

ANGLO AMERICAN MARKETING LIMITED

(Incorporated in United Kingdom. Registration Number: 00405724)

ANNUAL REPORT

For the financial year ended 31 December 2023

ANGLO AMERICAN MARKETING LIMITED
(Incorporated in United Kingdom)

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For the financial year ended 31 December 2023

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ANGLO AMERICAN MARKETING LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

Directors

A Fereday
A Gerber
A S Sandhu
D Wood (Appointed on 14 December 2023)
D Drake (Resigned on 1 December 2023)
K L Southwell (Appointed on 9 June 2023)
M T S Walker (Appointed on 1 December 2023)
P G Whitcutt (Resigned on 1 December 2023)
P Ward
R H Elliott (Resigned on 8 March 2024)
R Price (Resigned on 1 March 2023)

Company Secretary

Anglo American Corporate Secretary Limited

Registered Office

17 Charterhouse Street
London EC1N 6RA
United Kingdom

Bankers

Citibank N.A., London
22-56 CGC
Canary Wharf
London E14 5LB
United Kingdom

Citibank N.A., Singapore
8 Marina View
#16-01 Asia Square Tower 1
Singapore 018960

Barclays Bank plc
1 Churchill Place
Canary Wharf
London E14 5HP
United Kingdom

The Hongkong and Shanghai Banking Corporation Limited
21 Collyer Quay
#09-01 HSBC Building
Singapore 049320

Solicitors

Linklaters
One Silk Street
London EC2Y 8HQ
United Kingdom

Independent Auditors

PricewaterhouseCoopers LLP
Statutory Auditors
1 Embankment Place
London, WC2N 6RH
United Kingdom

ANGLO AMERICAN MARKETING LIMITED

STRATEGIC REPORT

Introduction

Anglo American Marketing Limited (the “Company”) is a wholly-owned indirect subsidiary of Anglo American plc (“Anglo American”), a company incorporated in the United Kingdom and registered in England and Wales.

The Company’s principal activity during the year was the sale of copper, iron ore, nickel and thermal coal to international customers as well as the provision of agency services for steelmaking coal and thermal coal, and the provision of marketing, freight and other supporting services for certain Anglo American Group companies. While the Company continues to explore and find new revenue streams in adjacencies by adding new commodities to its sales offering, there are no changes to the principal activity of the Company planned for the foreseeable future.

A branch of the Company was registered in Singapore on 14 December 2011 to expand the Company’s activities into the Asia Pacific region (Singapore Branch). The Branch’s financial results are included in these financial statements.

The directors present their strategic report on the Company for the year ended 31 December 2023.

Business review

Copper

The Anglo American Group’s tier one Quellaveco copper mine, located in Peru, started production in mid-2022. It has one of the world’s largest untapped copper orebodies and is expected to add around 300,000 tonnes per annum of copper equivalent production (100% basis) on average in the first 10 years of production. The average LME copper price decreased from US\$8,818/tonne in 2022 to US\$8,488/tonne in 2023 (400 c/lb in 2022 to 385 c/lb in 2023) as there are concerns over China’s property sector weighed on market sentiment and copper prices, masking the solid underlying demand growth from China during the year, particularly from electric vehicles and the renewable energy sector. Copper prices remained sensitive to fluctuations in the strength of the US dollar throughout much of 2023, with prices benefiting in December from expectations that US interest rates have now peaked. Copper demand is well supported by ongoing global decarbonisation efforts and the infrastructure associated with the energy transition. Copper prices have increased significantly in the first half of 2024, driven by expected supply constraints as well as optimism for rising demand from applications in the energy transition.

Iron Ore

Anglo American’s iron ore operations provide customers with high grade iron ore products mainly from mines located in Brazil and South Africa. Anglo American’s Marketing teams work closely with customers to blend and match our products with their needs – before shipment from Saldanha Bay to China, Japan, Europe, the Middle East and the Americas. As steel producers in China and elsewhere face ever-tighter emissions regulation and are seeking ways to make their furnaces cleaner and more efficient, so the demand for higher quality iron ore products increases. The effects of China’s stimulus and the recovery of the global economy resulted in a higher average realised price of US\$129/tonne (2022: US\$125/tonne).

ANGLO AMERICAN MARKETING LIMITED

STRATEGIC REPORT (continued)

Business review (continued)

Nickel

The average LME nickel price decreased from US\$25,596/tonne in 2022 to US\$21,473/tonne in 2023 (US\$11.61/lb in 2022 to US\$9.74/lb in 2023), mainly due to significant supply growth of refined nickel products in Indonesia and China, along with the impact of higher interest rates on consumer inventory levels, resulting in consumer destocking and widening market discounts for ferronickel. Offsetting this, global nickel consumption grew strongly year on year, particularly in China, which saw record volumes of nickel consumed in the stainless steel and battery sectors.

Steelmaking coal

The average benchmark price for Australian hard coking coal (“HCC”) decreased to US\$296/tonne in 2023 (2022: US\$364/tonne), with a surge in prices in the first half of 2022 following the Russian invasion of Ukraine. At the start of 2023, steelmaking coal prices rose in response to supply impacts in Queensland arising from flooding and a rail outage. Prices declined during the second quarter amid supply recovery but increased in the second half of 2023 following low spot availability of premium HCC as labour strikes and production issues impacted Australian supply. Seaborne supply from Australia was further reduced by a cyclone event affecting Queensland port operations in December 2023.

Thermal Coal

The Anglo American plc Group (the “Group”) completed the sale of its residual 8.0% shareholding in Thungela Resources Limited in 2022. The Company continues to support Thungela in the sale and marketing of its products with the arrangement due to end before the end of 2024, and sales and purchases under the offtake agreement will continue to be reported on a net basis, together with the Company’s other third-party trading activities.

Principal risks and uncertainties and financial risk management

The Company's activities expose it to three principal financial risks, namely price risk, credit risk and liquidity risk. Whilst the Company must operate within its available intercompany facility limits, its exposure to cash flow risk is not currently deemed material for the assessment of assets, liabilities and the financial statements.

Significant uncertainty remains over the potential for disruptions to global demand or supply of commodities relating to instability in the Middle East and Russia’s invasion of Ukraine since February 2022. The war has already led to effects such as increased price volatility for energy and agricultural products, changing trade flows as Europe is pushed to reduce dependence on Russian oil and gas, and heightened food security risks in some countries. Additionally, a shift in patterns of global trade and ongoing regional tensions have seen the emergence of new regional trade agreements, as well as more widespread use of protectionist trade measures. The realignment of regional trading blocs and greater socio-political complexity can shift centres of demand and consequently the flow of raw materials to them. Trade restrictions and interstate conflict can impact strategically important raw materials, bringing a renewed focus on supply chain resilience and alternative sources of supply. This offers both challenge and opportunity to the mining industry as new sources and routes are found while the world adjusts.

ANGLO AMERICAN MARKETING LIMITED

STRATEGIC REPORT (continued)

Credit risk

The Company's principal financial assets are cash and cash equivalents, trade and other receivables, derivative financial assets and financial asset investments.

The Company's credit risk is primarily attributable to its trade receivables (Note 13) and loans to third parties recognised as financial asset investments (Note 12). The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience, credit profiles and financial metrics, adjusted as appropriate for current observable data. The credit risk on cash and cash equivalents is limited because the counterparties are either banks with high credit-ratings assigned by international credit-rating agencies, or Anglo American Capital plc, which is part of the Anglo American plc group of companies.

Price risk

The Company is exposed to commodity price risk via its sale and purchase contracts, as well as its inventory holdings. Price risk is managed by the Company's sales teams actively monitoring the markets in which it operates and entering into floating price sale and purchase contracts and derivatives using future and swap contracts. The use of financial derivatives is governed by the Group's policies, which stipulate the principles applicable to the use of financial derivatives to manage price risk.

Liquidity risk

The Company maintains sufficient cash and cash equivalents and internally generated cash flows to finance its activities.

Key Performance Indicators

The key performance indicators for the Company are revenue and the operating profit margin. These were as follows:

	2023	2022
Revenue (US\$'000)	8,701,984	7,533,763
Operating profit margin (%)	5.3%	3.5%

Revenue increased by 16%, driven principally by the increase in sales volumes of copper products sourced from Anglo American Group mines, with sales of products sourced from the Group's Quellaveco mine rising to 192kt in 2023 (2022: 45kt) and iron ore prices rising to a higher average realised price of US\$129/tonne (2022: US\$125/tonne). The Company's operating profit margin increased to 5.3%, up from 3.5% in the prior year. This was primarily due to higher margin blends, gains arising on the financial trading strategies and physical trading including gains on third party sourced product.

The balance sheet shows that the Company was in a net asset position of US\$1,013,438,000 at 31 December 2023 (2022: US\$769,827,000).

ANGLO AMERICAN MARKETING LIMITED

STRATEGIC REPORT (continued)

Section 172 statement

The Anglo American Marketing Limited Board (“the Board”) is cognisant of its legal duty to act in good faith and to promote the success of the Company for the benefit of its shareholder and with regard to the interests of a broad range of stakeholders. These include the likely consequences of any decisions we make over different time horizons; the need to foster the relationships we have with all our stakeholders; the interests of our employees; the impact our operations have on the environment and local communities; and the desire to maintain a reputation for high standards of business conduct.

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

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

Our Purpose and Values

The Board recognises the role of the Company’s business in society and within the Group. The Group’s purpose is summarised as ‘to re-imagine mining to improve people’s lives’, and the Company is focused on contributing to the achievement of this purpose.

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

Engaging 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.

The Company’s stakeholders include our governments, employees, customers, business partners, multinational organisations, industry peers, broader civil society, trade associations and suppliers, in addition to our shareholder.

Long Term Decision Making

The Board took a range of factors and stakeholder considerations into account when making decisions in the year. Decisions are made within the context of the long term factors that may impact the Company and its stakeholders.

ANGLO AMERICAN MARKETING LIMITED

STRATEGIC REPORT (continued)

Section 172 statement (continued)

Understanding our employees and helping our people thrive

The Company knows that our people are critical to everything we do. We create safe, inclusive and diverse working environments that encourage and support high performance and innovative thinking. The Company acknowledges that to get the best from our people, there is a need to understand their viewpoints and address any concerns that may be raised.

To deliver on our strategic business objectives, we rely on a capable and engaged workforce that behaves ethically and responsibly, consistent with Anglo American's Values and Code of Conduct- essential for us to maintain our social licence to operate. We aim to foster a purpose-led high performance, inclusive culture, through an organisational structure that is fit for purpose, resourcing this structure by attracting and retaining the best talent and empowering leadership to deliver the desired outcomes.

As the Company considers workforce engagement to be a priority for every leader at Anglo American, regular surveys are run to identify areas that more must be done to ensure colleagues feel cared for and respected. The Group has established a Global Workforce Advisory Panel, made up of 12 employee representatives and chaired by a senior independent director, with the intention of giving employees more of a voice in the boardroom so that their views can be better understood and considered when decisions are being made about the future of the business.

Relationships with Suppliers and Customers

The Company engages with suppliers through several channels, in line with the Group's sustainable and responsible supplier programme. The Company also engages with customers through direct personal engagements and via business and industry forums.

This report was approved by the Board of Directors and signed on its behalf by:

DocuSigned by:

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Dominic Wood
Director
25 June 2024

ANGLO AMERICAN MARKETING LIMITED**DIRECTORS' REPORT***For the financial year ended 31 December 2023*

The directors present their annual report on the affairs of the Company together with the audited financial statements and auditors' report for the year ended 31 December 2023.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ANGLO AMERICAN MARKETING LIMITED

DIRECTORS' REPORT (continued)

For the financial year ended 31 December 2023

Results and dividends

The profit after tax for the year is US\$447,963,000 (2022: US\$247,736,000).

An interim dividend of US\$200,000,000 (2022: US\$100,000,000) was declared and paid in 2023. No final dividends have been declared.

Directors

The directors of the Company who were in office during the year and, except as shown, up to the date of signing the financial statements were:

A Fereday
 A Gerber
 A S Sandhu
 D Wood (Appointed on 14 December 2023)
 D Drake (Resigned on 1 December 2023)
 K L Southwell (Appointed on 9 June 2023)
 M T S Walker (Appointed on 1 December 2023)
 P G Whitcutt (Resigned on 1 December 2023)
 P Ward
 R H Elliott (Resigned on 8 March 2024)
 R Price (Resigned on 1 March 2023)

Going concern

The directors have considered the Company's cash flow forecasts for the period to the end of 2025. This included assessing the wider macro-economic environment, the Group's commodity production, demand for the Company's products and realised prices.

In all of the scenarios modelled, the Company maintains sufficient liquidity throughout the period of assessment. The Board is satisfied that the Company's forecasts and projections, taking account of modelled changes in trading performance, show that the Company will be able to remain in operation for the period assessed. For this reason, the Company continues to adopt the going concern basis in preparing its financial statements.

On 14 May 2024, the Anglo American plc Group announced its updated strategy, which includes the intention to demerge or divest several of the Group's businesses, including the Group's platinum group metals, nickel and steelmaking coal businesses. The plans to execute this strategy are at an early stage, and at the date of approval of these financial statements:

- the principal activities of the Company remain consistent with those set out in the Strategic Report; and
- no changes have been announced to the immediate or ultimate parent companies of the Company.

The directors are satisfied that at the date of approval of these financial statements the Company remains a going concern but will continue to monitor the implementation of the Group's strategy and its implications upon the going concern status of the Company.

ANGLO AMERICAN MARKETING LIMITED

DIRECTORS' REPORT (continued)

For the financial year ended 31 December 2023

Principal risks and uncertainties

The financial risk management policies of the Company are disclosed in the Strategic Report.

Political donations

The Company made no political donations during the year (2022: US\$Nil).

Disabled employees

The Company's policy is that people with disabilities should have full and fair consideration for all vacancies. Employment of disabled people is considered on merit and with regard only to the ability of any applicant to carry out the role. The Company endeavours to retain the employment of, and arrange suitable retraining for, any employees in the workforce who become disabled during their employment. Where possible the Company will adjust a person's working environment to enable them to stay in employment.

Corporate Governance Report 2023

For the year ended 31 December 2023, under The Companies (Miscellaneous Reporting) Regulations 2018, the Company has applied the Wates Corporate Governance Principles for Large Private Companies (the "Wates Principles") (published by the Financial Reporting Council ('FRC') in December 2018 and available on the FRC website).

The below Corporate Governance statement sets out how the Wates Principles have been applied over the last 12 months.

Principle 1 – Purpose and Leadership

The Group's purpose is 'to re-imagine mining to improve people's lives' and the Company is focused on contributing to the achievement of that purpose by the sale of copper, iron ore, nickel and thermal coal to international customers as well as the provision of agency services for steelmaking coal and thermal coal, and the provision of marketing, freight and other supporting services for certain Anglo American Group companies. The Company also continues to explore and find new revenue streams in adjacencies and by adding new commodities to its sales offering.

We listen to, understand and engage with our stakeholders and the Board endeavours to live up to their expectations by staying true to our Purpose, acting in accordance with our values and delivering our strategy. Information and examples on how we engage with our stakeholders can be found in our section 172 statement on page 5.

The Company adheres to the Group values of Safety, Care and Respect, Integrity, Accountability, Collaboration and Innovation. Our values guide the culture and behaviour of the company and are fundamental to creating enduring benefits for all stakeholders in a way that demonstrably improves people's lives.

ANGLO AMERICAN MARKETING LIMITED

DIRECTORS' REPORT (continued)

For the financial year ended 31 December 2023

Corporate Governance Report 2023 (continued)

Principle 1 – Purpose and Leadership (continued)

The Company adheres to the Group's strong safety culture based on the established concept of Visible Felt Leadership ("VLT"); further information on how VLT works in practice and how this methodology instils a safety ethic can be found in the Anglo American plc Integrated Annual Report (the "Group Annual Report").

The Company adheres to the following Group policies which support the desired culture and behaviours of the Company: Code of Conduct; Business Integrity Policy; Whistleblowing Policy; and Group Conflict of Interest Prevention of Corruption Procedure. The Company also benefits from the YourVoice confidential reporting service which empowers employees, contractors, suppliers and stakeholders to raise concerns anonymously about potentially unethical, unlawful and unsafe conduct or practices that conflict with our Values and Code of Conduct. Operated by an independent multilingual whistleblowing service provider, this service supports a culture of speaking up with safety and ethics at the core. Further information on the Group's policies and how these support a purpose-led culture can be found in the Group Annual Report.

Principle 2 - Board Composition

The Company's Chair, Amrik Sandhu was appointed in May 2022. The Board comprises a diverse range of Anglo American senior employees with experience of marketing, trading and sales.

There is one female Director on the Board. The size and composition of the Board is appropriate to the business.

The Board does not delegate any responsibilities to committees.

Upon appointment all new directors undertake training on their duties as directors and complete refresher training every two years.

Principle 3 – Director Responsibilities

The Board has agreed a Board meeting calendar and meets formally at least four times a year.

The Board receives regular information on many aspects of the business including regular updates on finance, tax, legal, strategy and commodities. In normal circumstances, board papers are issued one week before each meeting to ensure there is sufficient time to enable directors to discharge their responsibilities. A delegated authority framework is in place, in addition to the Group policies adhered to. Any items outlined in the Matters Reserved for the Board of Anglo American plc are escalated to the Group Board.

ANGLO AMERICAN MARKETING LIMITED**DIRECTORS' REPORT** (continued)*For the financial year ended 31 December 2023*

Corporate Governance Report 2023 (continued)Principle 4 – Opportunity and Risk

The Board discusses and reviews progress towards its strategic objectives at Board meetings and considers long-term strategic opportunities. The Board evaluates each opportunity to consider and assess how it would assist the Company to create and preserve value over the longer term.

The Board is focused on managing its key risks to enable it to deliver its strategic and operational objectives. The principal risks of the company have been identified as price risk, credit risk and liquidity risk. Whilst the Company must operate within its available intercompany facility limits, its exposure to cash flow risk is not currently deemed material for the assessment of assets, liabilities and the financial statements. The Company adheres to the Group Risk Appetite set by the Anglo American plc Board. Further information on risk management can be found in the Group Annual Report.

Principles 5 – Remuneration

Any remuneration received by the directors is in relation to their employment by the Group in their day-to-day executive roles, including services provided to the Company. Further information on all employee benefits can be found in the Group Remuneration Report.

Principle 6 – Stakeholders

Information and examples of how we engage with our stakeholders can be found in our section 172 statement on page 5.

Directors' interests

The directors did not have any interests in the share capital of the Company or of the immediate parent company during the year. The directors did not have any material interests during the year in a contract which is significant in relation to the Company's business.

Indemnities

To the extent permitted by law and the Articles, the Company has made qualifying third-party indemnity provisions for the benefit of its directors during the year, which remain in force at the date of this report.

ANGLO AMERICAN MARKETING LIMITED

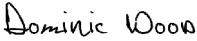
DIRECTORS' REPORT (continued)

For the financial year ended 31 December 2023

Independent Auditors

At the 2023 Annual General Meeting of Anglo American plc, the Company's ultimate parent company, PricewaterhouseCoopers LLP ("PwC") were reappointed as external auditors to the Group. Under section 487(2) of the Companies Act 2006, PwC will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the financial statements with the registrar, whichever is earlier.

The financial statements on pages 17 to 54 were approved by the Board of Directors on 25 June 2024 and signed on its behalf by:

DocuSigned by:

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Dominic Wood
Director
25 June 2024

Independent auditors' report to the members of Anglo American Marketing Limited

Report on the audit of the financial statements

Opinion

In our opinion, Anglo American Marketing Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the balance sheet as at 31 December 2023; the income statement, the statement of comprehensive income and the statement of changes in equity for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to other entities of public interest, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

We have provided no non-audit services to the company or its controlled undertakings in the period under audit.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- We have evaluated the base case forecast and downside scenario, including how the impact of operational disruption and the macroeconomic environment has been incorporated, and checked that the forecasts align with the approved Anglo American plc budget;
- We considered and validated the Company's cash reserves to assess management's forecast liquidity throughout the going concern period;
- We performed our own independent sensitivity analysis to understand the impact of changes in cash flows on the liquidity of the Company; and
- We reviewed the disclosures included within the financial statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006 and applicable tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias included within significant accounting judgements and estimates.. Audit procedures performed by the engagement team included:

- Understanding and evaluating the design and implementation of controls designed to prevent and detect irregularities and fraud;

- Inquiry of management regarding their consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- Challenging assumptions and judgements made by management in respect of critical accounting judgements and significant accounting estimates, and assessing these judgements and estimates for management bias.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Alex Lazarus (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
27 June 2024

ANGLO AMERICAN MARKETING LIMITED**INCOME STATEMENT***For the financial year ended 31 December 2023*

	Note	2023 US\$'000	2022 US\$'000
Revenue	3	8,701,984	7,533,763
Cost of sales		(8,021,150)	(7,082,186)
Gross profit		680,834	451,577
Administrative expenses		(216,477)	(187,398)
Operating profit	5	464,357	264,179
Finance and investment income	6	50,333	24,952
Finance costs	6	(22,346)	(13,430)
Profit before tax		492,344	275,701
Income tax expense	7	(44,381)	(27,965)
Profit for the financial year		447,963	247,736

Revenue and operating profits are all derived from continuing operations in the United Kingdom and Singapore.

The accompanying notes form an integral part of these financial statements.

ANGLO AMERICAN MARKETING LIMITED**STATEMENT OF COMPREHENSIVE INCOME***For the financial year ended 31 December 2023*

	Note	2023 US\$'000	2022 US\$'000
Profit for the financial year		447,963	247,736
Items that will not be reclassified to profit or loss:			
Revaluation loss on investment in equity instruments, net of tax	12	(16,503)	(500)
Other comprehensive expense for the year, net of tax		(16,503)	(500)
Total comprehensive income for year attributable to the owner of the Company		431,460	247,236

The accompanying notes form an integral part of these financial statements.

ANGLO AMERICAN MARKETING LIMITED**BALANCE SHEET***As at 31 December 2023*

	Note	2023 US\$'000	2022 US\$'000
Non-current assets			
Property, plant and equipment	9	10,711	12,798
Intangible assets	10	32,207	23,389
Investments in subsidiaries	11	46,542	43,398
Financial asset investments	12	62,181	59,731
Trade and other receivables	13	26,700	32,834
Deferred tax asset	14	16,577	-
Total non-current assets		194,918	172,150
Current assets			
Financial asset investments	12	66,845	37,658
Trade and other receivables	13	1,466,957	1,210,719
Inventories	15	293,013	331,654
Cash and cash equivalents	16	995,985	811,337
Derivative financial instruments	17	39,616	136,876
Total current assets		2,862,416	2,528,244
Total assets		3,057,334	2,700,394
Current liabilities			
Trade and other payables	18	(1,837,736)	(1,635,778)
Provisions for liabilities	19	-	(8,500)
Short term borrowings	20	(123,721)	(105,144)
Derivative financial instruments	17	(49,575)	(155,437)
Current tax liabilities		(22,391)	(11,147)
Total current liabilities		(2,033,423)	(1,916,006)
Net current assets		828,993	612,238
Total assets less current liabilities		1,023,911	784,388
Non-current liabilities			
Provisions for liabilities	19	(928)	(928)
Medium and long-term borrowings	20	(9,545)	(11,208)
Deferred tax liability	14	-	(2,425)
Total non-current liabilities		(10,473)	(14,561)
Total liabilities		(2,043,896)	(1,930,567)
NET ASSETS		1,013,438	769,827
EQUITY			
Called up share capital	21	30,121	30,121
Share premium account	21	119,999	119,999
Capital contribution reserve	21	23,594	24,664
Fair value reserve		(17,003)	(500)
Retained earnings		856,727	595,543
Total Equity		1,013,438	769,827

These financial statements on pages 17 to 54 of Anglo American Marketing Limited, registered number 00405724, were approved by the board of directors and authorised for issue on 25 June 2024. Signed on behalf of the Board of Directors by:

DocuSigned by:

Dominic Woods

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Director

The accompanying notes form an integral part of these financial statements.

ANGLO AMERICAN MARKETING LIMITED**STATEMENT OF CHANGES IN EQUITY***For the financial year ended 31 December 2023*

	Note	Called-up share <u>capital</u> US\$'000	Share premium <u>account</u> US\$'000	Capital contribution <u>reserve</u> US\$'000	Fair value <u>reserve</u> US\$'000	Retained <u>earnings</u> US\$'000	<u>Total</u> US\$'000
At 1 January 2022		30,121	119,999	51,981	–	409,967	612,068
Transaction with owners, recognised directly in equity							
- Dividends	8	–	–	–	–	(100,000)	(100,000)
- Equity settled share- based payments	4	–	–	10,523	–	–	10,523
- Transfer to retained earnings		–	–	(37,840)	–	37,840	–
		–	–	(27,317)	–	(62,160)	(89,477)
Profit for the year		–	–	–	–	247,736	247,736
Other comprehensive expense for the year		–	–	–	(500)	–	(500)
At 31 December 2022		30,121	119,999	24,664	(500)	595,543	769,827
Transaction with owners, recognised directly in equity							
- Dividends	8	–	–	–	–	(200,000)	(200,000)
- Equity settled share- based payments	4	–	–	12,151	–	–	12,151
- Transfer to retained earnings		–	–	(13,221)	–	13,221	–
		–	–	(1,070)	–	(186,779)	(187,849)
Profit for the year		–	–	–	–	447,963	447,963
Other comprehensive expense for the year		–	–	–	(16,503)	–	(16,503)
At 31 December 2023		30,121	119,999	23,594	(17,003)	856,727	1,013,438

The accompanying notes form an integral part of these financial statements.

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023*

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

Anglo American Marketing Limited is a private company limited by shares, incorporated in the United Kingdom and registered in England and Wales. The nature of the Company's operations and principal activities is set out in the strategic report. The address of the registered office is given on the Company information page. The Company operates principally in the United Kingdom and through its registered branch in Singapore.

These financial statements are presented in United States Dollars because that is the currency of the primary economic environment in which the Company operates.

The Company is exempt, by virtue of section 400 of the Companies Act 2006, from the requirement to prepare consolidated financial statements, because it is included in the Group financial statements of Anglo American plc. The Group financial statements of Anglo American plc are available to the public and can be obtained as set out in Note 25.

2. Accounting policies

The principal accounting policies are summarised below. They have been applied consistently throughout the current and preceding year except where stated otherwise.

Basis of preparation

The financial statements have been prepared in accordance with the requirements of the Companies Act 2006 as applicable to companies using FRS 101. The financial statements have been prepared on the historical cost basis, as modified for the revaluation of financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, share-based payments transactions that are within the scope of IFRS 2 *Share-based Payment* and measurements that have some similarities to fair value such as net realisable value in IAS 2 *Inventories*, as explained in the accounting policies below, and in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies (see below).

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023*

2. Accounting policies (continued)**Basis of preparation (continued)**

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 *Share based Payment*
- the requirements of IFRS 7 *Financial Instruments: Disclosures*
- the requirements of paragraphs 91-99 of IFRS 13 *Fair Value Measurement*
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 *Leases*. The requirements of paragraph 58 of IFRS 16, provided that the disclosure of details in indebtedness relating to amounts payable after 5 years required by company law is presented separately for lease liabilities and other liabilities, and in total
- the requirement in paragraph 38 of IAS 1 *Presentation of Financial Statements* to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 *Property, Plant and Equipment*;
 - paragraph 118(e) of IAS 38 *Intangible Assets*;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 *Presentation of Financial Statements*
- the requirements of IAS 7 *Statement of Cash Flows*
- the requirements of paragraphs 30 and 31 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*
- the requirements of paragraph 17 and 18A of IAS 24 *Related Party Disclosures*
- the requirements in IAS 24 *Related Party Disclosures* to disclose related party transactions entered into between two or more members of a Group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 *Impairment of Assets*.

The Company may take FRS 101 exemptions as it is a member of a Group where the parent prepares publicly available consolidated financial statements which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss and the Company is included in that consolidation.

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023*

2. Accounting policies (continued)**Adoption of new and revised Standards**

On 1 January 2023, the Company has adopted all the new and revised IFRS and new Interpretations issued by the International Accounting Standards Board (IASB) that are effective from that date and are relevant to its operations. The adoption of these new/revised IFRS and new Interpretations does not result in changes to the Company's accounting policies and has no material effect on the amounts reported for the current or prior years.

Going concern

The directors have considered the Company's cash flow forecasts for the period to the end of 2025. This included assessing the wider macro-economic environment, the Group's commodity production, demand for the Company's products and realised prices.

In all of the scenarios modelled, the Company maintains sufficient liquidity throughout the period of assessment. The Board is satisfied that the Company's forecasts and projections, taking account of modelled changes in trading performance, show that the Company will be able to remain in operation for the period assessed. For this reason, the Company continues to adopt the going concern basis in preparing its financial statements.

The directors have considered the announcement on 14 May 2024 of the Anglo American plc Group's revised strategy and concluded that the going concern basis remains appropriate in preparing the Company's financial statements (see Note 26 for details).

Foreign currency transactions

The financial statements of the Company are measured and presented in the currency of the primary economic environment in which the Company operates (its functional currency). The financial statements of the Company are presented in United States dollars, which is the functional currency of the Company. All financial information presented in United States dollars has been rounded to the nearest thousand, unless stated otherwise.

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023*

2. Accounting policies (continued)**Revenue recognition****(a) Revenue from contracts with customers**

Revenue from contracts with customers is recognised in a manner that depicts the pattern of the transfer of goods and services to customers. The amount recognised reflects the amount to which the Company expects to be entitled in exchange for those goods and services. Sales contracts are evaluated to determine the performance obligations, the transaction price and the point at which there is transfer of control. The transactional price is the amount of consideration due in exchange for transferring the promised goods or services to the customer and is allocated against the performance obligations and recognised in accordance with whether control is recognised over a defined period or at a specific point in time. The Company's payment terms are generally consistent with market practice for the relevant commodity markets and hence sales contracts do not contain any significant financing components.

Revenue is derived principally from commodity sales. A sale is recognised when control has been transferred. This is typically when title and insurance risk have passed to the customer and the goods have been delivered to a contractually agreed location. Revenue from contracts with customers is measured at the fair value of consideration received or receivable as at the date control is transferred, after deducting discounts, volume rebates, value added tax and other sales taxes.

Certain sales are provisionally priced such that the price is not settled until a predetermined future date, normally ranging from 30 to 120 days, based on movements in quoted markets or contractual prices up to the date of final pricing. For these sales, revenue from contracts with customers is recognised on the date control is transferred to the customer using the relevant forward price at that date.

Commodity based (own use) contracts that meet the scope exemption in IFRS 9 *Financial Instruments* are recognised in earnings when they are settled by physical delivery and revenue from these contracts are shown as revenue from contracts with customers.

Revenue from services is recognised over time in line with the policy above. For contracts which contain separate performance obligations for the sale of commodities and the provision of freight services, the portion of the revenue representing the obligation to perform the freight service is deferred and recognised over time as the obligation is fulfilled, along with the associated costs.

When the Company acts in the capacity of an agent, the revenue recognised is the net amount of commission earned. Revenue from intracompany transfer pricing adjustments is recognised in accordance with approved transfer pricing arrangements.

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023*

2. Accounting policies (continued)**Revenue recognition (continued)****(b) Revenue from other sources**

Revenue from other sources principally relates to gains and losses on financial instruments which are intrinsically linked to the delivery of commodities to customers or to the Company's commodity trading activities. Commodity contracts which do not meet the own use criteria are accounted for as derivatives prior to settlement and the related fair value gains and losses are shown as revenue from other sources.

Sales of commodities which are provisionally priced are marked to market at each reporting date using the forward price for the period equivalent to that outlined in the contract. Mark-to-market adjustments arising after control of the goods transfers to the customer are recognised in revenue from other sources.

Physically-settled contracts relating to the purchase and sale of material produced by third parties external to the Anglo American Group (third-party sales) are presented on a net basis within revenue from other sources where these contracts are entered into and managed collectively to generate a trading margin and are accounted for as derivatives prior to settlement. This includes third-party material purchased for blending activities conducted to benefit from short term pricing differentials (usually of less than twelve months). This is consistent with the accounting policy of the Company's ultimate parent company, Anglo American plc.

Where material purchased by the Company from third parties external to the Anglo American Group is subsequently sold by the Company to other Anglo American Group companies, the margin earned on the sale is recorded on a net basis within revenue from other sources.

The sale and purchase of third-party material to mitigate shortfalls in the Anglo American Group's own production are shown on a gross basis with sales reported within revenue from contracts with customers as such contracts are used to maintain customer relationships and fulfil physical sale commitments rather than to generate a trading margin.

Revenue from other sources also includes fair value gains and losses arising from mark-to-market adjustments to inventory purchased from third parties as part of trading activities and accounted for at fair value less costs to sell under the broker-trader exemption of IAS 2 *Inventories*.

ANGLO AMERICAN MARKETING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2. Accounting policies (continued)

Finance and investment income

Finance income comprises interest income on cash and cash equivalents; deposits with Group companies, and loans receivable from third parties and a related company. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

Finance costs

Finance costs comprises finance charges from lease liabilities, finance costs for commitment fees and fees for receivables discounting charged by financial institutions.

Defined contribution pension schemes

Amounts paid in respect of defined contribution pension schemes are recognised in the Income Statement in accordance with IAS 19 *Employee Benefits*. There are no defined benefit schemes.

Share-based payments

Certain Company employees participate in share-based payment arrangements operated by the Group and settled in the shares of the ultimate parent company, Anglo American plc. These are accounted for as equity-settled share-based payments to the directors and eligible employees, which are measured at fair value at the date of grant and expensed on a straight line basis over the vesting period, based on the Group's estimate of shares that will eventually vest. For those share schemes with market related vesting conditions, the fair value is determined using the Monte Carlo model at the grant date. The fair value of share awards issued with non-market vesting conditions has been calculated using the Black Scholes model. For all other share schemes with non-market related vesting conditions, the likelihood of vesting has been taken into account when determining the relevant charge. Vesting assumptions are reviewed during each reporting period to ensure they reflect current expectations.

Lease liabilities

Lease liabilities recognised on balance sheet are recognised within borrowings. On inception, the lease liability is recognised as the present value of the expected future lease payments, calculated using the incremental borrowing rate, adjusted to reflect the length of the lease and country of location. The interest rate implicit in the lease, is used in place of the incremental borrowing rate where known.

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023*

2. Accounting policies (continued)**Lease liabilities (continued)**

Lease payments included in the lease liability consist of each of the following:

- Fixed payments, including in-substance fixed payments
- Payments whose variability is dependent only upon an index or a rate, measured initially using the index or rate at the lease commencement date. The lease liability is revalued when there is a change in future lease payments arising from a change in an index or rate
- Any amounts expected to be payable under a guarantee of residual value
- The exercise price of a purchase option that the Company is reasonably certain to exercise, the lease payments after the date of a renewal option if the Company is reasonably certain to exercise its option to renew the lease, and penalties for exiting a lease agreement unless the Company is reasonably certain not to exit the lease early

Variable lease payments (other than those referred to above) and the payments of non-lease components are not included in the lease liability and are charged to operating costs as they are incurred.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change to the forecast lease payments. When the lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset.

Leases with a term of less than 12 months or those with committed payments of less than US\$5,000 are not recognised in the balance sheet. The Company recognises payments for these leases as an expense on a straight-line basis over the lease term within operating costs.

Tax

The income tax expense includes the current tax and deferred tax charge recognised in the income statement.

Current tax payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023*

2. Accounting policies (continued)**Tax (continued)**

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Probable taxable profits are based on evidence of historical profitability and taxable profit forecasts limited by reference to the criteria set out in IAS 12 Income Taxes. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of an asset or liability in a transaction that affects neither taxable profit nor accounting profit, and does not give rise to equal taxable and deductible temporary differences.

The carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also taken directly to equity.

Inventories

Inventories comprise finished products and work in progress and are measured at the lower of cost and net realisable value, unless it is inventory held as a commodity broker-trader which is measured at fair value less costs to sell. The cost of inventories is based on the actual cost, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. Included in property, plant and equipment are furniture, fittings and computer and office equipment.

Depreciation of property, plant and equipment

Depreciation is calculated on a straight-line basis over three years for computer and office equipment and five years for furniture and fittings. The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023*

2. Accounting policies (continued)**Property, plant and equipment (continued)**

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Leased right-of-use assets

Leased right-of-use assets are included within property, plant and equipment, and are made up of office premises. On inception of the lease, they are recognised at the amount of the corresponding lease liability, adjusted for any lease payments made at or before the lease commencement date, plus any direct costs incurred and an estimate of costs for dismantling, removing, or restoring the underlying asset and less any lease incentives received. The right-of-use asset is depreciated on a straight-line basis over the term of the lease, or, if shorter, the useful life of the asset. The useful lives of right-of-use assets are estimated on the same basis as those of owned property, plant and equipment.

Intangible assets

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets relate to computer software, software work in progress and royalty assets held by the Company. Computer software is amortised on a straight-line basis over its estimated useful life of three to five years from the date that it is available for use. For royalty agreements, the amortisation amount and timing are aligned with the duration over which economic benefits are expected to be received. Amortisation methods, residual values and estimated useful lives are reviewed at least annually.

Impairment of assets

At each reporting date, a review for the potential impairment of an asset is carried out to determine if circumstances indicate that the carrying amount of the asset may not be recoverable. Such impairment reviews are performed in accordance with IAS 36 *Impairments of Assets*. Impairments thus arising are reported in the Income Statement.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023*

2. Accounting policies (continued)**Financial instruments (continued)*****Financial assets***

The Company's financial assets are classified into the following measurement categories: debt instruments at amortised cost, equity instruments designated at fair value through other comprehensive income (OCI) and derivatives at fair value through profit or loss. Financial assets are classified as at amortised cost only if the asset is held within a business model whose objective is to collect the contractual cash flows and the contractual terms of the asset give rise to cash flows that are solely payments of principal and interest.

All recognised financial assets are subsequently measured in their entirety at either amortised cost less expected credit losses or fair value, depending on the classification of the financial assets.

Financial assets at fair value through other comprehensive income

Investments, other than investments in associates and joint ventures, are financial asset investments and are initially recognised at fair value. Other investments are classified at fair value through OCI and subsequently measured at fair value.

The Company has elected to measure equity instruments, at fair value through OCI as this better reflects the strategic nature of the Company's equity investments.

For equity instruments at fair value through OCI, changes in fair value, including those related to foreign exchange, are recognised in other comprehensive income and there is no subsequent reclassification of fair value gains and losses to profit or loss.

Financial assets at amortised cost and effective interest method

Under IFRS 9, trade and other receivables (except those relating to provisionally priced sales) and cash and cash equivalents are classified as financial assets at amortised cost. These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset at amortised cost, transaction costs that are directly attributable to the acquisition of the financial assets. Transaction costs of financial assets carried at fair value through profit or loss or fair value through OCI are expensed in profit or loss.

Subsequent to initial recognition, the financial assets (including trade and other receivables and cash and cash equivalents) are measured at amortised cost using the effective interest rate method, less any expected credit losses.

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023*

2. Accounting policies (continued)**Financial instruments (continued)*****Financial assets (continued)******Financial assets at amortised cost and effective interest method (continued)***

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the financial instrument, or where appropriate, a shorter period.

Cash and cash equivalents comprise cash at bank, cash on demand deposits with a Group company and cash balances in a margin facility that are readily convertible to a known amount of cash and are subject to insignificant risk of changes in value. Cash balances in a margin facility relating to the Company's commodity trading activities is presented within cash and cash equivalents as the terms of the agreement allow the Company to request closure of the open positions and return of the margin within three days.

Financial assets at fair value through profit or loss ("FVTPL")

Financial assets that do not meet the criteria for being measured at amortised cost or fair value through other comprehensive income ("FVTOCI") are measured at FVTPL. Specifically, debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as measured at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value as at each reporting date, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any interest earned on the financial asset and is included in profit or loss.

Under IFRS 9, trade receivables from provisionally priced sales are classified as fair value through profit or loss. The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023*

2. Accounting policies (continued)**Financial instruments (continued)*****Financial assets (continued)******Impairment of financial assets***

A financial asset not measured at fair value through profit or loss or fair value through other comprehensive income is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. The Company assesses on a forward looking basis the expected credit losses, defined as the difference between the contractual cash flows and the cash flows that are expected to be received, associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the simplified approach permitted by IFRS 9 is applied, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Expected credit losses are recognised in the income statement. When a subsequent event causes the amount of expected credit loss to decrease, the decrease is reversed through the Income Statement.

Derecognition of financial assets

Financial assets are derecognised when the right to receive cash flows from the asset has expired, the right to receive cash flows has been retained but an obligation to on-pay them in full without material delay has been assumed or the right to receive cash flows has been transferred together with substantially all the risks and rewards of ownership.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Income Statement.

Financial liabilities and equity instruments***Classification as debt or equity***

Financial liabilities and equity instruments issued by the Company are classified and accounted for as financial liabilities or equity instruments according to the substance of the contractual arrangements entered into and the definition of a financial liability and an equity instrument.

Trade and other payables

The majority of trade and other payables are 'held for trading' as defined in IFRS 9 Financial Instruments and are initially measured at their fair value and are remeasured to fair value in subsequent periods. Any related fair value gains or losses are presented within operating costs.

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023*

2. Accounting policies (continued)**Financial instruments (continued)*****Financial liabilities and equity instruments* (continued)*****Trade and other payables (continued)***

Other trade and other payables are initially measured at their fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method.

Equity

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Derecognition of financial liabilities

Financial liabilities are derecognised when the associated obligation has been discharged, cancelled or has expired.

Derivative financial instruments

In order to hedge its exposure to foreign exchange, interest rate and commodity price risk, the Company enters into forward, option and swap contracts. Commodity based (own use) contracts that meet the scope exemption in IFRS 9 are recognised in the Income Statement when they are settled by physical delivery. Commodity contracts which do not meet the own use criteria are accounted for as derivatives.

All derivatives are held at fair value in the balance sheet within 'Derivative financial assets' or 'Derivative financial liabilities' except if they are linked to settlement and delivery of an unquoted equity instrument and the fair value cannot be measured reliably, in which case they are carried at cost. Derivatives are classified as current or non-current depending on the contractual maturity of the derivative. A derivative cannot be measured reliably where the range of reasonable fair value estimates is significant, and the probabilities of various estimates cannot be reasonably assessed.

Changes in the fair value of any derivative instruments that are not designated in a hedge relationship are recognised immediately in the income statement as revenue from other sources.

Derivatives embedded in other financial instruments or non-financial host contracts (other than financial assets in the scope of IFRS 9) are treated as separate derivatives when their risks and characteristics are not closely related to those of their host contracts and the host contracts themselves are not carried at fair value with unrealised gains or losses reported in the Income Statement.

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023*

2. Accounting policies (continued)**Financial instruments (continued)*****Derivative financial instruments (continued)***

Derivatives embedded in contracts which are financial assets in the scope of IFRS 9 are not separated and the whole contract is accounted for at either amortised cost or fair value.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with Financial Reporting Standard 101 requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

Critical judgements in applying the Company's accounting policies

The directors are of the opinion that any instances of application of judgements are not expected to have a significant effect on the amounts recognised in the financial statements.

Critical accounting estimates and assumptions***Revenue recognition***

Sales of certain commodities are 'provisionally priced' such that the price is not settled until a predetermined future date, normally ranging from 30 to 120 days, based on movements in quoted markets or contractual prices up to the date of final pricing. As is customary in the industry, 'provisionally priced' sales are based on estimates of the consideration receivable at each reporting date using the forward price for the period equivalent to that outlined in the contract. This is based on the market forward price which may vary depending on the volatility in the market. This adjustment is recorded in the Income Statement.

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***2. Accounting policies (continued)****Critical accounting estimates and assumptions (continued)*****Allowance for inventories***

In determining the net realisable value of the inventories, an estimation of the recoverable amount of inventories on hand is performed by management based on the most reliable evidence available at the time the estimates are made. These estimates take into consideration the fluctuations of price or cost, or any inventories on hand that may not be realised, as a result of events occurring after the end of the financial year to the extent that such events confirm conditions existing at the year end. The carrying amount of inventories as at the year end is disclosed in Note 15 to the financial statements.

Fair value of financial instruments

Certain of the Company's financial instruments, principally derivatives, are required to be measured on the balance sheet at fair value. Where a quoted market price for an identical instrument is not available, a valuation model is used to estimate the fair value based on the net present value of the expected cash flows under the contract. Valuation assumptions are usually based on observable market data (for example commodity price curves) where available and are expected to change in future periods in response to changing market prices for the underlying commodities.

3. Revenue

	2023	2022
	US\$'000	US\$'000
Analysis of the Company's revenue		
Sale of commodities and trading revenue	8,133,769	6,908,987
Commission income, freight and other marketing services to Group companies	78,850	84,666
Third party freight services	489,365	540,110
	8,701,984	7,533,763

Revenue of US\$8,701,984,000 (2022: US\$7,533,763,000) for the year includes revenue from contracts with customers of US\$8,254,920,000 (2022: US\$7,464,940,000) and revenue from other sources of US\$447,064,000 (2022: US\$68,823,000) which relate to derivative financial instruments gains, gains on provisionally priced receivables and losses on inventories remeasurement.

Within revenue from other sources, a net trading income of US\$448,452,000 (2022: net trading income of US\$122,740,000) relates to trading and hedging activities.

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***3. Revenue (continued)**

Disaggregation of revenue from contracts with customers:

	2023 US\$'000	2022 US\$'000
Revenue by class		
Copper	4,027,599	3,177,604
Iron ore	2,598,062	2,388,168
Nickel	769,899	867,620
Coal	109,822	323,993
Other commodities	237,971	149,309
Third party freight services	489,365	540,110
Freight to other Group companies	22,202	18,136
	8,254,920	7,464,940

4. Staff costs**Employee numbers:**

The average number of employees, excluding contractors by principal location of employment was:

	Number 2023	Number 2022
Singapore	334	338
London	138	112
Other locations	8	13
	480	463

Employee costs:

Staff costs for the above persons were as follows:

	2023 US\$'000	2022 US\$'000
Wages and salaries	102,083	73,776
Social security costs	4,255	4,114
Other pension costs	5,587	3,831
Share-based payment costs	12,151	10,523
Termination benefits	728	-
Total payroll costs included in operating costs	124,804	92,244

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***4. Staff costs (continued)**

Directors' emoluments included in the staff costs above were as follows:

	2023 US\$'000	2022 US\$'000
Aggregate emoluments	5,964	6,064
Termination benefits	592	376
Share-based payment costs	4,684	4,603
Contributions to defined contribution pension scheme	631	617

As at 31 December 2023, there were six (2022: six) directors paid in respect of their services to the Company. The other directors were not paid in respect of their services to the Company, and were remunerated by their respective employing Company within the Anglo American Group of companies.

The highest paid director of the Company received emoluments of US\$1,523,000 (2022: US\$1,518,000), share-based payment costs of US\$2,103,000 (2022: US\$2,188,000), contributions to a defined contribution pension scheme of US\$292,000 (2022: US\$301,000) and termination benefits of US\$592,000 (2022: NIL).

As at 31 December 2023, six (2022: six) directors were members of share-based payment schemes and a defined contribution pension scheme to which the Company contributed.

5. Operating profit

Operating profit is after charging/(crediting):

	2023 US\$'000	2022 US\$'000
Equity settled share-based payments	12,151	10,523
Low value and short-term lease expense	585	657
Depreciation and amortisation	7,533	7,266
Audit fees	900	675
Loss/(gain) on foreign currency translation	1,472	(545)

Fees paid to the Company's auditors, PricewaterhouseCoopers LLP, and their associates for services other than the statutory audit of the Company are not disclosed in the Company's financial statements since the consolidated financial statements of the Company's ultimate parent company, Anglo American plc, are required to disclose non-audit fees on a consolidated basis.

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***6. Finance and investment income/costs**

	2023 US\$'000	2022 US\$'000
<u>Finance and investment income</u>		
Interest income from Group companies	16,935	3,475
Interest income from bank deposits	5,685	1,728
Other financing income	21,609	11,362
Dividend income from subsidiary	6,104	8,387
	50,333	24,952
<u>Finance costs</u>		
Interest charge on lease liabilities	(428)	(207)
Interest expense from Group companies	(372)	(1,030)
Other financing fees	(21,546)	(12,193)
	(22,346)	(13,430)

7. Income tax expense(a) Analysis of charge in the year

	2023 US\$'000	2022 US\$'000
UK tax	35,421	18,515
UK adjustments in respect of prior period	(431)	(2,061)
Overseas tax adjustments in respect of prior period	8,456	754
Overseas tax	19,462	9,438
Total current tax	62,908	26,646
UK deferred tax		
- Current year	(94)	-
- UK adjustments in respect of prior period	(16,668)	-
Overseas deferred tax	(3,771)	800
Total deferred tax	(20,533)	800
Withholding tax	474	519
Tax rate changes	1,532	-
Total tax charge for the year	44,381	27,965

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***7. Income tax expense (continued)****(b) Factors affecting tax charge for the year**

The total tax assessed for the year is lower (2022: lower) than the standard rate of corporation tax in the UK. The differences are explained below:

	2023 US\$'000	2022 US\$'000
Profit before tax	492,344	275,701
Profit before tax multiplied by standard rate of corporation tax in the UK of 23.52% (2022: 19.00%)	115,799	52,383
Effects of:		
- Expenses not deductible for tax purposes	2,143	1,100
- Income not taxable	(1,436)	(1,594)
- Adjustments in respect of prior period	(8,643)	(1,307)
- Tax rate changes	1,532	–
- Amounts not recognised on share-based payments	(127)	(908)
- Effect of differences between local and United Kingdom tax rates	(65,334)	(22,160)
- Withholding tax	474	519
- Other	(27)	(68)
Total tax charge for the year	44,381	27,965

The Finance Act 2021 included measures to increase the standard rate of UK corporation tax to 25% with effect from 1 April 2023. The Finance Act 2021 was enacted in June 2021 and accordingly, these rates are applicable to the measurements of deferred tax balances at 31 December 2023. Deferred tax has been measured at the rate it is expected to reverse.

On 23 March 2023, HM Treasury released draft legislation for the Global Minimum Tax ('Pillar 2') rules in the UK which was substantively enacted on 20 June 2023. These rules will apply to the full Anglo American Group from the financial year ended 31 December 2024 onwards. Further information regarding the group's Pillar Two position is detailed in the consolidated accounts of Anglo American Plc. The Company has applied the mandatory temporary exception under IAS 12 in relation to the accounting for deferred taxes arising from the implementation of the Pillar 2 rules.

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***8. Dividends**

	2023 US\$'000	2022 US\$'000
Interim dividends declared and paid of US\$10.49 cents per share (2022: US\$5.25 cents per share)	200,000	100,000

9. Property, plant and equipment

	Owned asset furniture, fittings and computer equipment US\$'000	Right-of-use asset office premises leased US\$'000	Total US\$000
At 31 December 2022			
Cost	2,546	13,513	16,059
Accumulated depreciation	(2,153)	(1,108)	(3,261)
Net book value	393	12,405	12,798
Cost			
At 1 January 2023	2,546	13,513	16,059
Addition	964	-	964
At 31 December 2023	3,510	13,513	17,023
Accumulated depreciation			
At 1 January 2023	(2,153)	(1,108)	(3,261)
Charge for the year	(393)	(2,658)	(3,051)
At 31 December 2023	(2,546)	(3,766)	(6,312)
Net book value			
At 31 December 2023	964	9,747	10,711

Leased assets principally relate to leased offices.

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***10. Intangible assets**

	<u>Software</u> US\$'000	<u>Royalty</u> <u>assets</u> US\$'000	<u>Software</u> <u>work in</u> <u>progress</u> US\$'000	<u>Total</u> <u>intangible</u> <u>assets</u> US\$'000
Cost				
At 1 January 2023	8,264	25,200	5,730	39,194
Additions	89	13,450	1,711	15,250
Reclassification	5,491	–	(5,491)	–
Impairment	–	–	(1,950)	(1,950)
At 31 December 2023	13,844	38,650	–	52,494
Accumulated amortisation				
At 1 January 2023	(6,232)	(9,573)	–	(15,805)
Amortisation for the year	(2,266)	(2,216)	–	(4,482)
At 31 December 2023	(8,498)	(11,789)	–	(20,287)
Net book value				
As 31 December 2022	2,032	15,627	5,730	23,389
As 31 December 2023	5,346	26,861	–	32,207

Amortisation for Software is presented within Administrative expenses and amortisation for Royalty assets is presented within Cost of Sales.

11. Investments in subsidiaries

	2023 US\$'000	2022 US\$'000
Cost and Net book value		
At 1 January	43,398	33,698
Additions	3,144	9,700
At 31 December	46,542	43,398

The investments in subsidiaries are all stated at cost less provision for impairment.

During 2023, the Company made capital injection of US\$2,500,000 (2022: US\$200,000) into subsidiary company Anglo American Marketing Peru S.A and acquired Anglo American Energy Solutions (Australia) Pty Ltd from Anglo American Australia Limited, a company with the same ultimate parent (Anglo American plc) as the Company, for cash consideration of US\$644,000.

During 2022, the Company made a capital injection of US\$9,500,000 into subsidiary company Anglo American Resources Trading (China) Co., Ltd.

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***11. Investments in subsidiaries (continued)**

Details of the Company's subsidiaries at 31 December 2023 are as follows:

<u>Name</u>	<u>Place of incorporation (or registration) and operation</u>	<u>Proportion of ownership interest and voting power held %</u>	<u>Types of shares</u>	<u>Principal activities</u>
MR Iron Ore Marketing Services Singapore Pte. Ltd.	10 Collyer Quay, Level 38 Ocean Financial Centre, Singapore 049315	50.10%	Ordinary	Consultancy and marketing support services
Anglo American Resources Trading (China) Co., Ltd.	Units 01, 02A, 07, 08, Floor 32, No.1198 Century Avenue, Pudong New Area, Shanghai, China	100%	Ordinary	Trading and marketing support services
Anglo American Marketing Chile SpA	Torre Titanium, 2800 Isidora Goyenechea, piso 46, Las Condes, Santiago 7550647, Chile	100%	Ordinary	Trading and marketing support services
Anglo American Shipping Pte. Limited	10 Collyer Quay, Level 38 Ocean Financial Centre, Singapore 049315	100%	Ordinary	Marketing Shipping Services
Cobre del Norte S.A.	Calle Esquilache 371, Piso 10, San Isidro, Lima 27, Peru	99.99%	Ordinary	Dormant
Anglo American Marketing South Africa Proprietary Limited.	144 Oxford Road, Melrose, Johannesburg, 2196, South Africa	100%	Ordinary	Trading and marketing support services
Anglo American Marketing Peru S.A.	Calle Esquilache 371 Piso 10 San Isidro, Lima 27, Peru	99.90%	Ordinary	Trading and marketing support services
Sulista Forte Pte. Ltd.	77, Robinson Road, #13-00, Robinson 77, Singapore 068896	100%	Ordinary	Investment holding
Anglo American Energy Solutions (Australia) Pty Ltd	Level 11, 201 Charlotte Street, Brisbane, Queensland 4000	100%	Ordinary	Marketing support services

The subsidiaries above remain unchanged from 2022, except for the acquisition of Anglo American Energy Solutions (Australia) Pty Ltd during the financial year ended 31 December 2023.

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***12. Financial asset investments**

Financial asset investments principally comprise intercompany loans at amortised cost, equity investments at fair value through other comprehensive income and loans to third parties at fair value through profit or loss and at amortised cost.

	Financial asset at amortised cost US\$'000	At fair value through profit or loss US\$'000	Total US\$'000
Current assets			
2023			
At 1 January 2023	14,027	23,631	37,658
Additions	35,268	35,262	70,530
Disposal	–	(3,450)	(3,450)
Repayment of loans	(44,669)	–	(44,669)
Delivery of commodity	–	(25,875)	(25,875)
Interest receivable	6,882	–	6,882
Reclassification	24,418	2,000	26,418
Foreign currency movement	(649)	–	(649)
At 31 December 2023	35,277	31,568	66,845
2022			
At 1 January 2022	–	28,450	28,450
Additions	20,879	45,000	65,879
Repayment of loans	–	(49,819)	(49,819)
Reclassification	(5,996)	–	(5,996)
Foreign currency movement	(856)	–	(856)
At 31 December 2022	14,027	23,631	37,658

At 31 December 2022, non-current financial assets at amortised cost comprised the intercompany cash pool agreement between the Branch and a related company, Anglo American Resources Trading (China) Co. Ltd., a subsidiary of the Company. At 31 December 2023, it has been reclassified from non-current to current assets, reflecting the patterns of settlement of the cash pooling balance. The cash pool has a variable interest rate which is calculated based on the one-year Loan Prime Rate less 0.10% (2022: Loan Prime Rate less 0.10%).

	Financial asset at amortised cost US\$'000	At fair value through comprehensive income US\$'000	At fair value through profit or loss US\$'000	Total US\$'000
Non-current assets				
2023				
At 1 January 2023	41,502	10,500	7,729	59,731
Additions	1,800	28,242	36,182	66,224
Repayment of loans	(17,457)	–	–	(17,457)
Fair value adjustment	–	(16,503)	(3,421)	(19,924)
Interest receivable	25	–	–	25
Reclassification	(24,418)	–	(2,000)	(26,418)
At 31 December 2023	1,452	22,239	38,490	62,181

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***12. Financial asset investments (continued)**

	Financial asset at <u>amortised cost</u> US\$'000	At fair value through comprehensive <u>income</u> US\$'000	At fair value through profit <u>or loss</u> US\$'000	<u>Total</u> US\$'000
Non-current assets				
2022				
At 1 January 2022	61,502	–	28,853	90,355
Additions	–	11,000	7,392	18,392
Repayment of loans	(25,996)	–	–	(25,996)
Fair value adjustment	–	(500)	(28,516)	(29,016)
Reclassification	5,996	–	–	5,996
At 31 December 2022	41,502	10,500	7,729	59,731

13. Trade and other receivables

	Expected within <u>one year</u> US\$'000	Expected after <u>one year</u> US\$'000	<u>Total</u> US\$'000
2023			
Trade receivables	1,121,500	–	1,121,500
Amounts owed by subsidiaries	75,827	–	75,827
Amounts owed by related companies	48,832	–	48,832
Tax receivables	15,505	–	15,505
Other receivables	22,445	26,700	49,145
Accrued income	173,076	–	173,076
Prepayments	9,772	–	9,772
	1,466,957	26,700	1,493,657
2022			
Trade receivables	768,056	–	768,056
Amounts owed by subsidiaries	123,673	–	123,673
Amounts owed by related companies	23,880	–	23,880
Tax receivables	7,224	–	7,224
Other receivables	19,839	32,834	52,673
Accrued income	236,642	–	236,642
Prepayments	31,405	–	31,405
	1,210,719	32,834	1,243,553

Trade receivables do not incur interest and are measured at nominal value (with the exception of receivables related to provisionally priced sales as set out in the revenue recognition accounting policy, see Note 2). Amounts owed by related companies are unsecured and receivable within 30 days (2022: 30 days) and are not interest-bearing.

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***13. Trade and other receivables (continued)**

The Company applies the simplified expected credit loss model for its trade receivables measured at amortised cost, as permitted by IFRS 9 Financial Instruments. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience, credit profiles and financial metrics, adjusted as appropriate for current observable data.

	31 December 2023 US\$'000	2022 US\$'000	1 January 2022 US\$'000
Current assets			
Trade receivables	1,128,081	772,838	1,039,606
Amounts owed by subsidiaries	75,827	123,673	84,147
Amounts owed by related companies	48,832	23,880	27,186
Accrued income	173,076	236,642	233,769
Less: loss allowance	(6,581)	(4,782)	(8,729)
	1,419,235	1,152,251	1,375,979

Of the year end provision for expected credit loss, US\$2,036,000 (2022: US\$1,847,000) were past due. Given the use of payment securities instruments (including letters of credit from acceptable financial institutions), and the nature of the related counterparties, the amounts not provided for are considered recoverable. The historical level of customer default is minimal and there is no current observable data to indicate a material future default. As a result, the credit quality of year end trade receivables is considered to be high.

14. Deferred tax assets/(liabilities)

The following is the deferred tax assets/(liabilities) recognised by the Company during the current year:

	Tax losses		Other temporary differences		Total	
	2023	2022	2023	2022	2023	2022
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
At 1 January	–	–	(2,425)	(1,625)	(2,425)	(1,625)
Credit/(charge) to income statement	15,019	–	3,983	(800)	19,002	(800)
At 31 December	15,019	–	1,558	(2,425)	16,577	(2,425)

Deferred tax assets are recognised to the extent that the business has forecast taxable profits against which the assets can be recovered.

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***15. Inventories**

	2023 US\$'000	2022 US\$'000
Finished products	255,352	313,274
Work in progress	37,661	18,380
	293,013	331,654

Inventories include US\$154,913,000 (2022: US\$155,961,000) of inventory held at fair value under the broker-trader exemption established in IAS 2 *Inventories*. The cost of inventories recognised as an expense and included in cost of sales amounted to US\$7,408,848,000 (2022: US\$6,426,890,000).

16. Cash and cash equivalents

	2023 US\$'000	2022 US\$'000
Deposits with related companies	732,088	534,701
Cash at bank	31,943	33,799
Deposit with bank	231,954	242,837
	995,985	811,337

The deposits with related companies are unsecured, repayable on demand and carry an interest rate of 5.0% (2022: 1.3%). This is classified as a cash equivalent.

Deposit with bank of US\$231,954,000 (2022: US\$242,837,000) is required to cover the initial margin on trading exchanges.

17. Derivative financial instruments

	2023		2022	
	Asset US\$'000	Liabilities US\$'000	Asset US\$'000	Liabilities US\$'000
Derivative financial instruments	39,616	(49,575)	136,876	(155,437)

Derivative financial instruments include financial derivatives, such as commodity options, swaps, forwards and futures, which are principally held to manage the Company's exposure to commodity prices and certain committed physical sale and purchase contracts which are accounted for as derivatives (see Note 2).

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***18. Trade and other payables**

	2023	2022
	US\$'000	US\$'000
Trade payables	126,888	174,989
Amounts owed to subsidiaries	19,399	32,638
Amounts owed to related companies	1,242,547	1,027,046
Amounts owed to Group companies	40,861	5,870
Accruals	355,713	297,788
Contract liabilities	40,958	81,587
Tax and social security	5,073	2,773
Other payables	6,297	13,087
	<u>1,837,736</u>	<u>1,635,778</u>

Trade payables are not interest bearing and are measured at their nominal value, with the exception of payables relating to provisionally priced commodity purchases which are marked to market using the appropriate forward price until settled.

Amounts owed to related companies are unsecured and payable within 30 days (2022: 30 days) and are not interest-bearing.

	31 December	1 January
	2023	2022
	US\$'000	US\$'000
Contract liabilities	<u>40,958</u>	<u>43,714</u>

Contract liabilities represent amounts where consideration has been received from customers in advance of the related performance obligation being completed. All amounts presented as contract liabilities in the comparative period were recognised within revenue in the current period.

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***19. Provisions for liabilities**

The following table summarises the movement in the Company's provisions for liabilities for the year:

	<u>Restoration</u> US\$'000	<u>Legal</u> US\$'000	<u>Total</u> US\$'000
2023			
At 1 January	(928)	(8,500)	(9,428)
Utilisation	–	8,500	8,500
At 31 December	(928)	–	(928)
Presented as:			
Current	–	–	–
Non-current	(928)	–	(928)
Total provisions	(928)	–	(928)
2022			
At 1 January	(472)	(17,003)	(17,475)
Additions	(456)	–	(456)
Utilisation	–	1,661	1,661
Reversal of unutilised amounts	–	6,842	6,842
At 31 December	(928)	(8,500)	(9,428)
Presented as:			
Current	–	(8,500)	(8,500)
Non-current	(928)	–	(928)
Total provisions	(928)	(8,500)	(9,428)

Restoration

The Company recognises the estimated costs of dismantlement, removal or restoration from the use of office premises.

Legal provision

Legal provisions represent amounts provided for in relation to legal disputes with third parties.

Provisions are recognised for claims where a future cash outflow is considered to be probable. Future cash outflows are considered to be possible in relation to other elements of the claims although these are not expected to be material to the Company.

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***20. Borrowings**

The Company's borrowings mainly relate to borrowings from Group companies under cash pooling arrangements and leases of corporate offices (2022: cash pooling arrangements and leases of corporate offices). The lease for office space was renewed in 2022 for five years.

The following table summarises the movement in borrowings for the year:

	Lease liabilities US\$'000	Borrowings from Group companies US\$'000	Redeemable preference shares US\$'000	Total US\$'000
2023				
At 1 January	(12,704)	(102,578)	(1,070)	(116,352)
Issue of redeemable preference shares	–	–	(1,000)	(1,000)
Net repayment/(proceeds) from borrowings	2,566	(18,480)	–	(15,914)
Repayment of interest	428	3,616	–	4,044
Interest accrued on borrowings	(428)	(3,616)	–	(4,044)
At 31 December	(10,138)	(121,058)	(2,070)	(133,266)
Presented as:				
Short-term	(2,663)	(121,058)	–	(123,721)
Medium and long-term	(7,475)	–	(2,070)	(9,545)
Total borrowings	(10,138)	(121,058)	(2,070)	(133,266)

	Lease liabilities US\$'000	Borrowings from Group companies US\$'000	Redeemable preference shares US\$'000	Total US\$'000
2022				
At 1 January	(1,369)	(179,079)	–	(180,448)
Issue of redeemable preference shares	–	–	(1,070)	(1,070)
Additions to lease liabilities	(13,513)	–	–	(13,513)
Repayment of principal and interest	2,459	77,354	–	79,813
Interest accrued on borrowings	(207)	(853)	–	(1,060)
Foreign exchange movement	(74)	–	–	(74)
At 31 December	(12,704)	(102,578)	(1,070)	(116,352)
Presented as:				
Short-term	(2,566)	(102,578)	–	(105,144)
Medium and long-term	(10,138)	–	(1,070)	(11,208)
Total borrowings	(12,704)	(102,578)	(1,070)	(116,352)

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***21. Equity**

	2023 US\$'000	2022 US\$'000
Authorised share capital called up, allotted and fully paid:		
• 19,056,917 (2022: 19,056,917) ordinary shares of £1 each	30,120	30,120
• 1,000 (2022: 1,000) ordinary shares of US\$1 each	1	1
	30,121	30,121
Share premium account	119,999	119,999

Capital contribution reserve

The capital contribution reserve comprises the cumulative value of employee services received under unvested share-based payment arrangements which are settled in the shares of Anglo American plc.

Fair value reserve

The Company has elected to recognise changes in the fair value of certain investments in equity securities in OCI, as explained in Note 2. These changes are accumulated within the FVOCI reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

22. Share-based payments

During the year ended 31 December 2023, the Company had the following share-based payment arrangements with employees:

Anglo American plc**Bonus Share Plan (BSP)**

The BSP is offered to executive directors and senior employees of the Group to encourage and reward delivery of the Group strategic priorities and strong individual performance. The scheme is governed by the remuneration committee of Anglo American plc and is settled in the shares of Anglo American plc.

50% of the annual bonus earned will be deferred into shares under BSP, vesting 17% after two years and 33% after three years. Vesting of BSP shares is subject to continued employment. Dividends or dividend equivalents are paid on Bonus Shares.

The remuneration committee of Anglo American plc reviews the BSP annually to ensure it remains appropriate.

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***22. Share-based payments (continued)**Long Term Incentive Plan (LTIP)

The remuneration committee of Anglo American plc makes an annual conditional award of shares in Anglo American plc to executive directors and senior management of the Group to encourage and reward the delivery of superior shareholder returns and business objectives. The conditional award will generally vest after a period of three years, subject to the achievement of specific performance targets.

Prior to grant the committee reviews the performance targets for each measure, where applicable, to ensure they remain sufficiently stretching. Dividend equivalents accrue over the vesting period and are payable in respect of awards that vest.

The provision of shares under certain of the Anglo American plc share incentive schemes is facilitated by an employee benefit trust. The employee benefit trust has waived the right to receive dividends on all shares except those allocated to dividend bearing share awards.

The costs of operating the trust are borne by the Group but are not material. The total share-based payment expense for the year is disclosed in Note 4.

The fair value of ordinary shares awarded under the BSP and LTIP, being the more material share schemes with non-market vesting conditions, was calculated using a Monte Carlo simulations model. The assumptions used in the calculation are set out below:

	<u>BSP</u> <u>2023</u>	<u>LTIP</u> <u>2023</u>	<u>BSP</u> <u>2022</u>	<u>LTIP</u> <u>2022</u>
Date of grant	10/03/2023	10/03/2023	11/03/2022	11/03/2022
Number of instruments	240,215	198,755	118,187	68,060
Share price at date of grant (£)	29.48	29.48	39.01	39.01
Contractual life (years)	2 to 3	3	2 to 3	3
Vesting Conditions	(1)	(1)	(1)	(1)
Expected volatility ⁽²⁾	35%	35%	35%	35%
Risk free interest rate ⁽³⁾	1.76% to	1.84% to	1.35% to	1.35%
Expected departures	3.82%	3.62%	1.37%	1.35%
Expected yield	5% pa	5% pa	5% pa	5% pa
Dividend yield	5.80%	5.80%	4.90%	4.90%
Fair value at date of grant (weighted average) (£)	29.48	29.48	39.01	39.01

(1) Three years of continuous employment.

(2) Based on historic volatility over the last five years.

(3) The yield on zero-coupon UK government bonds with a term similar to the expected life of the award.

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023***22. Share-based payments (continued)****Bonus Share Plan (BSP)**

Ordinary shares of 54⁸⁶/₉₁ US cents may be awarded under the terms of this scheme for no consideration. The number of shares outstanding is shown below:

	2023 Numbers of shares	2022 Numbers of shares
Outstanding at 1 January	319,114	693,592
Conditionally awarded in year	240,215	118,187
Vested in year	(133,903)	(492,665)
Outstanding at 31 December	425,426	319,114

Long Term Incentive Plan (LTIP)

Ordinary shares of 54⁸⁶/₉₁ US cents may be awarded under the terms of this scheme for no consideration. The number of shares outstanding is shown below:

	2023 Numbers of shares	2022 Numbers of shares
Outstanding at 1 January	217,886	685,516
Conditionally awarded in year	198,755	68,060
Vested in year	(15,899)	(529,060)
Forfeited in year	(53,515)	(6,630)
Outstanding at 31 December	347,227	217,886

23. CommitmentsLong term contracts

The Company has entered into long term contracts of affreightment for shipping services for transport of bulk commodities and other related services. The commitments under these contracts total US\$110,954,000 as at 31 December 2023 (2022: US\$221,908,000) to be paid within one year (2022: within two years). These contracts secure long term supply of freight for the Company.

24. Related party transactions

At 31 December 2023, as identified in Note 25, Anglo American plc, a company incorporated in the United Kingdom and registered in England and Wales, is the Company's ultimate parent company. The Company has taken advantage of the exemption granted by paragraph 3(c) of Financial Reporting Standard 101 not to disclose related party transactions with wholly owned Group companies.

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023*

24. Related party transactions (continued)

The Company, in the ordinary course of business, enters into transactions with related parties which are not wholly owned Group companies (other related party transactions). These transactions are under terms that are no less favourable than those arranged with third parties.

In addition to related party information disclosed elsewhere in the financial statements, the Company had the following other related party transactions:

	2023 US\$'000	2022 US\$'000
Purchase of commodity from other related parties	(4,476,088)	(3,711,267)
Net derivative (loss)/gain from other related party	(319,995)	74,198
Recharge income from other related parties	44,323	35,264
Recharge expenses from other related parties	(922)	(686)
Commission expense from other related party	(16,728)	(18,716)

25. Ultimate parent company

The Company's immediate parent company is Anglo American Investments (UK) Limited, a company incorporated in the United Kingdom and registered in England and Wales.

The ultimate parent company and ultimate controlling entity is Anglo American plc, a company incorporated in the United Kingdom and registered in England and Wales. Anglo American plc is the parent undertaking of the largest and smallest group which includes the Company and for which group financial statements are prepared. The financial statements of both the immediate parent and ultimate parent companies may be obtained from the Company Secretary, 17 Charterhouse Street, London, EC1N 6RA, the registered office of the immediate and ultimate parent company.

ANGLO AMERICAN MARKETING LIMITED**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2023*

26. Events occurring after the balance sheet date

On 14 May 2024, the Anglo American plc Group announced its updated strategy, which includes the intention to demerge or divest several of the Group's businesses, including the Group's platinum group metals, nickel and steelmaking coal businesses. The plans to execute this strategy are at an early stage, and at the date of approval of these financial statements:

- the principal activities of the Company remain consistent with those set out in the Strategic Report; and
- no changes have been announced to the immediate or ultimate parent companies of the Company.

The directors are satisfied that at the date of approval of these financial statements the Company remains a going concern but will continue to monitor the implementation of the Group's strategy and its implications upon the going concern status of the Company.

On 25 June 2024, an interim dividend of US\$200,000,000 was approved by the Board of Directors of the Company.

27. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Anglo American Marketing Limited on 25 June 2024.