woodsmith project and conducted a detailed pilot at our Amandelbult Platinum Group Metals (PGMs) operation. In 2024, we plan to accelerate the roll-out of SLP Live across the rest of the PGMs business and Kumba Iron Ore.

The Accountability Framework, which complements the SLP Live, seeks to promote a psychologically and physically safe workplace where everyone is accountable for their own safety and, where applicable, the safety of their teams.

The focus for 2023 has been on driving sustainability through ensuring the framework is effectively embedded into human resources processes and ensuring roles and responsibilities are clearly defined. As we move forward, the framework will be applied to all forms of behaviour, not just safety.

Driving safety innovation

In 2023, despite facing safety challenges, we made significant progress by integrating technology to minimise risks within our business. Our primary aim remains safeguarding people from harm, which includes improving our hierarchy of control. The Smart Safety Steering Committee, formed in 2022, continues to co-ordinate safety initiatives across Anglo American.

Preventing high potential incidents and repeat events involving mobile mining equipment remains a priority. The Cab Human Factors project has yielded a novel guideline aimed at integrating technology into our haul trucks. This guideline aims to improve our operators’ capacity to promptly react and respond to risks. The guideline was shaped by operator input gathered at Steelmaking Coal and Kumba, leveraging virtual reality cabs and incorporating global ergonomic practices and standards. Looking ahead to 2024, our focus will revolve around gradually implementing this guideline in respect of critical, smaller-scale mining equipment.

Within our underground operations, the risk of fall of ground incidents persists. Collaboratively, the Group Mining team and the Amandelbult PGMs operational teams have made significant progress in researching and developing diverse technological solutions. These solutions aim to detect unstable rock on the roof and remove the necessity for manual barring (removal of loose rock from the roofs and walls of stopes). One such solution is the Barring Bot project, aimed at eliminating the involvement of humans in barring activities. The construction phase of the bot concluded in November 2023, with testing scheduled for 2024.

Two further technology pilots, both of which delivered promising positive results, were concluded in 2023. The first pilot, trialled at Steelmaking Coal, facilitated the removal of people during lifting operations, receiving commendation from the business maintenance teams. The second pilot focused on remote clearance of the blasting zone at Quellaveco copper mine in

Peru. Both technologies will undergo further assessment regarding their integration into operational management routines during 2024.

Safety training

Our goal is to develop and foster industry-leading, highly competent and proficient safety leaders and professionals across all levels of work. Integral to this process is building capability by training and supporting line managers and supervisors to manage potentially fatal and catastrophic risks.

Our Safety Academy is led by Group Safety in partnership with our Technical Academy. It provides a platform for best in class learning resources and support, curated to develop safety professionals of today and for the future – people who can drive safety operational excellence through insight, influence and impact across our global operations. The three core offerings of the Safety Academy include:

- Safety Academy Knowledge Centre, which enables easy access to an innovative range of training courses and supporting materials to help learners build safety technical skills
- Safety Faculty, which is made up of hand-picked experts who provide coaching, mentoring and advice in real time
- SafetyNet, which is a global community for safety professionals to connect with internal peers as well as industry experts and networks.

In 2023, activity has been focused on the chief safety officers at Kumba Iron Ore and PGMs, where a combination of technical and behavioural coaching is helping the team to redefine their roles and increase their respective impact.

Contractor safety

We continued to convene contractor safety engagement summits in all major countries in which we operate. More than 180 supplier companies participated in the summits, which covered a range of topics, including psychological safety, hazard identification and risk management, competency training, and planning and scheduling work.

Emergency management site reviews

In the event of an incident occurring at one of our operations, it is imperative that we respond to the emergency effectively to protect personnel, assets, and other stakeholders, and to minimise any consequential damage. This is enshrined in the Group’s policies through our Emergency Management Standard and Specifications.

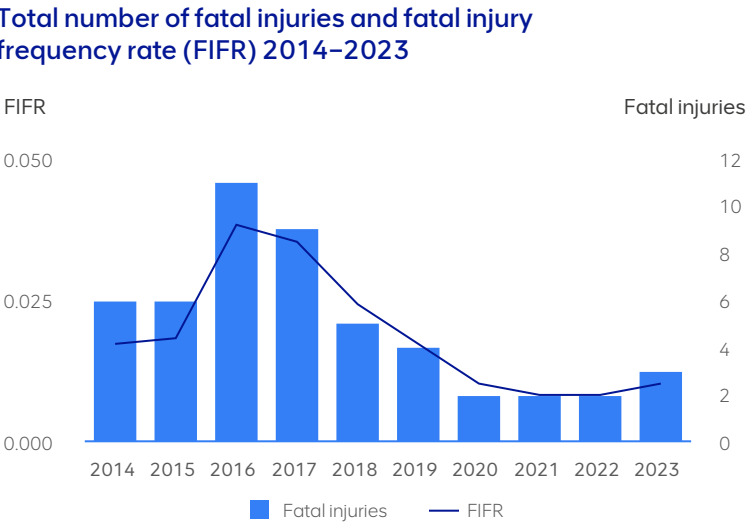
In 2023, we completed 15 emergency management site-level reviews, supporting our operations to ensure their emergency management plans are effective.

Engaging on best practices

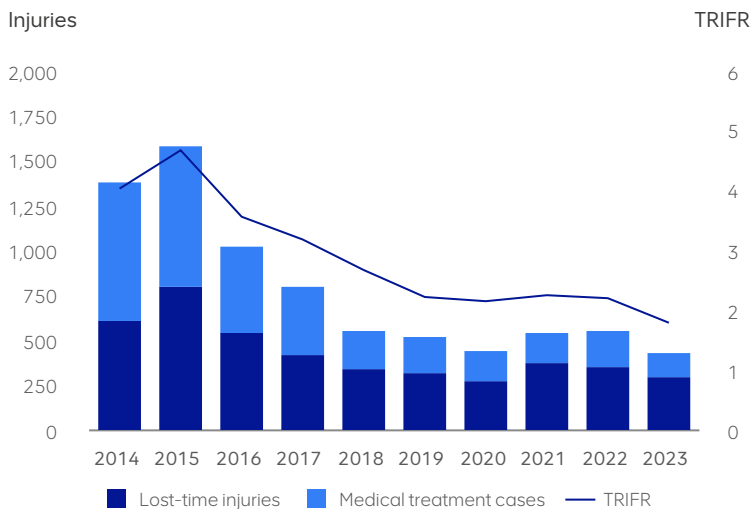
As a leading global mining business, we feel a keen responsibility to engage with – and, where appropriate, to help lead – industry associations that develop and implement best practices for our sector. Many of these groups also provide robust third-party assurance processes that convey to our stakeholders, including employees, regulators and customers, that we observe the highest safety standards at our sites.

In 2023, our PGMs business was a proud sponsor of the International Mines Rescue Board Conference, which celebrated 100 years of mine rescue in South Africa. Such platforms continue to provide opportunities for collaboration and best-practice sharing. Throughout the year, Anglo American mines rescue teams demonstrated their lifesaving skills in industry competitions globally: in Canada, the Gahcho Kué team won three trophies; in South Africa, the PGMs team won Best female fire fighter; and in Australia, Steelmaking Coal’s mines rescue team was placed first and second at the Australian Underground Mines Rescue competition (a third Australian title win for the Grosvenor team) .

We also continued our engagements and work with the ICMM, Minerals Council South Africa, the global union confederation IndustriALL, the International Mine Safety Hub and other groups to develop industry-leading standards and practices.



Lost-time injuries, medical treatment cases and total recordable injury frequency rate (TRIFR) 2014–2023



Next steps

In 2024, we will continue to implement our strategy to overcome the challenges we face as we strive to create a workplace where it is impossible for anyone to get hurt through the way we work.

On Safety Leadership Practice we will continue to drive line accountability and the visible tracking of leading indicators of a resilient safety culture, as agreed at site level. Our tangible risk reduction measures will be further promoted through the various work streams, namely:

- Technical Risk Management and Smart Safety Technology: including the removal of people from the line of fire or moving designated controls up the hierarchy of control
- Process Safety Management (PSM): increasing capability and understanding, developing further PSM practices and guidance, and the completion of PSM self-assessments and action plans
- Learning & Investigations Programme: consistent, high quality learning and investigations across the Group, including improved assurance programmes.



In the decline excavation to access underground ore at PGMs' Mogalakwena mine, miner John Bothole and shift overseer Jonathan van Aswegen complete a safety declaration check.

A more 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 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.

Workforce health and well-being

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.

Strategy and approach

Our overarching approach to health is incorporated in our Safety, Health and Environmental management framework, covered in our SHE Policy and SHE Way. Our commitments and expectations for our sites in terms of community health are included in the Social Way.

► For more information
See page 50-51

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.

We continue to develop a digital health strategy, driven by the concept of virtual care and our ability to use mobile data devices and a growing range of applications to help individuals harness their own health information.

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.

► For more information
See page 41

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 and community health activities.

Governance

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

► For more information on our sustainability governance
See pages 48-49

► For more information on external assurance
See pages 102-103

Managing risks and opportunities

Where the health of our workforce is concerned, our primary focus is to eliminate health hazards in the workplace. Where that is not possible, we aim to reduce hazards to levels that do not create harm or are as low as reasonably practicable.

Our main occupational health risks include, but are not limited to, potential excessive exposure to: noise; inhalable hazards; occupational carcinogens; stress to muscles, bones and joints; fatigue; and psycho-social stress.

A register of occupational health risks has been developed for all our sites and locations using relevant national OELs and international standards. The registers focus on workplace exposures with a level of $\geq 50\%$ of an OEL for inhalable hazards, $\geq 10\%$ of an OEL for carcinogens, and where the risk exceeds the relevant standard set for physical, biological and ergonomic hazards.

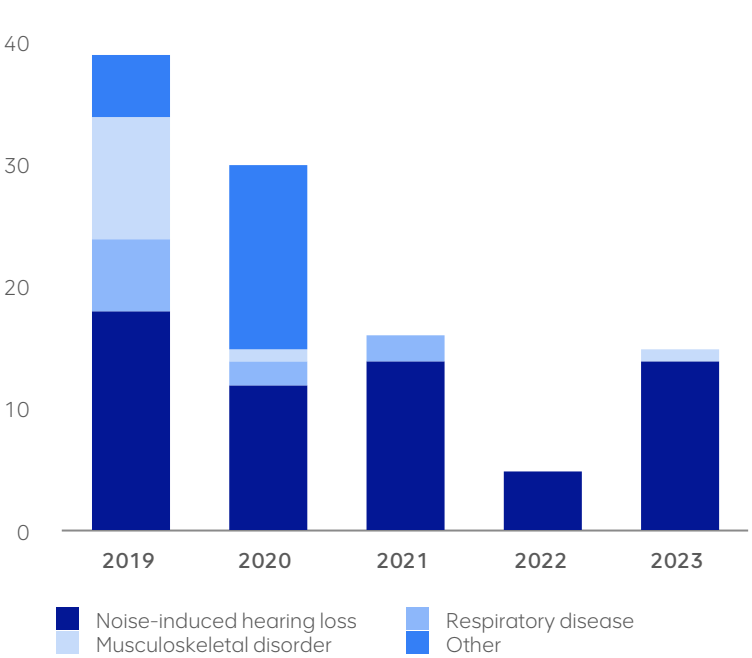
A system of ongoing occupational hygiene measurements is in place across all operations.

For each priority unwanted event that could result in excessive occupational exposures, preventative and mitigating exposure controls and critical exposure controls are identified, applied, and routinely verified for effectiveness in accordance with Anglo American’s Operational Risk Management (ORM) methodology.

Reducing new cases of occupational disease

Reducing exposure to noise, which remains our single greatest occupational health risk, is a significant challenge. While all our employees are issued with and trained in the use of personal protective equipment (PPE), there are still as many as 19,173 employees in workplaces where noise levels can exceed idealised exposure levels. This emphasises the need to innovate and search for quieter ways of working, while ensuring PPE is used routinely and correctly.

New cases of occupational disease 2019–2023



Non-communicable diseases

The recent Covid-19 pandemic clearly illustrates that the health status of employees and their families affects both workplace performance and their ability to fight infection, as well as their overall quality of life and well-being.

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/AIDS and TB

The most recent Joint United Nations Programme on HIV/AIDS (UNAIDS) report states that there is a clear path to end AIDS as a public health threat. The report states that countries which

invest in evidence-based HIV prevention and treatment programmes are making the most progress towards achieving the UNAIDS 95-95-95 treatment targets. According to UNAIDS, access to anti-retroviral therapy (ART) has significantly expanded in sub-Saharan Africa, Asia and the Pacific, which together make up around 82% of all people living with HIV. A shared and comprehensive HIV response can also help with pandemic preparedness and support the attainment of other sustainable development goals (SDGs).

Anglo American continues to support the UNAIDS shared vision of zero new infections, zero discrimination, and zero AIDS-related deaths.

In South Africa, which is one of the highest HIV-burden countries, we have been running HIV testing since the 1990s and introduced the provision of anti-retroviral therapy in 2002. We encourage all employees, particularly those living in countries with a high burden of HIV infection, to undergo voluntary HIV testing and counselling on an annual basis.

The 2023 Global Tuberculosis Report cited a 3.9% increase in the TB incidence rate (new cases per 100,000 population per year) between 2020 and 2022, reversing declines of around 2% per year over the past two decades. South Africa is one of the countries that has witnessed the reversal of this downward trend; consequently, we are intensifying our efforts to screen for, and treat, TB among our workforce and local communities.

HIV/AIDS indicators for high-impact countries⁽¹⁾

	2023	2022	2021	2020	2019
Employee voluntary testing and counselling cases (number of employees who know their status)	24,901	27,334	27,181	31,744	34,048
Contractor voluntary testing and counselling cases (number of contractors who know their status)	22,645	32,713	41,951	37,184	43,107
Employees who know their status (%)	88%	90%	88%	89%	94%
Number of known HIV+ employees on anti-retroviral therapy (ART)	4,458	4,367	4,618	5,706	5,691
Known HIV+ employees on ART (%)	95%	89%	93%	93%	92%
New HIV cases (employees)	124	157	128	233	400
AIDS deaths (employees)	0	1	0	0	0

Targets and progress

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 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.

HIV/AIDS 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.

- For more information on HIV/AIDS programmes in host communities See page 81
- For a full list of SDG 3 goals Visit bit.ly/3xdiS4J

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.

Employee TB data

	2023	2022	2021	2020	2019
New cases of tuberculosis (TB) (employees)	88	51	48	50	84
TB incidence rate per 100,000 (employees)	313	154	152	138	230
TB deaths (employees)	0	0	0	1	3

- See more on our sustainability data here: angloamerican.com/sustainabilitydata

Activities in 2023

We have continued to develop and roll out our real-time monitoring operational intelligence suite (OiS) solution across our PGMs’ smelting operations. OiS uses existing sensor technology to quickly detect and quantify workplace health risks, providing an early-warning system. It is an effective tool for

identifying uncontrolled or unexpected releases of workplace health hazards, pinpointing the specific source of the hazard and identifying work activities that have a high likelihood of exposure.

The results of the 2022 employee heart health score showed that Chile is the country with the highest smoking rates among employees. As a result, we commenced an innovative and tailored Spanish language smoking cessation support mobile phone app. This pilot programme will be evaluated in 2024.

Industry-wide stakeholder engagement

Anglo American is represented on the ICMM’s Health and Safety working group and its Occupational Health and Medicine sub-working group. Through the activities and deliberations of these groups, we contribute to, and influence, the broader health and well-being agenda and strategy of the mining industry. Anglo American is also represented on the ICMM Initiative for Cleaner and Safer Vehicles (ICSV) working group, contributing to the industry’s strategy and efforts to eliminate harmful occupational exposures to diesel particulate matter.

Worker participation and consultation

Workers are involved in statutory and non-statutory health and safety committees across our operations. Key health focus areas and performance updates are presented in these committees. In South Africa, new or revised health-related codes of practice are taken through committee structures where workers have the opportunity to be engaged and be consulted on new guidelines or procedures.

Health-related training

A training programme on the Workplace Health Standard, aimed at managers, was developed and rolled out across the Group.

In collaboration with the Group Learning Academy, our Health team also developed and launched training videos on medical emergency management. The series of videos depicts how agencies and mechanisms in the mining environment can cause the most critical injuries, which could result in a fatality if appropriate and lifesaving medical care is not available rapidly. The course aims to prepare medical staff and first responders to effectively provide such care to injured persons.

Next steps

In 2024, we will continue our efforts to reduce workplace exposures through improved workplace emission management and controls.

Our focus will be on preventing occupational exposure to enterprise-level health risks, specifically respirable crystalline silica and diesel particulate matter, at source, through critical controls, real-time monitoring, and implementing new technologies.

Leadership and culture

Building greater levels of trust with our wide range of stakeholders is central to our ability to deliver on our strategic business objectives. This starts with a capable and engaged workforce that behaves ethically and responsibly, consistent with Anglo American's Values and Code of Conduct. We aim to foster a purpose-led high performance, inclusive culture, through an organisational structure that is designed to attract and retain the best talent and empower leadership to deliver the desired outcomes.



Business conduct

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

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 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.

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.

► For more information on Code of Conduct
Visit angloamerican.com/code-of-conduct

Business Integrity Policy

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.

Whistleblowing Policy

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.

► For more information on YourVoice
Visit angloamerican.com/suppliers/yourvoice

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.

► For more information on our sustainability governance
See pages 48–49



Meeting at the company's offices in Johannesburg are (left to right) Anglo American South Africa housing manager Zinzo Mgudlwa, head of transformation and organisational effectiveness Zinhle Cele, and head of employee relations Craig Malander.

Managing risks and opportunities

Managing bribery and corruption risks

We assess bribery and corruption risks across all our operations. There are three primary aspects of the business which make us exposed to this risk: the use of intermediaries; engaging with public/government officials; and making social investments and donations. The management of these risks includes:

- The use of intermediaries – we have developed and implemented an enhanced intermediary risk management process. We have also developed new training material that can be used by the business to train intermediaries and the managers who make use of their services.
- Engagement with public officials – we have developed bespoke face to face training for those employees in positions where they may be exposed to these engagements.
- Social investments and donations – we have provided additional guidance to the businesses, setting out best practices to manage this risk.

We are also in the process of developing an enhanced second-line monitoring programme for the above areas.

Enhancing our Compliance Management System (CMS)

Our CMS is the framework we use to support the implementation of key business integrity requirements across the Group. It covers topics such as bribery and corruption, competition compliance, tax evasion and data privacy. To further embed these topics and increase understanding and consistency, the Ethical Business Conduct team regularly engages with business integrity leaders across the Group to clarify and discuss relevant topics.

We use the CMS risk assessment process and trend and root cause analyses to identify our top-level Group business conduct risks. Group-led initiatives are then implemented to improve the mitigation strategies for managing these risks.

Reinforcing our assurance, risk management and investigation processes

The ‘Three Lines Model’ of the Chartered Institute of Internal Auditors is used to bolster adherence to our Business Integrity Policy by obtaining assurance on our control environment and mitigation programmes, including an annual risk-based internal audit. This model helps to ensure that risks are dealt with at the appropriate level within the business, and minimises the chance of risks being missed.

Targets and progress

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.

Our operating assets also run site-level grievance mechanisms to allow community and other external stakeholders to raise issues with us.

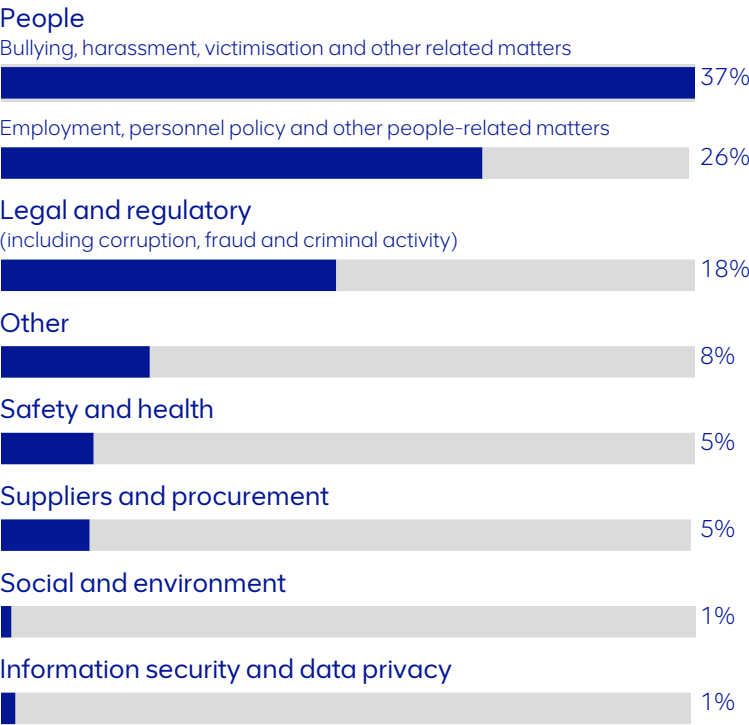
Activities in 2023

Embedding Group policies

During 2023, we provided our businesses with a Group policy self-assessment tool. This tool provides leaders with further visibility of the Group policy landscape, and the expectations of them regarding ongoing implementation.

We are also implementing a new policy management system, allowing employees to access the documents they are expected to comply with more easily. The tool also supports policy owners in the management and communication of their documents.

Breakdown of YourVoice reports received (%)⁽¹⁾



⁽¹⁾ Computational discrepancies may occur due to rounding.

We continued to support embedding the Group’s policies across the business and Group functions responsible for their implementation. Inherent in the policy review process is the provision of advice and guidance on programme improvement opportunities. We regularly communicate our Values to our employees and provide training on the Code of Conduct and underpinning Group policies.

Benchmarking and supporting 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.

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.

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.

We continued to see results in our innovative approach to make our training more engaging and impactful. The success of this was recognised by receiving a gold Brandon Hall award for the best advance in compliance training for our Code of Conduct online training module, which was launched at the end of 2022.

In the final quarter of 2023, we ran several face to face training workshops for a targeted population of employees who engage with public and government officials in high-risk roles. These were delivered using a new interactive game format, based on the common risks employees may face. The training was well received and, by year end, 249 colleagues had completed the training.

We also developed several awareness communications throughout the year, including *The Compass* newsletter, which releases regular information to colleagues on the bribery and corruption risks of interacting with public/government officials, and accepting or giving gifts, entertainment and hospitality.

Next steps

We have a robust plan of continuous improvement in collaboration with our business integrity implementation managers across the Group, Group management, Group Compliance Committee, and Audit Committee. We will continue to refine, embed and monitor compliance with our policies.

Our focus will be on expanding use of the policy management system and continuing with training relating to our Code of Conduct topics. We will increase the testing of key controls for business integrity by embedding an enhanced second-line controls monitoring programme, and review and update policies and standards. In addition, we will review and update YourVoice to improve the quality of internal reporting of the concerns that are raised on this channel.

Cybersecurity and data privacy

Integrating cybersecurity and data privacy measures is vital for protecting our assets and ensuring operational continuity. By complying and going beyond regulation, we can help address safety and environmental concerns and continue to build trust with our stakeholders.

Our approach to cybersecurity and data privacy

Our policies

Our cybersecurity and data privacy policies include acceptable use of IT, information security and data privacy. These policies are supported by standards covering a range of issues from access control to media handling.

The policies and standards are informed by the National Institute of Standards and Technology (NIST) Framework, which outlines best practice to manage cybersecurity risk.

Anglo American's adoption of the NIST framework provides transparency on our approach to cybersecurity and data privacy governance. This approach is being strengthened by our formal adoption, and attestation, of ISO 27001 (including 27002 and 31000).

Governance

The Board's Audit Committee has oversight of cybersecurity matters and receives an annual briefing on cybersecurity and data protection, with the finance director responsible for cybersecurity.

The Global Information Management Committee (GIMC) is the primary governance committee for cyber security and meets quarterly to review, inter alia, cyber risk, budgets and decision making on security initiatives and proposals.

► For more information on our sustainability governance
See pages 48-49

Managing risks and opportunities

Like most companies, Anglo American faces the risk of loss or harm to our technical infrastructure and data, as well as the use of technology within the organisation, from malicious or unintentional sources.

The potential impact could be theft or loss of intellectual property, financial losses, increased costs, reputational damage, operational disruption and compromised safety systems which could result in loss of life.

We have a dedicated Global Information Management Security team, with appropriate specialist third-party support to oversee our network security. Our cyber risk-management function aligns to ISO 31000 in the treatment of the full lifecycle of cyber risks. We also undertake security reviews of all new solutions at the project delivery stage, including vendor risk assessments.

Employees across the Group are required to complete ongoing cyber awareness programmes.

Processes and infrastructure

Anglo American operates an Information Security Management System (ISMS). This provides a business risk-based framework in which we run, monitor, and develop the security controls we use to protect our and our customers' and partners' information assets.

The framework covers people, processes and technology controls. It is supported by commitment from senior management to ensure security awareness within the organisation and compliance with both internal and external security requirements.

Our processes include:

- Risk assessing the ISMS on a regular basis and mitigating any identified risks or issues to ensure it continues to fulfil its role
- Review of the ISMS by internal and external auditors to assess its effectiveness, performance and management
- Creating , approving, planning and implementing global and local policies, which are reviewed regularly, to maintain alignment to systems policies, procedures and standards
- Ensuring colleagues receive appropriate training in security behaviours
- The prompt reporting, investigation and mitigation of issues.

Integration into enterprise risk management

The findings from cyber risk assessments are recorded and managed via the Group's cyber risk register. This risk register is used to inform the organisation about the extent and range of its cyber vulnerabilities, as well as key information management decisions taken across the Group.

Targets and progress

Security metrics are monitored and reported by the information security team to business leaders at several forums, including the GIMC.

Activities in 2023

Engaging and training our people

All permanent employees receive new-entrant training shortly after joining the company, which includes either an information security session delivered by an instructor or computer-based training.

All employees and contractors receive annual mandatory computer-based training on information security, data privacy and our policies.

Monthly phishing simulations are delivered to all employees and contractors with an Anglo American email account, assisting colleagues to recognise and report phishing attacks.

Additional risk-based training is delivered as required. This includes instructor-led training and workshops for employees in high-risk roles and employees who have exhibited high-risk behaviours, such as repeated clicking on phishing links.

In addition to having access to the Group's information security and data protection teams, colleagues can also raise concerns about cybersecurity or data protection through YourVoice, our confidential anonymous reporting channel.

► For more information on YourVoice
See page 33

Managing policy infringements

While disciplinary actions are uncommon, any potential acceptable user policy infringements are recorded and investigated. We adopt a view that engagement and information are usually more effective than punitive actions; however, depending on severity, sanctions, up to and including disciplinary action, termination of employment, and reporting to law enforcement are used.

Completion of cybersecurity and data privacy training is part of the annual mandatory policy compliance learning curriculum. From 2024, failure to complete the training programme will affect bonus outcomes.

Cybersecurity internships

Anglo American's first cybersecurity apprentices recently graduated from a two-year cybersecurity apprenticeship and, during 2023, we onboarded our second and third cohorts to the UK-based scheme. We have also given apprenticeship-style training to six individuals in South Africa and hope to expand the initiative in this region.

► For more on our cybersecurity apprentices
See page 35

Next steps

We will continue to focus on colleague training and awareness to drive an organisation-wide cybersecurity culture, as well as increasing the Group's cyber resilience through a specific focus on technology at our operations.

We will also expand our Security Orchestration and Response (SOAR) capability. SOAR integrates and co-ordinates our security tooling into streamlined threat response workflows that subsequently enable standardised and automatic technical responses at pace and scale without the need for any manual intervention from the security team.



Featured in Crop Nutrients' specially designed 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."

Talent attraction, retention and engagement

We understand that achieving our current and future business objectives depends on recruiting and retaining the best talent across the world — and ensuring our people can develop their full potential within Anglo American while living our Values.

Talent management and employee engagement play a vital role in Anglo American’s operational, sustainability, and safety performance.

Strategy and approach

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.

Our employee relations and engagement strategy

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.

Our approach to employee representation

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.

Governance

The Group people & organisation director is accountable for the delivery of our talent work programmes, managed through 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.

► [For more information on our sustainability governance](#)
[See pages 48-49](#)

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.

Managing risks and opportunities

Talent management and employee engagement play a vital role in Anglo American’s operational, sustainability, and safety performance. Our industry often faces challenges related to high turnover, especially for roles that require specialised skills. Talent management strategies, such as competitive compensation, career development opportunities, and a positive work environment, can help retain key personnel and reduce the costs associated with recruitment and training.

Evolving the candidate experience

Our recruitment processes continue to focus on being candidate-centric, a core principle that aligns to our commitments in our Candidate Charter to treat applicants with dignity and respect and ensure equity in the recruitment process.

The use of best in class technology platforms enables us to combine high recruitment standards with a positive and engaging candidate experience. This allows us to apply our principles while recruiting internationally and at scale, while ensuring the process is fair and transparent.

We gain direct feedback from applicants on their recruitment experience through our sentiment analysis tool and seek to implement any improvements highlighted through the feedback process.

We have articulated our Employee Value Proposition (EVP) to explain what we stand for and what sets Anglo American apart as an organisation. It lets current and potential employees know what we expect from them and what they can expect from us.

Strategic workforce planning

Our workforce planning process adopts a dual approach: short-term operational workforce planning, and longer-term strategic workforce planning. Our strategic workforce planning approach ensures that we understand in detail future workforce supply and demand dynamics, in terms of both quantity and skills, under a range of planning scenarios. These plans inform the development of people strategies across the business.

We continue to increase the rigour of our short-term operational workforce planning. We have a structured approach to tracking a variety of workforce metrics across our major sites, which are regularly reviewed to ensure the workforce is being effectively managed in order to support planned, safe, production.



Chair of the Global Advisory Panel, Marcelo Bastos.

Programmes and tools are being developed to enable rapid upskilling and reskilling of our workforce to equip them with future-relevant skills, such as our digital literacy skills development programme. Where appropriate, some of the know-how will be expanded to broader community skills development and support.

Targets and progress

Continuous learning

Our Technical Academy performs quarterly performance review sessions with all technical disciplines to prioritise the learning required. These priorities are then validated by a steering committee to ensure cross-discipline alignment. Feedback from surveys indicates an overall effective level of engagement and partnership between internal stakeholders and our Technical Academy. The strong relationship that we have built with our business and the multi-vendor relationships that we have in place with learning partners have enabled us to continue to deliver excellent technical learning. We continue to seek opportunities to focus on key future skills for disciplines.

► [For more on our Technical Academy](#)
[See page 38](#)

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 commitment to enhancing the candidate experience included upskilling our Talent Acquisition partners, ensuring they serve as advocates in the market, and developing our in-house sourcing capability. This includes internal referrals and an alumni talent pool, recognising that everyone, whether a current or former employee, is a brand ambassador.

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%).

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.

Activities in 2023

Our global mentoring programme

Launched in 2019, our global mentoring programmes brings together people from different cultures, geographical regions, areas of expertise and levels of seniority, to share knowledge, experiences and perspectives. In 2023, we almost doubled the overall number of participants to 1,042 (2022: 533), as well as participating in a number of external mentoring programmes. We currently have 458 active mentoring partnerships.

Coaching at scale

In 2023, we expanded accessibility to 1:1 coaching to those employees who are considered emerging leaders, through a partnership with a global coaching provider. Underpinned by goal setting, the coaching has provided these employees with the opportunity to amplify their strengths and address their development gaps. Employees and their line managers are also

given the opportunity to assess progress against goals during the coaching programme and upon completion.

Building strong foundations in our early talent

We have a globally consistent process to the way we recruit, develop and position graduate talent across our business. Our processes have largely pivoted to virtual delivery and have allowed us to broaden our reach. Our early-careers approach is holistic and supported by three key pillars:

- Differentiated university engagements and partnerships to support global and local contexts
- A candidate-centric recruitment process that attracts top quality, diverse graduate talent
- Graduate development that supports learning outcomes aligned to our Values and technical and leadership competencies in support of our Future of Work programme.

Our graduate programme is aligned to our broader strategic imperatives of inclusion and diversity. It links closely to FutureSmart Mining™ and our Sustainable Mining Plan, ensuring that we purposefully attract, develop and retain young talent.

Inducting our global graduates

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.

We develop graduates from across our business through integrated learning programmes that target their personal and leadership development, in addition to technical skills. Given the changing nature of work, we embed future skills into graduate learning to position graduates for success today and in the future. The bulk of graduate learning happens in the flow of work, which we supplement with deliberate coaching from line managers to ensure graduates receive real-time feedback to effectively support their development.

We expect graduates to deliver projects where they demonstrate the skills they have acquired throughout the programme. This also creates an opportunity for them to engage with leadership teams and learn from subject-matter experts across the business. In 2023, we continued with our Global Graduate Business Improvement Symposium, where graduates implemented continuous improvement projects and competed with their peers globally.

Anglo American’s graduate programme continues to be benchmarked against industry peers. In 2023, we were named as Employer of the Year in the Mining and Resources sector by the South African Graduate Employees Association (SAGEA) for the 13th year in a row. Our groundbreaking immersive development experience for our Graduate Business Challenge,

based on immersing graduates into a mine of the future, collected two gold Brandon Hall awards in 2023, relating to the Future of Work and Learning and Development.

Offering internships, apprenticeships and vacation work experience

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.

► [For more on our cybersecurity apprenticeship programme See page 35](#)

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.

Partnering with universities

We continue to review and explore strategic partnerships with several universities through which we can collaborate more deliberately to define curricula that align to industry needs and the evolving nature of work and workplaces, as well as supporting research and development. This will also provide access to a diverse and inclusive global graduate talent pool that meets current and future business needs.

Connecting to workforce priorities

We continued to engage with internal stakeholders through our Inclusion and Diversity Working Group. It is chaired on behalf of the Executive Leadership Team by Monique Carter, people & organisation director, and features representatives from each Group function and business. The working group meets regularly to align our strategy across our operations and ensure that the voices of all colleagues are heard and valued.

As part of our Colleague Insight Strategy, we run regular global surveys to identify areas where we can share best practice and where we need to do more to improve the employee experience; for example, to ensure that colleagues feel psychologically safe, cared for and respected. Inclusion index questions are included in our broader colleague surveys and pulse surveys to measure progress.

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.

Employee retention

We offer a number of incentives to retain and motivate our people. These include flexible working and family friendly policies, mentoring programmes and learning and development opportunities (either through formal programmes/courses or curated learning content via our Learn+ platform). We also have a holistic well-being strategy with initiatives that cover four key pillars (healthy body, thriving mind, meaningful connections, and financial confidence). Our remuneration policy is competitive and we offer free shares to employees, as well as the opportunity to purchase further shares in the Company through our share ownership schemes.

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.

Employee engagement

We have made intentional efforts to support the mental wellness of our colleagues during our organisational transition, particularly in the UK and South Africa. This included holding mental wellness workshops, focused on stress management, building resilience, and supporting each other. We also delivered a series of workshops to help our colleagues and managers spot the signs of mental ill-health and provided on-site, discreet counselling services for colleagues affected by the organisational change. Additionally, we offered refresher training to our mental health first aiders, who play a critical role in providing frontline support services.

Next steps

In 2024, we will continue to focus on creating engaging career growth offers for our existing employees, and optimising the hiring experience for all candidates through improving visibility and ease of access to apply for roles at Anglo American.

We will also build on the solid foundation of internal and external talent pipelines we have already established, focusing on career growth and development of our internal talent pools, while continuing to actively engage with external and alumni pools. As part of our commitment to the development of existing employees, we will also be concentrating on how to enable greater internal mobility to support our people in taking on new career opportunities and fulfilling their potential, while also providing coaching and mentoring offers at scale.

In 2024, we will focus our early talent recruitment and development around attracting, selecting and developing early careers talent in line with the capability and skills we need for the future of our business, aligning our approach with our strategic workforce planning insights.

Training and upskilling

As the accelerated pace of global change shapes the transition in the nature of work and the workforce, we are focused on harnessing the opportunities and overcoming the challenges posed by these changes. In 2023, we remained focused on maximising the opportunities offered by technology to foster a culture of lifelong learning and creating the conditions for success for individuals, teams and the organisation as a whole.

Our strategy and approach

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.

Managing risks and opportunities

Across our business we remain focused on ensuring our new hybrid work patterns are equitable and support our people at every level.

As the pace of change in our industry, and indeed the world, continues to increase, this organisational capability will help us to be proactive, giving us a competitive advantage. We can apply this insight to ensure we have the appropriate people and strategies in place to deliver business expectations, today and into the future. Our objective is to provide our people with the tools they will need to step up to roles that have evolved, as well as completely new ones.

Targets and progress

Investing in 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.

Our Digital Literacy programme evolved to become the Digital Academy, which offers end-to-end digital skill acquisition opportunities to more than 10,000 people across the Group. We also developed 150 Data Citizens and Data Leaders through our Data Analytics Nanodegree programme.

During 2023, we started the digital upskilling of our frontline workforce. Initially, focus groups were convened at our operations to hear first hand their concerns and needs in relation to digital knowledge. We are now close to launching the proof of concept phase and aim to scale-up this training to all our full frontline workforce over the coming years.

Our Jargon Buster webinars continue to attract thousands of employees on topics such as machine learning and the blockchain. In addition, our Digital Village Community of Practice now has more than 800 active members and continues to grow.

Activities in 2023

Operational training

In our mining operations we continue to invest strongly in development of modern mining skills and competencies through our Technical Training Centres around the world, where we use advanced simulators to develop and improve our operations teams. These centres develop critical skills for a variety of trades and artisans, learnerships and apprenticeships, both for Anglo American and the wider industry and supply chain. Our commitment to safety and quality training is demonstrated by our nationally accepted accreditations.

Enhancing our Learn+ platform

In 2023, we remained committed to the learning and development of our workforce, aiming to cultivate a culture of continuous, self-driven and personalised learning.

Central to our approach is Learn+. However, in 2023 we went beyond content acquisition to integrate learning seamlessly into the daily work of our employees. Inside Learn+, we curated learning pathways aligned with our business needs, guiding individuals to the most relevant resources.

With the power of AI, we have personalised learning experiences, delivering content based on individual profiles and search activity. Additionally, strategic content partnerships with esteemed providers like Harvard, Go1, getAbstract, Accenture Academy, and Future Talent Learning enhance our platform with high-quality content.

We continue to actively collect feedback and data to enhance user experience and content quality, embodying our commitment to delivering effective learning experiences.

Our Technical Academy

Drawing on expertise from across the business, our Technical Academy looks to transform our technical skills and capabilities using the latest approaches – from immersive technologies to scenario-based training – to create uniquely engaging learning content.

There has been a steady increase in growth year on year, with 2023 being a record year for content development and external recognition. By the end of 2023, 254 technical courses had been deployed since the Technical Academy's launch in 2020; 21,000 learners from 32 countries had completed courses, and technical learning offerings had been translated into 11 languages.

Courses covered critical topics such as process safety; safety leadership practices; permitting; carbon and energy and the future of mining; best practice principles; and the Anglo American Operating Model.

Additionally, to ensure successful delivery, the Technical Academy team put a focus on operational excellence, streamlined ways of working, and rolled out a comprehensive stakeholder dashboard.

Leadership Academy

In 2023 416 leaders participated in our various Leadership Academy events during the year (2022: 627). We created learning journeys and blended solutions that aim to enhance user experience and digital capabilities.

Our programmes provide rich, immersive learning experiences that enable our most talented people to lead the way to a safer, brighter future for our people and our communities.

In 2023, the Leadership Academy delivered six programmes aimed at developing emerging leaders through to senior executives. These include:

- Achievers – fostering leadership effectiveness and impact
- Accelerators – developing the skills needed to drive change and deliver our Purpose
- GameChangers – encouraging responses to social, economic and environmental challenges that align with our Purpose
- FutureShapers – helping leaders grow value by executing our strategy, inspiring teams and being an enabler of change
- ReInventors – a small cohort continued the inaugural programme in 2023. Three participants were promoted to more senior roles, including two onto the Executive Leadership Team
- Amplify – ensuring that women have the tools, networks and space they need to become authentic, impactful and effective leaders. The course has been designed to address the three areas of self-acceptance, self-development and self-management. In 2023, 80 of our female leaders formed the third cohort of Amplify.

All leaders completing our Leadership Academy programmes form a part of the alumni community. The purpose is to support continuous learning, expand their network within the organisation and participate in curated alumni events on leadership topics of interest.

Leadership Lab

Following successful pilots in 2022, we officially rolled out our Performers and Pathfinders programmes during 2023. These programmes are part of our new ‘Leadership Lab’ offering, aimed at ‘in role’ development of our emerging leaders. In 2023, two cohorts of Pathfinders and one cohort of Performers completed the programmes. In addition, we ran three masterclasses for our executive leadership audience.

Leadership Hub

In 2023, we made our Leadership Hub available to every employee across Anglo American. Housed within our Learn+ learning management system, the Leadership Hub is an innovative online leadership development tool which combines carefully curated content and resources to help our people develop, finesse and evolve their leadership skills and behaviours in learning style and at a time that suits them. During 2023, 1,322 employees registered on the hub and 960 attended Live Learning Forums hosted there.

Engaging for excellence in leadership

We are proud that Anglo American has been honoured with 23 Brandon Hall group awards in 2023 for excellence across various categories, including Learning and Development, Leadership, Diversity and Inclusion, and the Future of Work. These awards include 12 gold, 6 silver, and 5 bronze distinctions. This achievement reflects our ongoing commitment to innovation, growth, and the advancement of best practices in all aspects of Learning.

Transition assistance programmes

For colleagues leaving the business due to redundancy, outplacement support is provided in accordance with local market practice. This support can include internally managed face-to-face and virtual workshops covering topics such as career planning, interview techniques and CV writing. Post-exit, third-party outplacement support is also provided across many of our businesses. Our typical outplacement professional programme covers one-to-one consultations with a dedicated career consultant, CV and LinkedIn profile guidance and career related workshops. In certain businesses, a skills/training allowance is provided as an alternative to third-party outplacement support, as well as general financial guidance.

Through our enhanced Well-being Strategy, we are building upon the initiatives we offer to employees to equip our people with the knowledge and resources to build their desired financial future and make well-informed financial decisions, including financial planning for retirement.

Next steps

In 2024 we will move to integrate learning across Anglo American, bringing together our training and development activities across the various disciplines and geographies. This will better enable the removal of duplication and support a more joined up and learner centric approach as we continue to maximise the impact of training on the performance of our operations.

Key areas of focus will include:

- Launching our learning integration and transformation programme
- Targeted development of critical current and future capabilities in safety, mining, processing, and engineering, to ensure skills readiness and address our SWP objectives
- Implementing a consistent approach to supervisory capability
- Developing leadership capability in support of embedding and sustaining organisational changes and culture.

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.



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

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.”

Inclusion and diversity

We aim to make sure that every employee is valued and has the opportunity to fulfil their potential, regardless of age, gender, ethnicity, religion, disability, sexual orientation, education or national origin. Because by nurturing a safe space where we all belong, we will create a better business for everyone.



Inclusion and diversity

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.

Strategy and approach

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 Group Family Friendly and Carer Leave Policy covers primary and secondary carer leave and supersedes our previous policies covering maternal and parental leave, where provision is below the policy's benchmark. We aim for this policy to serve as a benchmark standard for all businesses and functions.

The Group Flexible Working Policy, seeks to ensure that our colleagues have access to and feel supported in accessing hybrid working arrangements. The policy acknowledges that the nature of work being performed, and the impact of various technologies, provide options for increased flexibility in the way we work, and the location where some work can be done.

► See more on our Inclusion and Diversity policies here:
[Visit **angloamerican.com/inclusion-and-diversity**](https://www.angloamerican.com/inclusion-and-diversity)

These policies set out minimum standards that Group functions and our businesses are expected to follow, while always stipulating that any local regulations with greater requirements will take precedence. We also seek to align our efforts in this area with the UN SDGs, which intersect strongly with much of our inclusion and diversity team's work. In the UK, we have introduced a Menopause Policy and are working towards becoming a menopause friendly accredited organisation.

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.

Our Global Mental Wellness Framework

Our Global Mental Wellness Framework aims to help our people feel supported and safe to bring their whole selves to work and prosper in both the workplace and community. In the UK, we formally launched our Group Well-being Strategy, which will be rolled out to the rest of the business. This strategy covers four key dimensions of well-being – healthy body, thriving mind, meaningful connections, and financial confidence – while recognising that an individual's well-being is also influenced by the ecosystem in which they live and work.

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.



Our Living with Dignity hub in Johannesburg seeks to provide preventative and responsive strategies to address harmful behaviour both within and outside the workplace.

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.

Managing risks and opportunities

Incorporating inclusion and diversity considerations into business decisions can positively impact our approach to innovation, employee engagement, community relations, and overall success. And while the nature of our industry means that there is always more work we can do to improve on inclusion and diversity, we believe that by fostering an inclusive environment, we can position ourselves for long term sustainability and growth.

Targets and progress

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%).

Diversity performance and employee retention data

Metric	2023	2022
Women in senior management (CE EoR)	29%	29%
Women in management (B5 and above)	34%	32%
Women as % of total workforce	26%	24%
Employees below 30 years of age	11%	11%
Employees between 30–50 years of age	70%	70%
Employees more than 50 years of age	19%	19%
Historically disadvantaged		
South Africans in management		
(% of South African management)	85%	71%
Voluntary turnover	3.5%	3.6%
Involuntary turnover	7.6%	6.5%

► For more on our Board Diversity
See page 145 of our Integrated Annual Report 2023

► See more on our sustainability data here:
angloamerican.com/sustainabilitydata

*Management includes middle and senior management across the Group.

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.

► See more on our UK Gender Pay Gap Report – UK
Visit angloamerican.com/gender-pay-gap-2023

Activities in 2023

Understanding our diversity, to enable inclusive practices

The Everyone In data-gathering campaign that aims to improve our understanding of our own diversity continued to be a major area of focus in year. In 2023, we were able to capture 15% of our workforce’s data, compared with a target of 60%, with the majority of these inputs coming from our corporate offices and functions. While we recognise that reaching our target will take time, given our global footprint, we also understand that it is critical to allow us to set data-driven commitments and enable transparent external reporting. In 2024, we will be revisiting how to approach this data collection within our businesses, and especially front-line colleagues, who have had the lowest response rate thus far.

Empowering colleagues with disabilities

In 2023, we introduced our first cohort of apprentices with disabilities in our Johannesburg office. This initiative is supported by our global Enabling You strategy which aims to break down barriers to inclusion and enable the success of colleagues with disabilities.

We also introduced online neurodiversity learning modules for all colleagues and for line managers, with supporting webinars around the value of neurodiversity in the workplace and neurodiversity and well-being. We provide access to workplace assessments for people who request them and will be reviewing our systems and processes for accessibility in 2024.

Standing up to domestic violence

We continued to implement our Group Policy on Recognising and Responding to Domestic Violence, which is a continuation of our Stand Up for Everyone campaign and supports our desire to ensure everyone is able to live with dignity. This important work by our inclusion and diversity team also assists the South African Living with Dignity Hub.

As part of these efforts, we provide practical support to help colleagues affected by domestic abuse or violence, either directly or as a bystander, regardless of gender and sexual orientation. We also offer various types of support, including paid leave, flexible working time, financial assistance, safe accommodation and access to a comprehensive risk assessment and safety plan.

Importantly, we hold perpetrators who are employees of our operations accountable for their behaviour in the workplace through disciplinary action. We may also make referrals to perpetrator treatment and counselling programmes where those services exist and where appropriate; and/or referral to external support or other resources for perpetrators who are concerned about their behaviour and recognise their need to access help.

Supporting the mental wellness of our teams

The thriving mind dimension of our Group Well-being Strategy has been a priority focus in 2023 and included various forms of mental wellness initiatives and training. We trained new mental health first aiders (MHFAs) in our Crop Nutrients business in 2023, ensuring MHFAs are available in all parts of our business. We also completed mandatory refresher training for previously qualified MHFAs. In 2024, we will continue with another round of training, further increasing the number of MHFAs who can support the workforce.

Other forms of employee assistance include counselling services, regular mental well-being seminars and access to a global mindfulness and guided meditation app, as well as offering counselling through employee assistance programmes.

Providing training and mentoring

We continue to provide bullying, harassment and victimisation and domestic violence awareness training. Our inclusion and diversity learning pathway, available to all connected employees, has expanded to include neurodiversity awareness.

We also updated our online inclusive hiring training, which all hiring managers are required to complete each year.

Building on our inclusive leadership toolkit and online training, we rolled out workshops for senior leadership across the Group to reinforce the importance of inclusive leadership styles for business success.

Social mobility programmes

Our inclusion and diversity apprenticeship scheme, which started in 2019 at our London office, plays an important part in our inclusion and diversity strategy by providing an opportunity to foster young and innovative talent from communities that might traditionally have been under-represented within our business. The programme was recently extended to our South African office where we are piloting a corporate apprenticeship programme, focusing on developing young talent, all of whom have a visible or invisible disability. We will continue to evaluate our corporate office apprenticeship scheme, with the aim to roll out to other geographies where similar needs have been identified.

To date, almost 90% of our first cohort of apprentices have either secured roles within Anglo American or moved on to jobs elsewhere, using the qualifications they gained with us, exceeding our expectations of the programme. Three apprentices have stayed at Anglo American, providing us with committed professionals with the knowledge and perspectives of their diverse backgrounds. Others have moved on to dynamic and promising careers with other organisations in their chosen fields. We are on track to see similar outcomes with our second cohort, which completed their programme in December 2023.

We also run a number of individualised apprenticeship schemes across our global operations – tailored to objectives of each of our sites and the local communities which they support. In the UK, this includes schemes such as our advanced engineering apprenticeship at our Woodsmith project, and our cybersecurity apprenticeship programme – formerly run out of our London headquarters but now also located at Crop Nutrients’ headquarters in Scarborough. In Australia, we run four-year programmes at each of our Steelmaking Coal sites, where apprentices have the opportunity to work across the operations, including the workshop, coal processing plant and in the field, to develop their skills alongside experienced tradespeople who mentor the apprentices.

► For more on our cybersecurity apprenticeship programme
See page 35

Learning from best practice

We consistently take advice and consult with our external expert partners around the latest inclusion and diversity best practice. Some of our engagements in 2023 included: Business Disability Forum; Purple Space; Genius Within; Lexxic; Inclusive Companies; ENEL; and Women in Mining. We also have representation on the ICMM and are involved in discussions and developments of industry-wide commitments to tackle issues such as gender-based violence and female representation in our sector.

Our colleague networks

We have 24 colleague networks globally that we provide with financial and external specialist support.

In 2023, our colleague networks hosted regular discussions and events on topics such as gender, LGBTQ+, age, disability, families and caring, race, ethnicity, nationality, culture and socio-economic background.

In addition, events were held around awareness days, such as International Women's Day, Pride, Black History Month, International Day of Persons with Disabilities, and World Mental Health Day.

Recognition for our inclusion and diversity achievements

Anglo American is recognised as a Top Employer in both the UK and South Africa. In 2023, we were also recognised as one of the UK's Top 50 most inclusive companies list for the fifth year in a row. We received the Inclusive Companies Head of Diversity & Inclusion Award for our Group head of people & organisation, together with the recognition for Best Diversity Team of the Year.

In addition, Anglo American continues to feature in the Bloomberg Gender Equality Index 2023 and was listed as a Times Top 50 workplace for women for the second year in a row. This is a reflection of how we are continuing to build on our long term strategy for gender balance, not just in leadership, but throughout the Group. Our initiatives are also receiving wider recognition, with the Chartered Institute of Personnel Development highly recommending our response to domestic violence and abuse as a best inclusive initiative in this area of work.

Next steps

In 2024, we will continue to build on our established strategic areas of focus and embed our inclusion and diversity-related policies and initiatives.

We expect our focus to be on: race and ethnicity; disability inclusion; bullying harassment and victimisation; gender-based violence; development of inclusion and diversity KPIs; gender representation; mental well-being; development of our colleague networks; and continuing inclusive leadership awareness and training.



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."

Human rights

Our commitment to human rights is expressed through our being a signatory to the UN Global Compact and the Voluntary Principles on Security and Human Rights. We work with governments at all levels and other authorities to ensure human rights are understood and protected – for our workforce, the communities around our operations, and across our entire value chain.



Human and labour 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.

We seek to make a positive impact on people’s human rights and take appropriate action in the event that there are adverse human rights impacts that we have caused, contributed to, or to which we are directly linked through a business relationship.

Strategy and approach

Our Human Rights Policy

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.

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.

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 information on our sustainability governance
See pages 48–49

Managing risks and opportunities

Our salient human rights issues

Our most salient human rights issues relate to occupational health and safety of employees and contractors, environmental management, labour rights, supply chain, community impacts, and security and human rights. Accounts of our approach and

performance in relation to health and safety, community impacts, supply chain and labour rights are covered in applicable sections of this report. Human rights risks that are not addressed comprehensively under these topics are included in this section.

Human rights due diligence

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).

► For more information on our Responsible Sourcing Standard
See page 99

► For more information on Responsible Commodity Sourcing Policy
See page 96

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.

Security and human rights

As a signatory to the Voluntary Principles on Security and Human Rights we ensure that employees and contractors who work in security services receive adequate training. In 2023, 8,169 security personnel participated in training. A comprehensive account of our performance in relation to the VPs is available in a separate report on the Anglo American website.

► Voluntary Principles on Security and Human Rights
Visit angloamerican.com/voluntary-principles-report

Contractor management

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

► For more information on our Contractor Performance Management framework
See page 26

Targets and progress

Incidents and grievances

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 information on YourVoice
See page 33



Human rights and respecting cultural heritage are critical foundations of our Sustainable Mining Plan. Here, close to our Quellaveco mine in Peru, Edilberta Aduviri Ortegallaveco cultivates chushuro, an alga known as the ‘caviar of the Andes’.

We recognise Indigenous Peoples have profound and distinct connections with their lands, territories and resources, and that these are tied to their physical, spiritual, cultural and economic well-being. We support the United Nations Guiding Principles on Business and Human Rights, which set out principles for leading practice for companies and states in relation to Indigenous Peoples.

► For more on how we preserve and protect the cultural heritage and human rights of host communities
See pages 86–87

Modern slavery statements

We aim to be part of an ethical value chain that respects human rights and is free from slavery. We have published several modern slavery statements in compliance with the UK Modern Slavery Act 2015 and the Australian Modern Slavery Act 2018. Our latest statement is a joint statement, made in accordance with the UK MSA and Australian MSA. In 2022, we completed a modern slavery hotspot analysis to improve our understanding of modern slavery risks across our value chain. A total of 15 potential hotspots were identified, based on likelihood and severity. The most material supplier and labour categories related to information and communications technology (ICT) products and services, renewable energy, construction, personal protective equipment (PPE) and workwear, and shipping. We are currently undertaking deep-dive reviews into a sub-set of hotspots to evaluate the effectiveness of controls in place to address the most pronounced risks.

► [For our latest modern slavery statement](#)
[Visit \[angloamerican.com/modern-slavery-statement\]\(https://www.angloamerican.com/modern-slavery-statement\)](https://www.angloamerican.com/modern-slavery-statement)

Activities in 2023

Training and awareness

Work continued to raise awareness across the Group on how human rights intersects with various areas of the business. As part of these efforts, we prepared briefs that provide an overview of the topic, as well as specific guidance on children's rights, climate change, modern slavery, water access and the use of drones.

We continued to provide human rights training, for both employees and contractors, as part of the Group's mandatory compliance training. Around 98% of our total 12,500 connected employees completed the basic human rights training in 2023. We completed the roll-out of more tailored modules for specific functions to address risks related to their parts of the business, including within Marketing, People & Organisation, Supply Chain, and our operating businesses.

We were pleased to be recognised for our strong progress on Human Rights by being placed within the top 10 of the Corporate Human Rights Benchmark, a review of global corporate human rights performance undertaken by the World Benchmarking Alliance.

Engagement with NGOs on human rights

We remain committed to building and maintaining relationships with civil society organisations (NGOs), both at a local and global level. We engage in multilateral forums such as the AU Forum on Business and Human Rights, the UN Forum on Business and Human Rights, and side events at the UN General Assembly.

In 2023, we also worked with the Alternative Mining Indaba, the Business Network on Civic Freedoms and Human Rights Defenders, the Institute for Human Rights and Business and other organisations to advance our important work in this area.

We recognise that partnering with organisations working specifically in the field of human rights is crucial to delivering a positive contribution to our stakeholders.

Responsible resettlement

Displacement and resettlement as a result of our activities is a complex and sensitive issue, which we strive to handle in line with international best practice. While we always seek to avoid or minimise resettlement caused by our activities to the extent possible, we have a number of ongoing and potential future resettlement projects.

With strengthened governance in place, we are able to proactively identify instances where our long term life of asset plans may cause future displacement and resettlement. The identification of a potential pipeline of land access needs, integrated into long term mine planning, creates an opportunity to change technical project designs earlier in the planning process. In this way, we can avoid resettlement and find alternative solutions where possible, reducing the impact on communities, and mitigating projects risks and costs.

Where we can no longer avoid or further minimise displacement and resettlement, our standard on land access, displacement and resettlement – launched as part of the Social Way – increases the robustness of our planning and preparation for execution. We believe that this approach helps deliver improved quality of life outcomes for the involved communities.

All new resettlement projects, regardless of the financial thresholds, are now treated as capital investment projects. This means resettlement planning is subject to rigorous and independently assured stage-gating and must be approved by the Investment Committee of the Executive Leadership Team. Each project undergoes thorough review by senior leaders, supported by subject-matter experts.

In 2023, land access and resettlement strategic planning was conducted at 14 of our managed sites – these processes were initially assessed against the Social Way requirements as part of the annual Social Way assurance process.

Recognising the complexity of re-establishing livelihoods and achieving positive sustainable resettlement outcomes, we consult extensively with affected parties throughout the resettlement process. Continuous monitoring and evaluation enable us to take relevant corrective measures, as required, to ensure we meet our standards.

At our Mogalakwena PGMs mine in South Africa, we are making steady progress to relocate the last remaining households at Motlotlo, thanks to consistent and targeted engagement with the affected households. We are engaging in a comprehensive monitoring and evaluation programme to track the post-resettlement living conditions of relocated households.

In Brazil, our resettlement programme for communities living downstream of our tailings facility at Minas-Rio is evolving in response to a court decision that mandates resettlement of these communities.

Gender-based violence

Everyone has the right to work in an environment that is safe, healthy and free from discrimination. These basic rights underpin the Living with Dignity framework to tackle gender-based violence (GBV) that we launched at the end of 2019.

Our work in strengthening GBV response and prevention initiatives recognises the interlinkages between the experiences of employees at work, at home, and in their communities. Our efforts and investments hence address challenges within the business as much as they aim to support response and prevention work in and with communities.

In terms of our internal work, the Living with Dignity hub in South Africa, a dedicated office to independently co-ordinate complaints of GBV, sexual harassment, bullying, victimisation and harassment, adds to existing employee support services and ensures specialised, victim-centric support for employees and contractors. We reflect on the hub's effectiveness and value-add on an ongoing basis, with a view to further strengthening what and how we offer assistance to colleagues who experience discrimination and violence.

Appreciating the crucial role that general managers play in the context of both our employees and our host communities, with 95% of our global employee cohort being based at our operations, there was a strong focus throughout the year on working with them and their site-level leadership teams. General managers took a joint, global stand against GBV, and have communicated this throughout the organisation. Based on this stand, further work sets out to initially build a common understanding of GBV among the general managers and their leadership teams. With deepened understanding of the complexities underpinning GBV within the business and in societies worldwide, site leadership teams were empowered to further develop and implement site-specific actions. This work has been guided by a set of nine elements for intervention, stretching from strengthened understanding and implementation of corporate policies and tools relevant to GBV, to improving independent incident reporting, strengthening GBV prevention work, and building strong partnerships for sustainable impact at scale.

The development of a protection from sexual exploitation and abuse policy guidance tool and a safeguarding protocol, completed in 2023 and to be rolled out in 2024, will ensure that those in our care, particularly members of vulnerable groups such as children, are protected from violence. Likewise, a gender-transformative syllabus to empower community-based implementing partners to better identify and respond to cases of GBV was completed in 2023. The syllabus includes gender-transformative components, inviting participants – i.e., those working in and with communities on Anglo American's behalf, to reflect on their own gender norms, particularly in areas where these are potentially harmful.

Work beyond our operations and host communities includes continued engagement with regional and global partners, including UN Women through Generation Equality, the UN Global Compact, as well as the Minerals Council and businesses associations in South Africa.

Next steps

Overall, 2024 will see a strong focus on implementation of the tools and processes developed in 2023, with operations and host communities at the centre of the next steps.

We will remain focused on embedding respect for, and protection of, human rights throughout our policies and practices. We will continue to develop and launch training modules tailored for specific business functions to promote understanding of potential human rights impacts and related expectations.

We will also further develop operational due diligence guidance and functional measures for areas such as mergers and acquisitions, and significant investment decisions, as well as legacy issues covering potential human rights risks and responsibilities when we divest a business. Ensuring we have the right policies and processes in place to cover labour risks related to human rights will continue to be a focus. Within our business, we will integrate human rights into contractual controls with all our business partners where there are potential risks.

We will conduct a Group-wide saliency review, continue to train and raise awareness, and ensure that respect for human rights is considered throughout Anglo American business processes and relationships.

Governance and policies

This section incorporates our 'Group standards and processes' and 'Compliance with legal requirements' critical foundations. Our comprehensive set of policies, standards and principles helps us to manage and mitigate risks, as well as ensure that we uphold the commitments we make to our stakeholders and work towards a common set of ambitions. We also need to be cognisant of evolving international mining best practice – which may well go beyond legal-compliance requirements.



Sustainability governance

Sustainability is at the heart of Anglo American, and our governance structures are set up to support us in our progress towards delivering our sustainability targets, including our Sustainable Mining Plan goals. In this section, we review the roles of the Board’s Sustainability, Audit, and Remuneration committees, as well as the Group’s sustainability governance structure.

The role of the Anglo American Board of directors is to promote and safeguard the long term success of the business, while considering the interests of its various stakeholders. At the date of this report, the Board comprises nine directors: the chairman, two executive directors and six independent non-executive directors. The Integrated Annual Report includes a full description of our approach to corporate governance.

► [For more on the relevant skills and expertise of the Board](#)
[See pages 142–145 of our Integrated Annual Report 2023](#)

Four standing committees – the Sustainability, Audit, Nomination, and Remuneration committees – are designated to take on certain responsibilities on the Board’s behalf.

The Sustainability Committee holds accountability for overseeing how Anglo American manages its most material sustainability issues. The committee meets four times a year, and its members are: independent non-executive directors Ian Ashby (chairman of the committee); Marcelo Bastos, Nonkululeko Nyembezi; Magali Anderson; Stuart Chambers (chairman of the Board); and chief executive Duncan Wanblad. Business regional directors, the Group directors of legal & corporate affairs, technical & operations and of strategy & sustainability also participate in meetings. Other non-executive directors and members of senior management are invited to attend meetings as necessary, at the invitation of the chair.

As part of its overall mandate to oversee audit, internal control and risk management, the Audit Committee reviews the principal risks to the Group, including those related to potential catastrophic events and material sustainability issues.

The Audit Committee has responsibility for monitoring the Group’s whistleblowing programme, described in more detail on page 32.

The Remuneration Committee determines the remuneration of executive directors, the chairman and senior management, and oversees the remuneration policy for all employees. At Anglo American, the performance-based remuneration of all employees includes targets that measure our safety, health and environmental performance. Annual performance incentives for executive directors and senior management include targets relating to the following:

- Total recordable injury frequency rate (TRIFR)
- Leadership time in field
- Planned and scheduled maintenance
- Reduction in exposure to workplace emissions
- Mine rehabilitation
- Biodiversity management programmes
- Supporting employment in host communities
- Women in management
- Water efficiency.

Safety continues to play a big part in the calculation of our employees’ compensation through the safety deductor, further aligning bonuses to our safety culture and our focus on the elimination of fatalities.

Executive directors and senior management are also granted Long Term Incentive Plan (LTIP) awards, designed to encourage and reward the achievement of long term sustainable shareholder returns and the delivery of financial and strategic priorities. The performance conditions related to the management of short, medium, and long term sustainability risks applicable to awards granted in 2021, 2022 and 2023 under the LTIP include metrics relating to:

- GHG emissions
- Management of tailings storage facilities
- Jobs supported off site
- Renewable energy supply
- Fresh water withdrawals
- Mine certification.

► [For more detail on executive and senior management remuneration](#)
[See pages 178–211 of our Integrated Annual Report 2023](#)

Executive structure

The Board delegates executive responsibilities to the chief executive, who is advised and supported by the Executive Leadership Team (ELT). This committee comprises the chief executive, regional directors, and Group directors of corporate functions, including the legal & corporate affairs director, who serves as the company secretary. Matt Daley, technical & operations director, has accountability for matters relating to safety and supply chain disciplines. Alison Atkinson, projects & development director, is responsible for carbon neutrality. Social performance, human rights, sustainability and the implementation of our Sustainable Mining Plan fall within the ambit of Helena Nonka, strategy & sustainability director.

The ELT is supported by the corporate, operational, investment, and marketing risk committees. Given the wide nature of their impact, sustainability matters are included in all committees’ considerations through the material they cover and the expertise of their members.

In 2023, we made a number of significant changes to the ELT, as part of a wider redesign of the organisation. Sustainability is fundamental to our ability to deliver on our strategic ambitions. As such, it is now embedded alongside our strategy function, under the leadership of Helena Nonka, strategy & sustainability director, reflecting our resolute commitment to sustainability in its fullest sense as an integral part of our strategy and portfolio decisions.

Sustainable Mining Plan – governance

Anglo American’s sustainability governance framework supports an integrated, multi-disciplinary approach to sustainability, principally through our Sustainable Mining Plan (SMP).

The SMP governance structure aims to align sustainability with our Purpose, ambition and strategy, through delivery of our commitments, and consists of the following:

- The Board’s Sustainability Committee assists the Board in providing the overall strategic direction of our SMP and is updated on progress annually
- The ELT acts as the Steering Committee to provide oversight of our SMP commitments and updates twice a year. The Steering Committee’s responsibilities include overseeing progress on the implementation of our commitments; ensuring our commitments remain relevant and appropriate; that material opportunities or issues affecting the implementation of the SMP are being effectively managed; and approving any material changes to our commitments prior to Sustainability Committee approval

Topics covered in 2023 by the Sustainability Committee

- 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 Scope 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 – 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
- 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
- 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
- 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
- Tailings and water storage facilities stewardship: risk management updates
- 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.

- We have established a business Community of Practice that meets quarterly to share internal and/or external best practice associated with the implementation of our SMP.

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 is also responsible for setting their own scorecard aligned with the Group scorecard and reporting against performance on a quarterly basis to the ELT. The Group scorecard is shared with the Board and performance against sustainability metrics shared with the Sustainability Committee of the Board.

Organisational structure

Anglo American is headquartered in the UK and its ordinary shares are listed on the London Stock Exchange (the primary listing), as well as the Johannesburg, Swiss, Botswana and Namibian stock exchanges.

The business is managed as follows:

- Americas (Copper Chile, Copper Peru, Iron Ore Brazil, Nickel)
- Africa & Australia (Kumba Iron Ore, PGMs, Steelmaking Coal)
- De Beers (Diamonds)
- Crop Nutrients (in development).

Collectively, these businesses comprise more than 30 mining operations and 10 processing operations in Australia, Botswana, Brazil, Canada, Chile, Namibia, Peru, South Africa, the United Kingdom and Zimbabwe. De Beers also owns a range of commercial and industrial enterprises across various geographies.

► [For a full list of managed and joint operations](#)
[See page 107](#)

Corporate functions and the Marketing business support our businesses. The corporate centres host Technical & Operations, Projects & Development, Legal & Corporate Affairs, Strategy & Sustainability, People & Organisation, and Finance functions. Their role is to set the performance expectations we have of operations, offer expert advice and support services to operations facing complex challenges, and monitor the effectiveness of critical programmes.

The Marketing business seeks to 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.

Portfolio management

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.

Our commitment to the responsible production of premium quality metals and minerals tailored to customers’ requirements is well aligned with the rapidly evolving needs of a consumer-driven world and its growing population. And the transition to a greener, decarbonised world is focusing efforts to deliver the full promise of renewable energy and zero emission transport – again supported by our suite of base and precious metals and our pioneering work to help realise the potential of hydrogen for transport and integrated clean energy systems.

Operating Model

The Anglo American Operating Model 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.

Permitting

Anglo American requires legal permission to undertake various mining activities at every step of the mining process – from exploration to marketing. These permits, granted by relevant authorities, and which in many instances include extensive host community participation processes, incorporate binding conditions and commitments that we need to monitor to ensure we are compliant.

Over recent years, the global mining industry’s permitting landscape has evolved towards increasing levels of detail and stringency. The number of permits required for mining projects continues to rise, along with an unprecedented level of scrutiny from regulators and host communities. In this scenario, robust permitting governance, procedures, and data management are crucial.

Gaining and maintaining our social licence to operate is intrinsically linked to permitting and is considered a significant risk in the mining industry, highlighting the importance of addressing the rise in societal expectations around ESG and climate change. The global drive to accelerate the energy transition has prompted discussions around access to critical minerals across many jurisdictions that may result in more streamlined permitting pathways in the future.

In this challenging context, Anglo American achieved several important permitting milestones in 2023. Our Sakatti polymetallic project obtained approval from the Finnish authorities for its Environmental Impact Assessment (EIA). This significant achievement, although still in the early stages, endorses our approach to designing the next generation of FutureSmart Mining™ mines. In another important development, Anglo American successfully appealed against the initial decision by local authorities to deny two environmental permits related to our Los Bronces and El Soldado copper mines in Chile. Through constructive discussions with the authorities and communities, we were able to demonstrate that our projects were fully aligned with local regulations and proactively addressed the anticipated impacts. Furthermore, in 2023, Anglo American achieved a critical breakthrough by securing key permits for our Regional Renewable Energy Ecosystem in southern Africa, marking a substantial stride towards our ambition to establish an ecosystem of renewable energy generation in the region.

In 2023, we achieved full compliance with our Minimum Permitting Requirements tool. This ensures that all operations have dedicated permitting teams, tailored procedures, and resources focused on permit acquisition and compliance. We have also extended our support to contractors, enhancing their permitting and compliance practices. This achievement, along with the successful deployment of a dedicated permitting management tool across our assets by the end of 2022, further strengthens our commitment to a streamlined approach designed to facilitate both acquisition and compliance processes.

As we move forward, navigating dynamic regulatory landscapes, we continue to refine our internal procedures. This ongoing effort is pivotal in not only optimising permit acquisition and ensuring compliance, but also in driving innovation and sustainability across our operations. Upholding the highest standards in permitting throughout the mining lifecycle is a key driver towards responsible mining practices and setting industry benchmarks.

Assurance

Anglo American’s Business Assurance Services (ABAS) provides independent assurance to the Board’s Audit Committee around the design adequacy and operating effectiveness of the governance, risk management and internal controls that mitigate risk across the Group.

In addition, the ABAS team works with subject-matter experts to provide assurance on the design adequacy and operating effectiveness of the governance, risk management and internal controls associated with priority catastrophic and sustainability-related risks at operations. These operational risk audits are conducted on a rotational basis, with follow-up audits performed to verify that agreed management actions related to significant findings have been addressed. In scoping these audits, priority is given to catastrophic risks. In 2022, we conducted 80 operational risk audits, of which 36 were follow-up audits. The results are reported to the Board’s Audit and Sustainability committees.

Regarding external assurance, 26 out of 37 operations assure their compliance with ISO 14001, and 28 out of 37 assure their compliance with the ISO 45001 management system standard.

To date we have undergone third-party assurance audits at 14 of our operations. These include: Initiative for Responsible Mining Assurance (IRMA), the Responsible Jewellery Council (RJC) and Copper Mark.

► [For a full update](#)
[See Responsible Product Offering on pages 96–98](#)

Policies and standards overview

Our comprehensive set of policies, standards and principles helps us to manage and mitigate risks, as well as ensure that we uphold the commitments we make to our stakeholders and work towards a common set of ambitions.

The Anglo American policy framework

Our policy framework (illustrated below) applies across our managed operations and wider Group business activities. Where Anglo American does not manage or operate a site, but is associated with a site through a business relationship (such as a joint venture or other business partnership), we will seek to influence the site to adopt a best-practice framework commensurate with our policy requirements or best international practice and, at a minimum, to comply with local laws and requirements.

Group Technical Standards define the minimum requirements we set for our operations to manage a wide range of specific risks and processes from the technical, safety and sustainable development disciplines. We undertake regular reviews of our policies and standards, where we assess our commitments, stakeholder expectations, and industry best practice, in order to improve their quality.

Through our responsible sourcing programme, we aim to ensure that those we do business with follow a set of minimum standards of responsible business conduct, that are comparable to what we expect of ourselves.

Policies and standards

Our Group Policies and Technical Standards describe how the principles set out in the Code of Conduct are deployed. Two management system frameworks – the Social Way and SHE Way – enable the Social Way Policy and SHE policy, respectively.

Our Code of Conduct

Our Values and the way in which we, as individuals, are expected to behave are the foundation for our Code of Conduct. Acting according to these Values and behaviours defines our culture as an organisation, underpinning our good reputation and the promise we make to all our stakeholders. Our Code applies to everyone in Anglo American and brings together the requirements for ethical business conduct that we all need to follow. We also expect our contractors, suppliers, agents and industry associations of which we are a member, along with their employees, to work and act in a way that is consistent with our Code

► For more on the activities related to the Code of Conduct
See pages 32-33

► For more information on Code of Conduct
Visit angloamerican.com/code-of-conduct

The Anglo American Safety, Health and Environment (SHE) Policy

Aligned with our Purpose, Values and internationally recognised SHE standards (ISO 45001 and 14001), the SHE Policy embodies three guiding principles:

- Zero mindset: we apply the hierarchy of eliminating, avoiding, minimising, mitigating, remediating, rehabilitating and offsetting the impacts and risks arising from our activities
- No repeats: we take all necessary steps to continuously learn from what has gone right and what has gone wrong, acting to prevent unwanted recurrences and leverage learnings to continuously improve
- Simple non-negotiable standards: we apply common, non-negotiable minimum standards and procedures throughout the Group.

► For more on our SHE Policy
Visit angloamerican.com/she-policy

Our SHE Way Readiness Assessment serves three combined purposes: it is the first-line internal assurance tool for the SHE Way, an internal audit tool for ISO 45001 and ISO 14001 certifications, and a preparatory assessment for external ISO certification audits.

The SHE Way Community of Practice continues to foster collaboration and problem-solving among SHE practitioners. Over 35 pre-recorded sessions have been made available online, covering training content, relevant topics and toolkit use, as well as recordings of live interactive sessions hosted by the Community of Practice. These are all provided with translated sub-titles to cater for our diverse first-language speakers globally, and increase access to information and knowledge that are central to effective implementation and compliance.

The Anglo American Social Way.

Our Social Way continues to provide a social performance management framework for all Anglo American-managed sites, at all phases of development. In 2020, we launched the Social Way 3.0.

Aligned with our Purpose and our strategic business objectives, the industry-leading 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 socio-economic impacts
- Maximise socio-economic 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.

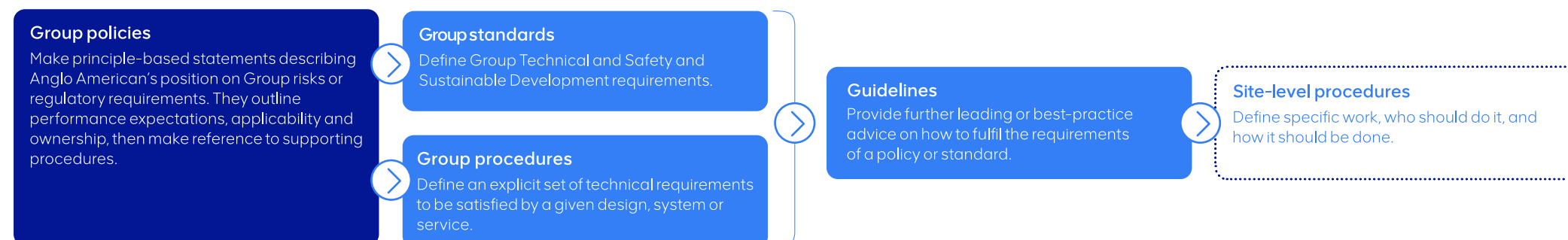
The Social Way requires an integrated and cross-disciplinary approach to the management of social performance at site level.

To build trust through transparency and accountability, we have made the Social Way publicly available in English, Portuguese and Spanish. This transparency allows our stakeholders to understand what our standards are and what they can expect of us. We also seek to influence best practice in the wider industry by making the Social Way readily available as a reference for other companies through an interactive web platform which consists of the policy and the toolkit.

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

► For more on our local accountability goal
See page 92

The Anglo American policy framework



We recognise that the context for engagement and accountability differs across sites and is more challenging in some places than others. We are committed to taking the time needed and supporting sites to design and embed an holistic approach to strengthening accountability that is informed by their local context.

Accountability and engagement are a core element of our Social Way approach. By having strong mechanisms in place for accountability, such as community engagement forums, we aim to build trust and mutual understanding with our communities based on their participation and oversight of our social performance work.

Embedding the Social Way across the business

We continue working to strengthen and broaden our social performance competencies through embedding the Social Way (launched in 2020) across Anglo American. The Social Way is our asset-level system for managing impacts to stakeholders, related risks to the business and delivery of socio-economic benefits. The Social Way is a critical foundation of our business and an enabler of our sustainability commitments. We believe it is one of the most robust and comprehensive social performance management systems in the mining sector.

We have continued to embed the Social Way 3.0 across our business through establishing the Social Circle, our Group-wide Social Practitioner network for people working to implement the management system at site, business or Group levels. The Social Circle is a virtual, peer-learning forum that has been developed for both social performance practitioners and relevant Anglo American functions supporting or interested in social performance topics. It allows for open discussion of how to approach key social performance issues, and empowers peers to share their experiences from across the business.

In 2023, we held three Social Circle forums, with an average engagement of 85 participants per session. The forums covered topics such as best practice and the challenges to achieving desired social performance outcomes in stressful, highly complex contexts, accountability mechanisms and community health and safety management.

We hosted two in-person knowledge sharing events in 2023; a Tailings Emergency Preparedness Community of Practice, held in Brazil, and a peer exchange where some colleagues from our South American operations travelled to South Africa to learn more about resettlement good practice. We also held three session of our Land Access, Displacement and Resettlement (LADAR) Community of Practice, with discussions focused on building capacities, improving integration with Life of Asset Planning, and monitoring and evaluation.

The Social Way has continued to be a living and developing Policy, Toolkit and Assurance Framework that is able to adapt social performance to emerging best practices. We expect to be making similar updates and revisions each year going forward as part of our commitment to continuous improvement and to ensure our site teams have the supporting resources needed to effectively implement best practice in social 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.

While we did not meet our ambitious goal of full implementation of the Social Way 3.0 at all sites by the end of 2022, we continued to progress embedding the system and have implemented a significant majority of the core elements. Half of the assets assessed have achieved the implementation goal, and we continue to work with those needing to make more progress. In early 2023, we re-baselined the site-level implementation pathways and challenged our teams to set realistic but ambitious goals for delivery, focusing on the most material elements that mattered to our stakeholders. By the end of 2023, our operations reported 96% delivery against those implementation pathways and we expect this to continue in 2024, as we embed the implementation and use it to deliver value for our stakeholders and business. The programme is critical to underpinning many of our ambitious 2030 Sustainable Mining Plan targets, demonstrating our commitment to partnering with host communities and governments.

All our operations are required to conduct a training and capability needs assessment, targeted at social performance issues annually.

A total of 483 people were trained through the Social Way learning programme in 2023, equalling 4,962 total hours of training.

► For more information on the Social Way
Visit socialway.angloamerican.com/en



In Brazil, senior social performance analyst Isis Machado addresses one of the meetings our operations in the country hold regularly with local communities.

Healthy Environment

Maintaining a healthy environment by working towards carbon neutral operations that also use less fresh water and deliver positive biodiversity outcomes.

Global stretch goals



Sustainable Development Goals



Healthy Environment

Climate change, biodiversity and water are intricately interconnected. Recognising these interconnections is essential for addressing the complex environmental challenges we face and for developing effective strategies to mitigate and adapt to the impacts of climate change on biodiversity and water resources.

Global stretch goals	Milestones and targets	Progress in 2023	Material matters
 Climate change To achieve carbon neutral operations.	2030: Reduce net greenhouse gas emissions by 30% and improve energy efficiency by 30%, against the 2016 baseline. Be carbon neutral across 8 of our sites. 2040: Be carbon neutral across our operations. Ambition to reduce Scope 3 emissions by 50%.	In 2023, our GHG emissions (Scopes 1 and 2) decreased by 6% to 12.5 Mt CO ₂ e, compared with 2022. Our emissions in 2023 are, therefore, 7% lower than the 2016 baseline on which our 2030 target is set.	– Climate resilience and adaptation. – Greenhouse gas (GHG) emissions and renewable energy.
 Biodiversity To deliver net positive impact (NPI) across Anglo American through implementing the mitigation hierarchy and investment in biodiversity stewardship.	2030: Deliver NPI on biodiversity across our managed operations.	All sites are progressing their biodiversity management programmes and are on the right trajectory to ensuring that nature is visibly and measurably on the path of recovery.	– Biodiversity and land management.
 Water To operate mines that use less fresh water in water-scarce catchments.	2030: Reduce the withdrawal of fresh water by 50% in water scarce areas, against the 2015 baseline.	Our fresh water withdrawals increased by 6% to 38,040 ML compared with 2022. This relates to a 22% decrease, relative to the 2015 baseline.	– Water use, quality and availability.

Other material matters

Mineral residue management

We are an industry leader in our approach to managing tailings safely and continue to develop and implement technological solutions to manage the risks associated with tailings storage.

Circular economy, waste and materials stewardship

We strive to apply circular economy principles across our business in our bid to provide materials in an efficient and ethical manner, while eliminating waste in all forms.

Tackling climate change

Climate change is one of the defining challenges of our time. Understanding the implications for Anglo American is a significant strategic matter for us.

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 on our sustainability governance
See pages 48–49

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 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 of our Integrated Annual Report 2023

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 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 commodities.

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 mitigating impact of GHG emissions (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 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 mitigating impact of GHG emissions (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
- **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 of our Integrated Annual Report 2023

► For our TCFD table
See pages 132–137 of our Integrated Annual Report 2023

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 pages 14–17 of our Climate Change Report 2023

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 56 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.

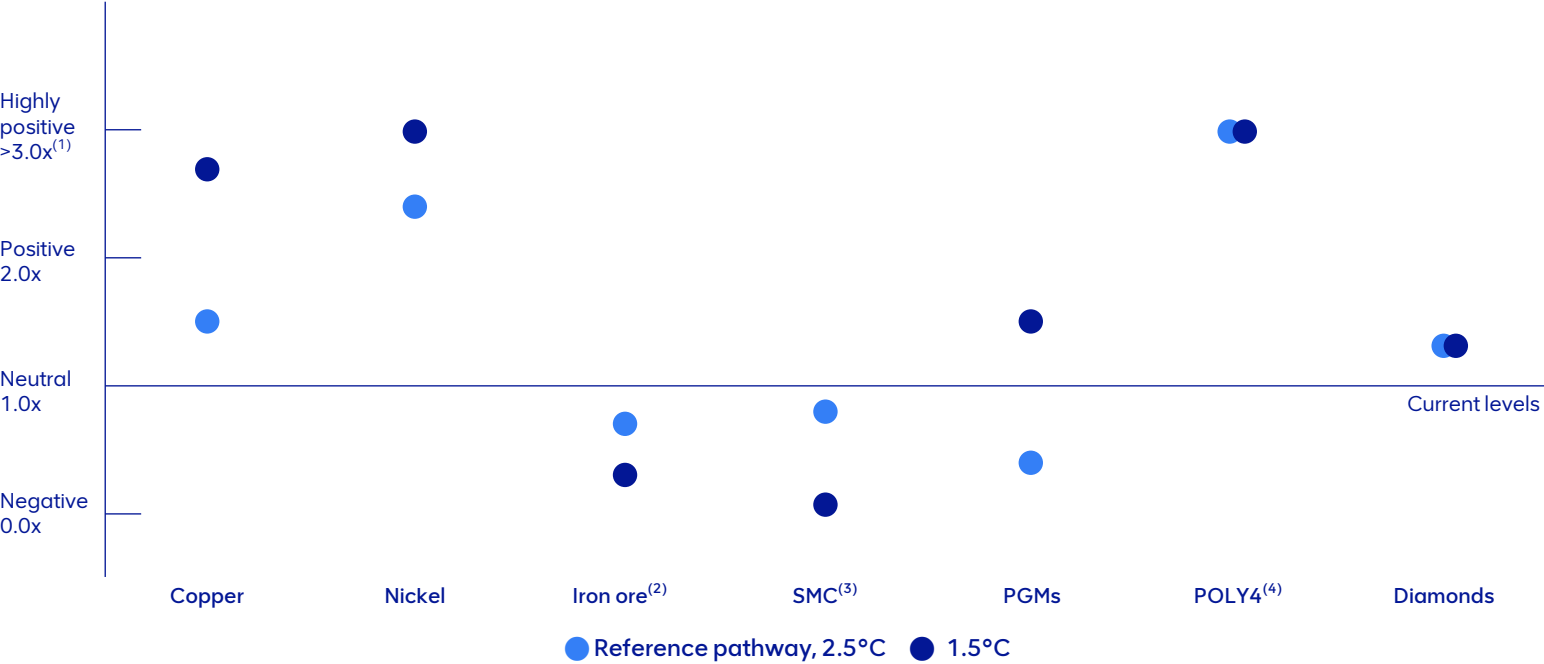
While we have assessed the strategic and financial resilience of our portfolio under 1.5°C and 2.5°C scenarios, it should be noted that these scenarios are not used for financial reporting purposes as no single scenario is representative of management’s best estimate of the likely assumptions that would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

Outlook for mining commodity profit pools (Indexed 2050 vs 5yr 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.

Low carbon transition risks and opportunities*

Short term = 0–5 years

Medium term = 5–15 years

Long term = 15+ years**

Commodity	Industry change		Impact timing	Description of impact
Iron ore	Increased collection and use of scrap steel	⚠️	■ ■ ■ ■ ■	An accelerated use of scrap steel would limit demand growth for primary iron ore
	Shift to direct reduced iron (DRI)	🎯	■ ■ ■ ■ ■	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	🎯	■ ■ ■ ■ ■	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	⚠️	■ ■ ■ ■ ■	An accelerated use of scrap steel would limit demand growth for steelmaking coal
	Maturing of carbon capture and storage (CCS)	🎯	■ ■ ■ ■ ■	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	⚠️	■ ■ ■ ■ ■	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	⚠️	■ ■ ■ ■ ■	Limited development and deployment of CCS could accelerate the shift to EAF and away from blast furnace iron
	Increased steel demand	🎯	■ ■ ■ ■ ■	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	🎯	■ ■ ■ ■ ■	Copper is a key material used in renewable power generation and the necessary expansion of power grids
	Shift to electric vehicles	🎯	■ ■ ■ ■ ■	Copper is a key material for enabling increased electrification across sectors including the shift from ICE vehicles to BEVs
	Lower energy intensity of development	⚠️	■ ■ ■ ■ ■	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	⚠️	■ ■ ■ ■ ■	Greater adoption of public transportation, ride sharing and other mobility levers could limit demand for personal vehicles
	Increased collection and use of scrap copper	⚠️	■ ■ ■ ■ ■	A greater than expected improvement in scrap collection could offset demand growth for primary copper
Nickel	Increased demand for batteries	🎯	■ ■ ■ ■ ■	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	⚠️	■ ■ ■ ■ ■	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	⚠️	■ ■ ■ ■ ■	Greater adoption of public transportation, ride sharing and other mobility levers could limit demand for personal vehicles
	Maturing of battery recycling	⚠️	■ ■ ■ ■ ■	As secondary battery supply reaches scale, demand growth for primary nickel could slow

Commodity	Industry change		Impact timing	Description of impact
PGMs	Increased demand for catalytic converters	🎯	■ ■ ■ ■ ■	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	🎯	■ ■ ■ ■ ■	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	🎯	■ ■ ■ ■ ■	As FCEVs become necessary to decarbonise heavy-duty vehicles, demand for PGMs is expected to grow
	Increased demand for hybrid vehicles	🎯	■ ■ ■ ■ ■	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	⚠️	■ ■ ■ ■ ■	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	⚠️	■ ■ ■ ■ ■	Greater adoption of public transportation, ride sharing and other mobility levers could limit demand for personal vehicles
Polyhalite	Decreasing crop land availability	🎯	■ ■ ■ ■ ■	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	🎯	■ ■ ■ ■ ■	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	⚠️	■ ■ ■ ■ ■	Across scenarios, there is high uncertainty related to future consumer behaviours and attitudes to diamond jewellery as well as historical cyclicality 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

* 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.

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 information on the key physical risks facing our assets
See pages 18–23 of our [Climate Change Report 2023](#)

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 extreme and very high-consequence tailings facilities, 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.

► For more information on our management of tailings
See pages 68–69

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.



Developed in conjunction with local communities the Rural Water Program allows users to manage their water needs through an easy-to-understand, data-driven platform.

Chile's Rural Water Program

Rainfall in Chile has decreased significantly as a result of climate change, resulting in an increase in periods of drought and water shortages. The challenge of accessing water during these periods is heightened in rural areas not only facing low water availability, but often, a precarious and/or inefficient operational management system. This has a direct impact on the provision of water to host communities.

Addressing this challenge, we sought collaboration with communities, local authorities, and a local software start-up, WeTechs, to create a Rural Water Program in 2018. Central to the initiative was designing and implementing a unique methodology and technological system to optimise the administration of water resources, improving distribution and retention and reducing water losses. The system includes automation of the entire system, managing wells and reservoirs, data centralisation, analysis, along with the implementation of remote-control rooms and monitoring from mobile devices. Together, this allows users to proactively manage the water of their communities through a platform that collects information on the status of wells, reservoirs and elevator systems in real time. Through on-site support, we trained operators and leaders of the Rural Sanitation Services, responsible for managing rural water access, to strengthen their independence and capacity to manage their systems.

To date, the programme has been implemented in 83 rural drinking water systems across four provinces. Five years on from implementation, the results include:

- More than 134,000 people in rural communities supported in accessing water services.
- 30% increase in water availability for communities.
- Reduction of 350 hours per year of water cut-off and shortages.
- 51% reduction in the average number of times the reservoirs ran empty
- 23% decrease in unit energy consumption.
- 17% increase in water coverage, supporting greater resilience and preparedness to meet demand.

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 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 our 2023 Integrated Annual Report.

► [For more information on how we allocate capital](#)
[See pages 76– 78 of our Integrated Annual Report 2023](#)

Our pathway to operational carbon neutrality by 2040

Achieving our target of carbon neutrality 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 CO₂e (2023:7.5 Mt CO₂e and 5.0 Mt CO₂e respectively, 2022:8.3 Mt CO₂e and 5.0 Mt CO₂e 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 CO₂e/t CuEq and 6.1 t CO₂e/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 CO₂e) and a 19% 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 CO₂e (2022: 4.7 Mt CO₂e).

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 CO₂e 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.

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 CO₂ 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 1 emissions 2023

7.5 Mt CO₂e

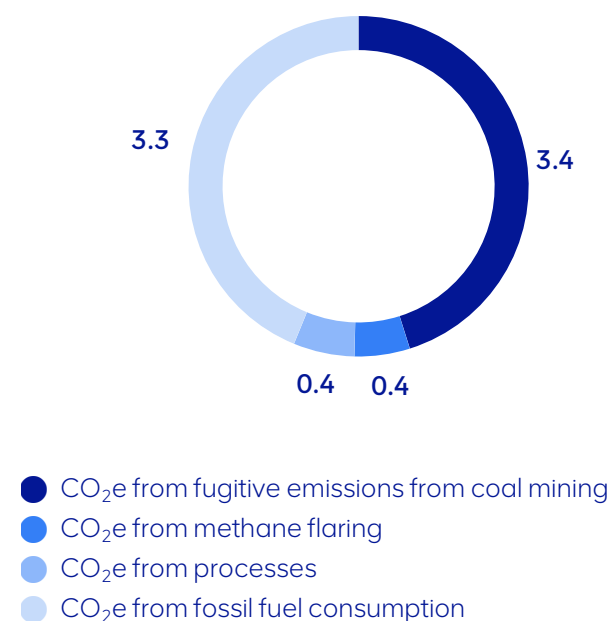
Scope 2 emissions 2023

5.0 Mt CO₂e

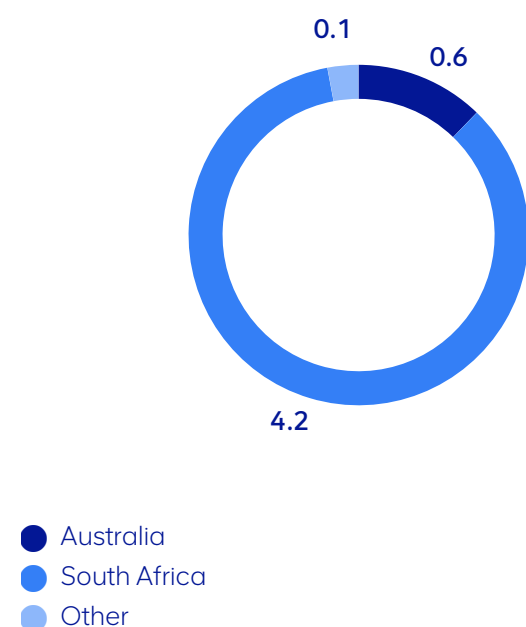
Scope 3 emissions 2023

96 Mt CO₂e

Anglo American GHG emissions 2023 Scope 1 (Mt CO₂e)



Scope 2 (Mt CO₂e)



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.

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 CO₂e.

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.



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 (CO₂) 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 CO₂e 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."

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.

* Subsequent to the endorsement of this Climate Change Report, the three projects that form the Koruson 2 project reached financial close on 29 February 2024.

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 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 CO₂e; 2022: 104.5 Mt CO₂e; 2021: 98.5 Mt CO₂e). 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 CO₂e, or 47% of total emissions, in 2023 (2022: 47.8 Mt CO₂e

and 54% of total emissions; 2021: 47.2 Mt CO₂e 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%⁽¹⁹⁾ of steel production is dependent on primary iron ore supplies. This is expected to remain at around 60% out to 2050, according to analysis by Wood Mackenzie⁽²⁰⁾. 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 direct reduced iron (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.

Key to our decarbonisation strategy for Scope 3 is partnering with our suppliers globally, leveraging our relationships, influence and spend, to drive greater decarbonisation across our diverse value chain, all in support of our ambition to halve Scope 3 emissions by 2040.

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. We are making progress towards achieving this goal, actively working to contribute to the long term sustainability of the shipping sector.

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

* Intensity based on dry metric tonnes sold



One of the stormwater channels constructed at our Sishen iron ore mine in South Africa to divert excess water away from the mine site.

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.

What's next

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.

► See more on
[angloamerican.com](https://www.angloamerican.com)

Biodiversity and land management

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.

Strategy and approach

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.

The SHE Policy and SHE Way

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

► For more information on our SHE Policy and the SHE Way
See page 50

Our approach to biodiversity

Achieving NPI requires a series of plans to be designed and executed to both understand the baseline and then protect, restore and enhance the natural environment over the life of an asset. In order to measure progress against NPI, we set the baseline year as 2018, the year we also made our NPI commitment. The baseline describes the existing state of biodiversity before impacts occurred or before mitigation measures were deployed, which allows for the quantification of change and calculation of losses and gains over time. This approach forms the basis of our Biodiversity Standard.

To demonstrate that gains exceed losses, we require all sites to implement and adhere to the requirements of the Biodiversity Standard. The standard defines the minimum requirements for biodiversity management and delivery of our NPI commitment.

In addition to adhering to our standards, all our operations in scope have biodiversity management programmes that drive the plans, actions, processes and budgets needed to meet our commitments. We utilise a sophisticated internal reporting system that manages these plans and tracks progress through science-based metrics and is also subject to external verification through our long-standing partnerships with NGOs Fauna & Flora and the International Union for Conservation of Nature (IUCN).

As a member of the ICMM, Anglo American is committed to operating in line with the ICMM's Statement on Nature.

► ICMM: Nature Position Statement
icmm.com/en-gb/our-principles/position-statements/nature

Our approach to mine rehabilitation

Our Group rehabilitation strategy, which outlines the requirements for our operations to integrate rehabilitation into their planning processes, including resource development plans and life of asset plans, is integral to improving site rehabilitation outcomes across the business.

Our goal is to reduce our disturbance footprint and to generate value for Anglo American and our stakeholders. Our operations develop and implement five-year rolling rehabilitation plans that outline the targets, monitoring, maintenance and

management programmes required to drive towards meeting our post-mining land management ambitions and reducing our net footprint intensity. Our operations trial innovative technologies to improve the ecosystem services value of all types of rehabilitation.

Governance

Biodiversity

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 (BMPs) is included in the chief executive's scorecard on a quarterly basis.

Mine rehabilitation

Anglo American owns or manages over 654,000 hectares with approximately 11% (69,814 hectares) disturbed for mining or processing operations. The nature of mining requires Anglo American to disturb additional land each year to access orebodies or to build supporting infrastructure. Our rehabilitation programmes are designed to ensure we actively rehabilitate areas that are no longer required for operations, with approximately 20% (c.12,000 hectares) of our disturbance currently rehabilitated in line with Anglo American's standard or local legal requirements.

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.

► For more information on our sustainability governance
See pages 48-49

Managing risks and opportunities

Anglo American faces both risks and opportunities related to biodiversity and land management.

Habitat destruction, leading to the loss of biodiversity and the potential endangerment of local flora and fauna, is a key risk related to our mining operations. Investing in habitat restoration and conservation programmes, including setting aside land for conservation, reintroducing native species and undertaking progressive land rehabilitation, helps to mitigate the impact of our operations on biodiversity.

Mining-related activities can also affect water resources, contribute to the release of dust and other emissions, and potentially facilitate the spread of invasive species, all of which can adversely impact local ecosystems.

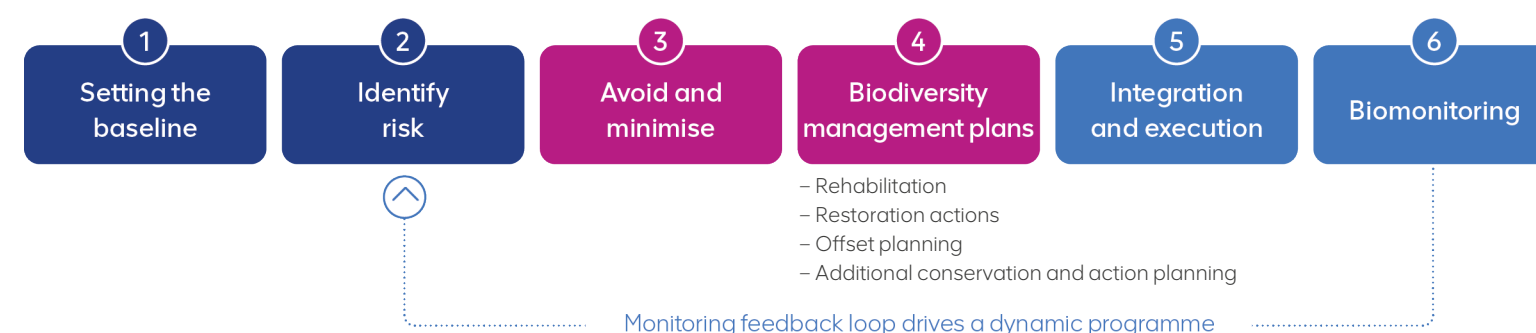
Mining operations can also face opposition from local communities and environmental activists owing to concerns about biodiversity, leading to potential delays, increased costs and reputational damage. By adopting responsible and sustainable practices, engaging with stakeholders, and investing in biodiversity stewardship, we aim to mitigate risks and contribute positively to biodiversity protection and management.

Risk management

In line with our Biodiversity Standard, each of our sites is required to define and assess impacts to Significant Biodiversity Features (SBF), as identified through a comprehensive screening and assessment process. The results of this assessment form the basis of site-level BMPs, including establishing an appropriate baseline for site-based biodiversity conditions, including ecosystem services.

Each site then applies the steps of the mitigation hierarchy process (avoid, minimise, restore and offset) throughout all phases of its operational life in order to achieve NPI, including minimising residual impacts to SBF, land and habitat restoration, ecological compensation and rehabilitation

Our Biodiversity Management Programme is designed to support the achievement of NPI and is supported by our Biodiversity Standard



activities, and implementing biodiversity offsets. We also provide ecological compensation for unmitigated historical impacts, maintain and improve biodiversity features that support and supply the benefits of priority ecosystem services, and, as identified through consultation with stakeholders, implement additional conservation actions aligned with relevant local, regional and/or national initiatives and priorities.

Biodiversity due diligence is conducted prior to any acquisitions, divestments and site selection and is monitored throughout the entire mining lifecycle.

Targets and progress

Net positive impact

Our Sustainable Mining Plan upholds our commitment to being stewards of the natural environment in which we operate. In 2018, we communicated our stretch goal to deliver net-positive impact (NPI) on biodiversity across Anglo American by 2030. NPI is our commitment to demonstrating that, post our 2018 baseline, any biodiversity losses on identified significant biodiversity features as a result of our direct operational activities must be outweighed by biodiversity gains that we achieve within the same location. We continue to review, assess and monitor our pathways to delivering on this commitment.

Since 2018, we have refined our biodiversity standard and supporting document together with our long-term partner Fauna & Flora to clearly set out the methodology and approach we are taking as we continue our journey to NPI. Some operations are more advanced than others, often where regulatory requirements already demand application of the mitigation hierarchy and offsets. For example, our Steelmaking Coal business in Australia already has offset plans in place; Kumba Iron Ore in South Africa has a well-defined and integrated land management plan; and De Beers Canada has a mature BMP, including partnerships for conservation and delivering positive biodiversity outcomes.

In 2023, we focused work on developing a reporting metric called Quality Habitat Hectares (QHH) that will help us to measure our contribution to internal and global biodiversity targets, as well as nature-positive outcomes. QHH will enable an objective assessment of quantity and quality that are reliable and replicable through incorporating the extent, type and condition of ecosystems and species impacted in and around our operations. QHH can be used to enable target and scenario setting around numerous metrics, including: sensitive areas avoided; impacts minimised; hectares restored; invasive alien species removed; and protected area targets supported. The goal is to enable a practical assessment of ecological communities, as well as providing a roadmap for transformation and action required to deliver positive biodiversity outcomes.

Meeting rehabilitation targets

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. Our operations exceeded their reshaping and growth medium targets in 2023, providing early seeding opportunities in the first quarter of 2024.

846 ha 2022 905 ha 2023

Year-on-year rehabilitation completed

Environmental incidents

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

Activities in 2023

Biodiversity monitoring

To successfully deliver on our biodiversity commitments and targets, we need to manage biodiversity and ecosystem services in all phases of our operations.

Environmental DNA (eDNA) is seen as a critical tool for measuring biodiversity at our sites to a far greater degree of accuracy than traditional manual observation or sampling and provides a means to measure recovery and overall ecosystem health.

eDNA refers to traces of DNA that animals leave behind in the environment, particularly water. Much of the eDNA comes from faeces and other bodily excretions, and eDNA from the land can be washed into the water bringing terrestrial species into the mix. As well as the 'true' eDNA left behind from animals, environmental samples also contain whole tiny organisms, including plankton and microbes, which can be helpful to understand the broader ecosystem. eDNA in water breaks down over a period of a few days, meaning that when a species is detected from eDNA, it is certain to not be a historical detection.

In 2023, we focused on reducing our footprint and improving data quality across all our managed mining operations. This included developing a digital dashboard and our 'intelligent approach to NPI' (iNPI) which employs eDNA as a key data source that will support the delivery of the biodiversity management programmes through:

- Efficient data collection – a cost-effective, scalable, scientifically defensible, safer (compared to conventional

approaches), and third-party-verifiable way of sampling biodiversity across whole landscapes

- Objective measurement and reporting of NPI – eDNA provides direct information on biodiversity, which can be used as input for NPI decision making and reporting
- Estimates of species compositions and changes in composition, including those measured via remote sensing and other sensors.

Microbial solutions

Microbial solutions are techniques, processes and applications which harness biological systems, microbes, and their derivatives to provide services and products. We are testing and developing the use of microbial solutions at our operations for a number of applications, with the aim of supporting our sustainability ambitions.

Within biodiversity, we are developing a tool to gain deeper insights and measure key supporting ecosystem services at our operations and projects. This tool will use information contained in microbial eDNA collected in soil to provide a score indicating the status of key supporting services in an ecosystem affected by our activities. If successful, this tool will be used alongside eDNA biodiversity monitoring at our operations.

Other application areas for microbial solutions currently being explored include: water quality improvement, the support of rehabilitation actions and plans, dust control, capture and sequestration or utilisation of carbon; and the recovery of metal from ore and mineral wastes. We are also more broadly investigating microbial solutions to recover value from our waste streams.

Technology and partnerships

Using innovative digital and spatial monitoring techniques, we are improving our ability to predict and manage future biodiversity impacts. For example, spatial mapping technology enables us to visualise the footprint of a planned project or operation, so that we can see where areas of high biodiversity value may be impacted, and therefore better assess biodiversity risks and make considered operational decisions.

As technology develops and we start to generate 'big' data through accurate, repeatable, efficient sampling and predictive modelling, we are establishing a digital baseline for sites to measure progress against, particularly relevant in remote and inaccessible areas. This approach will allow us to assess management interventions, such as habitat restoration, and track progress in real time.

By building datasets from our sites and the regions in which we operate, we are also starting to collaborate with local, national and international data sharing facilities, platforms and initiatives, such as the eDNA data shared via eBioAtlas, and the Global Biodiversity Information Facility to help support enhanced decision making, capacity building and action for nature.

We also work in partnership with conservation agencies, governments, local communities and NGOs in delivering projects that appropriately balance our impact and deliver positive outcomes. We have maintained many of these relationships for over 15 years and use them to externally assure the approach we take to biodiversity management, as well as provide us with knowledge and global best practice from outside the mining sector.

We believe Anglo American is well positioned and resourced to continue to deliver against our plans, and that our approach to disclosure, dialogue and engagement will more than meet the expectations of our external stakeholders, as evidenced by several positive assessments such as the recent number one ranking of Anglo American in the last three reports by the Biodiversity Disclosure Project of the Endangered Wildlife Trust.

► Biodiversity performance ratings of South African companies
[Visit nbbnbdp.org/company-ratings/](https://nbbnbdp.org/company-ratings/)

Number one in the last three reports by the Biodiversity Disclosure Project of the Endangered Wildlife Trust

Ongoing engagement with biodiversity leaders

Anglo American was invited as the only participant from the mining sector to be represented in the Taskforce on Nature-related Financial Disclosures (TNFD) and has played an active role in the development of the TNFD framework and the related Mining and Metals sector specific guidance.

In January 2024, we confirmed our early adoption of the TNFD recommendations. We support the alignment of reporting and disclosure requirements and metrics that will help communicate the way business measures and manages its key interfaces with nature and to demonstrate our NPI trajectory across our portfolio and regions in which we operate. We will continue to work to implement the recommendations of the TNFD in its approach to nature management and reporting.

As part of the three-year agreement that Anglo American signed in 2021 with the IUCN, we continued to explore how nature-based solutions can help achieve positive biodiversity outcomes and support carbon neutral goals, while delivering additional benefits for conservation and other stakeholders.

The IUCN also provides an independent review of many of Anglo American’s biodiversity programmes and actions.

► Our IUCN co-authored report on industries engagement on nature conservation.
Visit portals.iucn.org/library/node/51300

We have been active members of the ICMM Nature Working Group and also continued to engage with the Proteus Partnership, a unique partnership agreement between major businesses and the UN Environment Programme World Conservation Monitoring Centre, that aims to make global environmental information available to support better decisions.

Next steps

Accounting for biodiversity impacts and dependencies is a fast-evolving space and has been incorporated into recent mandatory disclosure standards from the EU Corporate Sustainability Reporting Directive (CSRD) and International Sustainability Standards Board (ISSB), as well as voluntary disclosures, such as the TNFD and Global Reporting Initiative (GRI) for Biodiversity 304.

Global disclosure, reporting and target setting mechanisms are now calling for businesses to evaluate ecosystem integrity and/or assessments of the state of nature across their operational footprint. Aligning with these disclosure requirements and metrics will support how we communicate our performance, business resilience in relation to nature, and the site-specific and business NPI trajectory across our portfolio and regions in which we operate.

With accurate biodiversity accounting, we can start to quantify actions to avoid, reduce and restore natural habitat, and identify opportunities to deliver positive biodiversity outcomes.



At a Steelmaking Coal site in Queensland, Australia, land stewardship and rehabilitation lead Todd Bell loads a drone with seed pods to be scattered over rehabilitated land areas.

Seed capital

Anglo American has over 12,000 hectares of rehabilitated land – previously disturbed for mining activities – that is being returned to grazing, cropping and native ecosystems, as well as novel land uses such as solar farms. Our aim is to regenerate former mining areas and other land so that they are safe, stable, non-polluting and self-sustaining – and support the desired post-mining land uses determined in conjunction with local communities. Our rehabilitation monitoring programmes are designed to assess and compare the performance of restored land against our site-specific success criteria. These programmes play a key role in demonstrating if an area’s land regeneration can be self-managed, or whether the process requires further management input.

At Anglo American, we use a combination of inspections, traditional monitoring and innovative remote sensing (satellites, aircraft and drones) programmes to determine when the rehabilitation areas are not performing as planned and require intervention. Intervention may be required to control invasive species or to redirect the vegetation composition and structure to facilitate improvements in biodiversity and enhance ecosystem services outcomes. Often, intervention is required in difficult to access areas, or in places that need extensive reclearing in order to be able to undertake larger-scale regenerative interventions.

In 2023, we engaged AirSeed Technologies to help us solve rehabilitation problems, while also enhancing the safety of the workforce engaged in such activity. AirSeed is an Australian based start-up company that uses drones, artificial intelligence (AI) and machine learning technology, along with proprietary seed pod biotechnology, to accelerate reforestation and deliver ecological restoration at scale. The innovative trial at our Steelmaking Coal’s business’s Capcoal site involved using AirSeed’s technology to drop native tree and shrub species, encapsulated in AirSeed seed pods, over a rehabilitated waste rock dump, using multivariate design to test the best application method and intervention treatments.

Next steps

The specially selected seed pods contain site- specific fertiliser and organic carbon to protect the seeds until the time comes for them to germinate and grow. The seed pods have shown a significantly higher germination and growth rate in controlled nursery growth tests compared to bare seed. The area will be monitored over the coming years, with further trial sites expected to be implemented in 2024.

Water use, quality and availability

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.

Strategy and approach

Water is vital to our business and to all our stakeholders, including the environment and host communities where we operate. Access to water is a fundamental human right and a key enabler for social equality and prosperity. We treat water with respect, as an asset that underpins the vibrancy of the natural environment and biodiversity. The importance of water to our business, host communities and other stakeholders, and the natural environment, is integral to our commitment to be a responsible steward of valuable resources.

Anglo American's approach to how we use, manage and care for water is guided by recognised international best practices for water management and stewardship. We aim to use, manage, and care for water through the lifecycle of our operations. We apply the Alliance for Water Stewardship's definition: "the use of water that is socially and culturally equitable, environmentally sustainable and economically beneficial, achieved through a stakeholder-inclusive process that includes both site - and catchment-based actions".

Water management standard

Our Group Water Management Standard provides guidance for our work. The standard sets out minimum requirements for water management and incorporates leading water management practices, risk prevention, best mining practices and industry lessons.

The standard also incorporates water into the decision-making process at every stage of the lifecycle of each operation, from the selection of the site and early studies, through design to operation, closure and post-closure. The standard ensures that all of our operations incorporate sustainable water management practices, in line with our Values, the Sustainable Mining Plan, and Social Way. In 2023, we maintained, on average, 85% implementation of the standard.

Water quality monitoring guideline

Our water quality guideline ensures that potential water-related concerns not currently included in permits are appropriately measured and managed. The guideline is based on international best practice and industry standards for water quality monitoring.

Anglo American's water permits are agreed on a site-by-site basis with local regulators and we are committed to meeting the required standards. The limits in discharge permits take into account the existing quality of the water resource to ensure that we do not negatively impact on the environment and other downstream users. For example, in South Africa, the Department of Water and Sanitation sets the discharge limits based on the Resource Quality Objectives for each catchment. Our guideline also provides the minimum suite of elements that must be analysed to ensure that we understand potential emerging risks and meet our legal obligations.

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.

Water management is embedded in our executive remuneration arrangements. Executive director bonus payouts reflect performance in water efficiency, and the 2024 executive director and senior management LTIP arrangements include targets related to fresh water withdrawals.

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

► For more information on our sustainability governance
See pages 48-49

► For more information on external assurance
See pages 102-103

Managing risks and opportunities

Global modelling indicates that increasing weather volatility associated with climate change will, over time, change the quantity, frequency, and intensity of rainfall and exacerbate extreme weather events (including droughts and floods) around the world. Using the World Resource Institute's (WRI) Aqueduct tool, 83% of Anglo American's operating sites are in water scarce or water stressed regions and they are typically long-life assets with multi-decade Ore Reserves and Mineral Resources. We focus on robust operational planning and collaboration with relevant stakeholders to lead sustainable water management across our operations and to enable responsible solutions for the regions in which we operate.

We analyse our physical environment and social and regulatory context on an annual basis. Almost half of our water security projects provide access to water to the communities around our operations, predominantly through supporting infrastructure for water supply and working closely with regulators and local and national government.

Water security at our operations is considered a principal risk for the Group.

► For more on our principal risks
See pages 79-85 of our Integrated Annual Report 2023

Targets and progress

Water stewardship

We are committed to ensuring that the water resources we manage and the savings we achieve by reducing fresh water withdrawals translate to additional water availability in ways that are socially equitable, environmentally sustainable and economically beneficial.

We have assessed the shared water challenges within the catchments where we operate. Globally, the biggest issue is access to drinking water and/or sanitation, followed by water quantity, which together account for over 60% of our stewardship projects.

Fresh water reduction pathway

We continue to track our pathway to the achievement of our ambitious Sustainable Mining Plan goal of reducing Group-wide fresh water withdrawals in water scarce areas by 50% by 2030, relative to the 2015 baseline.

Addressing our water risks

We need to understand our exposure to the three aspects of water risk – physical, reputational and regulatory – to be able to prevent value destruction and identify where the opportunities for future positive outcomes lie.

Operational

- Insufficient volumes of water
- Inefficient use of water
- Flooding
- Ground and surface water pollution from spills and seepage
- Mine dewatering
- Slope failure due to inefficient depressurisation

Physical:
Not enough water, too much water, water not fit for use

Reputational:
Perception that company does not do business responsibly or transparently

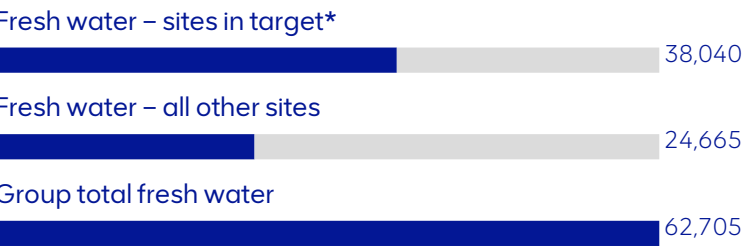
Regulatory:
Changing, ineffective and poorly implemented governance

Social, environmental, political

- Lack of access to water
- Climate change
- Population growth
- Change in political situation
- Loss of social licence to operate

As a part of our global water savings initiative, we continued to focus on major projects across our operations that can achieve significant and sustainable reductions in fresh water withdrawals. Extreme weather events can make excess water as much of a challenge as water shortages at many of our sites. We have stringent design criteria for stormwater management structures to minimise the risks of flooding our operations and unplanned discharges to the environment.

Fresh water withdrawals by water stress classification in ML



*19 sites that were operational prior to 2018, when the SMP target was set.

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.

By the end of 2023, we had reduced fresh water withdrawals by 22% against the 2015 baseline that informs the Sustainable Mining Plan target, and are still on track to meet the 2030 target of a 50% reduction in fresh water withdrawals. Our operations continue to improve their water re-use and recycling rates, reducing their reliance on fresh water. Group-wide water efficiency increased to 84% in 2023 (2022: 82%). This focus on efficiency will continue at all our operations throughout 2024.

Reducing our reliance on fresh water in Chile

Construction is under way for the first phase of our integrated water security project (IWSP). In this first phase, a desalination plant will supply up to 500 litres per second (l/s) of desalinated water to Los Bronces’ Las Tórtolas copper operation from 2026, via a pipeline to a water-reception pool at the mine. This desalinated water will supply more than 45% of Los Bronces’ needs , while also providing 25 l/s of clean water, paid for by Los Bronces, to about 20,000 people in the neighbouring communities of Colina and Til Til. Water will also be provided, at a subsidised price, to around 15,000 people along the route of the pipeline.

In the second phase (still to be approved), we are planning to increase the desalinated water supply capacity to the required level to allow us to stop withdrawing any fresh water for Los Bronces mining and processing – our ultimate goal for 2030 at this site. We are also exploring options for further enhancing the provision of clean water to local communities in the wider area through swap arrangements to allow additional desalinated water to be supplied to communities in exchange for industrial and treated waste water at the mine.

At the UN Water Conference in March 2023, we reiterated our commitment to ending fresh water withdrawals at Los Bronces to support SDG goals 6, 9 and 12.

Improving water quality in the Rio Doce

At our Minas-Rio operation in Brazil, we are working with the local community to rehabilitate the catchment flows at the headwaters of the Peixe and Santo Antonio rivers. The aim is to improve the water quality and water availability for users of the Rio Doce. To do this, we are reforesting areas within the catchment, building fences to protect the rivers, and conserving and restoring those areas designated as conservation areas.

Increasing access to water in the Limpopo river catchment

Our Venetia diamond mine, located in Limpopo in South Africa, is an integral member of the Limpopo water catchment management forum, collaborating closely with the regulator (the state Department of Water and Sanitation), local government and other key stakeholders, helping co-ordinate our efforts to support municipalities and communities. Since 2021, Venetia has supported over 85,000 people through water infrastructure and supply projects.

For example, in the Blouberg Municipal Area, where many of our employees live, the water reticulation system previously covered only 40% of the villages. Some of the boreholes had no pumps, and the water was unfit for human consumption. De Beers has responded to this situation through a project to improve water supply to De Vrede village by installing a water purification plant and extending the water reticulation network to shorten the distance people have to walk from their homes to the nearest communal standpipe.

At a number of other villages, pipelines and storage tanks were old and in poor condition, with some community members having no access to water or being required to walk more than a kilometre to collect water. We installed additional storage tanks, repaired existing tanks and pumps and extended the water supply to all the villages.

Eliminating Level 3 incidents

There were no Level 3 water-related incidents recorded in 2023 (2022: 1).

Our interactions with water (ICMM categories):

Water withdrawals

- Groundwater
- Bore fields for water supply
- Mine dewatering boreholes
- Pumping of groundwater intercepted during mining activities
- Water entrained in ore
- Surface water
- Rivers and streams
- Rainfall and run-off
- Water purchased from a third party
- Wastewater (including treated sewage effluent and water from other industrial and/or mining operations)

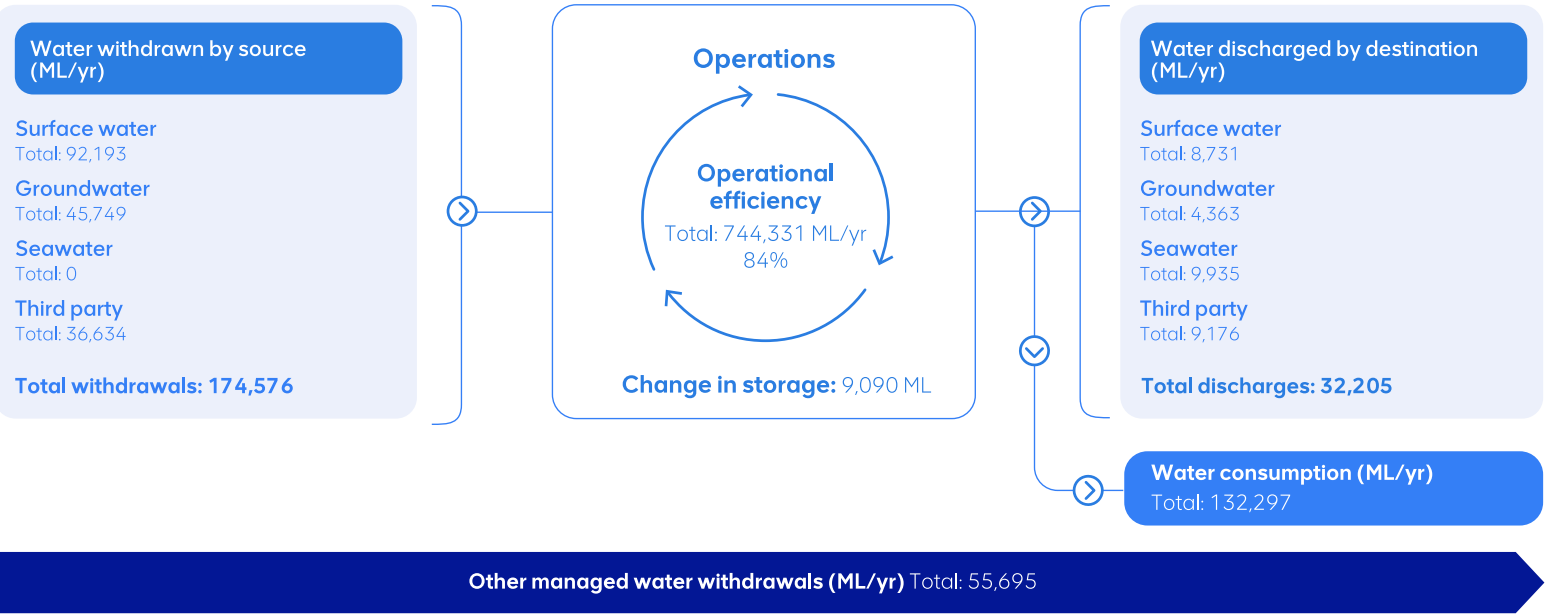
Water use at our operations

- Opencast and underground mining
- Processing and beneficiation of ore
- Dust suppression
- Refrigeration and ventilation cooling
- Mineral residue disposal (including tailings, waste rock and slag)
- Offices, workshops, laboratories, change houses and other potable uses

Water discharges

- Re-injection of water to groundwater to replenish aquifers
- Water sent to third parties
- Seepage to groundwater
- Discharge to the sea/ocean
- Discharge to streams and rivers to maintain the environmental flows.

Water management in 2023



Activities in 2023

Fit for purpose studies and increasing water efficiency

In 2023, we expanded our water efficiency initiative to our Rustenburg PGMs smelters and refineries, and the Mogalakwena PGMs site and Minas-Rio iron ore operation. These studies were predominantly focused on identifying opportunities to increase recycling of water by treating mine-affected water to the standard where it can be re-used within the operations. The studies are planned to continue through 2024 and will include our Quellaveco copper mine.

These studies will form the basis of a potential long term pathway for water efficiency under review and will have the dual benefit of reducing water withdrawals and discharges.

Engagement with stakeholders

Following the processes set out in the Social Way allows us to understand our water-related socio-economic impacts, and ensures that we engage proactively and transparently with our stakeholders to understand their concerns. Consultation with local authorities and community representatives helps us to address concerns while also developing innovative solutions that can lead to improved access to water for drinking, agricultural and other uses.

► For more information on the Social Way
See page 50

Water quality initiatives

Assessment of site water quality monitoring plans

Deep dives were undertaken at sites across the Group to understand the status of the monitoring programme in relation to the new water quality guideline and our increased focus on risk management, in addition to legal compliance. As sites grow and evolve, monitoring networks need to change. We worked with the operations to revise their plans and address the complex challenges faced.

Improving management and interpretation of water quality data

We identified that there is a diversity of approaches across our operations to collecting and storing water quality data and varying levels of quality assurance and quality control (QA/QC) on data. We also want to reduce the burden on sites by automating as much of the process as possible. Our initial focus was on understanding the current data governance practices at our operations, and the existing QA/QC processes in place, from the moment a sample is taken to when data is entered into a site's database and compared with the requirements of the water quality monitoring guideline. Based on international best practice, we defined the acceptance criteria we will be applying to new data to ensure data integrity as we move forward to the pilot in 2024.

Next steps

In 2024, we will be extending our fit for purpose water-efficiency programmes to additional sites and working with the sites to implement the recommendations from our 2023 work.

Together with the businesses, we will explore the opportunities to pilot a water quality data management system to create a 'single source of truth' for the Group. This will enable enhanced QA/QC of data, from sample collection through to final reporting and maximising the value of the data insights we can obtain. We are aiming to deliver a robust and defensible data storage and analysis solution to enable a proactive response to current and emerging risks.



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.



13,300

Farmers who will benefit from improved good-quality water availability

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 of the river source 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.

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."

► See more on angloamerican.com/quellaveco

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.

Strategy and approach

Mineral residue

After the completion of mining and processing, we are left with a mineral residue that is generally made up of two principal components:

- Waste rock left from extracting the ore from the ground
- Processed mineral residue – the mineral waste that remains after the mined ore is processed to separate the valuable metals or minerals from the host rock, including fine tailings, coarser discard, rejects or slag.

Group Processed Mineral Residue Facilities and Water Management Structures Standard and Policy

Our 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/managing-tailings-safely**](https://www.angloamerican.com/managing-tailings-safely)

Group Geotechnical Standard for Mining

This standard defines the minimum mandatory geotechnical requirements for the design, planning, operation, monitoring, optimisation, and mine closure for surface and underground mining operations, including waste dumps and stockpiles. Application of this standard aims to eliminate or minimise the risk of fatalities, injuries and business interruption resulting from uncontrolled falls of ground. This standard therefore defines the minimum geotechnical requirements to achieve safe and productive mining.

Governance

Tailings

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 is based on the ‘Three Lines 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, who provide expertise and support, and challenge 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.

Tailings management is embedded in our executive remuneration arrangements, with the 2024 executive director and senior management LTIP arrangements including targets related to tailings management.

Waste rock dumps

The management and governance of waste rock dumps are covered by our Geotechnical Standard for Mining and are also subject to the three lines of defence model; i.e. the first line is undertaken by sites (self-assessment); the second line is delivered by the external Geotechnical Review Board (either annually or every second year, based on our assessment of the risk); and the third line is provided by the Group’s internal audit function.

► [For more information on our sustainability governance](#)
[See pages 48-49](#)

Managing risks and opportunities

Managing tailings and waste rock dumps

As the world’s demand for raw materials has grown substantially in recent decades, and as the grades of many ores have decreased over time, the cumulative volumes of mineral residue have increased exponentially.

Anglo American has identified tailings dam failure as a principal risk, including the possibility of outer wall collapse or overtopping. Given the potential severity, the Group has categorised this as one of four catastrophic risks related to its operations.

In endeavouring to eliminate loss of life and injury, we are equipping our facilities with on-site and remote sensing that gives more early-warning time, and improving the stability of TSF structures through engineering measures such as buttressing. Emergency response exercises have been conducted in some jurisdictions, with plans to conduct them on a regular basis currently under development. We also implement government capacity-building programmes for disaster response in certain jurisdictions.

Where possible, and if deemed to be the optimal solution, we try to place tailings and waste rock together to reduce environmental impact, improve stability of the outer walls of the TSF, and minimise the disturbed area. This also reduces water evaporation losses and optimises our mine-closure efforts.

Should a failure on waste dumps and stockpiles occur, it is reported under the Fall of Ground reporting framework.

To further support the management of this risk, our site emergency management plans are regularly updated at each facility. Feedback and input from local communities and government is sought in the development and updating of the plans.

Anglo American TSFs comply with regulatory requirements in the countries where they are located.

Environmental geochemistry

Mineral residues generated as a by-product of mining and smelting, including waste rock, tailings, spent ore, and slag, can produce problematic drainage such as acidic, neutral metalliferous, saline, and/or nitrate drainage. We assess the potential hazards using the internationally accepted methodologies set out in the Global Acid Rock Drainage guide, as well as any specific tests required by local legislation.

In line with requirement 2.2 of the GISTM to characterise the physical and chemical properties of the tailings, we have commenced a programme of testing tailings as well as continuing sampling and analysis programmes of fresh tailings samples to confirm any variability.

► [For more information on our approach to managing tailings safely](#)
[Visit **angloamerican.com/managing-tailings-safely**](https://www.angloamerican.com/managing-tailings-safely)

Targets and progress

Aligning with the GISTM

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/tailings-database

Activities in 2023

Engaging communities

In line with the Social Way and in accordance with the GISTM, sites continue to engage meaningfully with potentially affected stakeholders on the management and monitoring of our tailings facilities and the likely consequences of a hypothetical tailings facility failure, including suitable emergency responses.

While designing a tailings facility extension to be constructed at our Mogalakwena PGMs mine, community engagement and consultation have led to the identification of tangible cultural heritage. As a result, and in co-ordination and agreement with the community, the footprint of the facility has been adjusted to preserve as much of this cultural heritage as possible.

► Cultural Heritage case study
See page 87

Technology and Innovation

As part of our ongoing focus on satellite, drone and remote monitoring solutions, we continue to use the interferometric synthetic aperture radar (InSAR) system at our upstream tailings dams. InSAR uses satellite technology to reflect radar signals off a surface to measure deformations over time. This technology – combined with state-of-the-art instrumentation and dashboards for visualisation and interaction – allows relevant stakeholders to have complete oversight of the behaviour of our dams at any time or location.

The deployment of drone-based solutions has allowed us to inspect our facilities in ever greater detail from anywhere in the world. This tool will continue to be implemented alongside traditional inspections to provide additional oversight.

We apply the highest level of geotechnical engineering and consult with renowned international specialists to help us fully understand the behaviour and performance of our tailings facilities. We also employ third-party reviewers to better understand our risk profile, going beyond existing GISTM requirements or internal standards.

We are also deploying a geophysical method called passive seismics, whereby we use ambient noise to image the interior of our tailings dams. This technique can identify phreatic surface levels within the dams and identify any potential soft or unconsolidated zones, as well as fully characterise the structure's response to dynamic loading, such as earthquakes. This technology has been rolled out across our upstream constructed tailings dams in southern Africa and trialled at select downstream facilities in South America.

We have installed fibre optic cable technology into three of our tailings dams and plan to continue deploying this emerging technology at selected additional tailings dams, to provide real-time monitoring of strain, deformation and seepage. In some instances, satellite technology will be combined with fibre optic cable monitoring to complement our knowledge of the performance and behaviour of the dam structures.

At Minas-Rio, we are currently constructing a new tailings filtration plant that will dewater the flotation tailings from the beneficiation plant. The new filtration plant will reduce the deposition rate on the tailings facility and extend its life, as well as increase water recirculation and reuse.

We continue to explore applications for our patented hydraulic dewatered stack (HDS) technology. Implementation of HDS leads to safer facilities owing to a lower volume of saturated tailings, an increase in the volume of water returned to the plant, and reduction in the time taken to close a TSF – and, hence, earlier repurposing of the land to benefit the community.

Processed Mineral Residue facilities:

57	21
Managed in total	Inactive or in care and maintenance
27	9
In active use	Closed or rehabilitated

Next steps

In 2024, we remain focused on ensuring that our TSFs are managed to the highest standards of safety. We will continue to refine our understanding and monitoring of the performance of our facilities and concentrate further on effective operational geotechnical risk management to ensure that all controls are adequate and effective.

Anglo American is continuing to work towards conformance in respect of its tailings facilities that are within the other three lower consequence categories of the GISTM by August 2025, in line with the commitment made by all ICMM member companies.



At El Soldado, technology development principal Andrea Lopez examines a sample of water that has been through the HDS process.

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 recovery achieved through HDS/CPR in early results

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.

► See more on angloamerican.com

Circular economy, waste and materials stewardship

The metals and minerals we mine are vital to deliver a sustainable future. At Anglo American, we understand the imperative of delivering the materials society needs while protecting our planet.

This challenge is at the heart of the circular economy, which is about minimising waste in all its forms and making the most of all the materials and assets we have across the Group to drive positive outcomes and to stimulate collaboration across value chains.

Strategy and approach

At Anglo American, we believe in the need for a more circular economy and the principles of circularity to help drive value in our business.

We recognise that many mined materials, previously regarded as a liability, and discarded as waste, may have value, or potential value. Our intention is to focus on the hierarchy of waste management, with an impetus on avoiding the production of waste in the first place where possible, then finding value for those materials and, if needed, creating markets and partnerships to enable new value chains.

The principles of circularity that form the basis of our approach are:

- Appropriate characterisation of all materials and understanding the social, environmental and economic impacts as they move through their lifecycle
- Materials science, digital innovation and nature-based solutions
- Integration with discovery, resource development, mine planning and execution processes
- Developing relationships with different stakeholders to enable beneficial use of materials as well as the minimisation or elimination of risks to human health and the environment
- Throughout our value chains and across our Marketing business, we work to maximise the value of our products during their full lifecycle. We also support the development of technological innovation that can serve to advance this goal
- As we gain a deeper understanding of circularity and how it intersects with our business, we are working to embed circular principles further into our processes and build a culture that both thinks and acts more systematically.

Managing risks and opportunities

Many of our flagship initiatives are already circular in nature and help us both mitigate the risks and realise the opportunities related to circularity. For example:

- Our FutureSmart Mining™ programme is delivering step-change innovations in technology, digitalisation and sustainability to transform the future footprint of mining across the entire value chain
- Our P101 Transformational Asset Productivity programme is eliminating wasted capacity across our assets and processes, continually pushing beyond benchmark performance
- Our responsible mine closure programme is finding ways to continue to extract value from end-of-life mines as part of a broader remit to support local communities.

► For more information on FutureSmart Mining™
See pages 48–49 of the Integrated Annual Report 2023

Other examples of our approach to circularity in action include our ongoing portfolio transition towards metals and minerals that support a greener, cleaner, more sustainable world; our efforts to reduce energy consumption and intensity; and our increased use of renewable energy.

Targets and progress

Waste management – working towards a zero waste vision

In 2023, our focus was in rolling out a Zero Waste toolkit to support sites to meet our zero waste vision and adapt good practices in waste management in a cohesive manner. The toolkit shares international best practice in waste management and provides site managers with the tools and resources to understand and manage non-mineral waste responsibly.

We continued to evolve our Group-wide dashboard to account for non-mineral waste to support the continuous increase of our diversion rate (which measures the portion of waste not sent to landfill). In 2023, we advanced our capacity to collect accurate waste data and movements by carrying out a pilot of Topolytics, a digital waste management platform. The pilot was successful and the tool is being deployed at our Woodsmith crop nutrients project in preparation for upcoming UK legislation requiring waste data to be digitised.

Activities in 2023

Waste rock generated through traditional mining techniques represents one of the biggest circular economy opportunities for the industry when transformed to be suitable for use in construction materials, agricultural uses, metal recovery or carbon sequestration.

In Brazil, we have successfully completed a pilot using tailings waste to produce paving blocks. In October 2023, Anglo American donated its first batch of 57,000 paving blocks to the municipality of Alvorada de Minas, in central Minas Gerais, to pave a stretch of road. By the end of the year, a total of 230,000 blocks had been donated to the municipality, and we expect to expand to other areas in the state in the future.

We are exploring several approaches using our mineral waste to support agricultural and rehabilitation activities, through the creation of topsoil and the recovery of nutrients beneficial for plants. This includes the collaboration we started in 2023 with the University of São Paulo to explore the feasibility of producing topsoil from waste streams produced at Minas-Rio. This work will carry on in 2024 as we explore upscaling options.

We continued to investigate the of the suitability of our mineral wastes as substrate for enhanced rock weathering to sequester

atmospheric carbon over long periods of time. We supported R&D programmes with several partners to explore biotechnology options to accelerate this process.

CircuLab

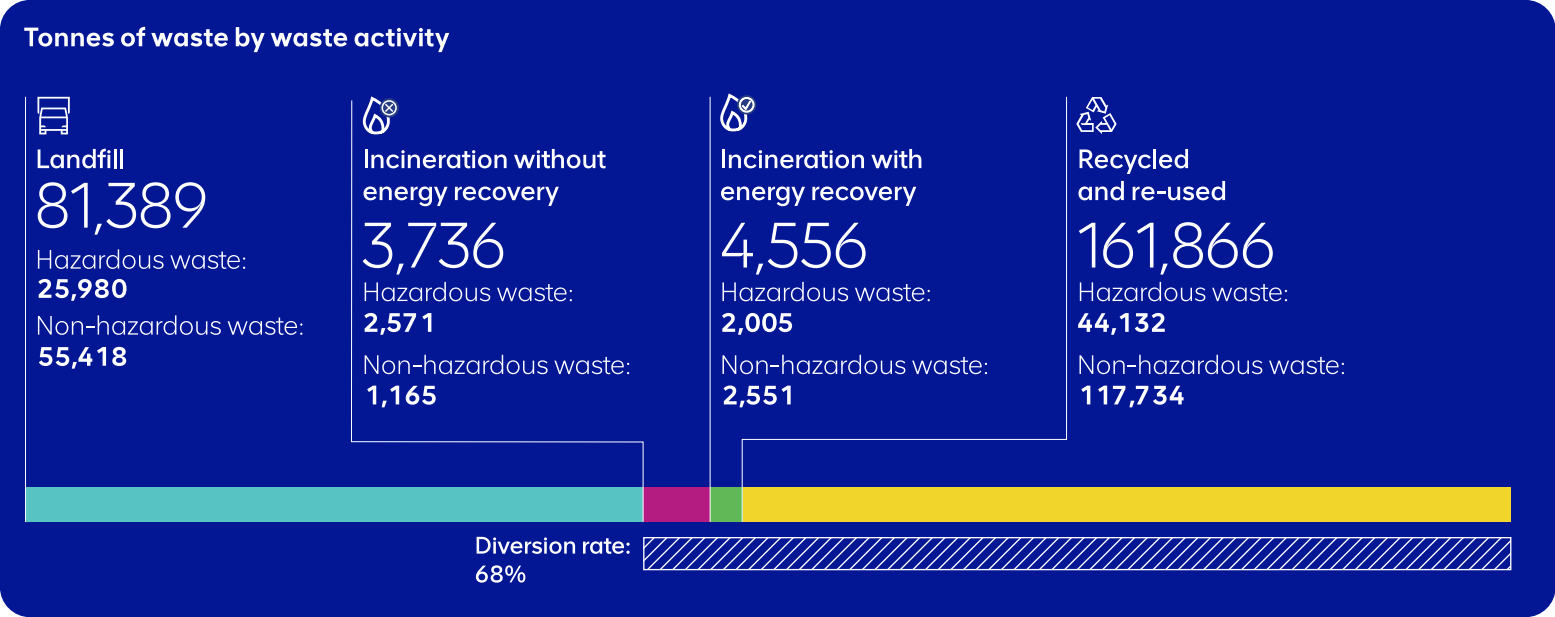
In 2023, we successfully concluded the second cohort of CircuLab, a programme designed to encourage people in our organisation to develop ideas with the potential to move our business towards circularity, embracing the principles of the circular economy. The second cohort included 10 projects from around the business – covering diverse topics such as sustainable uniforms for De Beers, eliminating single-use plastic from a site in Botswana, and creating a circular economy programme for high school students in Chile.

One of the projects presented, the reverse vending machine, was successfully piloted in our offices in Johannesburg. The first cohort of CircuLab, our internal circular economy incubator, continued to advance their innovations. In Brazil, the team carried out testing on hydrotreated vegetable oil (HVO) fuel and, at Barro Alto, the prototype of a sawdust recovery robot was tested in real-life conditions.

► For more information on our reverse vending machines
See page 71

Integrating circular innovation

Anglo American is a partner in the Circulars Accelerator, which supports start-ups that work in the circular economy area. Launched in 2020 as an evolution of the highly successful Circulars Awards programme, its third cohort ran in the first half of 2023. The partnership is led by Accenture and supported by Anglo American, Ecolab and AWS (Amazon Web Services). Hosted digitally on UpLink, the World Economic Forum’s platform for SDG innovation, the programme enables us to



engage with some of the most innovative disruptors to help them overcome barriers to scale, and where possible, to identify areas for direct collaboration.

► For more information
Visit thecirculars.org/

Embedding circularity in our culture

We are fostering a culture where everyone learns to view what they do through a the lens of circularity and to think in terms of transformations; not just about recycling or protecting the environment, but about envisioning new business models aligned with a circular view.

As embedding circular thinking in our culture will be a key part of our success, we have designed a programme of online learning so that colleagues everywhere can explore the concept and how they can apply it in whatever role they perform. This e-learning goes hand in hand with CircuLab.

Engagement on circularity

In 2023, our engagements included being part of the first Circular Economy Working Group of the International Chamber of Commerce. We also took part in working groups with IRMA and World Resources Institute.

Another example is our membership of the Platform for Accelerating the Circular Economy to address the current challenges in setting corporate circular economy targets.

Anglo American was a speaker and panel member at the World Circular Economy Forum 2023, held in Helsinki, Finland. The forum included leading policymakers, industry leaders, and civil society organisations worldwide. Held annually since 2017, the forum is one of the world's leading events devoted to the circular economy.

Working on circularity across the value chain

In 2023, we signed a memorandum of understanding with Mitsubishi Materials Corporation to collaborate on the creation of a copper product offering that responds to growing demand for metals with demonstrably strong provenance credentials.

The collaboration will focus on driving traceability across copper's fragmented value chain, with the aim of identifying and measuring sustainability indicators that industry stakeholders and end-customers deem most relevant and valuable. Anglo American and Mitsubishi Materials will also explore decarbonisation opportunities to reduce the overall carbon footprint of the metal provided to customers.

Next steps

In 2024, our focus will continue to be evolving our approach to waste management and preparing the business to respond to upcoming circularity legislation.

Following a successful trial of the process at our Steelmaking Coal business, we will be rolling out a comprehensive programme of testing of our tailings material. This will assist us with our ongoing efforts to achieve full GISTM compliance, but also build a baseline to identify what opportunities there may be to reprocess or re-use the material.



We are seeing growing growth in the use of reverse vending machines (RVMs), which are being piloted at our PGMs and other South African sites.

Doing our bit to boost the circular economy

The United Nations predicted recently that, by 2050, nearly 2 billion people will be added to the world's population – and that we will use 71% more resources per capita. Unless significant steps are taken to improve efficiency, the global consumption of metals and minerals, biomass, and other materials is likely to increase from 85 billion to 186 billion tonnes a year.

Anglo American's commitment to the circular economy

Katie Fergusson, our Group head – sustainability, comments: "At Anglo American we are committed to the three basic principles of the circular economy: designing out waste and pollution, keeping products and materials in use, and regenerating natural systems. For many years now, we have been integrating circularity principles and practices at site level. For example, we are developing and deploying technologies so that we send less waste to tailings, and store whatever we do send more safely; our Platinum Group Metals (PGMs) business has virtually eliminated waste to landfill; and our Nickel business is using slag from its furnaces in road paving. What we now need to do is to scale-up things, and cast the net wider, right across the Group, so that non-operational sites, such as company offices, all make a contribution to the circular economy."

Introducing reverse vending machines

One small step we are taking to minimise waste is introducing reverse vending machines (RVMs). The result of a collaboration between our circular economy incubator, CircuLab, and a private company, Imagined Earth, RVMs are being piloted in South Africa at PGMs and our Global Shared Services unit.

Head of environment, Hermanus Prinsloo, comments: "Users are able to insert recyclable waste, such as plastic, glass and cardboard packaging, into RVMs in exchange for rewards, including data, airtime, cashbacks and vouchers. RVMs are state-of-the-art technology, and are simple to use: you just download the Imagined Earth app, register your account, insert the waste with the barcode showing – and a rebate will appear in your digital wallet."

He adds: "At our two pilot plants, we are already seeing growth month by month in the number of RVM transactions, kilograms of waste recycled, and emissions avoided. The next phase now is to roll out RVMs across our PGMs sites, as well as in neighbouring communities in places like schools and community centres."

► For more information
Visit angloamerican.com/circular-economy

Air quality and operational emissions

We aim to reduce emissions at source and use digital technologies to advance our goal of making a positive impact on people’s lives. Consistent with this commitment, in 2023, we continued our holistic approach to ensure alignment with international standards and guidelines and to drive new performance benchmarks in operational emissions through our FutureSmart Mining™ technologies and digital innovation programmes.

Strategy and approach

We recognise that all operational emissions – including particles and dust, greenhouse gas (GHG) and non-greenhouse gaseous emissions, noise and vibration – have the potential to impact environmental health and can occur at any stage of the mining lifecycle.

Consistent with our Purpose, our Environmental Emissions and Risk Management approach seeks to improve people’s lives by providing a proactive framework for how we monitor and manage these emissions from our sites – integrating data, monitoring and strong standards into operational routines to drive site-level ownership and increased transparency.

Our Group Air Quality Standard provides each of our operating sites with a set of mandatory requirements and targets for all operational emissions. These ensure that all compliance measures are met in full and that sites have a standard for performance tracking and monitoring.

Governance

Operations are responsible for implementation of emissions controls, reporting to authorities and engagement with stakeholders. The regulatory requirements of our different operating geographies require the ultimate accountability of air quality to be at site level. An aggregated view of site and business performance is prepared for internal Group monitoring and reporting, with L3–L5 environmental incidents and progress against key work strategies shared with the Sustainability Committee and included in the chief executive’s scorecard.

► For more information on our sustainability governance
See pages 48–49

Managing risks and opportunities

Mining activities can have significant implications for air quality, posing a number of risks to both the environment and human health.

Many of the mining jurisdictions we operate in impose strict regulatory frameworks and include stringent air quality requirements within operating licence conditions. Consistent

breach of operational emission limits could result in our mines, processing facilities and smelters being forced to halt operations and/or pay environmental fines. Communities in the vicinity of our operations may also be affected by air quality concerns.

Through consistent air quality monitoring and the use of integrated technology and predictive data, we can take proactive action to avoid potential incidents and minimise operational emissions. Mitigation of operational emissions can help build positive relationships with communities and other stakeholders, minimise operating disruptions and ensure we comply with environmental regulations.

Targets and progress

We aim to have no Level 3 or above environmental incidents, including those related to air quality, across all our operations and sites. In 2023, we achieved our target, with no notable air quality incidents reported in the year.

Activities in 2023

Using real-time and predictive data to improve controls

Our integrated approach enables data-driven decision making using a combination of leading and lagging indicators. For example, at several sites we are using automated, real-time, air quality and noise monitoring tools to minimise our impact on our employees, the environment and on host communities.

In 2023, we continued to work with selected sites on our predictive environmental monitoring programme and with operations teams to progress projects from pilot to implementation where predictive data is now embedded into daily decision making and operational control systems.

This solution brings together software, hardware (sensors) and data science from multiple operational data sources into a single platform. It provides us with the ability to predict critical environmental factors at operations, such as air quality, emissions, noise, water quality and weather. The technology improves the monitoring of environmental factors, enables proactive action to be taken to avoid potential incidents and

enhances transparency, allowing us to share data and forecasts in real time with our external partners, including local communities and regulators.

The predictive air quality monitoring solution has now been implemented fully at Los Bronces and El Soldado copper mines and Chagres copper smelter, all located in Chile, and at our Quellaveco copper mine in Peru. We are also piloting the solution in South Africa, at PGMs’ Mogalakwena mine and Waterval smelter, and Kolomela iron ore mine.

Consistent with our goal of becoming carbon neutral in terms of Scope 1 and 2 emissions by 2040, we use GHG models as a crucial tool for measuring progress on emissions projects. This allows us to map the impact of our existing and planned mining and processing operations.

Air quality performance

During the year, we worked across the business to develop a new Group Non-GHG Emissions Management standard. This standard, together with its self-assessment tool, will be rolled out in 2024, and will include updated compliance expectations related to air quality and noise and vibration.

In 2023, we generated a total of 10,325 tonnes of sulphur dioxide (SO₂) (2022: 17,480 tonnes) and 29,916 tonnes of nitrogen oxide (NO₂) emissions (2022: 27,456 tonnes). The 2023 Group SO₂ and NO₂ emissions data excludes PGMs’ smelters and refineries, as the reporting of this data is aligned to the South African National Atmospheric Emissions Inventory System (NAEIS) reporting requirements. This regulatory reporting cycle runs from March to March, rendering 2023 and 2022 data incomparable. The full updated data will be available online within our sustainability data sheets.

► See more on our sustainability data here:
angloamerican.com/sustainabilitydata

Noise management

Consistent with the expanded focus of our emissions approach, we implemented a predictive noise monitoring solution at our Minas-Rio iron ore mine in Brazil that integrates all noise sources, weather and operational data, including fleet management.

By integrating noise monitoring data into our fleet management platform, we can avoid having high concentrations of vehicles in areas where sounds might be amplified into the nearby community; for example, at night or in prevailing wind conditions. This enables operations to be adjusted proactively to avoid community impacts by taking into account weather conditions and operational needs.

We are also in the final stages of evaluating a series of additional noise insulation controls in our haul road fleet. This solution would eliminate around 30% of noise from haul trucks, reducing the operational noise background and making a meaningful step forward towards the concept of the silent mine.

Next steps

We will continue to implement our real-time data, predictive monitoring and digital control management solution, with the aim of embedding the solution as part of our standard environmental management processes. This will include rolling out our operational emissions dashboards and forecasting tools, covering noise, vibration, particulates and other types of emissions, to further sites across the Group.



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 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 (SO₂), 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 demonstrate this to the authorities and the local community – has helped build 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.

Thriving Communities

Building thriving communities with better health,
education and levels of employment.

Global stretch goals



Education



Health and
well-being



Livelihoods

Sustainable Development Goals





Thriving Communities

We believe that our role as a global business is to make a positive contribution to society. Through the implementation of our social performance management system – the Social Way – and through our Collaborative Regional Development programme, we are working actively to support local and regional economies, as well as the lives and livelihoods of the communities where we operate.

Global stretch goals	Milestones and targets	Progress in 2023	Material matters
 Health and well-being Relevant SDG targets for health to be achieved in host communities.	2025: Operations to be halfway to closing the gap between baselines and 2030 targets. 2030: SDG 3 targets for health to be achieved in host communities.	Baselines have been established and strategies are in place at every site. Progress continues on delivering health infrastructure that will help deliver relevant SDG targets for health to host communities.	– Community development – health.
 Education All children in host communities to have access to excellent education and training.	2025: Schools in host communities to perform within the top 30% of state schools nationally. 2030: Schools in host communities to perform within the top 20% of state schools nationally.	Progress continues on delivering high quality education programmes within host communities through partnerships and collaboration with governments, multilateral development agencies, NGOs, trade unions, other companies and members of the communities where we operate.	– Community development – education.
 Livelihoods Shared, sustainable prosperity in host communities.	2025: Three jobs supported off site for every job on site. 2030: Five jobs supported off site for every job on site.	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.	– Economic development of local communities.

Other material matters

Cultural heritage and indigenous rights

As we create shared benefit from resource development, we aim to proactively manage any potentially adverse impacts that our activities may cause. We do this across our operations, working with custodians of the land on which we operate, to ensure that we respect their cultural heritage.

Responsible mine closure and regeneration

The social and environmental impacts of a mine extend far beyond the end of its operational life. Aligned with our Sustainable Mining Plan, Anglo American strives to leave a positive, healthy and enduring legacy beyond the closure of our mine sites.

Engaging local communities

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

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.

Through the Social Way and our community engagement forums, we aim to build trust and transparency with local communities to promote sustainable practices and ensure the long term success of our business.

► For more information on the Social Way
See page 51

► For more information on our local community engagement forums
See page 92



Community development – education

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.

Our continued support of our global education programmes is a good example of our partnership-focused approach to delivering our Thriving Community goals.

Strategy and approach

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.

► For more information on the Social Way
See page 51

Our global education programmes

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.

Ensuring that all children in Anglo American’s host communities have access to quality education and training is an essential gateway to tertiary education and will ultimately help to create positive outcomes by increasing the employability of people throughout their working lives. These programmes also apply a measurement and evaluation approach to track their outcomes and impact against a set of specific targets aligned with our Sustainable Mining Plan.

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.

All programmes are aligned with the Group’s public commitments outlined in the Sustainable Mining Plan and measured against specific targets designed to meet needs articulated by key stakeholders, including: government ministries and education departments at national, provincial, district and local levels; the schools that participate in the programmes and their administrative personnel; students, parents and communities; teachers and unions; and various service providers, contractors and sub-contractors. We continue to review, assess and monitor our pathways to delivering on this commitment.

Governance

Our community education team oversees the design and delivery of our education programmes, with guidance from the Community Education Steering Committee in each country.

Progress against our community education targets is included in the chief executive’s quarterly scorecard and shared with the Sustainability Committee, as required.

In all countries, we have closely collaborated with ministries of education, local governments, education experts, and school communities to design and implement education programmes tailored to the local context.

► For more information on our sustainability governance
See pages 48-49

Managing risks and opportunities

The quality of state schooling is often poor in the communities local to our operations and frequently below average, given that the best schools tend to be in urban rather than rural areas. Poor schooling, in turn, leads to unemployment and low-productivity occupations, and associated social ills.

Low levels of educational attainment also create challenges in recruiting locally, a problem that will be exacerbated as new mining technologies are deployed, which will typically require higher skill levels than are required currently.



At our nickel operations in Brazil, volunteers from our Ambassadors for Good programme worked with non-profit APAE Niquelândia to make this travelling library become a reality.

The programmes we have developed focus on education in the Science, Technology, Engineering and Maths (STEM) disciplines. They also incorporate methodologies such as project-based learning, expeditionary learning, and the implementation of education approaches such as Montessori or Reggio Emilia, among others.

We work on these approaches by strengthening support for early childhood development, educator development, leadership support, government capacity building, infrastructure and equipment, parental engagement, sport wellness, and career guidance. Additionally, we address the core component of connectivity as a basic human need, working to integrate information and communication technology (ICT) so that all schools can access and participate in modern educational formats.

Targets and progress

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

While our projects are in various stages of implementation, we have observed a significant increase in students’ motivation to learn and become agents of change in their communities. Additionally, we have witnessed greater enthusiasm among teachers who have embraced new methodologies in the classroom and are dedicating their time to training and implementing innovations in schools. Our interventions are contributing to improving the education environments of numerous schools, strengthening and constructing infrastructure suitable for better education, and providing the essential ICT to foster a digital culture.

Activities in 2023

Driving long term sustainability

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.

>500,000
learners

>500 schools
supported across host communities by 2030

>400 schools
supported across host communities in 2023

Our education programmes in South Africa and Chile are in their sixth year, while we launched the rest between 2021 and 2023.

South Africa

In South Africa, we concluded Phase 1 of our education programme and launched the second phase in partnership with the Department of Basic Education. This entailed doubling the programme’s scope and commitment to improving educational outcomes to encompass more than 400,000 learners and 5,500 teachers at 194 schools and around 190 early child development centres within Anglo American’s host communities in South Africa over the next five years.

The programme focuses on improving literacy, numeracy, mathematics and English levels by addressing some of the underlying reasons for poor education outcomes.

The second phase of the programme will also include investments to fund several key initiatives, including infrastructure upgrades, ICT, learner and parent support initiatives, career guidance, nutrition and food gardens, after-school programmes and sporting activities in the selected schools.

In June 2022, Anglo American signed a \$100 million 10-year loan agreement with the International Finance Corporation (IFC) linked to the delivery of sustainability goals that are integral to the delivery of our Sustainable Mining Plan. The specific goals tied to the loan agreement are aimed at supporting community development in rural communities close to our mining operations in South Africa, including improving the quality of education for more than 73,000 students.

Zimbabwe

In Zimbabwe, we launched the first phase of our education programme in 2022, which aims to provide improved and more equitable learning and transition outcomes for host communities in the Shurugwi district, near our Unki PGMs mine. The programme will ultimately support nearly 15,000 learners and hundreds of teachers. The first phase is currently under way at 21 schools, while the second phase will expand the programme to an additional 19 schools, beginning in 2026.

The programme aims to increase the average pass rate for learners at the target schools by 25% by 2030. The target schools are currently at very different levels of performance. While all will improve, pushing many into the ranks of the top government performing schools, we expect those with the furthest to climb to do significantly better.

Chile

In Chile, our education programme covers schools in the Metropolitan and Valparaíso regions in 2023, situated near our Los Bronces, El Soldado, and Chagres sites. The Modelo Pionero initiative aims to benefit 65 schools, covering nearly 56,000 students, 2,500 teachers, and 200,000 community members by 2030. Its objective is to transform schools into Centres of Innovation, revolutionising both the pedagogical experience and physical environments. The goal is for students to enhance their knowledge and skills by developing projects that offer real solutions to their communities’ challenges. In 2023, we expanded the programme to include 11 additional schools, bringing the total number of supported schools to 34.

Aprendices Pioneros supports 200 students annually, linking senior vocational education training (VET) students with the professional world to enhance their future careers and contribute value to their economic environment.

Preu Pioneros supports 220 students annually, promoting access to higher education to empower young individuals to become professionals who can transform communities and the country. It is designed for junior and senior VET students.

Brazil

In Brazil, we are aiming to support more than 8,500 learners and more than 100 teachers at 55 schools in the states of Minas Gerais and Goiás. Our programme in the country is aimed at

addressing four major problems: low level of learning; unsuitable learning spaces; student physical and mental health and well-being; and lack of attractive subjects and classes.

Through a series of targeted interventions, we are working to improve teacher skills, create a more conducive environment for learning, increase digital literacy skills for both students and teachers, and ultimately improve learner performance.

Peru

In Peru, we will support more than 12,000 students and 400 teachers and managers at 53 schools in Moquegua, the region near our Quellaveco mine by 2030.

The Reimagine programme focuses on improving the infrastructure of schools and rebuilding them as flexible, innovative and connected learning spaces. By enhancing the link between school and community, the programme aims to ensure that students remain engaged in the educational experience and become globally connected citizens.

United Kingdom

In the UK, our Crop Nutrients Education Programme called Achieve, aims to equip disadvantaged students to achieve their potential by supporting their personal development, raising aspirations, and improving learning and attainment. It was developed in conjunction with key stakeholders, including schools, local education authorities and delivery partners.

The programme started with an initial three-year pilot period from September 2022. The core programme provides an immersive experience for 150 disadvantaged learners at six pilot schools, who receive mentoring, trips and extracurricular activity. The pilot schools also receive a wider offer of support, including social and emotional learning workshops, for all year seven students and extracurricular activities for all disadvantaged year seven pupils.

In addition to Achieve, another strand of the Crop Nutrients Education Programme aims to promote careers in science, technology, engineering and maths (STEM). During 2023, we attended a wide range of education activities that supported careers provision and the STEM curriculum, engaging over 8,000 of students in the process.

Canada

In Canada, we continued to implement our education programme that supports more than 4,000 learners at 21 schools in host communities situated in the Northwest Territories around the Gahcho Kué mine.

By 2030, we are targeting a 10% increase in completion of secondary school in the Northwest Territories (interim goal: 5% increase by 2025) and an 8% increase in post-secondary education completion. The programme also aims to demonstrate increasing trends in literacy levels in host

communities and increase the number of educators returning to the system. We also launched a programme as part of this initiative to support the Aurora College early childhood education programme, as well as early childhood education teacher development and provision in the region. These programmes, combined with the ongoing attendance programme, and distribution of scholarships and bursaries, is working to improve the completion of secondary and post-secondary education in the Northwest Territories.

Australia

In Australia, we support more than 2,800 students and 200 teachers at eight schools and approximately 400 children at seven early learning centres near our Moranbah, Grosvenor, Capcoal and Dawson facilities in Queensland.

The focus has been on recruiting early childhood education professionals, promoting professional development among aspiring teacher leaders, supporting extracurricular growth that fosters the development of young people, and providing immersive post-school training centred around work in emerging fields for local graduates.

Next steps

Our global education programmes will emphasise implementation and delivery of sustainable outcomes. This will include work on community schools and support for school leavers and livelihoods. They will also focus on older youths, skills for education and mental health.

In Botswana, we are designing an education programme that will support a total of 54 schools. The focus areas will include literacy and numeracy in primary and secondary schools, maths and science to promote STEM participation, access to technological devices and resources, and digital literacy related to skills and the future of work.



Through the Modelo Pionero programme, schools have become centres of research and innovation, especially in science and technical subjects.

Modelo Pionero – forging a better education model

An underperforming education system

In Chile, the state education system has been a cause for great concern for many years – with underperforming schools being a key issue for communities, especially in poorer areas. Far too many school leavers lack the academic qualifications needed to enter higher education or are underqualified for an increasingly technology-focused jobs market. This is having a profoundly negative effect on their employment prospects and, in turn, on the country's economic performance.

A transformative vision for Chile's schools

Anglo American is keen to support all state schools in the communities surrounding our operations in Chile, through early childhood, primary and secondary education, and help deliver a transformative vision for the schools. So, following a series of in-depth engagements with focus groups and community representatives, we focused on four principal stakeholders: our own community development

specialists; the schools community, including teachers, students and parents; higher-education partners such as universities; and the Ministry of Education and Local Government.

Modelo Pionero

Out of this, we developed the Modelo Pionero (Pioneers Education Model) programme. The initial target was an underperforming school in Los Andes within the Valparaíso region, the Liceo America High School. Here, enrolment had dropped considerably; the student body was demotivated, with few students moving on to higher education; while its traditional learning systems were no longer fit for purpose.

What was desperately needed were people who had intimate knowledge of the nature and scale of the problems ahead – and who had a clear pathway to achieving better outcomes. David Viera, our principal for education in Latin America, observed: "The challenge was to go further, and develop an educational approach that would allow us to move towards a new educational paradigm. For this reason, we developed Modelo Pionero that seeks to transform students into agents of change who become the motor for transformation in their community".

"Students are now able to be far more 'hands on', especially in science and technical subjects – which is empowering. They have worked collaboratively on practical projects like making spaces of innovation in nursing homes, designing and producing face masks during the Covid-19 pandemic, and designing a filter as part of a community water-recycling plan. Schools have become centres of innovation, providing viable solutions to real problems within the community."

An upward trajectory

Since its inception in 2020, Modelo Pionero has become a network of 34 schools in the Metropolitan and Valparaíso regions, embracing more than 14,000 students, over 1,000 teachers and administrators, and serving communities collectively totalling nearly 100,000 people. Enrolment at the programme's schools has increased by an average of 15%, the number of students going on to higher education has climbed from 18% to 55%, while the proportion of 'vocational' degrees awarded now stands at around 90%.

Community development – health

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

Strategy and approach

In line with our Purpose, we continue to play an active role in improving the lives of not only our workforce, but of the local communities around our operations.

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

Our community health and well-being programmes are designed and implemented across our businesses through the technical support of the Group community and well-being function. The delivery of the programmes is managed with the site socio-economic development (SED) and social performance teams, with each programme being fully integrated into local social investment, SED or social performance processes, as relevant. The performance of the programmes is reported to the chief executive's scorecard on a quarterly basis.

► For more information on our sustainability governance
See pages 48-49

Managing risks and opportunities

A healthy community means a healthier and more productive workforce, reducing absenteeism and helping sustain operational productivity. Moreover, maintaining the health of local communities is integral to building positive and trusting relationships, and helps to maintain our social licence to operate.

In southern Africa, where we have many operations, HIV infection rates are some of the highest in the world. The majority of our programmes in this region are, therefore, focused on tackling this challenge. We also pledge to support health equity across our operating geographies, with programmes that prioritise health systems (SG3.8).

Targets and progress

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, by 2025.

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.

Activities in 2023

Global fund partnership

In 2022, Anglo American and the Anglo American Foundation pledged \$15 million to the Global Fund for AIDS, TB and Malaria as the anchor partner for the Digital Health Impact Accelerator Catalytic Fund (DHIA). This fund will support countries across Africa to develop and implement digital health strategies, including electronic patient records and improvement of digital system execution to ultimately improve community health provision and ensure that the right people can be reached with the right services at the right time.

Additional contributors for this initiative include Zenysis, Novartis Foundation and the Patrick McGovern Foundation, with investment to a total of \$107 million.

The DHIA is integrated with the resilient and sustainable systems for health initiative, and laboratory strengthening strategic initiative, thus leveraging funding investment in Africa to an estimated value of \$250 million. Further funding leverage is expected through extended partnerships with the WHO Global Initiative on Digital Health (GIDH); Africa CDC's digital transformation initiative; and Africa CDC Smart Africa's initiative for health facility connectivity.

"Building a more equitable healthcare system globally is in our DNA as a company – it is how we do business. Through our long history of supporting major public health programmes to help improve the health of our employees and host communities and running major health facilities around our operations over many decades, we recognise that good health and well-being are essential to building thriving communities and economies."

Dr. Alexandra Plowright, Head of community well-being

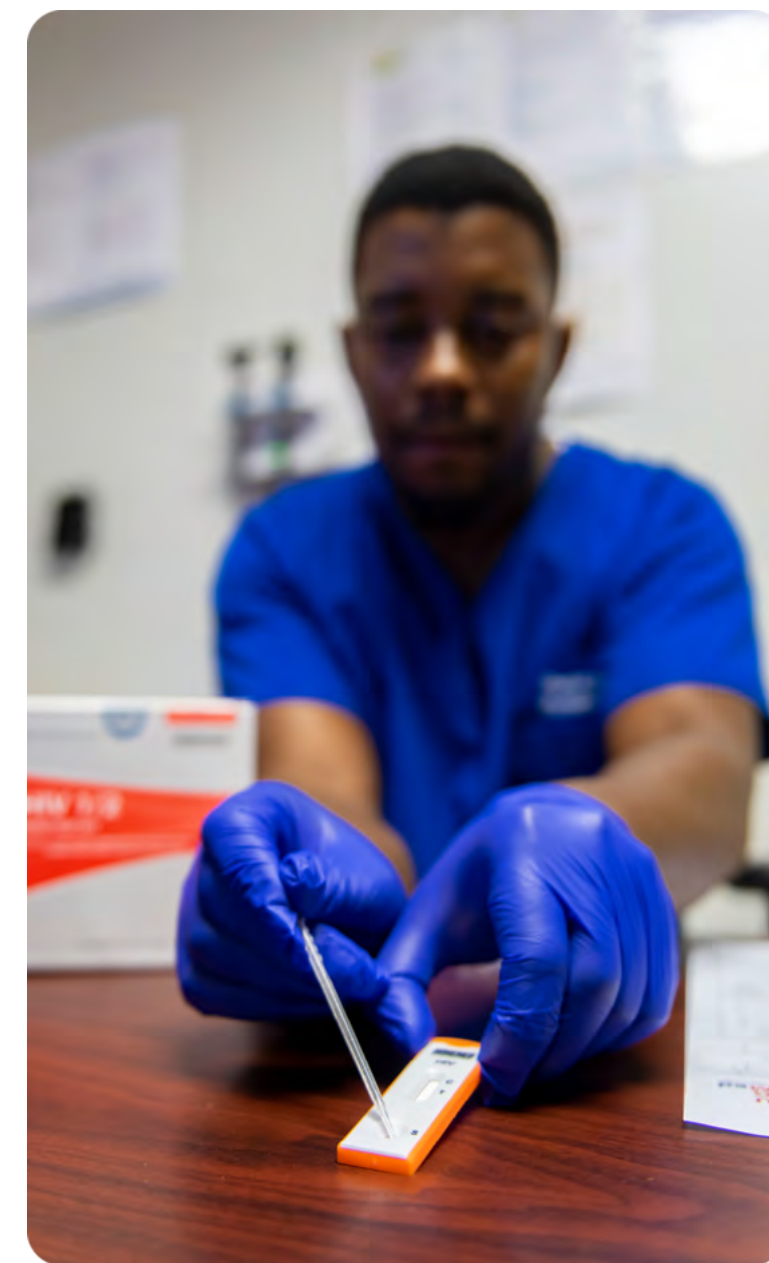
Strengthening health systems

Under our community health and well-being programme, there are multiple initiatives designed to improve the quality of HIV-associated care. These initiatives build on the health system strengthening initiatives that are prioritised in all countries, to enable improved access to testing and treatment.

South Africa

In South Africa, a number of programme components have been implemented, including:

- **49 clinic catchments directly supported:** enabling improvements in primary healthcare to over 350,000 people
- **Smartlockers:** installed at high footfall clinic locations, enabling access to medication anonymously and out of hours, thus improving retention and adherence rates for chronic disease management. This is particularly relevant for contractors, who are not always able to access medication and care in common clinic opening hours, owing to shift patterns and timing
- **HIV associated support for men:** 842 men receiving support to adhere to medication for HIV, including psychosocial support
- **HIV support for children and adolescents:** 717 children and adolescents living with HIV are supported and retained in care.



We are determined to improve community health in the areas where we operate. Here, at our Kolomela mine in South Africa's Northern Cape, registered nurse Phenyo Phepeng is engaged in HIV testing.

In South Africa, we enable the delivery of the Coach Mpilo programme. This is a network of coaches who identify men living with HIV and then provide peer-to-peer support to access treatment and manage their health, while overcoming stigma and stereotypes about HIV status and gender norms. Men are also supported and encouraged to test for HIV and take steps to improve their holistic health and well-being.

Zimbabwe

In Zimbabwe, we are working with the NGO, Zvandiri, the Ministry of Health and Child Care, and the National AIDS Commission in supporting children and adolescents living with HIV to improve health outcomes through peers, counsellors, family support, and health systems strengthening. Adolescents also receive support to test for HIV and access pre-exposure prophylaxis (PrEP) if HIV-negative. The programme also focusses on young mothers through providing them with an enhanced package of support to ensure positive outcomes for themselves and their children.

United Kingdom

In the UK, we are working with local authorities and community stakeholders to design an integrated programme to improve the emotional resilience and well-being of young people aged 15–21 years of age. Over a two-year pilot, which will begin in January 2024, 250 young people will be reached to improve their well-being. The pilot will place an emphasis on understanding and capturing outcomes which influence and impact upon a participant’s ability to manage their feelings and emotions, confidence and self-esteem, and agency over their lives.

Next steps

In 2024, we will continue to prioritise the partnership and support of programmes that are in line with our sustainable mining plan targets for 2030.

In Zimbabwe and South Africa, we will be assessing progress of the programmes currently under way and will continue to adapt and change the scope, where needed, to address emerging priorities. In South America, our focus will be on the validation of prioritised SDG 3 sub-goals.



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.”

Economic development of local communities

Through our innovative Collaborative Regional Development approach, we act as ‘a development partner that also happens to mine’. We use this mindset to improve lives by creating truly thriving communities that endure and prosper well beyond our presence.

Strategy and approach

Catalysing independent, scalable, sustainable opportunities

Through our approach to Collaborative Regional Development (CRD), we aim to work together with society as a whole – including government departments, international finance institutions, NGOs and communities – to address these issues comprehensively and in ways that can be accurately measured, analysed and replicated across our operating footprint.

As an integral part of our Sustainable Mining Plan and in line with our Purpose, CRD addresses these needs by providing a partnership-based model designed to catalyse scalable and sustainable regional development in any geography where we see an opportunity to co-create development opportunities. Aligned with our Social Way and SHE Way, our approach includes building CRD into our future mining operations at the earliest stages of planning.

CRD uses a rigorous six-phased business minded approach that is predicated upon engagement, data collection and analysis, and collaboration:

- Spatial and economic analysis
- Identifying opportunities
- Planning and partnership development
- Implementation
- Scaling
- Impact and evaluation.

This approach combines deep listening and engagement in our communities while applying innovation –using tools such as spatial analysis to understand the untapped potential of these regions. It allows for a consistent approach and follow-through that enables the scaling of projects, the accurate measurement of social impacts and continued refinement.

Consistent with the way the Group views the end of a mine’s operational activities, the CRD team is also beginning to explore the potential for concurrent land use to better prepare, during a mine’s operational life, for the post-production phase.

► [For more information about our approach to responsible mine closure](#)
[See page 88](#)

Ultimately, our ability to stimulate regional growth and support resilient economies through effective partnership and collaboration contributes to our commitment to build thriving communities. It creates a strong foundation of stakeholder trust and helps us to maintain our position as a leading regional development partner.

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.

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.

► [For more information on our sustainability governance](#)
[See pages 48-49](#)

Managing risks and opportunities

Our CRD initiatives are designed to provide long term job opportunities in communities independent of our mines, so they can prosper when an operation reaches the end of its lifecycle. We work with our partners to develop diverse new businesses to fuel these opportunities. We also invest in healthcare, education, responsible management of natural resources and institutional capacity development, essential for communities to be able to embrace new opportunities. And we seek both immediate solutions to pressing needs and long term social development.

The results should represent a win-win for all stakeholders. Importantly, the CRD approach fosters greater prosperity for host communities and host regions. It makes Anglo American a partner of choice, strengthens goodwill around our operations, and ultimately ensures future markets for our products and a skilled and motivated workforce for our business.

Joining forces with other stakeholders has facilitated the opening up of opportunities that would have been impossible for us to achieve alone. Collaboration helps to nurture trust through partnership, supported by openness to co-operation and guidance. As a reflection of these efforts, many of our CRD partners have begun to perceive Anglo American as ‘a development partner that also happens to mine’, a mindset we have embraced.

Targets and progress

Supporting jobs in our communities

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 skills.

The type of off site job supported depends significantly on the local context and the economic opportunities that exist in a particular region. In areas which will continue to have significant mining activity into the future, jobs supported in mining-related business are still of great value. In general, we aim to support

jobs in sectors with growth potential and, therefore, conduct spatial and value chain analyses as part of our CRD work.

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).

Activities in 2023

Respecting and incorporating the local context

No two CRD initiatives are the same, with partnership approaches designed to take into account local context across both regions and countries. In all cases, we are responsive to our partners’ views and iteratively develop our programmes based on their feedback.

South Africa

In South Africa, our CRD initiative is represented by partnership platforms including The Impact Catalyst and other independent non-profit organisations, as well as the Municipal Capability and Partnership Programme (MCPPE). MCPPE has been designed to strengthen municipal capabilities for better service delivery and to facilitate collaboration between government and industry to prepare and plan for a post-mining future. The MCPPE contributes to the institutional capability of the municipalities, which in turn helps to support a stable and investor friendly environment through the provision of infrastructure and services, and the promotion of social stability and cohesion.

The Impact Catalyst is an independent non-profit organisation funded jointly by Anglo American and other like-minded institutions. In the Northern Cape, it is fully owned by all the implementation partners which include Anglo American, Assmang, South 32, Kudumane Manganese Resources and the Provincial Government. Throughout 2023, The Impact Catalyst expanded to establish in Mpumalanga. In Limpopo and the Northern Cape we continued projects to expand Wi-Fi connectivity in local schools and, by the end of year, had completed installation at 232 schools across these provinces. In addition, the Impact Catalyst began to assist in tackling high profile, long term projects, including the Rustenburg Fresh Produce Market in the North West and the JTG and Tsantsabane district red meat value chain projects in the Northern Cape. In 2024, we plan to conduct an independent evaluation to assess The Impact Catalyst’s achievements against the original goals.

Botswana

In Botswana, we previously undertook a CRD spatial analysis which identified opportunities in dryland agriculture, tourism, renewable energy and the circular economy. During 2023, work was completed to identify potential collaborative partners, with

workshops continuing to discuss the format of the platform, as well as a list of potential projects.

Our De Beers business has also established the Diamonds for Development Fund in consultation with the Government of Botswana. The fund will support the identification of sectors beyond the diamond value chain to support the Government’s Vision 2036 National Development Plan and delivery of the Reset Agenda.

► [For more information on Diamonds for Development](#)
[Visit **diamondsfordevelopment.co.bw/**](#)

Namibia

The CRD initiative in Namibia has continued to make progress in the identification of possible partners. Unlike other CRDs, the Namibian programme will involve national partners and will also take into account the views of the De Beers businesses located there.

Peru

In Peru, the CRD platform is known as Moquegua Crece. In 2023, the platform started officially operating as an independent non-profit entity and spent the early part of the year establishing governance foundations and seeking to secure funding, including a contribution from Mitsubishi Corporation that matched Anglo American’s initial contribution. The platform has undertaken a number of projects, including local government capacity development in partnership with the IFC, as well as implementing projects to support the production and commercialisation of superfood products such as seaweed, spirulina and cushuro.

In addition, an agreement was signed between Mitsubishi Peru S.A., a subsidiary of Mitsubishi Corporation in Peru, and Anglo American with Urbi of the Interbank Group, leading to the implementation and launch of a satellite connectivity and telemedicine pilot in the latter part of the year.

Recognising the unique nature of the CRD partnership and the progress made so far, Moquegua Crece received various important Peruvian awards in 2023, including an award for contribution to the objectives of the UN SDGs, as well as a sustainable development award given by the National Mining, Energy and Oil Society of Peru.

Chile

In Chile, following the completion of the spatial analysis of opportunities phase, we began to execute pilots and found our first strategic partner – Fundacion Chile, a key partner in promoting industrial development and innovation policies in Chile.

Together with Fundacion Chile, we are seeking to promote new productive clusters in alliance with third parties. Pilot projects currently under way include: the production of new, more drought-resistant raspberry varieties in the central zone of Chile, a project developed together with the PUC University of Chile and the NGO Pro Til Til; delivery of the first hydrogen fuel cell-powered bus constructed in Chile; and support for the MBA UC Social Investment Fund which, together with eight companies, seeks to invest and promote start-ups with positive social and environmental impact.

Brazil

Following the completion of the spatial analysis phase and local consultation, the tourism, coffee and fruit production sectors were prioritised for future development opportunities.

At Minas-Rio, a strategic partnership was signed to promote local socio-economic development, with the participation of the Minas Gerais state government, municipalities and other major private entities. In tourism, an agreement was formalised with 10 municipalities to establish an integrated tourist corridor, with a number of important infrastructure works carried out; e.g., paving and rehabilitation of roads, as well as the sponsorship of numerous events in the territory. Minas-Rio also developed a new coffee production project in partnership with rural coffee producers and a number of local municipalities.

At Nickel, a partnership was signed with Aliança Nosso Cerrado (a coalition of national companies and foundations for sustainable development), and a programme for growing fruit in the region is about to be launched. We also completed a feasibility study for the development of a national goods transit logistics centre at Barro Alto.

United Kingdom

In North Yorkshire, England, the location of our Woodsmith polyhalite project (Crop Nutrients), the original CRD study identified a number of regional growth sectors for potential support, including the bio-economy, cybersecurity, clean energy and tourism. We have supported the UK’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. A regional bio-economy business support programme was launched in the year and we have continued to work with the regional economic development authority to engage with businesses in the sector, leading to Woodsmith becoming

increasingly recognised as a regional development player, as well as a mine in development.

► [For more information on our cybersecurity incubator](#)
[See page 38](#)

The Woodsmith Foundation continues to provide financial support to local community projects in the boroughs of Scarborough, Redcar and the North York Moors National Park. The expansion of the Whitby Lobster Hatchery is one of many initiatives funded by the foundation in 2023. The hatchery will aim to boost local lobster stocks and increase the local fishing trade as a result.

► [For more information on initiatives supported by the Woodsmith Foundation](#)
[Visit **woodsmithfoundation.org.uk/news-stories/**](#)

Australia

In Queensland, Australia, our CRD approach has been focused on identifying the gaps between existing state and private initiatives, rather than establishing a large scale programme. The spatial analysis phase, concluded in 2023, identified some clear areas for development and the Australia team will be exploring these with partners and local stakeholders in 2024.

Understanding and addressing the challenges of CRD

As we continue to push our case in driving development, we are also working to ensure that we fully understand and address the challenges associated with this process. This requires us to consider business planning alongside the concerns and needs of our stakeholders. For example, CRD needs to be an early consideration in the life of the mine, so that our stakeholders are able to assist us in identifying sustainable development opportunities. If this is not achieved, it may result in a social transition that starts too late to be able to mitigate the potential negative impact of the end of a mine’s operations. The consequent losses in direct and indirect employment could be significant for host communities.

We also believe that it is important to demonstrate and recognise the impact of CRD through robust indicators. During the year, we worked to identify meaningful metrics that we can use to measure and evaluate progress for our partnerships. One challenge is that many of these indicators can often be limited to a specific region or programme, such as savings in terms of costs and lives for healthcare.

An example of the type of metric we are pursuing is the use of co-funding as a measure of whether a partnership is sustainable. We are also investigating metrics that would measure economic diversification and resilience. However, as these would be lagging indicators by definition, they would still need to be supplemented.

One of the wider social indicators that we are looking at is the Social Progress Index, which is published by the non-profit Social Progress Imperative. It measures the well-being of a society by observing social and environmental outcomes directly rather than the economic factors. The social and environmental factors include wellness (health, shelter and sanitation), equality, inclusion, sustainability and personal freedom and safety.

Supporting supplier and enterprise development

For over 30 years, Zimele, our enterprise capacity-building programme in South Africa, has been funding SMMEs to enable them to participate effectively in the economy. As of December 2023, a total of 21,377 jobs had been supported since the inception of Zimele programmes in 2018. During this period, at least 6,680 beneficiaries have graduated from various Zimele programmes. Zimele has also recorded a total of R7.1 billion in market linkages for beneficiaries participating in the programmes, with 90% attributable to Anglo American operations. These market linkages were in the form of purchase orders and contracts to suppliers.

During 2023 Zimele supported 44 SMME’s with loan funding disbursements to the amount of R113 million. Zimele is managing nine hubs for our Kumba Iron Ore and PGMs business. In 2023, the hubs registered a total of 3,717 interactions/walk-ins, with 19% for procurement registrations, 20% utilising hub facilities, and 62% for seeking general information and guidance.

Investing in social initiatives

In 2023, our community and social investment (CSI) reached \$148 million (2022: \$175 million). This represents 2% of underlying earnings before interest and taxes (EBIT), less underlying EBIT of associates and joint ventures.

We expanded our global employee volunteering programme, Ambassadors for Good, to include Chile, Namibia, Botswana, China and Australia. The number of employees involved in the programme increased by 48% from 2022, with the programme addressing a range of areas, from accountability, health and well-being, to biodiversity, energy and education.

► [For more information on our Ambassadors for Good programme](#)
[Visit **angloamerican.com/ambassadors-for-good-overview**](#)

Our approach to inclusive procurement

Anglo American is committed to inclusive procurement and developing local supply chains that can support resilient communities. We aim to build these supply chains by supporting small-business growth in host communities, stimulating job creation, building manufacturing capacity and focusing on creating economic opportunities for previously excluded groups.

In 2023, our operations spent approximately \$14.4 billion (2022: \$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 29% of total supplier expenditure, including \$2.4 billion with host communities in the direct vicinity of our operations (2022: \$1.9 billion).

Local spend numbers indicate expenditure on suppliers based in the relevant country of operation, whereas host community spend numbers reflect expenditure with suppliers based in communities in the direct vicinity of our operations.

Anglo American Foundation

The Anglo American Foundation is focused on empowering youth to create sustainable and inclusive communities, through catalysing green jobs, strengthening green value chains and

building resilience, placing a particular importance on women and vulnerable groups. By working in partnership and taking a participatory approach, the Anglo American Foundation aims to accelerate progress towards the UN SDGs.

► For more information on the Anglo American Foundation Visit angloamericangroupfoundation.org

Next steps

A major focus of our CRD efforts in 2024 will be to establish and strengthen the partnership approach in countries where we have more recently formed initiatives to ensure that they are relevant to the local context. This effort will primarily target Brazil and Chile.

For the more well-established partnerships platforms such as the Impact Catalyst in South Africa, where we now have three provincial chapters, the focus in 2024 will be on improving the efficiency of governance of the platform and strengthening its delivery capacity to drive impact on the ground.

Programmes contributing to the jobs supported livelihood goal of the Sustainable Mining Plan (2023)

Programme categories	Jobs supported*	Description of programmes	Examples of partners
Local procurement initiatives.	91,118	Jobs supported through Anglo American local procurement activities.	TechnoServe, Anglo American suppliers
Enterprise and supplier development programmes.	26,279	Providing support to small, medium, and micro businesses inside and outside the mining value chain. Includes training, mentorship, and loan funding to entrepreneurs.	Edge Growth, Fundación Chile, Fundación de Cirene, Impact Capital Africa, Inter-American Development Bank, International Finance Corporation, Small Enterprise Development Agency (SEDA), TechnoServe
Training, development, and placement programmes.	6,794	Capacity and skills development for local mining residents who are placed into work after completing vocational and work readiness training.	Cisco Networking Academy, International Youth Foundation, Reach Summit, SENAI, TechnoServe
Agriculture programmes.	3,630	Anglo American initiatives that stimulate jobs through the agricultural value chain.	AGDA, LIMA Rural Development Foundation, Potatoes SA, VKB
Licence, permit, and other social investments.	11,487	Jobs are supported through various community development initiatives. – Infrastructure development, including water, roads, energy and connectivity. – Delivery of education programmes in communities i.e., Assistant Information Communication Technology Champions. – Delivery of community health initiatives through community health workers.	Fundación Chile, Jet Education Services, IDC Impact Catalyst, local and regional governments, UNESCO, Yes4Youth

* The number of jobs relates to programmes implemented in countries that fall within the scope of the SMP livelihoods goal. While additional jobs supported through programmes outside of the SMP livelihoods goal are tracked, these jobs are not included in this table.



Moquegua Crece’s Claudia Marin Catacora (right) in discussion with a community member about the native plant specimens being reintroduced to the area around our Quellaveco mine.

Agro Quellaveco – pointing the way to a more prosperous rural economy

Over the past few years, Anglo American has been expanding, from its original base in southern Africa, the reach of its Collaborative Regional Development (CRD) innovative partnership model, which aims to deliver scalable and enduring socio-economic development across its operating regions. In Peru’s Moquegua region, where our new Quellaveco copper mine is located, the alliances we are forging between the private and public sectors are already making a discernible difference in improving people’s lives.

Why the tilt towards agriculture?

Social and economic development is harder to deliver than physical infrastructure – but it generally has a greater multiplier effect and is longer lasting. A key area we have identified where we can make a real difference, at scale, is agriculture. In Moquegua, as part of our plan to strengthen productive value chains that will support sustainable agricultural ecosystems, we have launched

the Agro Quellaveco fund, designed to provide micro-finance to agricultural and livestock producers that formerly were not able to access credit. Partnering with Anglo American in this initiative is the Santa Catalina Savings and Credit Cooperative, one of the most respected micro-finance institutions in the south of Peru.

Accessing funding

Launched in May 2020, with initial seed capital of \$1.25 million from Anglo American, Agro Quellaveco has challenged the financial systems for small farmers in Moquegua by providing access to short- and medium-term financing for farmers and ranchers as easy as possible. Application forms have been simplified, and the Santa Catalina Cooperative provides guidance throughout the entire application process, while continuing to advise and guide those who have been successful in obtaining loans.

Interest rates are typically below those offered in the mainstream financial markets, and with extended payment terms of up to 24 months. Loans typically range from \$750 to \$22,500, financing a spectrum of activities, from purchasing agricultural inputs such as seeds and fertilisers, to buying equipment, purchasing livestock, improving soil health and crop yields, installing irrigation systems, and covering the costs of crop-quality certification. Encouragingly, the number of ‘bad’ loans remains small, at around 2.4%.

On a growth trajectory

President of the Moquegua Board of Users, Miguel Vizcarra Saraza, comments: “Agro Quellaveco has already received some \$1.75 million in direct funding from Anglo American, with total loans disbursed amounting to over \$6 million. I am very satisfied with this Anglo American initiative, and I expect that we will grow Agro Quellaveco’s membership, or Board of Users, and continue to play a significant part in growing, and widening, the rural economy in Moquegua.”

Cultural heritage and indigenous rights

Respect and stewardship for the cultural heritage of host communities is fundamental to responsible mining. Requirements for cultural heritage management are built into our Social Way Policy and toolkit and sites are assessed on their cultural heritage management annually through the Social Way assurance process.

Strategy and approach

We recognise Indigenous Peoples have profound and distinct connections with their lands, territories and resources, and that these are tied to their physical, spiritual, cultural and economic well-being. We support the United Nations Guiding Principles on Business and Human Rights, which set out principles for leading practice for companies and states in relation to Indigenous Peoples. We respect the rights of Indigenous Peoples, particularly for activities that affect their lands, territories or resources. This includes implementing appropriate processes – for human rights due diligence, engagement and agreement making – early and throughout the mining lifecycle.

► [For more information on our Human Rights Policy](#)
[See page 45](#)

We believe it is of utmost importance to preserve and protect the cultural heritage of host communities. As we create shared benefit from resource development, we aim to proactively manage any potentially adverse impacts that our activities may cause. We do this across our operations, working with custodians of the land on which we operate, to ensure that we respect their cultural heritage.

Our cultural heritage performance expectations are included in the Social Way Policy and in a dedicated chapter in the Social Way Toolkit, as well as in the SHE Policy and SHE Way.

► [For more information on the Social Way](#)
[See page 51](#)

As an ICMM member company, we are committed to meeting the requirements set out in the ICMM's Indigenous Peoples Position Statement. We are active members of the ICMM's Indigenous Peoples Working Group and help ensure that member companies continue to implement a best practice approach in relation to Indigenous Peoples and their connections to cultural heritage.

Governance

Accountability for operational activities that have the ability to impact on cultural heritage and Indigenous Peoples sits with the general manager at a site level, the most senior person on site.

The site team is supported by our Group functions to ensure we are applying innovative best practice approaches and continuous learning and improvement.

Our operations are required to have a local accountability strategy detailing how they participate in local accountability mechanisms as a means to systematically strengthen our local accountability and trust through robust governance.

Where we have indigenous communities within the area of influence of our operations, the engagement forums are designed to be representative of these communities and that the approach, process and protocols are mutually agreed and culturally appropriate. For our operations in Australia and Canada, these indigenous community engagement forums serve as the governance body to facilitate and involve indigenous stakeholders in decision making relevant to interactions with our operations.

Where material issues associated with cultural heritage or Indigenous Peoples' rights are present, we have appropriate escalation pathways. These include an expectation that the most senior people in the organisation would need to be involved in decision making; for example, in relation to issues of Free, Prior and Informed Consent (FPIC).

The Group's Executive Leadership Team and the Board's Sustainability Committee are provided an update on Indigenous Peoples matters in line with our external commitments, as well as an annual update of cultural heritage management practices across the business.

Third-party assurance of cultural heritage and indigenous rights performance is a requirement of any sites undertaking IRMA certification.

► [For more information on our sustainability governance](#)
[See pages 48-49](#)

Managing risks and opportunities

Mining companies often face a delicate balance between economic development and preserving the cultural heritage of the communities where they operate. Risks relate to both tangible and intangible aspects of a region's cultural legacy, such as the inadvertent damage or destruction of archaeological sites, ancient structures and burial grounds that hold historical or cultural significance, or the displacement of communities and disruption of traditional ways of life, leading to the loss of indigenous knowledge, languages, and cultural practices.

We endeavour to follow internationally recognised standards of good practice through our annual Social Way assessments. Our sites are required to identify and manage cultural heritage resources through ongoing consultation with our stakeholders. This outreach also informs our site planning and decision making, allowing us to design our systems to protect the tangible and intangible assets that stakeholders value, as well as those that are protected by host country legislation.

Each of our sites is required to identify, assess and manage any adverse impacts on cultural heritage, throughout the asset lifecycle. To do this, they develop and implement a cultural heritage management plan. At a minimum, this plan must comply with national regulations and align with International Finance Corporation (IFC) Performance Standard 8 on Cultural Heritage. They are also required to put in place a chance-find procedure, in case a previously unknown heritage resource is encountered. To provide a checkpoint against our requirements, we engage annual third-party assessors.

Our commitment to respect human rights includes recognising our stakeholders' right of access to, and enjoyment of, cultural heritage. We work with our local communities to identify heritage resources of value to them, to truly understand what is appropriate and incorporate this into our management plans.

We follow the same approach in respect of our discovery (exploration) projects and, where applicable, we will agree a framework with the relevant custodians of cultural heritage to assist with the exploration work and to identify, assess and manage any adverse impacts, as we do at our mining sites.

Technology to manage cultural heritage risks

We are developing a geospatial register of all known site-specific cultural heritage within a Geographic Information System (GIS). GIS mapping of cultural heritage sites will be managed at site level and available for Group access through the establishment of a centralised mapping database. Such a system allows us to support operational decision making by visually representing all potential impacts associated with our current operations, as well as proposed project activity.

► [Case study on using spatial data to improve cultural heritage](#)
[See page 87](#)

Community consultation

Understanding the interconnections between intangible and tangible cultural heritage is essential to mitigate the risk of unknowingly affecting vulnerable communities. This is especially relevant in relation to intangible cultural heritage, where the impacts may be less visible and more gradual and where the customs and traditions of minority groups may be under threat.

We continue to improve our site-level understanding of intangible cultural heritage through the hosting of community events to listen to and record community stories and history. This creation of a 'digital memory legacy' is handed over to communities and is also used for our own records and management.

Through environmental and social assessments, we have identified and recorded many previously unknown cultural heritage sites near our mines, providing increased opportunities to make a lasting, positive contribution to the communities and regions in which we operate.

Targets and progress

Through the Social Way Learning Programme, we deliver cultural heritage training across our operations. This includes capacity development on approaches to managing cultural heritage, aligned to the Social Way and SHE Way, and technical training on risk and impact mitigation. The training approach includes case studies from within our operations to pass on lessons about what we have done right in the past and where we can do better. All contractors are required to receive training on the relevant site’s cultural heritage chance find procedures.

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.

We require all sites to maintain a community grievance mechanism aligned to the requirements of the UN Guiding Principles on Business and Human Rights. Where there are Indigenous Peoples within the area of influence of our operations, these grievance mechanisms need to be designed to be culturally appropriate including consideration of customary practices, traditions, gender roles, decision making, and language to ensure that all voices have the opportunity to be heard, and to serve as an effective remedy for conflicts and disputes.

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.

As with safety and environment, we aim to have zero material (Level 4 or 5) actual incidents with social consequences, and report against this target. With this focus on more material incidents, we can ensure that the right conversations happen at senior leadership forums to ensure that we avoid repeat occurrences and take corrective action where necessary. In 2023, we reported one Level 4 incident with social consequences (2022: zero). This incident involved the loss of life of a contractor, a community member, who was working off site in support of a livelihood programme.

During 2023, our sites have been in the process of migrating their grievance and incident reporting to an integrated data management system. This system will allow for improved tracking, analysis and management of grievances and incidents. Once this transition is completed, we will be able to report more granular data on the different types of grievances received and recurring themes from grievances

Activities in 2023

Indigenous Peoples

With great respect for the close connection of Indigenous Peoples to the land, we remain committed to obtaining FPIC for all relevant projects, in line with the 2013 ICMM Position Statement on Indigenous Peoples and Mining, and International Finance Corporation (IFC) Performance Standard 7(2012). We have incorporated this commitment into the Social Way. In Canada, where our operations affect Indigenous Peoples, we have worked with the local First Nations communities to agree impact and benefit agreements.

At our Steelmaking Coal operations in Australia, we have established cultural heritage management agreements with the traditional owners of the lands in which we operate. Developed through engagement with traditional owners, our revised Reconciliation Action Plan is a framework for Anglo American to support the national reconciliation movement and to contribute to achieving reconciliation internally and in the communities in which Anglo American operates. The Reconciliation Action Plan has now been endorsed by Reconciliation Australia.

In Peru, formal recognition of Indigenous People is managed by the State and the results are registered in a formal ledger managed by the Ministry of Culture. Two rural communities near Quellaveco’s facilities have been identified by the State as Indigenous Peoples and therefore were included in the official register. In addition, following an independent third-party analysis commissioned by Anglo American, three other communities were recognised to carry out cultural practices related to Indigenous People, although not formally recognised by the State in the official register. We will ensure that the commitments contained within the Social Way and within the

relevant ICMM Indigenous Peoples’ Position Statement are followed when engaging with these communities, when managing adverse impacts and when seeking opportunities for benefit sharing.

In addition, all operations are required to include a contractor induction programme and, where appropriate, this will include relevant details about cultural heritage, sensitivity and Indigenous Peoples.

Next steps

We continue to refine our Social Way and, in 2024, will issue revised guidance reflecting updates to the ICMM’s position statement on Indigenous Peoples.



Land access, displacement and resettlement (LADAR) co-ordinator Phestina Makgaba records features on land near our Mogalakwena mine in South Africa. Since 2021, Anglo American has been using cultural heritage geospatial mapping to locate graves and a range of artefacts.

Using spatial data to improve cultural heritage management

Using spatial data to improve cultural heritage management signifies a pivotal shift in recognising and preserving the tangible and intangible aspects of human practices that form the essence of a community's identity. Cultural heritage encompasses a wide spectrum, including material artefacts, structures, traditions, ceremonies, languages, and creative expressions, all passed down through generations. This rich tapestry holds irreplaceable value, contributing significantly to a community's history, belief system, and overall cultural identity.

At the core of our approach lies a commitment to doing what is morally right. At PGMs, we have a strategy, procedures and guidelines that inform consistent approach to cultural heritage management at all our assets. Acknowledging the importance of cultural heritage in fostering cohesion and promoting healing within communities, our PGMs business has taken a pioneering step in integrating geospatial technology into cultural heritage management.

Our PGMs business – pioneering geospatial mapping of cultural heritage

PGMs has recognised the value of geospatial planning to enhance decision making processes across the business. This includes incorporating cultural heritage observations and areas of significance, both within and around its sites, into a comprehensive digital spatial mapping platform. This platform aims to be the primary tool for managing cultural heritage, and the flagship Mogalakwena mine is at the forefront in implementing these innovative strategies.

Since 2021, Mogalakwena has been utilising cultural heritage geospatial mapping to oversee its grave relocation processes. Justin du Piesanie, who leads PGMs' cultural heritage team, states, "Our GIS-based online platform functions as an integrated, 'live' system. Operators can leverage the latest spatial information to identify risks and respond accordingly. Through collaborative efforts with our mining and business colleagues, we recognised the potential to evolve this platform into a dedicated management tool, with cultural heritage management as one crucial component."

This tool captures dynamic cultural heritage data related to the significance, location, and status of varying cultural heritage resources. The integration of this information into project management processes helps avoid impacts on cultural heritage and optimises value for the operation.

It enables the team to identify key aspects swiftly and accurately, such as sites of cultural significance, areas where mining operations should not be permitted, and the most suitable places to dispose of mine residue without affecting cultural heritage resources. This not only adds value by cutting unnecessary expenditure but also facilitates more informed and better decision making in project planning.

This tool also promotes visibility of all other spatial elements within the business and allows a single integrated view of mineral and surface rights boundaries, planned future infrastructure and projects, land claims, land zoning, roads, rivers, servitudes, farm boundaries and many more, allowing all of these elements to be viewed in conjunction with, and in relation to, areas of cultural heritage significance.

Working with local communities

In the intricate landscape of community relations, particularly in the mining sector, establishing trust with host communities and their leaders can be challenging. At Mogalakwena, a deliberate effort has been made within the cultural heritage space to address concerns and resolve a longstanding impasse. This engagement has empowered the local community to voice their concerns with confidence.

Justin emphasises the significance of the online platform, stating, "It serves as a demonstration of our capacity to effectively manage cultural heritage within our primary area of influence, informing the entire mining process. The deployment of this tool empowers Mogalakwena to pursue expansion options with confidence, assuring that cultural heritage requirements are considered. Furthermore, it lays the groundwork for the cultural heritage management across all PGMs' managed sites and, potentially, throughout all of Anglo American's businesses."

Responsible mine closure and regeneration

The social and environmental impacts of a mine extend far beyond the end of its operational life. To mitigate these impacts, we aim to create self-sustaining post-production ecosystems by embedding regenerative solutions into execution planning for our assets. Aligned with our Sustainable Mining Plan, Anglo American strives to leave a positive, healthy and enduring legacy beyond the closure of our mine sites.

Strategy and approach

A 'cradle-to-cradle' approach

Acknowledging that our responsibility does not end when a mine closes, we start to plan in the exploration phase with the aim of delivering a sustainable post-mining land use and positive legacy for our wide range of stakeholders.

This 'cradle-to-cradle' approach to mine closure, transition and divestment is governed by our mandatory Group Technical Standard (GTS) for Mine Closure. Our approach to more regenerative practices embraces principles of circularity, community engagement and empowerment, economic diversification, water management and regional development. We have been reviewing and updating our mine closure standard throughout 2023 to reflect regenerative solutions and align with evolving global regulatory processes.

Responsible mine closure involves embracing systems thinking, water and materials stewardship, circularity and nature-based solutions that work over a much longer time horizon than traditional mine closure approaches to create a sustainable post-mining land use that will deliver diverse and tangible societal value.

Our Mine Closure Toolbox

Our Mine Closure Toolbox (MCT v3) is a structured, risk-based guidance tool for planning and managing any closures. It supports our operations to comply with the requirements of the GTS for Mine Closure. It also covers social transition by embracing our Social Way, focusing on economic diversification and establishing sustainable post-mining land uses while we are operating.

Governance

The mine site general manager is accountable for delivery of the mine closure plan.

Progress against internal rehabilitation targets is included in the chief executive's quarterly scorecard. The Board's Audit

Committee receive an annual report on closure planning and associated liabilities, with the Sustainability Committee updated on mine closure and regeneration plans as required

► [For more information on our sustainability governance](#)
[See pages 48-49](#)

Managing risks and opportunities

The most critical physical and biophysical risks associated with mine closure relate to long term ground water management and mineral residue facilities (tailings).

Water risks are managed through our Water Management Standard.

Our Mineral Residue Facilities and Water Management Structures Standard and Policy address the risks of both tailings and water management facilities, as well as waste rock dumps. The standard sets out requirements for design, monitoring, inspection and surveillance of our 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. As an ICMM member, we are continuing to work towards conformance, by August 2025, in respect of our tailings facilities that are within the other three lower consequence categories of the GISTM.

► [For more information on our Water Management Standard](#)
[See page 65](#)

► [For more information on GISTM](#)
[See pages 68-69](#)

Our mine closure standard requires an integrated risk assessment to be completed as part of the mine closure plan. The risk assessments assist our mines in establishing closure criteria to achieve agreed post-mine land uses for physical, bio-physical, social and financial risk areas. In 2023, we provided all our operations with revised and additional guidance on related mine closure risk assessments and

associated financial reporting; i.e. risk adjustment and Preliminary and Guidance memos.

As outlined in the mine closure standard, undiscounted premature and Life of Asset closure liabilities are internally reviewed and updated every year, followed by a third-party review of the undiscounted estimate and basis of estimate every three years. The overall closure plan itself, including the basis of estimate, vision and post-mine land use (PMLU) plan must also be reviewed and updated by a third party every three years.

Our regenerative approach to mine closure allows us to find opportunities through embracing nature-based solutions, circularity and local economic diversification and, in doing so, reduces liabilities and the dependency created by mining. Our goal is to leave a positive and sustainable post-mining environment for host communities and further empower them by the social and economic development opportunities we identify and deliver through our Collaborative Regional Development plans. We have also committed to carbon neutral mine closure, in line with Anglo American's climate change commitments.

When we divest an asset, closure liabilities related to the mine closure plan are typically transferred to the acquiring company. In most countries, the acquiring company is legally obligated to provide the required financial provisions related to the legally approved mine closure plan.

Targets and progress

Mine closure plans

Our mine closure plans cover the full mining lifecycle, from design stage, through to the decommissioning and post-closure monitoring and maintenance phases.

During 2023, we finalised the regenerative closure plan for our Woodsmith crop nutrients project currently under construction in the north east of England.

► [Woodsmith case study](#)
[See page 89](#)

In 2023, we continued our efforts to integrate mine closure plans at our managed operations into our Life of Asset Planning (LOAP) process and have in place well-defined regenerative PMLU plans, including through the use of nature-based solutions. A pilot study was completed at our Gahcho Kué diamond operation and we are undertaking additional pilot studies at our El Soldado (Copper) and Capcoal (Steelmaking Coal) sites, both expected to be completed in 2024.

Exploring social transition opportunities

To help ensure that responsible mine closure provides suitable socio-economic opportunities for host communities and that

divestments are completed responsibly, we integrate the Social Way into our processes to help reduce social dependency ahead of mine closure. We also work to ensure local procurement spending and social initiatives continue to provide communities with economic opportunities during the mine closure process.

Through responsible mine closure, we also seek to explore what can be re-used in the post-production period to diversify the local economy and maximise the socio-economic benefit for host communities. This includes engaging key stakeholders to find new ways to repurpose material that would otherwise become waste, while creating alternative livelihood opportunities.

Ensuring operational excellence

We continued to develop numerous initiatives that will deliver a more regenerative approach to mine closure.

Operational planning pilot

The pilot study focuses on linking our responsible mine closure model to key operational metrics at the pilot sites, such as operational cash flow, capital expenditure, balance sheet provision, premature closure costing and decision impact analysis, among others.

Improved decision making through our data management system

The ongoing development of a responsible mine closure module in our internal data collection platform will enable integrated and data-driven decision making.

Regenerative post-mining land use pilot

We have continued our pilot project to develop and test an ecosystem value model, looking at a more holistic approach to PMLU planning that embraces full-impact decision making to deliver more regenerative PMLU solutions. We expect to complete the pilot project in the first half of 2024.

Next steps

In 2024, we intend to launch our updated mine closure standard across the business. We will continue to focus on transitioning from a closure mindset to one focused on longer term regenerative solutions, including completing our operational excellence pilot related to integrated planning, and finalising our new regenerative PMLU solutions process.

The pilot studies exploring the integration of mine closure planning into the LOAP process and delivering a new PMLU solution will be concluded in 2024, and will be refined and rolled out to the rest of the business.

Woodsmith – a more regenerative approach to the lifecycle of the mine

Mining will continue to play an instrumental role in the development of the modern world as a growing global population demands more mined products than ever before. But, along with the many benefits it brings to society, mining can also have a negative impact on the physical and biophysical landscape; the industry is a significant producer of greenhouse gases (GHGs) – and serious societal issues can arise when mines are not closed responsibly as employment there comes to an end.

Anglo American's approach

We believe that closure and post-closure planning should be a 'cradle to cradle' process; it should be built in at the project-planning stage, reviewed regularly throughout a mine's lifecycle, incorporated into the way we plan and execute our operations, and thereafter during the post-mining phase. But we also seek to go beyond the current 'business as usual' closure and rehabilitation process, and move towards a more comprehensive regenerative approach to closure, focused on economic diversification and embracing nature-based solutions, circularity and other opportunities to help rejuvenate the land and nature, ultimately aiming to eliminate waste and pollution, recycling significant amounts of products and materials, and delivering enduring value to host communities.

The Woodsmith way

Because Woodsmith is located in a national park, great care has been taken in planning the mine's construction, operation, and its eventual closure – as well as its environmental footprint, and impact on the local community. So, when Anglo American acquired the project in 2020, we were determined to establish good relationships with as wide a range of stakeholders as possible, and especially those who were likely to be most affected by the presence of a major new mine. We held meetings with them, listened to their concerns, and built these into our planning processes, including the closure and post-closure phases.

Reflecting this, Woodsmith's infrastructure is sympathetic with its special location: with surface buildings kept to a minimum and extensive landscaping ensuring the site blends in with the surrounding area. Shaft-sinking activities are being conducted in a way to minimise noise and light intrusion, while all mining operations and ore transportation will be deep below ground.

Woodsmith is already a major employer in a part of the country that has limited well-paying jobs. Our wider aim, however, is to create significant employment opportunities outside mining, and to be a central part of a community endeavour to diversify and revitalise the local area and region. So, we are engaging with key stakeholders to support the creation of new high-value jobs by stimulating growth in specialist areas where the region has growing strengths, such as the bio economy, cybersecurity and tourism.

We are helping to develop and retain a local workforce through our ongoing apprenticeship programme, and our work in schools to promote careers in science, technology, engineering and maths. Also, through our Thriving Communities programme, part of our Sustainable Mining Plan, we are working in partnership with a range of stakeholders to deliver broader, long-lasting social benefits. Complementing this programme, the Woodsmith Foundation, which is set up as an independent charity, supports community groups and projects across the local area.

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.



We are already planning a sustainable future beyond Woodsmith's life of mine, focused on economic diversification and nature-based solutions.

Carbon neutrality

Anglo American aims to achieve carbon neutrality across all its operations by 2040. To assist us in meeting this, we are incorporating a carbon-neutrality component into our closure and post-closure planning processes. We are providing guidance to sites, including Woodsmith, on how (and, potentially, when) carbon-reduction opportunities can be adopted to ensure an asset achieves carbon neutrality or better while in operation, and remains at least carbon neutral through closure and beyond. This will involve regular updating of a site's current operational carbon neutrality pathway to incorporate the closure and post-production phases, as well as ongoing investigation of the feasibility of introducing technologies such as carbon capture and storage (CCS) and nature-based technologies.

Woodsmith's eventual closure may well be several decades away – but drawing on experience related to integrated closure planning and closure execution from operations elsewhere in the Group, we will liaise regularly with stakeholders throughout the project's lifecycle, and plan to ratchet up that engagement progressively, so that when mining operations cease we will leave a positive legacy, with enduring benefits to the environment and to people's lives.

Trusted Corporate Leader

Developing trust with society, providing ethical value chains and improving accountability to the communities with which we work.

Global stretch goals



Sustainable Development Goals



Trusted Corporate Leader

We are improving accountability by transforming the relationship between our mining operations, the communities where we operate, and wider society. We are part of an ethical value chain and provide products to our customers that are sourced responsibly, meeting the highest ethical and sustainability standards. We are proud to be advocates for what we believe is right and to work as partners to solve complex problems through our public policy engagement.

Global stretch goals	Milestones and targets	Progress in 2023	Material matters
 Local accountability Transform the relationship between mines, communities, and wider society.	2025: High quality dialogue and programmes resulting from forums. 2030: Establish open and accountable dialogue, leading to greater mutual trust.	While all sites are in the process of establishing or strengthening their accountability mechanisms at local level, 20% of sites are not yet participating in and/or implementing accountability mechanisms and 35% are still developing their strategy for strengthening local accountability. We recognise that the context for engagement and accountability differs across sites and is more challenging in some places than others. We are committed to taking the time needed to support sites to design and embed an holistic approach to strengthening accountability that is informed by their local context.	– Community consultation and engagement – Community and indigenous rights – Economic development of communities – Community health and education development – Responsible mine closure and regeneration
 National and international accountability Transform the relationship between mines, communities, and wider society.	2025: Continued dialogue on reporting and responsibilities. 2030: Recognition of benefits and challenges of responsible mining; a more consensual working relationship between Anglo American and society.	We held external stakeholder forums in South Africa, Brazil and Australia in 2023, in line with our national and international accountability goal. Each forum was set within the wider context of national development plans, using the UN SDGs as a guide to the impact we make through our mining activity. In 2024, we intend to continue this across our other operating jurisdictions and over the life-span of the SDGs, up to 2030.	– Proactive policy advocacy approach
 Policy advocacy Collaboratively take a lead on issues that effect our business and society's wider goals.	2025: Regular involvement in priority policy and governance debates. 2030: Recognition of our leadership on policy advocacy. Strong levels of engagement in policy debates.	In pursuit of our 2025 SMP target, we continue to be involved in the debate on the most pressing issues facing society today, ranging from climate change to public health.	– Proactive policy advocacy approach
 Ethical value chains Support and reinforce positive human rights and sustainability outcomes through our value chains.	2025: All operations to undergo third-party audits against responsible mine certification systems.	Having met our SMP interim target in 2022 of having half our operations undergo third-party audits against recognised responsible mine certification systems, we continue to work towards our 2025 target for audits of all operations.	– Responsible product offering – Responsible supply chain

Other material matters

Economic impact on producer countries: We remain committed to transparency around our social contributions and significant tax payments through proactive disclosure, a principled tax strategy, and robust governance. We believe the enduring positive impact of our business – and the mining industry as a whole – can only be properly assessed by positively considering the total footprint of our contributions across the whole mining lifecycle.

Local accountability

Local accountability is our willingness to be answerable to locally affected stakeholders for our responsibilities and actions through a participatory, collaboratively designed engagement process. It is a key foundation for mutual, trust-based relationships with host communities; ensuring that we do what we promise, in the way we promise.

Strategy and approach

The mining sector suffers from what is known as a ‘trust deficit’ – whereby stakeholders have a lack of trust or confidence in the industry, driven mainly by concerns related to mining activities, including their environmental impact; social consequences such as the displacement of local communities, disruption of livelihoods and conflict over land rights; human rights concerns; and the legacy of past practices.

Addressing this trust deficit often requires a two-way effort involving mining companies, governments (at various levels), local communities, NGOs and environmental organisations. Building trust involves, *inter alia*, open communication, transparent operations, adherence to regulations, a commitment to sustainable and responsible mining practices, and being accountable for responsibilities and actions.

Our approach to managing stakeholder relationships is guided by our Social Way, which states that every Anglo American site should engage with stakeholders on an ongoing basis across all stages of the asset lifecycle, including the post-closure phase.

► For more information on our Social Way
See page 51

Local accountability

The Trusted Corporate Leader pillar of our Sustainable Mining Plan includes the area of accountability. Within the local accountability element we have a 2030 stretch target to establish multiple levels of open and accountable dialogue, leading to greater mutual trust with host communities.

To help achieve our vision of transforming the relationship between mines and communities, and wider society, all our sites are required to define a strategy that outlines their understanding of accountability and trust as relevant to their context and how they will participate in local accountability mechanisms.

Developing a local accountability strategy

To develop a local accountability strategy, each site is required to analyse relevant background information, to ensure that the strategy is both inclusive and context-specific, and that site-

specific risks and opportunities are identified. The strategy should define how the site will participate in local accountability mechanisms to sustain open dialogue so that we can provide transparent information and receive feedback on a broad range of issues, including environmental and social performance; operational and proposed project activities; and socio-economic development opportunities. Once developed, the local accountability strategy is integrated into the site’s wider stakeholder engagement plan (SEP) and a monitoring and evaluation framework for stakeholder engagement, which includes perception analysis so that the site is able to measure trust and accountability.

Governance

The Anglo American Social Way defines our governing framework for social performance and sets out clear requirements for an integrated and cross-disciplinary approach to the management of social performance at site level. External, independent assessors carry out annual assessments of implementation across all our managed operational sites, as well as De Beers’ non-managed joint ventures.

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, identify gaps and support improvement planning. Data from this exercise shows that 73% of Social Way requirements had been implemented across relevant sites.

Progress on local accountability strategies and mechanisms, and the delivery of our Sustainable Mining Plan commitments is included in the chief executive’s quarterly scorecard and is reviewed by the Board’s Sustainability Committee at least annually.

► For more information on our sustainability governance
See pages 48-49

Managing risks and opportunities

Identification of potential impacts and risks is a primary function of stakeholder engagement. Sites can only fully understand their actual or potential impacts through engagement. In turn, stakeholders can only assess the likely effect of impacts and help define prevention and mitigation measures if they are informed of, and consulted on, site activities and plans. Positive and open dialogue with local stakeholders through local accountability mechanisms invariably fosters greater trust in, acceptance of, and support for our operating activities, as well as helping to deliver lasting benefits for communities neighbouring our operations/sites.

The creation of local accountability strategies that are embedded in site-specific SEPs requires a comprehensive review of the actual and potential risks and impacts on local stakeholders affected by our activities, as well as mitigating actions to minimise those risks and impacts materialising.

Targets and progress

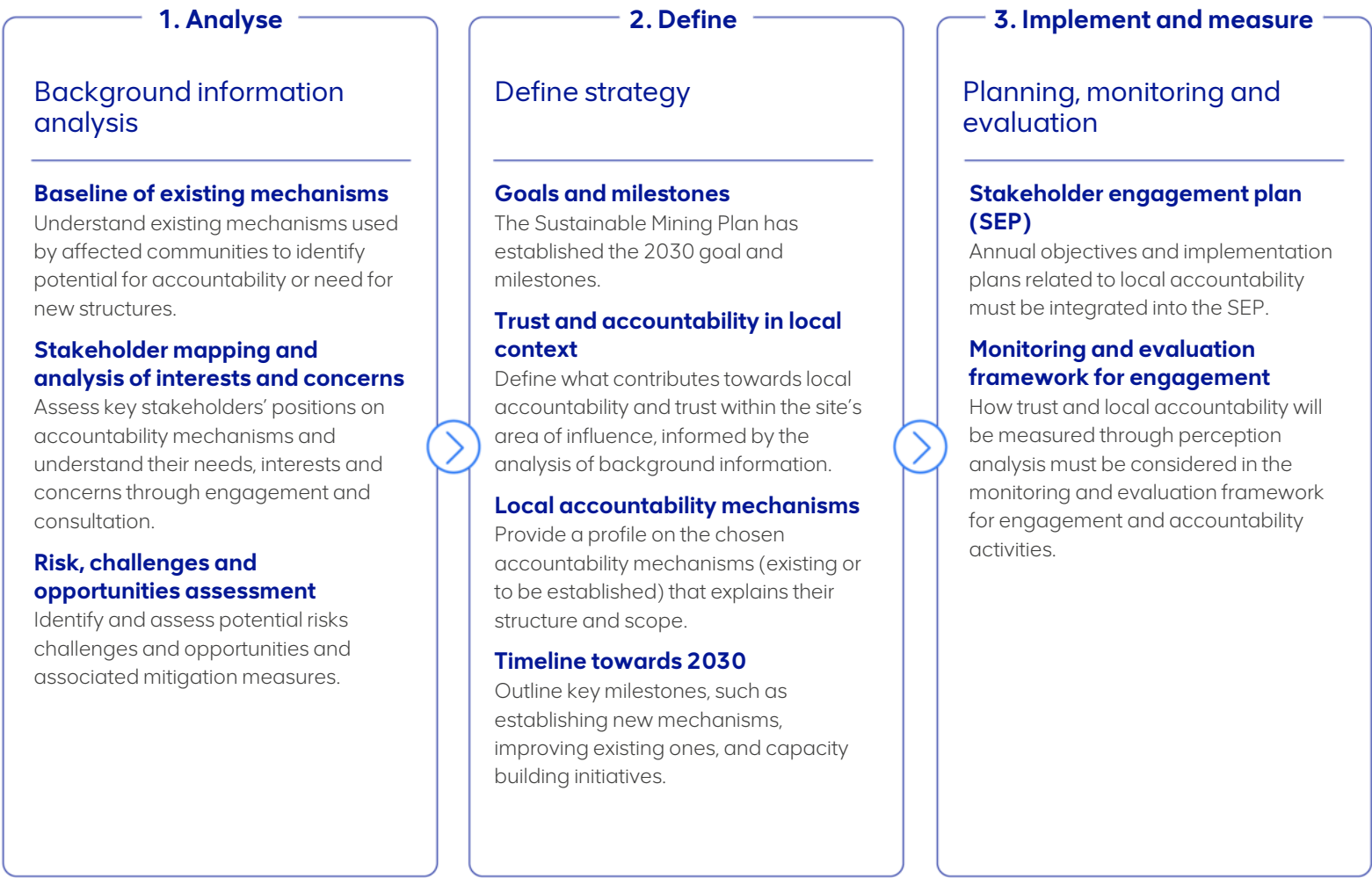
As part of our Sustainable Mining Plan, Anglo American has set a target for all sites to establish open and accountable dialogue with local stakeholders by 2030, with an interim target for all sites to establish high quality dialogue and programmes through local accountability forums by 2025.

In 2023, 16 sites (out of 20 in-scope sites) participated in and/or were in the process of implementing accountability mechanisms, while 13 already have a local accountability strategy in place.

Next steps

In 2024, we will continue our stakeholder engagement efforts and will work towards finalising accountability strategies and implementing accountability mechanisms across our sites, in line with our Sustainable Mining Plan targets and goals.

Overview of local accountability strategy approach



Public policy engagement

As a global leader in the mining industry, we are accountable to all of our stakeholders. We aim to be at the forefront of the pressing issues facing society today, ranging from climate change to public health. We are proud to be advocates for what we believe is right and to work as partners to solve complex problems through our public policy engagement.

Our approach to public policy engagement

Our public policy engagement, like all our activities, is aligned with our Code of Conduct. A set of internal guidelines also helps us to monitor and respond to society's expectations and demands.

► For more information on our Code of Conduct
[Visit **angloamerican.com/code-of-conduct**](https://www.angloamerican.com/code-of-conduct)

Government relations

The parameters for our engagement with governments are covered by our Code of Conduct. Our Government and International Relations team provides guidance and oversight for government relations at a central level. Additionally, it actively participates in the annual government relations planning exercises conducted by our local teams at the country level.

Tax advocacy

Our public Group Tax Strategy is reviewed and approved annually by the Board and is built upon the pillars of Compliance, Responsibility and Transparency. As well as acting responsibly in our tax compliance affairs, the Strategy is clear that we are transparent about them, and proactively engage in public policy advocacy to create shared benefit.

Our priority engagement areas relate to multilateral corporate tax reforms, mining-specific tax reforms, capacity and trust building, and tax measures designed to support decarbonisation.

Our Group Tax Strategy is closely aligned with the Responsible Tax Principles of the BTeam, a not-for-profit initiative that aims to encourage a better way of doing business. We also endorse the Business at OECD Best Practices for engaging with tax administrations in developing countries.

► For more details on our tax and economic contributions, our public policy positions, and how these contribute to the Sustainable Mining Plan
[See our **Tax and Economic Contribution Report 2023**](#)

Political donations

In accordance with our Code of Conduct, we do not make political donations or donations that could be perceived as such, either directly or through third parties.

Partnering against corruption

We are signatories to the World Economic Forum's Partnering Against Corruption Initiative, joining global businesses in a commitment to zero tolerance of corruption in any form. We are also a Board member of the Extractive Industries Transparency Initiative (EITI).

Activities in 2023

Advocating for effective policy

To ensure that we live our Values, our policy advocacy focuses on subjects that are broadly in line with our Sustainable Mining Plan. This includes the commitment to maintain ethical value chains, which encompasses our decarbonisation ambitions.

UN Sustainable Development Goals

As part of our ongoing series of UN SDGs Accountability Dialogues in the countries where we operate, in November 2023, we held our sixth annual summit in South Africa, focusing on SDG16: Peace, Justice and Strong Institutions.

At the event, we consulted with external stakeholders – including local and national government officials, NGOs, community organisations, academia and other groups – about our performance against the SDG targets. We use dialogue as an opportunity to hear from voices outside the organisation, share our knowledge, explore potential partnerships with stakeholders, and most importantly, raise our ambitions in achieving the SDGs. The focus on SDG 16 allowed robust discussions on Anglo American's advocacy performance, the state of the mining industry, and ultimately, the social challenges facing South Africa through the current global economic turbulence.

We have also participated in the UN Global Compact Young SDG Innovators, a nine-month programme aimed at connecting global business leaders, policymakers, civil society and academia to take action on the SDGs. In South Africa, we

had our third cohort of participants, with the UK and Brazil participating for the second year.

Combating climate change

We are a founding sponsor of the World Bank's Climate Smart Mining Initiative, which aims to support the application of a climate-smart approach to mining, especially in resource-rich developing countries.

Our public policy engagement covers a range of issues, including the transition to a low carbon economy and, therefore, climate change. This is particularly so in relation to the increased public discourse on the role of critical minerals for the low carbon transition, the circular economy and the hydrogen economy, but also in discussions about post-pandemic recovery.

► For more on our approach to climate change
[Visit **angloamerican.com/climate-change-2023**](https://www.angloamerican.com/climate-change-2023)

Industry associations

We expect the same standards of behaviour from the industry associations of which we are a member as we would from any other organisation with which we partner. Being a member of industry associations is a way of ensuring that our voice is heard, while staying informed about relevant developments. In addition, through membership of national industry associations, our local business units can, where appropriate, engage directly in relevant policy discussions as part of a collective dialogue with government.

Understanding the importance of transparency and independence, each year, we provide best-practice disclosure of all of our industry association memberships on our website. We list and provide a rationale for all memberships, denote where we have a leadership position, and disclose our annual financial contributions. We provide options for stakeholders to contact us directly or through YourVoice about any concerns related to our industry association memberships. In 2023, we received no such concerns.

We also follow a biennial process to review any differences between our policy positions and those of organisations of which we are a member in the areas of climate change and human rights. Where we identify potential material misalignment, we first engage directly with the organisation. Should the material misalignment continue, we reserve the right to take further action, which might include stepping away from our membership of the relevant organisation.

► For more on our industry association memberships
[Visit **angloamerican.com/political-transparency**](https://www.angloamerican.com/political-transparency)

Engaging in dialogue about critical raw materials

As legislative efforts advance (e.g. the EU Critical Raw Materials Act), we continued to engage in discussions about the role of

responsible mining for critical minerals, as part of a global discussion about critical and strategic minerals. The mining industry is essential for delivering these raw materials and this entails a deep level of responsibility for mining companies.

We believe participation in recognised, independent assurance programmes such as IRMA promotes transparency and best practices, and sends an important message to our stakeholders about our commitment to openness on these issues. It helps us build relationships with customers who are placing ever greater importance on assurance and traceability of minerals and metals. Yet, perceptions surveys still show that there is a gap between a wider acknowledgement for the need of critical minerals and public acceptance of the related necessary mining activities.

Therefore, we believe that participating in forums that bring together industry, governments and civil society allows us to contribute positively to the global dialogue and raise awareness for responsible mining. In 2023, we played an active role in two workshops about critical raw materials at the UN General Assembly in New York in September: one with representatives of government; and a broader one with members of civil society. We also engaged with the 2023 United Nations Climate Change Conference (COP28) in Dubai in early December.

Reinforcing our tax strategy

In 2023, we participated directly and indirectly in a number of tax consultations. We typically participate via industry or business bodies but we will respond directly to consultations where we believe we can offer a unique and valuable perspective. Members of our Group Tax team also engage in a range of external public speaking engagements in relation to these issues, and on broader tax policy issues, such as the future of mining taxation, environmental tax policy and the tax challenges of digitalisation. When we speak publicly, or write articles in external publications, our objectives are always to deliver constructive input that leads to long term sustainable value for all our stakeholders, as well as trying to broaden the understanding of tax issues beyond policymakers and large businesses.

We continue to demonstrate our ambition to be a Trusted Corporate Leader in tax transparency, publishing both country-by-country and payments to governments tax data in addition to our annual Tax and Economic Contribution Report. On 8 December 2023, our approach was again recognised with a 100% score for the three tax categories of: tax strategy and governance; tax reporting; and effective tax rate within the Dow Jones Sustainability Index 2023, where the Group scored 75 out of 100, putting us in the 99th percentile in the Metals & Mining sector.

We also continue to take part in discussion forums with a wide range of stakeholders and industry bodies that aim to expand the participation in best-practice tax reporting principles.

Supporting a hydrogen economy

The development of a hydrogen economy represents one of the key solutions for the decarbonisation of fossil fuel intensive industries, including steel and transportation.

Anglo American is engaging with stakeholders in the hydrogen ecosystem around the world. In 2023, we continued to work with partners in government and the power sector in southern Africa on a renewable energy ecosystem. This initiative envisages the development of a hydrogen supply infrastructure as part of a multi-factor solution that also includes solar and wind.

As part of our strategy to help accelerate zero-emission transport through the deployment of platinum-enabled hydrogen fuel cell electric vehicles (FCEVs), we have launched FCEV fleets in Berlin in Germany and Foshan in China. We have also partnered with BMW and Sasol in South Africa as part of an international trial to test the BMW iX5 Hydrogen FCEV prototype in real-world conditions.

We are a member of various relevant interest groups promoting the hydrogen economy, as well as a founding and Board member of the global CEO-led initiative, the Hydrogen Council. We consult in a transparent manner with governments and civil society in Europe, southern Africa, South America, North America and the UK, as well as through multilateral organisations and industry groups.

Engaging with NGOs

Throughout the year, we continued to actively engage with NGOs to build trust, gain a better understanding of external perspectives and have a positive impact on people in the communities where we operate. These engagements take place at various levels. Engagements include one-on-one conversations, including with the chief executive and members of the Executive Leadership Team; 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.

For example, as a member of the EITI board, we encouraged broader global participation and sought to build confidence with stakeholders through the engagement process. In southern Africa, we have been working with the Alternative Mining Indaba, the ICMM, and the Minerals Council South Africa to facilitate regular and sustained dialogue between the mining sector and civil society. We also participate in the global Mining and Faith Reflections Initiative and the South African multi-faith ‘courageous conversations’ initiative, where various social

partners work together to address critical stakeholder concerns, including the Just Transition and enhancing trust in community engagement.

We also have a long-standing relationship with the Institute for Human Rights and Business (IHRB), with which we regularly consult on our approach to human rights, our policies, and more recently on our role in the world’s transition to a low carbon economy. We have sought to push beyond compliance to a more proactive advocacy role through a global business integrity programme that we launched in November with Transparency International at the International Mining and Resources Conference (IMARC) in Sydney. Other examples of our engagement with NGOs include partnering with Transparency International on a toolkit for Open Business, supporting Corruption Watch in South Africa on its sustainable mining programme, engaging with the Organisation for Economic Co-operation and Development (OECD) in its Trust in Business Programme, and our ongoing strategic partnership with Fauna & Flora International.

Ethics and transparency

Through our internal Ethics Transparency and Accountability Working Group (ETAWG), we worked to cross-reference best practice in relevant areas of responsible corporate behaviour.

In 2023, the ETAWG agenda included discussion on our policy commitments and performance across a number of issues such as tailings disclosures, accountability in our supply chain, tax disclosure policy and support for gender equality.

Recognising that the Trusted Corporate Leader pillar of our Sustainable Mining Plan entails maintaining excellence in what we do, so that we can engage in effective advocacy, we continued to measure our performance through regular third-party monitoring. This independent and transparent feedback helps us to evaluate the effectiveness of our activities and policies, as well as to build trust in our ability to deliver on our commitments.

Next steps

We will continue to engage on issues of public policy in a transparent and collaborative way in 2024 to ensure we live our Values. We will promote public policy priorities such as action on responsible mining of critical minerals, climate change, human rights and good governance.

We will continue to engage on the critical raw materials framework as it evolves and expands as a platform to advocate for sustainable mining, including ensuring a Just Transition. We will also continue to work with Transparency International’s business integrity initiative, which we are supporting through the Anglo American Foundation.



The global launch of the Taskforce on Nature-related Financial Disclosures (TNFD) in 2021. Anglo American is the only sitting member from the mining industry on the TNFD.

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 electrolyzers, 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.

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."



H2 Moves Berlin now has a fleet of FCEVs, which are 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."

"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

Responsible product offering

Increased consumer awareness about sustainability is driving growing demand for responsibly sourced products. Mining and metals are no exception to this trend. To demonstrate the high standards to which we operate, we have been at the forefront of developing and adopting some of the most trusted sustainability certification programmes for the mining sector, including the Initiative for Responsible Mining Assurance (IRMA) and the Responsible Jewellery Council (RJC).

Having met our Sustainable Mining Plan interim target of having half of our operations undergo third-party audits against recognised responsible mine certification systems in 2022, we continue to work towards our 2025 target for audits of all operations.

Strategy and approach

Our long-standing commitment to responsible mining

Anglo American has been engaging with external responsible mining standards since 2005. This started in De Beers and the work done with the Responsible Jewellery Council (RJC) to demonstrate sustainability and ethical practices through the diamond value chain from mining to retail, leading to the development of a robust standard for that sector. Eventually, we sought solutions to similar challenges in our broader business. Our preference was to find a mining-sector-wide solution that would prevent us from having to create and be audited against new standards for each product or customer segment. So, in 2008, we joined other mining companies, customers, trade unions, community groups 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 (IRMA) Standard for Responsible Mining. Similar to how the RJC has been recognised as a comprehensive standard for the diamond sector, IRMA is widely regarded as a rigorous standard for other mined products. We have also continued to engage constructively with other schemes in partnership with industry peers and customers, for example ICMM's Mining Principles, the Copper Mark, and Towards Sustainable Mining (TSM) in Canada and, more recently, Australia.

In recognition of the growing importance of provenance to customers, in 2018 we committed to externally assuring all of our operations against recognised responsible mining standards by 2025. We set this out under the ethical value chains stretch goal in our Sustainable Mining Plan and are on track to meet that target.

For De Beers, we are continuing with our long-standing commitment to the RJC, which provides an integrated system to help 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 starting with IRMA, we are able to meet almost all of the requirements of the other standards without further work, which reduces cost and audit burdens on our sites.

While Anglo American was a founder member and has taken a leadership position in IRMA, there are now 80 mining companies engaging with it, showing that there is growing support for a rigorous standard that has high levels of stakeholder trust.

Our management systems are designed to ensure we can meet the requirements of the IRMA standard. For example, our Social Way ensures we engage closely with communities, avoid negative social impact and maximise development opportunities. Additionally, our SHE Way ensures our focus on safety, health and environmental impact is brought to life in all our systems and operations.

Commitment to responsible commodity supply chains

The metals and minerals we source are essential to the transition to a low carbon economy and enabling a cleaner, more sustainable world, as well as meeting the growing consumer-driven demands of the world's developed and maturing economies.

We are committed to ensuring an ethical value chain for all products we produce and source. Our product suppliers are a critical part of this journey in supporting our commitment to ethical and transparent business practices. We make it a priority to work with businesses and individuals that comply with all applicable laws and regulations, and share our commitment to have a positive impact on people and the planet.

Our Responsible Sourcing Standard – the framework that guides our efforts – defines the minimum requirements and work principles that we, together with our suppliers, must uphold, ensuring we prioritise ethical decision making and transparency when purchasing goods and services.

► For more on Responsible Commodity Sourcing Policy for Marketing Visit angloamerican.com/responsible-commodity-sourcing

In 2023, we built further on this Standard to specifically enhance our existing approach to commodity sourcing by developing a Responsible Commodity Sourcing Policy for our Marketing business. This policy provides additional guidance for our commodity suppliers and intermediaries and conforms with the requirements of the OECD Due Diligence Guidance (DDG) for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (CAHRA) and other leading best practices. The updated policy further clarifies and places stronger emphasis on our requirements related to ethical business conduct, environmental management, human rights, and social performance management.

Governance

Ensuring diligent product stewardship

Our businesses are accountable for having their operating sites undergo third-party audits against responsible mine certification systems, in line with our Sustainable Mining Plan target. Quarterly programme updates are included in the chief executive's scorecard.

Our commitment to ethical value chains also involves our approach to product stewardship, through which we ensure regulatory compliance for products across our business. This includes implementation of the UN's Globally Harmonized System of Classification and Labelling of Chemicals, and the EU's Registration, Evaluation, Authorisation and Restriction of Chemicals, as well as variants emerging in other jurisdictions. We have also established structures to ensure continued compliance in the UK, following Brexit.

Our membership of industry associations – such as the London Platinum and Palladium Market, International Platinum Group Metals Association, ICMM, Eurometaux, the Nickel Institute, and the International Copper Association – also helps us in this endeavour.

Internally, all our sites are also required to comply, at a minimum, with our Group Technical Standard on Hazardous Materials Management. The standard covers planning and design, systems implementation and management, and performance monitoring related to all aspects of hazardous materials used in mining and processing. It also includes local legal compliance.

► For more information on our sustainability governance See pages 48-49

Managing risks and opportunities

Identifying high risk product supply

We have an integrated risk-based approach that is applicable to all our minerals suppliers. Our 'Know Your Counterparty' procedure assesses actual or potential compliance; financial and legal risks, such as sanctions; ethical business conduct; and politically exposed individuals. As a pre-condition of a supplier contract, we request that suppliers who have been identified as higher risk, including those within a category which poses potential risk, to complete a self-assessment questionnaire.

This may be done either prior to onboarding, at the renewal of an existing contract term, or as needed during the lifecycle of the business relationship. Supporting evidence is provided by the supplier, which is assessed along with a review of publicly available supplier documentation, where available.

Our traceability assessment uses the Anglo American country risk approach to evaluate whether the country of origin, processing points, transport and transit countries are deemed CAHRA. In addition, the process also makes a wider analysis based on 21 indicators including human rights and other ESG issues.

Risk assessment

Risk assessment is undertaken based on evaluating our suppliers against our internal criteria, which include the OECD DDG red flags.

The risk assessment is based on all available information to determine a risk scoring of high, medium, or low risk for each supplier and the minerals sourced.

According to our internal procedures, if any supplier (including the minerals source) is assessed as high risk we then follow our enhanced due diligence and escalation process. Our oversight body, the Marketing Risk Committee, has the mandate to evaluate, monitor, direct and control the management of risk associated with the sales and marketing activities of the Group, including purchase of third-party commodities for onward sale. Where there is a misalignment between a supplier and our non-negotiable standards, the relationship may be suspended until action is taken by the supplier to address the risks or make active progress towards suitable management actions.

Monitoring and reporting

We monitor the evolving space of responsible sourcing by tracking changes in legislation in the countries in which we operate and do business, as well as global trends in sustainability and responsible sourcing.

We engage our customers in discussions regarding their requirements and expectations to provide tailored solutions to meet their needs, and we actively seek opportunities to partner.

Artisanal scale mining (ASM)

As part of our De Beers business, Gemfair was established in 2018 in Sierra Leone, to link artisanal miners with the international market by providing assurance of ethical mining standards and harnessing digital technology. Gemfair is now a world-leading, proven and inclusive model for the ethical sourcing of artisanal diamonds worldwide. All miners that sell to Gemfair are assured through our programme, which is aligned with the OECD’s Due Diligence Guidance for Responsible Supply Chains and incorporates progressive improvement and best practice approaches on fair labour practices, health and safety, and environmental impact management.

► [For more information on Gemfair](#)
[Visit **gemfair.com/the-gemfair-way/2023/**](#)

Targets and progress

Demonstrating transparency through robust assurance

An enduring challenge for Anglo American – and the global mining industry as a whole – has been to provide stakeholders with a way of accounting for sustainability practices that is transparent, verifiable, and comparable. Independent, third-party standards and assessments such as IRMA help to close the gap in demand for ESG assurance in our industry. They also test our industry-leading internal standards for alignment with best practice and our own overarching Purpose.

Our work to develop and adopt IRMA as a robust third-party assurance scheme is consistent with our preference for a comprehensive, externally audited assurance protocol with multi-stakeholder backing and governance, which helps to ensure engagement with communities, NGOs, investors, consumers and other key groups.

The IRMA process begins with a self-assessment at site level, followed by desktop- and site-based audit by independent certification bodies. There is also an optional 12-month corrective action period to put in place interventions to improve on sustainability requirements before a result is announced publicly. The results range from IRMA Transparency through to the higher performance levels of IRMA 50, IRMA 75 and IRMA 100, with each step up reflecting improved performance.

An operation receives an achievement level following a third-party audit and public disclosure of the results. To progress beyond IRMA Transparency, sites need to have only minor non-conformance on critical requirements.

The IRMA 50 and 75 achievement levels require conformity with at least 50% or 75%, respectively, of a core set of requirements across four principal areas – Business Integrity, Planning and Managing for Positive Legacies, Social Responsibility, and Environmental Responsibility. While the IRMA 100 certification signifies that a mine meets all requirements set out in the IRMA Standard, this is ultimately a continuous improvement journey.

Surveillance audits are conducted 18 months after certification to verify that an operation continues to meet the critical requirements and ensure that there are no material changes at the site. Re-certification takes place every three years from first assurance. This process ensures regular independent third-party verification and certification against a comprehensive and rigorous set of practices that apply to all mined materials.

Driving sustainability engagement through leadership

Through engagement with stakeholders, we have worked closely with IRMA to develop a standard that provides full value-chain transparency. We view this as a point of differentiation for Anglo American and are pleased to have seen how our leadership in this space has helped to expand and deepen our long term customer relationships.

The changing nature of consumption, such as the switch to battery electric vehicles (BEVs) places a spotlight on the supply chain and the need to demonstrate responsible sourcing. The growing customer and consumer interest in the provenance of raw materials is being reflected in customer purchasing standards, legislative proposals and NGO campaigning.

For example, there has been a lot of recent work on responsible mining regulation and legislation related to critical raw materials, most notably in Europe. Through our advocacy in collaboration with other mining companies, customers and NGOs, we support the inclusion of standards such as IRMA in upcoming regulations and legislation to strengthen due diligence and assurance. Aligning on key standards and having them recognised in these policies is critical to our licence to operate in these markets.

This process has also helped to build relationships with other stakeholder groups, such as trade unions and NGOs engaged in IRMA, that appreciate the ability to rely on a robust third-party standard that has broad support. Ultimately, the IRMA Standard serves as both an external validation of our sustainability practices, as well as an internal check to ensure that we are operating responsibly.

Activities in 2023

Achieving our interim Sustainable Mining Plan target

To date, we have undergone third-party assurance audits at 14 of our operations. In 2023, an IRMA on-site audit was conducted at PGM’s Mogalakwena mine. This adds to the audits that have been conducted at Mototolo (PGMs), Kolomela (Iron Ore), Sishen (Iron Ore), Amandelbult (PGMs), Barro Alto (Nickel), Minas-Rio (Iron Ore) and Unki (PGMs) sites. All sites participated in the optional 12-month corrective action period to put in place interventions to improve on sustainability requirements. Several reports are expected in the first quarter of 2024. The audit reports will provide us with feedback from

diverse stakeholders, including employees and local communities. This invaluable input will drive our ongoing efforts to enhance sustainability performance.

In addition, Venetia and Gahcho Kué (both De Beers) have undergone RJC certification, while our Los Bronces and El Soldado copper operations have adopted Coppermark certification. We also completed our first audits in Steelmaking Coal using the Towards Sustainable Mining (TSM) standard at the Capcoal and Aquila mines.

This represents further progress on our Sustainable Mining Plan target of having all our operations undergo third-party audits against responsible mine certification systems and having our Responsible Sourcing Standard for Suppliers fully implemented by 2025. As more of our sites go through this process, it improves our ability to build an understanding of areas where we can continue to improve and take our ESG performance to the next level.

Continuing to validate our progress

IRMA membership requires a commitment to conduct audits and perform ongoing assurance. Our Unki mine in Zimbabwe was the first mine in the world to publicly commit to be independently audited against the IRMA Standard and the first mine in Africa to complete the review, which was verified by a third-party assessor. Unki achieved the IRMA 75 rating, which we view as a highly positive initial result. In 2022, Unki also became the first mine in the world to undergo an IRMA surveillance audit and successfully maintained the IRMA75 achievement level.

Following the achievements of Unki mine, the IRMA assurance process was also completed at Minas-Rio and Barro Alto. Both sites achieved an IRMA 75 level of performance and were also the first iron ore and nickel-producing mines in the world to complete the audit. Likewise, Mototolo mine and Amandelbult mine were the first PGM mines in South Africa to complete IRMA audits and they achieved the IRMA 75 and IRMA 50 achievement levels respectively.

“The IRMA assurance process has provided us with a valuable opportunity to measure our performance at Minas-Rio and Barro Alto against international best sustainability practices. We are immensely proud of the work the teams are doing at Minas-Rio and Barro Alto on responsible and sustainable mining, and we look forward to continue leading the way for our other mining operations across Anglo American.”

Ana Sanches, CEO Anglo American Brazil

We are currently working to conclude the audit process for two more sites that have undergone IRMA assessment. Ultimately, the audit reports for our operations serve as recognition and proof of our commitment to best practice, transparency and assurance, while providing independently verified next steps for further improvement. This transparent positive-feedback loop ensures we continue to improve our sustainability practices, leads to better ways to do business and creates greater value for employees, governments, NGOs, customers and communities alike.

Partnering to provide responsibly sourced product

During 2023, Anglo American agreed three key memoranda of understanding (MOUs) with China’s Jiangxi Copper, Japan’s Mitsubishi Materials and South Korea’s LS MnM to establish collaborations on driving a responsible copper value chain. These are in addition to the MoU with Aurubis signed in 2022.

These collaborations focus on driving traceability across copper’s fragmented value chains, with the aim of identifying and measuring sustainability indicators that industry stakeholders and end-customers deem most relevant and valuable.

Key to these initiatives is 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.

► [For more information on Valutrax™](#)
[See page 98](#)

Next steps

In 2024, we will continue to work towards our 2025 Sustainable Mining Plan target of having all operations undergo third-party audits against responsible mine certification systems. Our work with various organisations on continuously improving standards for the sector will continue, including our advocacy, in collaboration with other mining companies, customers and NGOs, for the inclusion of standards in upcoming regulations and legislation to strengthen due diligence and assurance. Internally, we are driving to deliver improved and integrated systems that will allow us to consolidate ESG audit activities, and we have already begun this collaboration with our Sustainability, Social Performance and Supply Chain teams.

Driving greater value-chain visibility through digital traceability

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?

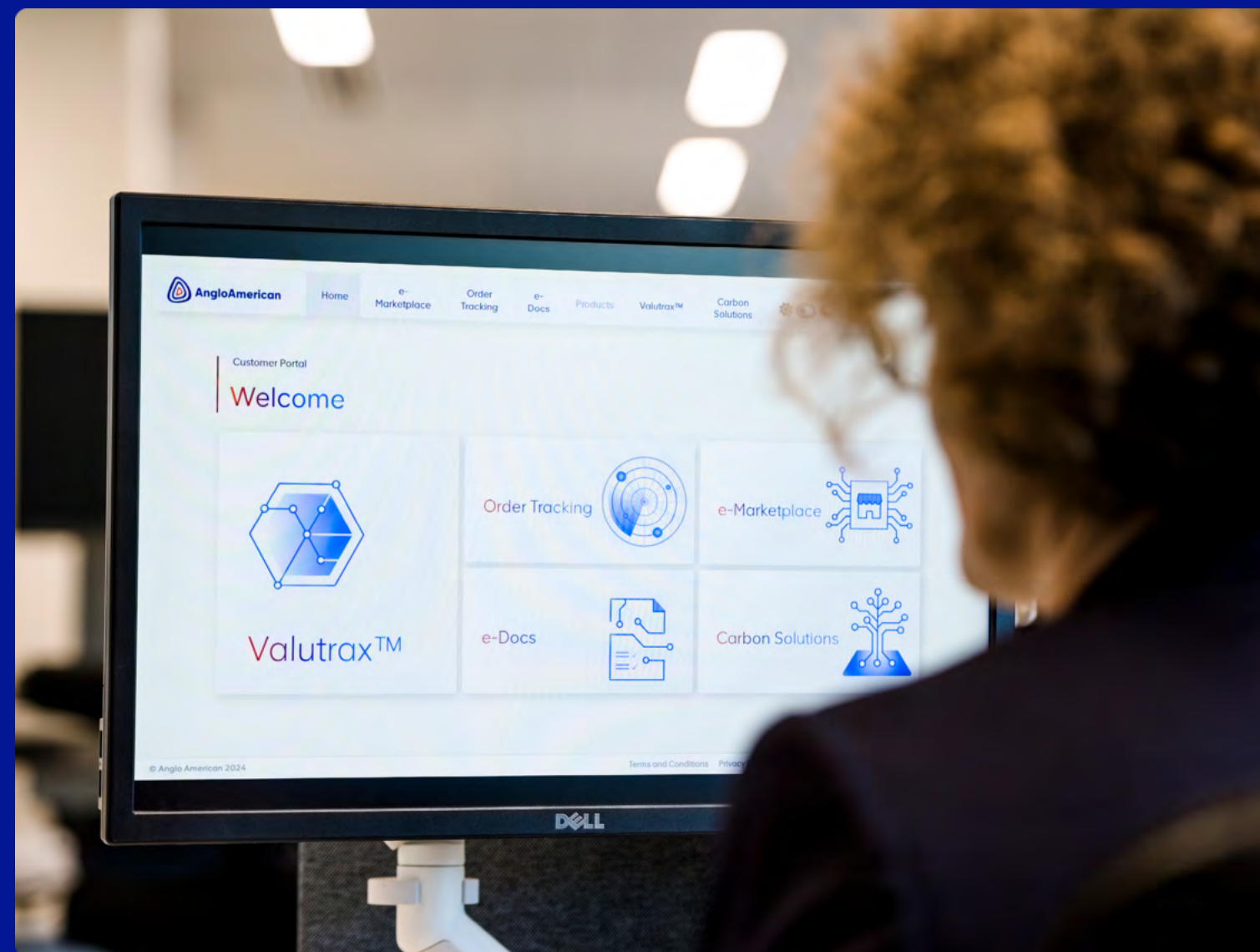
Valutrax™ uses proven blockchain technology to build a decentralised system that is immutable and fully auditable, and gives participating customers access to a comprehensive view of a product's core information via a user-friendly portal. A digital label can be downloaded for each delivery, offering 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."

► See more on angloamerican.com/marketing



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

Responsible supply chain

We are a Purpose-driven supply chain that continually creates procurement opportunities for businesses of all sizes from host communities, while respecting human rights at every step.

Our network of 13,000+ suppliers and more than \$14 billion in supplier spend in 2023 provides us with the global opportunity and scale to effect societal change through our procurement practices. We believe in mutually beneficial, long term relationships with suppliers which deliver business value and achieve sustainability ambitions.

Strategy and approach

Responsible Sourcing Standard

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.

The standard is supplemented with our Frequently Asked Questions (FAQ) guide and supplier self-assessment questionnaire tool, which all suppliers are expected to complete. Through having centralised procurement of suppliers and a clear responsible sourcing programme and expectations, we are able to identify potential sustainability risks, including unwanted safety events, industry-specific factors mapped across more than 120 procurement categories, country risks that emanate from the supplier's location, as well as our transaction volume and expenditure profile.

Inclusive Procurement Standard

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.

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.

Managing risks and opportunities

Supplier screening

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:

- **Environmental:** ensuring compliance with applicable legislation, regulations, and by-laws; conducting risk assessments and managing environmental risks; and responsible water use, emissions reductions and waste management
- **Social:** respect for community and individual rights
- **Governance:** legal compliance including legitimate ownership; risk assessments related to the elimination of child labour and modern slavery; unfair or inhumane treatment of the workforce, including all forms of bullying and harassment; respect for freedom of association and employee grievances; and maintaining fair and legal terms of employment – including compliance with working hours, voluntary overtime and fair compensation.

In addition, all suppliers are expected to have in place a robust framework to ensure workplace health and safety, and that business is conducted fairly and with integrity (including bribery, anti-collusion, and data privacy).

Training our supply chain community

We have developed a series of training materials that are available to our supply chain community and other internal stakeholders, including: implementation of Inclusive Procurement; responsible sourcing; due diligence; engaging with suppliers on risk management and corrective actions; and assessor red flag training.

Our commitment to inclusive procurement

We remain committed to the inclusion of host community owned businesses in our supply chain. This serves to increase the technical skills base, economic opportunities and job creation potential from our procurement spend. We actively sponsor supplier development programmes which seeks to build the capacity of individuals and small enterprises to sustainably build their businesses.

To provide consistency in our approach, we have adopted and integrated inclusive procurement considerations into category planning, and supplier technical evaluations. We supplement this with a Commercial Impact Framework, which guides category-specific inclusive procurement strategies.

To ensure that host community businesses are provided with fair opportunities for procurement, we have enhanced our due diligence and supplier verification processes to minimise the risk of doing business with companies that may be misrepresenting their ownership credentials.

Throughout 2023, we have proactively engaged and partnered with our larger suppliers in order to unlock business opportunities for host community owned enterprises. These commitments form part of the supplier agreements and are tracked to ensure delivery.

We utilise a jobs tracking tool and ongoing annual jobs surveys to help track the impact and effectiveness of our procurement spend to improve livelihoods of host community residents.

Targets and progress

Responsible sourcing supplier self-assessments

In 2023, 329 suppliers completed self-assessment questionnaires. A further 20 suppliers in Peru were required to complete self-assessments through our delivery partner on a separate technology platform. These suppliers were selected for engagements as they provide goods and services in categories with higher potential for risk. These risks relate to

hazardous working conditions, working hours and a high volume of temporary workers.

In addition to the self-assessments, we conducted 6 on-site assessments of suppliers in Brazil and undertook third-party assessments of suppliers for 13 sites in South Africa and 5 sites in Zimbabwe.

Our assessments are based on principles from the International Labour Organization, the Ethical Trade Initiative (ETI) and country-specific legal requirements.

329

Responsible sourcing self-assessment questionnaires completed (2022: 216)

When risks are identified, our approach is to engage suppliers for further details and implement corrective action plans. Evidence of completion of corrective action plans are expected from suppliers and, in some cases, we include third-party assessors to confirm action plan close-out. A limited number of third-party assessments were conducted in 2023, as suppliers had provided documentation and attestations where risks were suspected. In 2024, follow-up assessments will be conducted to ensure that identified risk areas have been adequately remediated.

No suppliers were excluded in 2023. We have adopted a development approach whereby suppliers are given an opportunity to address breaches and serious non-conformances using a corrective action plan where progress is monitored.

We continue to work on updates to the questionnaire and, in 2023, we expanded the questionnaire to be further aligned to risk issues identified in audits.

► [How to become a supplier
angloamerican.com/suppliers/how-to-become-a-supplier](https://angloamerican.com/suppliers/how-to-become-a-supplier)

Activities in 2023

Building sustainable relationships

We see a strong intersectionality between the sustainability of our supply chain and our desire to build a more circular, low carbon economy. This includes our supplier development initiatives, where we focus on identifying opportunities to support sustainable local manufacturing in host communities, outside of the traditional value chain. Many of these initiatives will not develop into supplier relationships for the Group, but are aimed at promoting sustainable, diversified and independent economic activity, which also creates jobs for local residents. Our support in such cases can come in a variety of forms,

including financial or, for example, by offering space near our operations for suppliers to locate their manufacturing facilities.

We have continued to focus on developing local supplier capacity on responsible recruitment practice and sourcing. We worked with the NGO Stronger2Gether to pilot two in-person supplier workshops. These workshops were held over two days each and were attended by 36 small-business owners and representatives from our PGMs business.

The procurement of heavy mining equipment, including tyres and blasting equipment, forms a significant portion of our annual spend. In 2023, we engaged with our strategic supplier partners across these categories to enhance supplier due diligence around modern slavery risks.

We have also signed a memorandum of understanding (MoUs) with 10 of our strategic global suppliers. The MoUs include commitments to responsible sourcing and reduction of GHG emissions.

Linking sustainability to sourcing events

To ensure consistency in the way that we manage and integrate sustainability elements such as inclusive procurement and responsible sourcing in our day-to-day supply chain work, we leverage a Category Management Framework.

In addition, our technology investments, category management guidelines, toolkits and templates support consistent application and performance monitoring of these requirements.

Enhancing our responsible sourcing practices

As part of our supplier capacity-building activities, we continued development of our Responsible Sourcing Implementation Toolkit, created in collaboration with PartnerAfrica and the IQ Business Group. The purpose of the toolkit is to provide resources to help suppliers independently navigate the nuances of legislation and bridge gaps to achieving compliance. We plan to integrate these, and other support materials, into the various supplier development programmes run within the Group.

In addition, we continued to use a heat map to identify those suppliers that have an increased potential for sustainability risk. Where we identify or suspect a risk, our practice is to engage with suppliers, expressing our concern and requiring them to develop a plan of corrective action. This gives them a fair opportunity to manage the risk and limit unintended consequences. If a supplier refuses the remediation, or is not able to demonstrate progress towards resolution, the matter is then escalated, and may result in review of the supply relationship by our Supply Chain leadership team.

Recognising the influence of Anglo American as a sustainability leader, we engage selected supplier partners about alignment with the UN SDGs and developing areas such as the circular economy and emissions reduction.

Engaging with stakeholders on responsible sourcing

We continue to advocate for a common responsible sourcing standard for the mining industry and are committed to reviewing our own standard to ensure it addresses emerging risks and remains fit for purpose. In 2023, our engagement continued with the Minerals Council of South Africa and the Minerals Council of Australia to standardise an industry approach to supplier risk, as well as improved sharing of non-competitive due diligence data with peers in the sector to avoid duplication of effort by common suppliers.

Customers interested in sourcing responsibly have increasing expectations and requirements in respect of the provenance and ethical production of minerals and metals. We engage with them to share details of our supply management process and responsible mining practices, including how we approach due diligence and supply chain visibility.

During 2023, we initiated a partnership with the Slave Free Alliance – a global NGO that helps to protect supply chains and people from modern slavery and labour exploitation and, in so doing, supports optimisation of responsible-sourcing approaches, including engagement with suppliers to improve compliance to Modern Slavery and responsible sourcing priorities.

Next steps

In 2024, we will advance our work to foster an ethical supply chain across our operations; in particular, by:

- Confirming site-based responsible procurement plans across all the businesses – progress towards these will be tracked, at a minimum, on a quarterly basis
- Increasing the reach of responsible sourcing due diligence and seeking to identify further common themes and risks faced by our suppliers
- Enhancing end-to-end supply risk visibility through the integration of risk data points into supply chain performance management routines
- Working towards achieving our Sustainable Mining Plan goals and ensuring that our value chain supports and reinforces positive human rights and sustainability outcomes
- Continuing to implement our Responsible Sourcing Standard, while advocating for the development of a common responsible sourcing standard for the mining industry.

Suppliers

Anglo American has a large and diverse base of 13,000+ suppliers around the world. Through leveraging our Group-wide Human Rights Due Diligence process, we have identified several categories with the most potential for material risk. These include:

- Temporary low-skilled labour for sites
- Heavy mining equipment
- Process chemicals
- Fuel and lubricating oils
- Explosives
- Motors
- Logistics and transport services in high-risk geographies (includes both personnel and ore transport)
- Security providers
- Renewable energy sources, including solar panels and batteries
- Personal protective equipment (PPE) and workwear
- Tyre and other rubber products
- Information and communications technology (ICT) equipment and services
- Construction labour and materials.

Economic impact on producer countries

We remain committed to transparency around our social contributions and significant tax payments through proactive disclosure. We believe the enduring positive impact of our business – and the mining industry as a whole – can only be properly assessed by positively considering the total footprint of our contributions across the whole mining lifecycle.

Our approach and policies

Our socio-economic contribution

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 so that they 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, even after our mines have closed.

► For more information on our Collaborative Regional Development See page 82 of this report

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 below:

\$4.0 billion
paid to our employees through wages and related expenditure

\$5.1 billion
paid in taxes and royalties borne and taxes collected

\$14.4 billion
paid to suppliers (including in respect of capital investment)

\$148 million
spent on Community and Social Investment (CSI)

\$3.2 billion
paid to providers of capital

Our national tax contributions

Public disclosure is essential to building trust in the mining industry. We have voluntarily provided information about tax payments in each of our business units for many years. Since 2015, we have published our Tax and Economic Contribution Report for all our major operating jurisdictions. In it, we provide details about the taxes and royalties we pay, the taxes we collect and the other key economic contributions that we make to local economies, such as wages and salaries, capital investment and procurement spend.

We first chose to publish our country-by-country data in 2020 (in respect of the year ended 31 December 2018) based on the OECD standardised format. We subsequently adopted the newer Global Reporting Initiative (GRI) 207 tax standard format in 2021 (in respect of the year ended 31 December 2020 and all subsequent periods). We believe it gives stakeholders better comparability and better data from GRI participating groups by ensuring data is provided on approach to tax, tax governance, control and risk management, stakeholder engagement and country-by-country data, including narrative on effective tax rates.

► For more information on our Tax and Economic Contribution Report Visit angloamerican.com/tax-economic-2023

► Our latest country-by-country reports are available here: Visit angloamerican.com/investors/annual-reporting/reports-library/report-2023

Our Tax and Economic Contribution Report 2023 continues to demonstrate our commitment to tax transparency to our stakeholders. We disclose information that satisfies the requirements of the following transparency initiatives:

- UK Reports on Payments to Governments Regulations 2014 (SI 2014/3209)
- Chapter 10 of the EU Accounting Directive (2013/34/EU)
- Global Reporting Initiative 207 (Tax: 2019) which includes public country- by-country reporting
- Australian Board of Taxation Voluntary Tax Transparency Code
- The UK’s Publish Your Large Business Tax Strategy (which is a requirement of our UK listing)
- The Canadian Extractive Sector Transparency Measures Act.

Furthermore, we support the Extractive Industries Transparency Initiative (EITI). In June 2023, the EITI International Secretariat confirmed that we met Expectation 3 of its supporting company expectations. Expectation 3 covers public disclosure of taxes and payments to government at a project-level.

We also endorse the Responsible Tax Principles set by the B Team.

► For more information Visit <https://bit.ly/bteam-taxprinciples>

Taxes borne and collected – \$m: developed vs developing countries

Developing



Developed



GRI 201 – Economic performance*

US\$ million	2023	2022
Revenue	30,652	35,118
Operating costs	22,782	22,138
Employee wages and benefits	3,966	3,737
Payments to providers of capital	3,243	6,044
Payments to government	1,748	2,563
Community investments	148	175
Economic value retained	(1,235)	461

* Includes data from financial statements prepared in accordance with IFRS, in line with GRI 201. Operating costs exclude employee wages and benefits.

Procurement

In 2023, our operations spent approximately \$14.4 billion (2022: \$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).

Local spend numbers indicate spend on suppliers based in the relevant country of operation, whereas host community spend numbers reflect expenditure with suppliers based in communities in the direct vicinity of our operations.

Our approach to host community spend aligns with national and regional policies that are designed to increase opportunities for previously marginalised groups. These include the First Nation Impact and Benefit Agreements in Canada, the promotion of Aboriginal procurement in Australia, and broad-based black economic empowerment in South Africa.

Assurance statement

Independent Assurance Report to the directors of Anglo American plc

As a member of the International Council on Mining and Metals (ICMM), Anglo American is committed to obtaining assurance over specified assertions related to its Sustainability Report in accordance with the ICMM Mining Principles. In addition, Anglo American requires assurance over the annual performance of select KPIs relating to its Sustainability-linked Bond (SLB) issued in September 2022.

IBIS ESG Consulting Africa (Pty) Ltd (IBIS) was commissioned by Anglo American Plc (Anglo American) to conduct an independent third-party assurance engagement in relation to the sustainability information in its Sustainability Report (the Report) for the financial year ended 31 December 2023.

IBIS is an independent licensed provider of sustainability assurance services. The assurance team was led by Petrus Gildenhuys with support from a multidisciplinary team of health, safety, social, environmental and assurance specialists with extensive experience in sustainability reporting and assurance. Petrus is a Lead Certified Sustainability Assurance Practitioner (LCSAP) with more than 25 years’ experience in sustainability performance measurement involving both advisory and assurance work.

Assurance standard applied

This assurance engagement was performed in accordance with AccountAbility’s AA1000AS v3 (2020) (“AA1000AS”) and was conducted to meet the AA1000AS Type II Moderate and High level requirements respectively as indicated below.

Respective responsibilities and IBIS’ independence

The directors of Anglo American are responsible for preparing its Sustainability Report and for the collection and presentation of sustainability information within the Report, including the SLP KPI performance. The directors are also responsible for the preparation and presentation of a compliance statement in accordance with the ICMM Mining Principles and related reporting commitments. This responsibility includes the identification of stakeholders and stakeholder requirements, material issues and commitments with respect to sustainability performance, as well as for the design, implementation, and maintenance of internal controls relevant to the preparation of the report.

IBIS’ responsibility is to the Directors of Anglo American alone and in accordance with the terms of reference agreed with Anglo American. IBIS applies a strict independence policy and confirms its impartiality to Anglo American in delivering the

assurance engagement. This assurance engagement is the fourth consecutive assurance engagement conducted for Anglo American by IBIS.

Assurance objectives

The purpose of the assurance engagement was to provide the management of Anglo American with an independent assurance opinion on:

(A) Disclosure in respect of the three SLB KPIs in the table below, each as defined in the section entitled “Sustainability-linked Financing Disclosures” of the Report, pursuant to Condition 14A of the Sustainability-Linked Notes.

SLB KPI	Unit of measurement	Assurance level
Absolute GHG Emissions	Mt CO ₂ e	High Assurance
Water Abstraction Amount	Megalitres	Moderate Assurance
Livelihoods Ratio	Ratio	Moderate Assurance

(B) Whether the Report meets the following objectives as per the ICMM Mining Principles.

– **ICMM SUBJECT MATTER 1:** Anglo American’s alignment with the ICMM Mining Principles, including the associated mandatory requirements set out in the ICMM Position Statements. (Moderate)

– **ICMM SUBJECT MATTER 2:** Anglo American’s material sustainability risks and opportunities that form the basis of its review of the business and the views and expectations of its stakeholders. This involves Anglo American’s approach to identify, prioritize and respond to its material sustainable development (SD) risks and opportunities, assessed through Anglo American’s application of the AA1000 Accountability Principles (2018). (Moderate)

– **ICMM SUBJECT MATTER 3:** The existence and status of Anglo American’s implementation of systems and approaches used to manage its identified material SD risks and opportunities. (Moderate)

– **ICMM SUBJECT MATTER 4:** Reporting on Anglo American’s performance during the reporting period reflected by the following subject matter disclosures relating to Anglo American’s material SD risks and opportunities:

– **ICMM SUBJECT MATTER 5:** Anglo American’s application of disclosures regarding the company’s prioritisation process for selecting assets for third-party Performance Expectations (PE) Validation. (Moderate)

High assurance

Key performance indicator	Unit of measurement
Total Scope 1 emissions	Mt CO ₂ e
Total Scope 2 emissions	Mt CO ₂ e
Total energy consumption	GJ
Tonnes copper equivalent	Tonnes

Moderate assurance

Key performance indicator	Unit of measurement
Fatal injury frequency rate	Rate
Total recordable injury frequency rate	Rate
Total number of new cases of noise-induced hearing loss (NIHL)	Number
Total number of employees potentially exposed to inhalable hazards above the exposure limit	Number
Total number of employees potentially exposed to carcinogens above the exposure limit	Number
Corporate Social Investment (CSI) Spend	USD (million)
Livelihoods Ratio (Ratio of number of Jobs supported to on-site jobs)	Ratio
Land Rehabilitation – Reshaping; and seeding completed	Hectares
Freshwater withdrawals	Megalitres
Water withdrawal by quality (high vs. low)	Megalitres
Water discharges	Megalitres
Water diversions (other managed water)	Megalitres
Water reuse/recycling (operational efficiency)	Percentage
Total Scope 3 emissions (2022 & 2023)	Mt CO ₂ e

Assessment criteria

The following suitable assessment criteria were used in undertaking the work:

- Anglo American Sustainability-Linked Financing Framework of September 2022
- ICMM Mining Principles and the ICMM Assurance and Validation Procedure defining the following subject matter criteria:
- **ICMM SUBJECT MATTER 1:** ICMM Principles and relevant PEs and mandatory requirements set out in the ICMM Position Statements.
- **ICMM SUBJECT MATTER 2:** Anglo American’s description of its process for identifying material issues that meet the principles of completeness and materiality as defined in Global Reporting Initiative (GRI) as well as AA1000AP (2018) adherence criteria for the Principles of Inclusivity, Materiality, Responsiveness and Impact as published.
- **ICMM SUBJECT MATTER 3:** Anglo American’s description of systems and approaches (as reported) that meet the reporting requirements for management of SD risks and opportunities in line with the requirements of the GRI Universal Standards.
- **ICMM SUBJECT MATTER 4:** The Anglo American operational Safety and Sustainable Development Indicator Definitions and Guidance Notes..
- **ICMM SUBJECT MATTER 5:** The ICMM Performance Expectations (PE) Validation requirements.

Assurance procedures performed

Our assurance methodology included:

- Interviews with relevant functional managers from Anglo American Group and inspection of information provided to test and verify the existence and completeness of procedures and processes in place for adherence to the AA1000AP Standard and the ICMM Subject Matter criteria for the selected disclosures in the assurance scope.
- A combination of desktop and onsite reviews at Anglo American Group, as well as at 29 sampled operations across Anglo American’s universe of managed operations. This involved testing, on a sample basis, the measurement, collection, aggregation and reporting of selected sustainability information at each operation.
- Inspection and corroboration of supporting evidence to evaluate the data generation and reporting processes against the assurance criteria.

- Reporting the assurance observations to management as they arose to provide an opportunity for corrective action prior to completion of the assurance process.
- Assessing the presentation of information relevant to the scope of work in the Report to ensure consistency with the assurance observations.
- Inspected Anglo American’s assessment of their reporting of performance in accordance with the GRI Standards.

Engagement limitations

IBIS planned and performed the work to obtain all the information and explanations believed necessary to provide a basis for the assurance conclusions for High and Moderate levels of assurance respectively in accordance with AA1000AS v3.

The procedures performed at a Moderate assurance level vary in nature from and are less extensive than for High assurance in relation to risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. As a result, the level of assurance obtained for a Moderate assurance engagement is lower than for High assurance as per AA1000AS v3.

Conversion factors used to derive emissions and energy used from fuel and electricity consumed, are based upon information and factors derived by independent third parties. The assurance work did not include an examination of the derivation of those factors and other third-party information.

For the Livelihoods Ratio, employee identification in the second tier of supported enterprises is often not available due to inherent limitations such as country-specific privacy laws. Alternative data collection mechanisms and templates have been introduced to mitigate this limitation. Reliance was therefore largely placed on signed third party reports from contracted business advisors responsible for the monitoring of jobs supported. However, some inherent risks remain in the methodology.

Assurance conclusion

High assurance opinion

In our opinion, based on the work undertaken for High assurance as described, we conclude that the subject matters in the scope for High assurance have been prepared in accordance with the defined reporting criteria and are free from material misstatement.

Moderate assurance opinion

In our opinion, based on the work undertaken for Moderate assurance as described, we conclude that the subject matters in the scope for Moderate assurance are supported by the

evidence obtained and nothing has come to our attention to believe that the subject matters are not materially misstated.

Key observations and recommendations

Based on the work set out above, and without affecting the assurance conclusions, the key observations and recommendations for improvement are as follows:

In relation to the SLB KPIs

It was observed that appropriate measures are in place to provide reliable source-data related to the SLB KPI performance disclosures in general. For the Livelihoods Ratio, notable improvements included the introduction of standardised templates and the closer monitoring of projects and project outcomes from Anglo American and its contracted business advisors. Continued emphasis on the strengthening of the monitoring and evaluation methodology is recommended.

In relation to ICMM subject matter 1

The Anglo American purpose driven statement, linked to the Group’s values, and associated Group level policies, management standards and procedures documented in the Sustainability Report underpin and reflect Anglo American’s corporate commitment towards the ICMM Mining Principles and the related Position Statements.

In relation to ICMM subject matter 2

Inclusivity: Anglo American has made formal public commitments to stakeholders and has developed and implemented policies and processes to ensure inclusive stakeholder engagement. Stakeholder engagement processes have been incorporated into a range of Group processes, with the necessary competencies and resources allocated for stakeholder engagement.

It is recommended that Anglo American continue to enhance its measurement of stakeholder engagement effectiveness and outcomes.

Materiality: Anglo American refreshed its materiality analysis in 2023. The process followed aligns to best practices for materiality assessments in the sustainability context and reflects consideration of several potential material issues, and engagement with a wide range of stakeholders. Anglo American has also enhanced its materiality assessments through implementation of the double-materiality approach.

Responsiveness: Anglo American has implemented policies that support its ability to respond to stakeholders in an appropriate, transparent, and timely manner. Internal processes also ensure that an appropriate level of management oversight on responses is applied. Grievance mechanisms are in place for the timely receiving, assessing, resolving, and monitoring of grievances from those affected by Anglo American’s activities.

Impact: Anglo American maintains a Sustainable Mining Plan, which defines the Group’s ambitious sustainability goals developed with consideration of various critical sustainability risks and opportunities and inclusive of the UN Sustainable Development Goals (SDGs). The sustainability pillars are linked to the SDGs and include defined Group targets to be achieved by 2030. The Group measures performance against the defined targets as presented in both qualitative and quantitative performance outcomes in the 2023 Sustainability Report.

It is recommended that Anglo American maintains its ambitious Sustainable Mining Plan as a driver for positive sustainability impact and enhancement of its use of specific SDG targets relating to its impact goals to maintain its focus in those areas.

In relation to ICMM subject matter 3

The processes observed to manage the Group’s material risks and opportunities have been applied throughout the Group through the implementation of standards and programmes such as the Anglo American Social Way, and have been well articulated in the Sustainability Report and corporate website. Group Technical Standards define the mandatory minimum requirements set for managing a wide range of specific issues. In relation to sustainability, these include, for example, the management of water, energy, tailings storage facilities and various technical aspects of mining that relate to safety and stakeholder engagement, including grievance mechanisms. Through its responsible-sourcing programme, Anglo American aims to ensure that its business partners follow a set of minimum standards of responsible business conduct that are comparable to what Anglo American expects from itself.

In relation to ICMM subject matter 4

It was observed that appropriate measures are in place to provide reliable source-data related to the selected sustainability disclosures in the assurance scope for 2023. During the year, Anglo American maintained controls to ensure that the information presented on Objectives & Targets and Isometrix was accurate.

Discrepancies in data identified during the assurance process for 2023 mostly related to manual capturing errors of the data that were subsequently corrected. We recommend enhanced rigour when executing internal data quality controls prior to submission as well as the implementation of automated systems where feasible.

A comprehensive management report detailing specific observations and recommendations for continued sustainability reporting improvement has been submitted to Anglo American management for consideration.

In relation to ICMM subject matter 5

Anglo American has adopted equivalent responsible mining standards which include the Initiative for Responsible Mining Assurance (IRMA) Standard, Responsible Jewellery Council’s (RJC) Code of Practice, The Copper Mark and Towards Sustainable Mining (TSM) which aims to enable the Group to achieve global ethical value chains. Anglo American defined prioritisation for third-party assurance against these recognised certification systems by 2025. Anglo American aligned the prioritisation to conform with the ICMM PE with the prioritisation for certification against equivalent responsible mining standards of its assets. By the end of 2023 Anglo American completed third party assurance over 14 of its operations against either the IRMA Standard, RJC Code of Practice or The Copper Mark. A review of Anglo American’s asset prioritisation process for assurance against equivalent schemes and its application confirmed adherence to the PE validation requirements for 2023.



Petrus Gildenhuys
Director, IBIS ESG Consulting South Africa (Pty) Ltd
Johannesburg, 28 February 2024



The assurance statement provides no assurance on the maintenance and integrity of sustainability information on the website, including controls used to maintain this. These matters are the responsibility of Anglo American.

Sustainability-linked financing disclosures

Sustainability-linked finance

We recognise 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 led to our desire to further emphasise our commitments to sustainability and meaningfully link certain of our financing requirements to the sustainability objectives we have for the business.

Sustainability-Linked Loan with the IFC

On 9 June 2022, Anglo American announced that it had signed a \$100 million 10-year loan agreement with the International Finance Corporation (“IFC”) linked to the delivery of sustainability goals that are integral to Anglo American’s Sustainable Mining Plan. This sustainability-linked loan is the IFC’s first in the mining sector and is understood to be the first in the mining sector globally that focuses exclusively on social development indicators. The specific goals tied to the loan agreement are aimed at supporting community development in rural communities close to Anglo American’s mining operations across South Africa, including by promoting the creation of jobs as well as improving the quality of education for more than 73,000 students.

Sustainability-Linked Financing Framework

In September 2022, the Group adopted a financing framework relating to its sustainability strategy and targets and in connection with which we may issue bonds, loans and other financing instruments with a link to sustainability performance targets (the “Sustainability-Linked Financing Framework”) in accordance with, among other things, the Sustainability-Linked Bond Principles 2020 administered by the International Capital Markets Association.

Selection of Key Performance Indicators

The Group’s Sustainability-Linked Financing Framework establishes targets to: (i) reduce the sum of the Group’s Scope 1 Emissions and Scope 2 Emissions by 30% by 31 December 2030, relative to a 2016 baseline; (ii) reduce the amount of Fresh Water the Group abstracts from Water Scarce Area Operations by 50% by 31 December 2030, relative to a 2015 baseline; and (iii) increase the ratio of Off Site Jobs to On Site Jobs in relevant regions to 5:1 by 31 December 2030 (together, the “Sustainability Targets”).

All capitalised terms not otherwise defined in this “Sustainability-Linked Finance” section shall have the meanings given to them in the Offering Circular (as defined below).

Sustainability-Linked Notes issuance

On 21 September 2022, Anglo American Capital plc issued €745,000,000 4.750 per cent. Guaranteed Sustainability-Linked Notes due 21 September 2032 (the “Sustainability-Linked Notes”) guaranteed by Anglo American plc. Under the conditions of the Sustainability-Linked Notes and as specified in the Final Terms (as defined below), the interest rate payable on the Sustainability-Linked Notes is subject to upward adjustment (a “Step Up”) where the Group has failed to satisfy one or more of the applicable Sustainability-Linked Note Conditions.

The Sustainability-Linked Notes were issued pursuant to an Offering Circular dated 12 September 2022 (the “Offering Circular”) relating to Anglo American’s U.S.\$15,000,000,000 Euro Medium Term Note Programme, which can be found at: www.angloamerican.com/emtn-investor-downloads-disclaimer and Final Terms dated 16 September 2022 (the “Final Terms”), which can be found at: www.rns-pdf.londonstockexchange.com/rns/8181Z_1-2022-9-16.pdf

Sustainability-Linked Notes reporting and progress

As required by Condition 14A (Available Information) of the Sustainability-Linked Notes, we report the following:

Absolute GHG emissions

2016 Absolute GHG Emissions Baseline	13.41 Mt CO ₂ e
Absolute GHG Emissions Amount for 2023	12.5 Mt CO ₂ e
Absolute GHG Emissions Percentage for 2023	7%
Absolute GHG Emissions Percentage Threshold	30%
Recalculation Events in 2023	None
Amendments to the 2016 Absolute GHG Emissions Baseline or Absolute GHG Emissions Percentage Threshold	None

► For more information on GHG emissions
[Visit angloamerican.com/policies-and-data](http://angloamerican.com/policies-and-data)

Fresh Water abstraction

2015 Water Abstraction Baseline	48,666 megalitres per year
Water Abstraction Amount for 2023	38,040 megalitres
Water Abstraction Percentage for 2023	22%
Water Abstraction Percentage Threshold	50%
Recalculation Events in 2023	None
Amendments to the 2015 Water Abstraction Baseline or Water Abstraction Percentage Threshold	None

► For more information on Fresh Water abstraction
[Visit angloamerican.com/policies-and-data](http://angloamerican.com/policies-and-data)

Livelihoods

Livelihoods Ratio for 2023	2.5 Off Site Jobs per 1 On Site Job
Livelihoods Ratio Threshold	5 Off Site Jobs per 1 On Site Job
Recalculation Events in 2023	None
Amendments to the Livelihoods Ratio Threshold	None

► For more information on Livelihoods
[Visit angloamerican.com/policies-and-data](http://angloamerican.com/policies-and-data)

Assurance

In accordance with Condition 14A of the Sustainability-Linked Notes, the Assurance Reports for 2023 have been issued by IBIS consulting as External Verifier and are available on pages 102–103 of this report.

Basis for the preparation of key sustainability data

Our data governance process, definitions, calculation methodologies and additional guidance notes are documented in the Anglo American Sustainability Indicators, Definitions and Governance business process standard, which is mandatory throughout the business. External verification was, for the purposes of reporting, carried out against this basis of preparation document.

Organisational boundaries and scope

Anglo American accounts for 100% of operations over which it holds management control. During 2018, we took the decision to exclude the De Beers non-managed joint operations of Debswana and Namdeb from our sustainability reporting. This is in line with industry practice and aligns with the scope and boundary of sustainability reporting. A full list of those operations is available on page 107. Our proportional share of independently managed or non-managed operations is not included in our sustainability reporting scope. Acquisitions and divestments are accounted for from date of acquisition/until date of sale.

Data sources

Anglo American hosts a data collection database for reporting key sustainability metrics, including those relating to energy, GHG emissions, water consumption, environmental incidents, occupational health, social performance and safety. Corporate social investment figures are captured in our financial reporting system and collated in a spreadsheet. Consistent reporting processes and indicator definitions have been implemented and applied for all indicators in the assurance scope.

This data is captured on a monthly basis by more than 50 reporting entities and subject to integrity reviews by corporate analysts each quarter. A selection of material indicators is reported internally on a monthly basis and to the executive and Board at each meeting.

It should be noted that while indicators in the assurance scope are reported with a high degree of accuracy, estimates are allowed in December for energy and water consumption data as they are dependent on invoices from utility providers.

Reporting period

Our reporting year runs from 1 January to 31 December 2023. Changes to historical data follow a formal change request process, which is signed off by relevant heads of functions and restated externally, if material.

Definitions

Scope 1 emissions

Scope 1 emissions include CO₂e emissions from fossil fuels, coal seam gas fugitive emissions, renewable fuels and operational processes. Process emissions include those associated with on site and managed sewerage facilities, on-site water-treatment facilities, the use of carbonates in acid leaching processes at copper-processing facilities, fugitive emissions during the production of phosphates.

Scope 2 emissions

Scope 2 emissions include CO₂ from electricity purchased and reported in million tonnes of CO₂e.

Scope 3 emissions

Scope 3 emissions include the CO₂e emissions that result from the reporting company's activities but occur at sources that another party owns or controls.

Total energy use

Total energy use is calculated from electricity purchased, energy from fossil fuels and energy from renewable fuels, and reported in million GJ.

Operational water withdrawal

Water that enters the operational water system used to meet the operational water demand.

Other managed water withdrawal (OMW)

Water that is actively managed (e.g. physically pumped, actively treated or has material consumptive losses) without intent to supply the operational water demand.

Total discharge

All water that is released to the water environment (surface water, groundwater or seawater) or to a third party (including operational water and OMW).

Total consumption

All water that is removed by evaporation, entrainment (in product or waste) or other losses, and not released back to surface water, groundwater, seawater or a third party.

Operational efficiency (sum or re-use and recycle)

Water that has been used in an operational task and is recovered and used again in an operational task, either without treatment (reuse) or with treatment (recycle). Expressed as a volume (ML) and as a percentage of total operational use (%).

Operational water use

The volume of water used in operational tasks.

Change in storage

The net change (positive or negative) in the volume of water in storage (operational water and OMW) during the reporting period.

Total work-related fatal injuries

A fatality is an employee or contractor death resulting from a work-related injury. In addition to being work-related, the activity performed must be subject to management control. Anglo American records all work-related losses of life for the purposes of internal and external investigation, management action, legal process and compensation. However, while fatal injuries that result from criminal activity and public-road incidents are recorded for management purposes, these are not included in formal statistics and frequency-rate calculations.

Fatal injury frequency rate (FIFR)

The FIFR is the rate of fatality per million hours worked for both employees and contractors.

Total recordable case frequency rate (TRIFR)

The TRIFR is a rate per million hours worked of employee and contractor fatal injuries, lost-time injuries, and medical treatment cases. First-aid cases – minor work-related injuries which, in normal circumstances, are able to be treated successfully in accordance with recognised first-aid training – are not included in this calculation. Injuries are diagnosed by medical and safety professionals according to Anglo American criteria. These criteria are additional to local legal reporting and compensation requirements.

Inhalable hazards and carcinogens

Total number of employees assigned to homogeneous exposure groups in an "A" classification band, i.e. ≥OEL (without taking into account PPE) for the reporting period.

Inhalable hazards include the following:

- Nickel (water soluble compounds)
- Copper dusts and mists
- Sulphuric acid mists
- Sulphur dioxides
- Arsenic
- Coal tar pitch volatiles
- Cobalt
- Dust (respirable and inhalable)
- Welding fumes
- Volatile organic compounds (VOCs).

Occupational cancers include the following (but not limited to): Mixed coal mining dust, respirable crystalline silica (RCS), and Diesel Particulate Matter (DPM), as well as arsenic, coal tar pitch volatiles, cobalt, nickel (soluble and insoluble) and solar radiation at levels ≥ OEL.

Cases of noise-induced hearing loss (NIHL)

Number of employees diagnosed with NIHL during the reporting period. New cases are recorded when:

- The rules for diagnostic criteria for occupational disease in Anglo American have been met
- There is a pattern consistent with NIHL on the audiogram
- The average hearing loss at frequencies 0.5, 1, 2, 3 and 4 kHz for both ears is greater than 25 dBA
- There has been a 10 dB change in the average hearing loss since the pre-placement audiogram recorded on employment with Anglo American
- The employee has not previously been counted as NIHL.

Total amount spent on community social investment

Categories for community social investment (CSI) expenditure include charitable donations, community investment and 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.

Community investment includes the funding of community partnerships which address social issues, the costs of providing public facilities to community members who are not employees

or dependants, 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.

Environmental incident classification

We classify environmental incidents on a scale of 1 to 5 based upon increasing severity, in accordance with the Anglo American 5x5 risk matrix, which plots potential incidents against their likelihood of occurring and the severity of their consequence.

A Level 1 incident will have a minor impact on the environment, while at the other extreme, a Level 5 incident will have a major impact on the environment. Correct classification of incidents is important as it determines the level of response, investigation and reporting required.

The following components are taken into consideration when rating the severity of environmental incidents:

Scale: How significant is the size/scale of the impact relative to the size/scale of the receiving environment?

Sensitivity: How sensitive is the receiving environment to the impact? How special or unique is the area that has been impacted?

Remediation and clean-up: How difficult is the impact to contain, remediate and/or clean up? How much time and/or resources are required to manage the incident?

The classification criteria for environmental incidents match the potential complexity of actual environmental incidents. They were developed by our global environmental leadership team, with input from practitioners and piloted in two sites, before being approved by the Sustainability Committee.

Land rehabilitation (ha)

The total hectares (ha) seeded and/or planted planned, completed in the calendar year. Some areas may not require seeding or planting, while some areas also require other activities such as contour ripping or fertilising. Rehabilitated areas are included as completed in this indicator when no more direct action is to be taken on the site. This excludes monitoring and maintenance requirements. The purpose of this indicator is to measure progress against the annual rehabilitation target.

Reporting scope

As at 31 December 2023

Unless otherwise stated, data included in this report accounts for 100% of the businesses managed by Anglo American. Data for acquisitions is included from the date of acquisition, and divested businesses discontinue reporting from the date of disposal.

Businesses included in reporting scope	
	Country
Platinum Group Metals	
Mining operations	
Amandelbult complex	South Africa
Mogalakwena Mine	South Africa
Mototolo	South Africa
Unki	Zimbabwe
Twickenham project (care and maintenance – C&M)	South Africa
Processing operations	
Waterval smelter	South Africa
Mortimer smelter	South Africa
Polokwane smelter	South Africa
Rustenburg Base Metals Refinery	South Africa
Rustenburg Precious Metals Refinery	South Africa
Unki smelter	Zimbabwe
De Beers	
De Beers Jewellers	Global
De Beers Operations Canada	
Gahcho Kué	Canada
Snap Lake (C&M)	Canada
Victor (closed)	Canada
De Beers Operations South Africa	
Namaqualand (closed)	South Africa
Venetia	South Africa
Voorspoed (closed)	South Africa
Commercial and industrial	
Element Six	Global
Sales and Brands	Global
Copper	
Chagres smelter	Chile
El Soldado	Chile
Los Bronces	Chile
Quellaveco	Peru

Businesses included in reporting scope	
	Country
Nickel	
Codemin	Brazil
Barro Alto	Brazil
Kumba Iron Ore	
Kolomela	South Africa
Sishen	South Africa
Iron Ore Brazil	
Minas-Rio	Brazil
Steelmaking Coal	
Moranbah	Australia
Grosvenor	Australia
Capcoal	Australia
Dawson	Australia
Peace River Coal (C&M)	Canada
Crop Nutrients	
Woodsmith project	United Kingdom
Other	
Vergelegen wine farm	South Africa
Corporate offices	Global
Discovery	Global

Joint ventures, associates, investments and other interests excluded from reporting scope	
	Country
Platinum Group Metals	
Masa Chrome Company	South Africa
Modikwa Platinum Joint Operation	South Africa
Kroondal Pooling and Sharing Agreement	South Africa
Bokoni (C&M)	South Africa
Atlatsa Resources Corporation	South Africa
Wesizwe Platinum Limited	South Africa
De Beers	
Botswana	
Damtshaa	Botswana
Jwaneng	Botswana
Orapa	Botswana
Lethakane	Botswana
Diamond Trading Company Botswana	Botswana
Namdeb	
Namdeb Diamond Corporation	Namibia
Debmarine Namibia	Namibia
Namibia Diamond Trading Corporation	Namibia
Copper	
Collahuasi	Chile
Iron Ore and Manganese	
Iron Ore Brazil – Ferroport	Brazil
Samancor	Australia and South Africa
Thermal Coal	
Dalrymple Bay Coal Terminal Pty Ltd	Australia

Commitments to external initiatives and memberships

International Council on Mining and Metals

As a member of the International Council on Mining and Metals (ICMM), Anglo American adheres to the 10 ICMM Principles, which serve as a best-practice framework for sustainable development in the mining and metals industry. We also adhere to ICMM Position Statements on various issues that are critical to the mining industry.

Anglo American complies with the ICMM Sustainable Development Framework, Principles, Position Statements and reporting requirements

Our compliance with the ICMM’s requirements is addressed throughout this report. In line with our ICMM commitments, in 2023 we completed our self-assessments against the ICMM Performance Expectations. Our ICMM assurance procedure and outcome of these performance self-assessments are available on our website.

- [ICMM assurance procedure](#)
[Visit \[angloamerican.com/ICMM-assurance\]\(https://angloamerican.com/ICMM-assurance\)](#)
- [ICMM performance self-assessments](#)
[Visit \[angloamerican.com/ICMM-performance\]\(https://angloamerican.com/ICMM-performance\)](#)

This account includes the following elements of the ICMM Assurance Procedure:

- The alignment of our sustainability policies against the 10 Principles and mandatory requirements of the Position Statements
- Our process for identifying specific sustainable development risks and opportunities
- The existence and implementation of systems and approaches for managing sustainable development risk and opportunities
- Our performance across a selection of identified material sustainable development risks and opportunities
- Our disclosure in accordance with the GRI standards core option and related Mining and Metals Supplement.

10 Principles

- Principle 1: Apply ethical business practices and sound systems of corporate governance and transparency to support sustainable development
- Principle 2: Integrate sustainable development in corporate strategy and decision-making processes
- Principle 3: Respect human rights and the interests, cultures, customs and values of employees and communities affected by our activities
- Principle 4: Implement effective risk-management strategies and systems based on sound science and which account for stakeholder perceptions of risks
- Principle 5: Pursue continual improvement in health and safety performance with the ultimate goal of zero harm
- Principle 6: Pursue continual improvement in environmental performance issues, such as water stewardship, energy use and climate change
- Principle 7: Contribute to the conservation of biodiversity and integrated approaches to land-use planning
- Principle 8: Facilitate and support the knowledge base and systems for responsible design, use, re-use, recycling and disposal of products containing metals and minerals
- Principle 9: Pursue continual improvement in social performance and contribute to the social, economic and institutional development of host countries and communities
- Principle 10: Proactively engage key stakeholders on sustainable development challenges and opportunities in an open and transparent manner. Effectively report and independently verify progress and performance.

Position statements

- Water stewardship
- Tailings governance
- Indigenous Peoples and mining
- Principles for climate change policy design
- Mining partnerships for development
- Transparency of mineral revenues
- Mining and protected areas
- Mercury risk management.

United Nations Global Compact

The UN Global Compact (UNGC) is a principles-based approach to sustainability, derived from UN declarations. Our Communication on Progress highlights our progress toward implementation of the principles and our support for the UNGC’s development objectives.

Anglo American is a signatory to the United Nations (UN) Global Compact Principles, through which we commit to:

- Supporting and respecting the protection of internationally proclaimed human rights
- Ensuring that we are not complicit in human rights abuses
- Upholding the freedom of association and the effective recognition of the right to collective bargaining
- Eliminating all forms of forced and compulsory labour
- Ensuring the effective abolition of child labour
- Eliminating discrimination in respect of employment and occupation
- Supporting a precautionary approach to environmental challenges
- Undertaking initiatives to promote greater environmental responsibility
- Encouraging the development and diffusion of environmentally friendly technologies
- Work against corruption in all its forms, including extortion and bribery.

Our approach to complying with the UN Global Compact Principles is integrated throughout this report.

UN Guiding Principles on Business and Human Rights

The UN Guiding Principles on Business and Human Rights (UNGPs) is a framework, which aims to show the progress an organisation is making regarding respecting human rights. Anglo American is committed to operating in a manner consistent with the guiding principles.

SDGs

We have developed our Sustainable Mining Plan through extensive internal and external engagement and analysis of critical opportunities and risks, including the UN SDGs. By looking closely at practical issues we’ve found some real opportunities to make a difference that align closely to the UN’s Sustainable Development Goals.

GRI Standards

The Global Reporting Initiative (GRI) standards were the first, common sustainability standards for organisations to report their sustainability impacts in a consistent and credible way, while meeting the needs of multiple stakeholders. Our sustainability report is prepared in accordance with the GRI standards core-level option.

Our GRI table is found on pages 110–113 of this report.

TCFD

The Task Force on Climate-related Financial Disclosures (TCFD) is a framework which enables companies to provide better information to investors across four key areas; climate change governance, risk, strategy and, metrics and targets.

Anglo American’s response can be found on pages 54–61 of this report and our Integrated Annual Report 2023 on pages 132–137.

TNFD

The Task Force for Nature Disclosure provides guidance to help organisations to report and act on evolving nature-related issues with the ultimate aim of supporting a shift in global financial flows away from nature-negative outcomes and toward nature-positive outcomes. In January 2024, Anglo American confirmed its early adoption of the TNFD recommendations.

EITI

We have been a signatory to the Extractive Industries Transparency Initiative (EITI) since its inception. This is built on the belief that to build trust and a sustainable licence to operate, we need to have open and inclusive conversations about the cost-benefits of mining. We remain committed to the multi-stakeholder group approach that lies at the heart of the EITI accountability process and aim to replicate this approach everywhere we operate including in countries which are not EITI signatories.

Voluntary Principles on Security and Human Rights

The Voluntary Principles on Security and Human Rights are an internationally recognised set of principles that guide companies on how to conduct their security operations while ensuring respect for human rights.

IRMA

The Initiative for Responsible Mining Assurance (IRMA) offers third-party verification and certification against a comprehensive standard for all mined metals. Anglo American’s commitment to IRMA is linked to our Sustainable Mining Plan commitment for all mines to undergo third-party audits against recognised responsible mine certification systems.

Industry associations

Industry associations play an important role for Anglo American around the world. Our memberships of, and partnerships with, industry associations allow us to share best practice and be well informed on relevant technical, political and social developments. They also offer a route for Anglo American’s voice to be amplified alongside peer companies in policy and other debates. We expect the same standards of behaviour from the industry associations of which we are a member as we would from any other organisation with which we partner. This expectation is reflected in the Working with Institutional Stakeholders’ element of the Business Integrity section of our Code of Conduct. Our Group Business Integrity Policy also clarifies that this also applies to our dealings with industry associations.

We publish details regarding all of our association memberships on our website. We are committed to a biennial disclosure outlining an analysis of policy alignment, and how the governance process has been applied during the reporting period. One element of the governance process is designed to respond to potential misalignment between industry associations and Anglo American.

Its key elements include:

- Escalating issues of concern to the head of the relevant business and then, if necessary, to the Group head of corporate affairs and ultimately to the Executive Leadership Team.
- Engaging with the industry association, seeking the necessary policy change.
- In the event of continued misalignment, we will consider all potential actions, up to and including suspension or termination of our membership.

GRI standards contents index

Anglo American has reported the information cited in this GRI content index for the reporting period 1 January 2023–31 December 2023, with reference to the GRI Standards.

GRI 1: Foundation 2021

The content index reflects where our material issues have been reported against related disclosures and management approach. Where information is available, we have also included additional disclosures beyond our core material topics. To locate the topics and our responses, please refer to the references column where we have provided the source of information and, in some instances, have included a direct response within the index. The references include our Sustainability Report 2023, Integrated Annual Report 2023, and Tax and Economic Contribution Report 2023.

► See more on our sustainability data on the Anglo American website
Visit angloamerican.com/sustainabilitydata

GRI 2: General disclosures 2021

Indicator	Disclosure	Reference
2-1	Organizational details	SR: 3-4
2-2	Entities included in the organization’s sustainability reporting	SR: 107
2-3	Reporting period, frequency and contact point	SR: 105; 114
2-4	Restatements of information	Any material restatements will be reflected in the data tables on the Anglo American website.
2-5	External assurance	SR: 102-103
2-6	Activities, value chain and other business relationships	SR: 4-5,10, 99-100
2-7	Employees	More on sustainability data tables; SR 41-43
2-8	Workers who are not employees	More on sustainability data tables.
2-9	Governance structure and composition	SR: 48-49
2-10	Nomination and selection of the highest governance body	IAR: 166-167
2-11	Chair of the highest governance body	IAR: 142
2-12	Role of the highest governance body in overseeing the management of impacts	SR: 48-49; IAR:148-150
2-13	Delegation of responsibility for managing impacts	SR: 48-49
2-14	Role of the highest governance body in sustainability reporting	SR: 48
2-15	Conflicts of interest	IAR: 142-145; Anglo American Code of Conduct.
2-16	Communication of critical concerns	SR: 13-15, 22-24
2-17	Collective knowledge of the highest governance body	IAR: 142-145
2-18	Evaluation of the performance of the highest governance body	IAR:156-157
2-19	Remuneration policies	IAR: 185-190
2-20	Process to determine remuneration	IAR: 191-211
2-21	Annual total compensation ratio	IAR: 208
2-22	Statement on sustainable development strategy	SR: 16-17
2-23	Policy commitments	SR: 32-33, 48-51
2-24	Embedding policy commitments	SR: 32-33, 48-51
2-25	Processes to remediate negative impacts	See more in each section of the Sustainability Report.
2-26	Mechanisms for seeking advice and raising concerns	SR: 32-33
2-27	Compliance with laws and regulations	AR: 155; 220; 330-333
2-28	Membership associations	SR: 93; More here: www.angloamerican.com/~/_media/Files/A/Anglo-American-Group-v5/PLC/investors/annual-reporting/2022/aa-industry-associations-review-2023.pdf
2-29	Approach to stakeholder engagement	SR: 76
2-30	Collective bargaining agreements	SR: 13, 37

GRI 3: Material Topics 2021

Indicator	Disclosure	Reference
3-1	Process to determine material topics	SR: 22-23
3-2	List of material topics	SR: 22-23
3-3	Management of material topics	SR: See the material topics within the report.

GRI 201: Economic Performance 2016

Indicator	Disclosure	Reference
201-1	Direct economic value generated and distributed	SR: 101
201-2	Financial implications and other risks and opportunities due to climate change	IAR: 132-137. Please refer to our TCFD table. Climate change matters are covered throughout the Integrated Annual Report and Sustainabiity Report.
201-3	Defined benefit plan obligations and other retirement plans	IAR: 268-272
201-4	Financial assistance received from government	None received

GRI 203: Indirect Economic Impacts 2016

Indicator	Disclosure	Reference
203-1	Infrastructure investments and services supported	SR: 77-78, 80-81 101
203-2	Significant indirect economic impacts	Examples can be found throughtout the Sustainability Report and Integrated Annual Report.

GRI 204: Procurement Practices 2016

Indicator	Disclosure	Reference
204-1	Proportion of spending on local suppliers	More on sustainability data tables.

GRI 205: Anti-corruption 2016

Indicator	Disclosure	Reference
205-1	Operations assessed for risks related to corruption	SR: 32-33
205-2	Communication and training about anti-corruption policies and procedures	SR: 32-33
205-3	Confirmed incidents of corruption and actions taken	SR: 32-33

GRI 206: Anti-competitive Behavior 2016

Indicator	Disclosure	Reference
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	SR: 32-33.

GRI 207: Tax 2019

Indicator	Disclosure	Reference
207-1	Approach to tax	TEC: 45-46
207-2	Tax governance, control, and risk management	TEC: 45-46
207-3	Stakeholder engagement and management of concerns related to tax	TEC: 45-46
207-4	Country-by-country reporting	TEC: 13-14. The latest update is available on our website.

GRI 302: Energy 2016

Indicator	Disclosure	Reference
302-1	Energy consumption within the organization	SR 58
302-3	Energy intensity	SR 58
302-4	Reduction of energy consumption	SR 58

GRI 303: Water and Effluents 2018

Indicator	Disclosure	Reference
303-1	Interactions with water as a shared resource	SR: 65-67. More on sustainability data tables.
303-2	Management of water discharge-related impacts	SR: 65-67. More on sustainability data tables.
303-3	Water withdrawal	SR 66. More on sustainability data tables.
303-4	Water discharge	SR 66. More on sustainability data tables.
303-5	Water consumption	SR: 66

GRI 304: Biodiversity 2016

Indicator	Disclosure	Reference
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	More on sustainability data tables.
304-2	Significant impacts of activities, products and services on biodiversity	SR: 62-64 ; We are working to improve our disclosure on 304-2b in the coming years

GRI 305: Emissions 2016

Indicator	Disclosure	Reference
305-1	Direct (Scope 1) GHG emissions	SR: 58
305-2	Energy indirect (Scope 2) GHG emissions	SR: 58
305-3	Other indirect (Scope 3) GHG emissions	SR: 58
305-4	GHG emissions intensity	SR: 58
305-5	Reduction of GHG emissions	SR: 58
305-6	Emissions of ozone-depleting substances (ODS)	More on sustainability data tables.
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	SR: 72

GRI 306: Waste 2020

Indicator	Disclosure	Reference
306-1	Waste generation and significant waste-related impacts	SR: 70-71
306-2	Management of significant waste-related impacts	SR: 70-71
306-3	Waste generated	SR: 70
306-4	Waste diverted from disposal	SR: 70
306-5	Waste directed to disposal	SR: 70

GRI 308: Supplier Environmental Assessment 2016

Indicator	Disclosure	Reference
308-1	New suppliers that were screened using environmental criteria	SR: 99-100
308-2	Negative environmental impacts in the supply chain and actions taken	SR: 99-100

GRI 401: Employment 2016

Indicator	Disclosure	Reference
401-1	New employee hires and employee turnover	SR: 37; More on sustainability data tables.
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	We are unable to provide this data at a Group level due to different regulatory requirements in the jurisdictions where we operate.
401-3	Parental leave	SR: 41

GRI 402: Labor/Management Relations 2016

Indicator	Disclosure	Reference
402-1	Minimum notice periods regarding operational changes	We are unable to provide this data at a Group level due to different regulatory requirements in the jurisdictions where we operate.

GRI 403: Occupational Health and Safety 2018

Indicator	Disclosure	Reference
403-1	Occupational health and safety management system	SR: 26-28, 50
403-2	Hazard identification, risk assessment, and incident investigation	SR: 26-28
403-3	Occupational health services	SR: 29-30
403-4	Worker participation, consultation, and communication on occupational health and safety	SR: 30
403-5	Worker training on occupational health and safety	SR: 29-30
403-6	Promotion of worker health	SR: 29-30
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	SR: 26-28, 29-30
403-8	Workers covered by an occupational health and safety management system	SR: 29-30
403-9	Work-related injuries	SR: 26-28
403-10	Work-related ill health	SR: 29-30

GRI 404: Training and Education 2016

Indicator	Disclosure	Reference
404-1	Average hours of training per year per employee	SR: 38. Anglo American measures training in monetary terms, as well as the number of individuals in structured programmes.
404-2	Programs for upgrading employee skills and transition assistance programs	SR: 38-39
404-3	Percentage of employees receiving regular performance and career development reviews	SR 36-37

GRI 405: Diversity and Equal Opportunity 2016

Indicator	Disclosure	Reference
405-1	Diversity of governance bodies and employees	SR: 41-3; AR: 145; 74
405-2	Ratio of basic salary and remuneration of women to men	SR: 42 (UK Gender Gap highlights); AR: 206-207

GRI 406: Non-discrimination 2016

Indicator	Disclosure	Reference
406-1	Incidents of discrimination and corrective actions taken	SR: 32-33. Details associated with potential incidents of discrimination are confidential. However, actions taken on YourVoice complaints are included on page 33.

GRI 407: Freedom of Association and Collective Bargaining 2016

Indicator	Disclosure	Reference
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	SR: 99-100

GRI 408: Child Labor 2016

Indicator	Disclosure	Reference
408-1	Operations and suppliers at significant risk for incidents of child labor	SR 99-100. No operation is considered to be at significant risk for incidents of forced or compulsory labour. This risk is managed via the Anglo American Responsible Sourcing Standard.

GRI 409: Forced or Compulsory Labor 2016

Indicator	Disclosure	Reference
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	SR 99-100. No operation is considered to be at significant risk for incidents of forced or compulsory labour. This risk is managed via the Anglo American Responsible Sourcing Standard.

GRI 410: Security Practices 2016

Indicator	Disclosure	Reference
410-1	Security personnel trained in human rights policies or procedures	SR 45-46

GRI 411: Rights of Indigenous Peoples 2016

Indicator	Disclosure	Reference
411-1	Incidents of violations involving rights of indigenous peoples	SR: 76, 85-87

GRI 413: Local Communities 2016

Indicator	Disclosure	Reference
413-1	Operations with local community engagement, impact assessments, and development programs	SR: 76, 82, 92
413-2	Operations with significant actual and potential negative impacts on local communities	SR: 76, 82, 92

GRI 414: Supplier Social Assessment 2016

Indicator	Disclosure	Reference
414-1	New suppliers that were screened using social criteria	SR: 99-100
414-2	Negative social impacts in the supply chain and actions taken	SR: 99-100

GRI 415: Public Policy 2016

Indicator	Disclosure	Reference
415-1	Political contributions	SR 93. In accordance with our Code of Conduct, we do not make political donations or donations that could be perceived as such, either directly or through third parties.

GRI 416: Customer Health and Safety 2016

Indicator	Disclosure	Reference
416-1	Assessment of the health and safety impacts of product and service categories	Not applicable to the mining industry.
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Not applicable to the mining industry.

GRI 417: Marketing and Labeling 2016

Indicator	Disclosure	Reference
417-1	Requirements for product and service information and labeling	SR 96-97

GRI 418: Customer Privacy 2016

Indicator	Disclosure	Reference
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Not material to the Group.

Omissions

GRI 202: Market Presence 2016

Indicator	Disclosure	Reference
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	We are unable to provide this data at a Group level.
202-2	Proportion of senior management hired from the local community	We are unable to provide this data at a Group level.

GRI 301: Materials 2016

Indicator	Disclosure	Reference
301-1	Materials used by weight or volume	We are looking to improve on our disclosures in this area in the coming years.
301-2	Recycled input materials used	We are looking to improve on our disclosures in this area in the coming years.
301-3	Reclaimed products and their packaging materials	We are looking to improve on our disclosures in this area in the coming years.

GRI 302: Energy 2016

Indicator	Disclosure	Reference
302-2	Energy consumption outside of the organization	We do not report against 302-2. We do disclose the Scope 3 emissions and these can be found on the sustainability data tables.
302-5	Reductions in energy requirements of products and services	We do not report against 302-5. We do disclose the Scope 3 emissions and these can be found on the sustainability data tables.

GRI 304: Biodiversity 2016

Indicator	Disclosure	Reference
304-3	Habitats protected or restored	We are looking to improve on our disclosures in this area in the coming years.
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	We are looking to improve on our disclosures in this area in the coming years.

GRI 417: Marketing and Labeling 2016

Indicator	Disclosure	Reference
417-2	Incidents of non-compliance concerning product and service information and labeling	We are looking to improve on our disclosures in this area in the coming years.
417-3	Incidents of non-compliance concerning marketing communications	We are looking to improve on our disclosures in this area in the coming years.

Contacts and other information

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

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