



# Sustainability Performance 2022: April Session

14 April 2022

*Seedling nursery, Minas Rio*



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## Alternative Performance Measures

Throughout this presentation a range of financial and non-financial measures are used to assess our performance, including a number of financial measures that are not defined or specified under IFRS (International Financial Reporting Standards), which are termed ‘Alternative Performance Measures’ (APMs). Management uses these measures to monitor the Group’s financial performance alongside IFRS measures to improve the comparability of information between reporting periods and business units. These APMs should be considered in addition to, and not as a substitute for, or as superior to, measures of financial performance, financial position or cash flows reported in accordance with IFRS. APMs are not uniformly defined by all companies, including those in the Group’s industry. Accordingly, it may not be comparable with similarly titled measures and disclosures by other companies.

# Agenda

## Energy Transition

Mark Cutifani – Chief Executive

## Water

Mark Cutifani – Chief Executive

## Culture & social impact

Anik Michaud – Group Director  
Corporate Relations & Sustainable Impact



## Health & Safety Share

Anik Michaud – Group Director  
Corporate Relations & Sustainable Impact



# 'WeCare' approach: Covid & resilience

Responsible & holistic approach  
protecting lives & livelihoods in our workforce & communities

Physical health

Mental health

Living with Dignity

Community response

# Sustainability performance 2021

Pillar of Value	Metric	2021	2020	Target	Target achieved
<b>Safety &amp; Health</b>	Work-related fatal injuries <sup>1</sup>	2	2	Zero	Not achieved
	Total recordable case frequency rate per million hours	2.24	2.14	Year-on-year reduction	Not achieved
	New case of occupational disease	16	30	Year-on-year reduction	On track
	Workforce potentially exposed to noise over 85 dBA <sup>2</sup>	30,832	33,253	Year-on-year reduction	On track
	Workforce potentially exposed to inhalable hazards over the occupational exposure limit <sup>2</sup>	1,796	1,994	10% reduction year-on-year	On track
<b>Environment</b>	Energy consumption (million GJ)	85	81	Improve energy efficiency by 30% by 2030	On track
	GHG emissions - Scope 1&2 (Mt CO <sub>2</sub> e)	14.8	16.1	Reduce absolute GHG emissions by 30% by 2030	On track
	Operational water withdrawals (million m <sup>3</sup> )	176.5	197.5	Reduce freshwater abstraction in water scarce regions by 50% by 2030	On track
	Level 4-5 environmental incidents	0	0	Zero	On track
<b>Socio-political</b>	Social Way implementation (based on updated Social Way 3.0 for 2020) <sup>3</sup>	49%	23%	Full implementation of Social Way 3.0 foundational requirements by end 2022	On track
	Local procurement spend (\$bn) <sup>4</sup>	10.0	10.0		
	Taxes & royalties (\$m) <sup>5</sup>	7,134	3,778		
	Jobs supported by Enterprise and Supplier Development (ESD) initiatives	147,374	137,777		
<b>People</b>	Women in management	31%	27%	To achieve 33% by 2023	On track
	Women in the workforce	23%	23%		
	Voluntary labour turnover	3.5%	2.8%	< 5%	On track

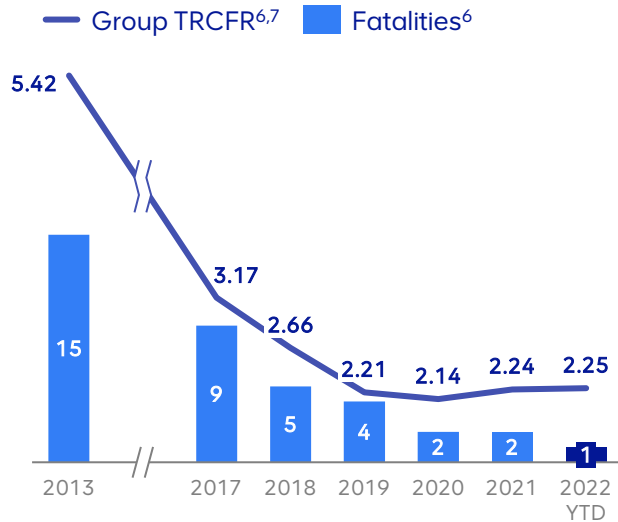
# Opening Remarks

Mark Cutifani – Chief Executive



# SHE performance – drive for a safe & healthy future

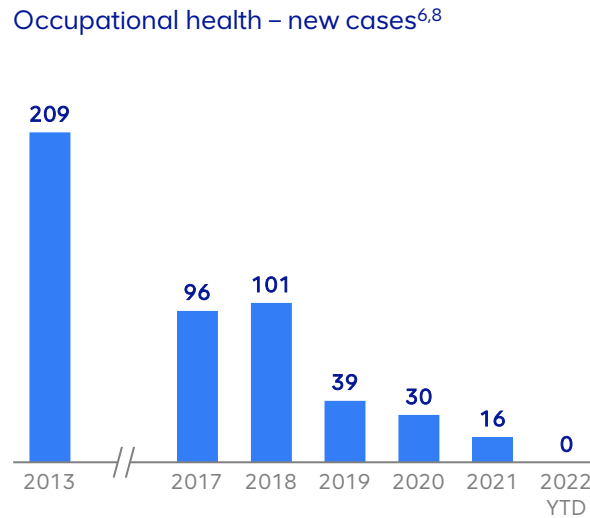
## Safety



**Elimination of Fatalities Taskforce**  
...driving our improvement journey

**Covid and managing its impact**  
...re-establishing downward trend

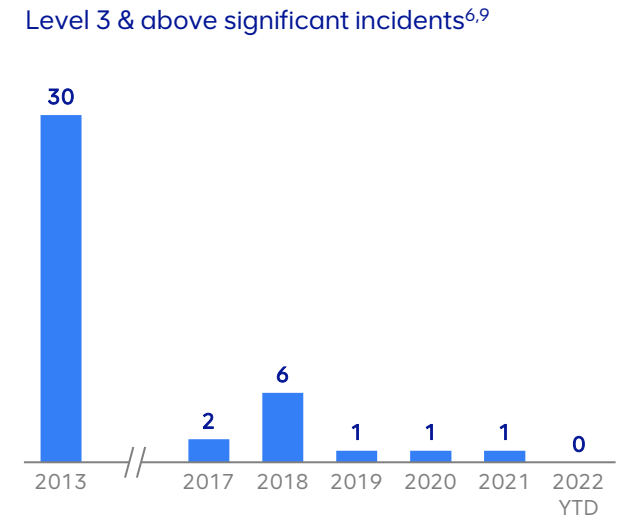
## Health



**Elimination of hazards at source**  
...key focus for sustainable improvement

**Record low exposures**  
...upgraded work environments & controls

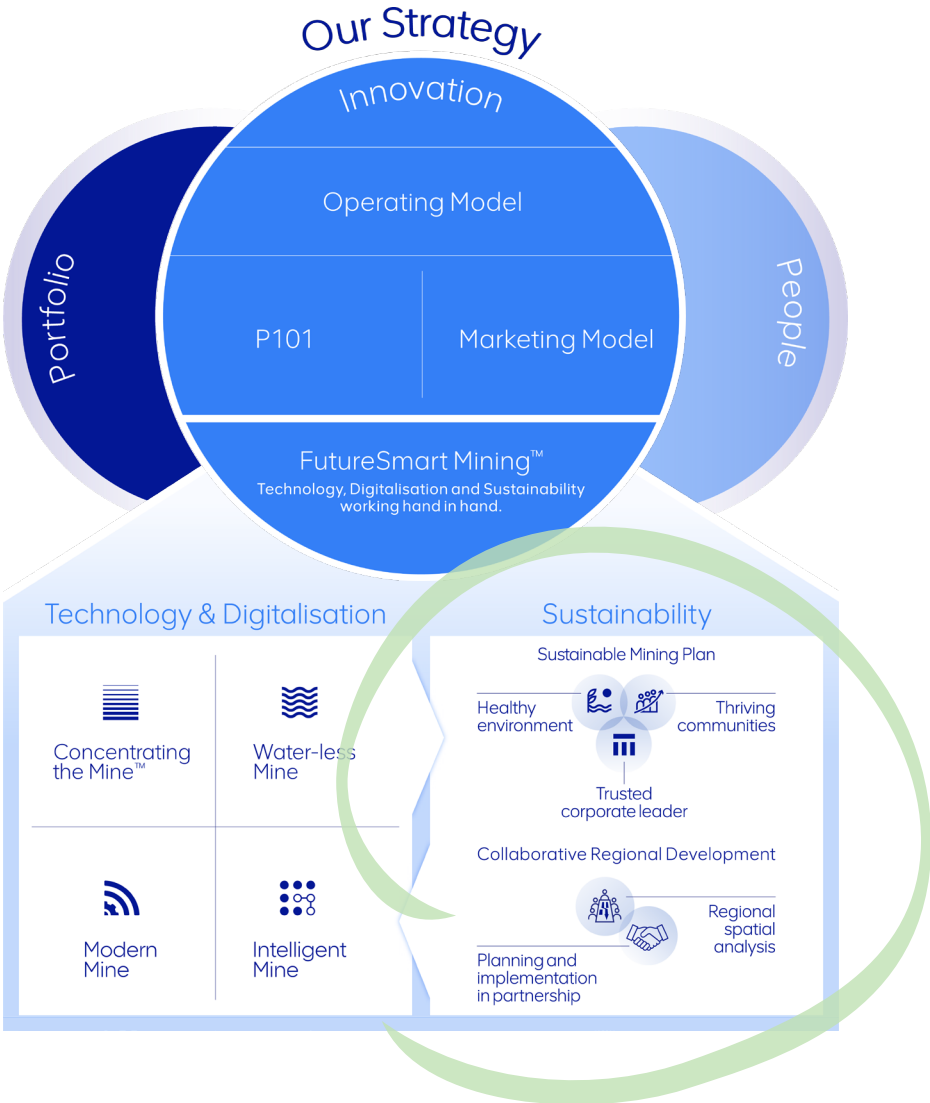
## Environment



**Upgraded planning & controls**  
...supports continuous improvements

**Sustainability factors integration in asset plans**  
...support effective social engagement

# Re-imagining mining to improve people's lives



# Our Sustainable Mining Plan at the heart of our strategy

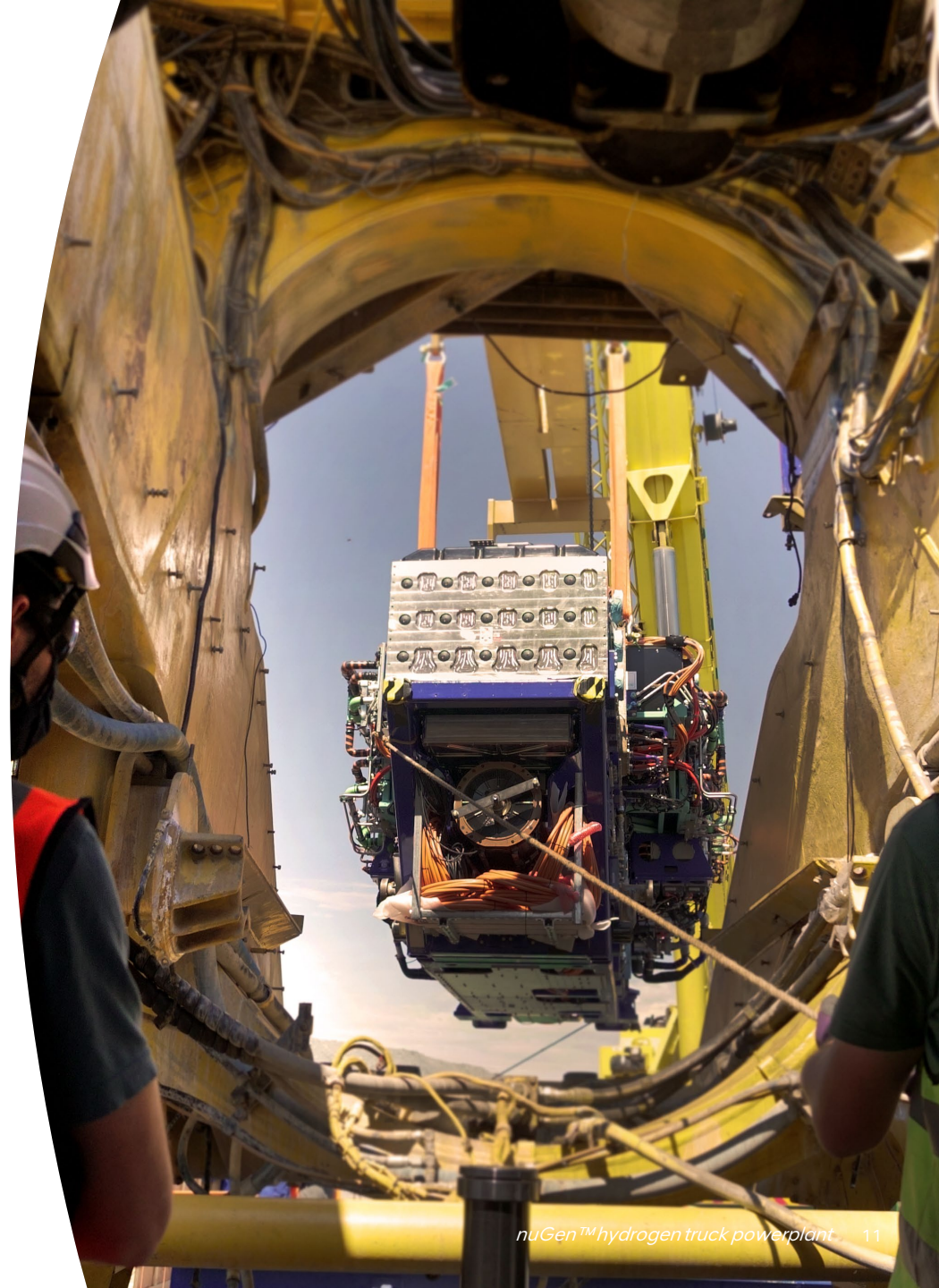


Our five-year Group Function and site plans



# Energy Transition

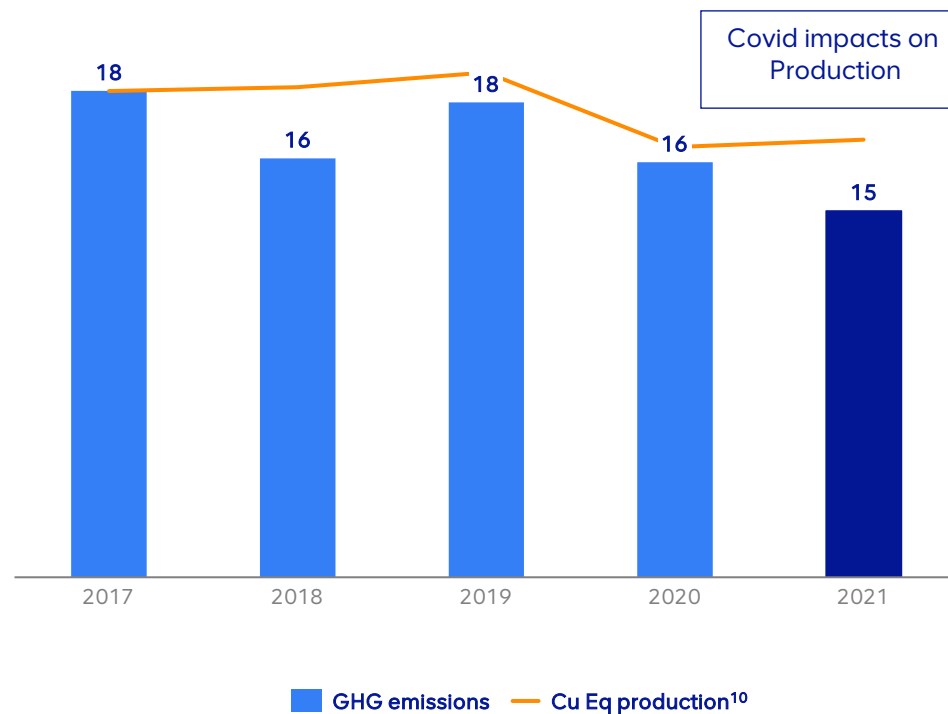
Mark Cutifani – Chief Executive



# Driving performance for healthy environment

## Scope 1 & 2 GHG emissions

CO<sub>2</sub> equivalent emissions



Carbon emission reductions vs structural production increases

Brazil, Chile and Peru - 100% renewable mains electricity supply secured from 2023

Operating efficiency, technology & innovation drive longer term energy efficiency improvements

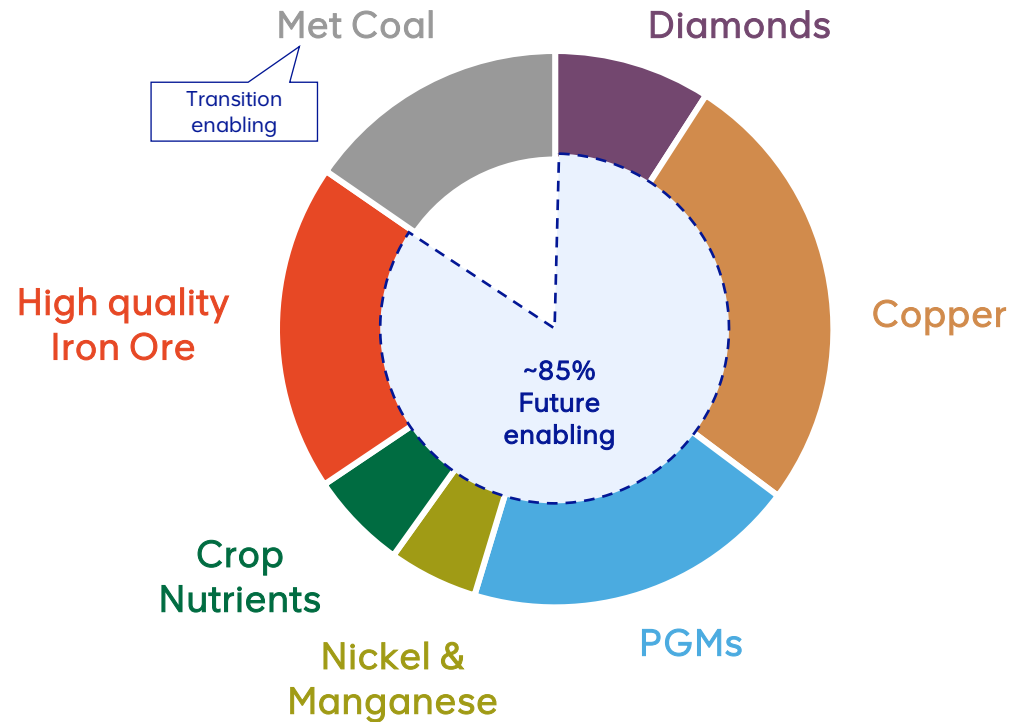
# Existing portfolio positioned for a sustainable future

Greener World

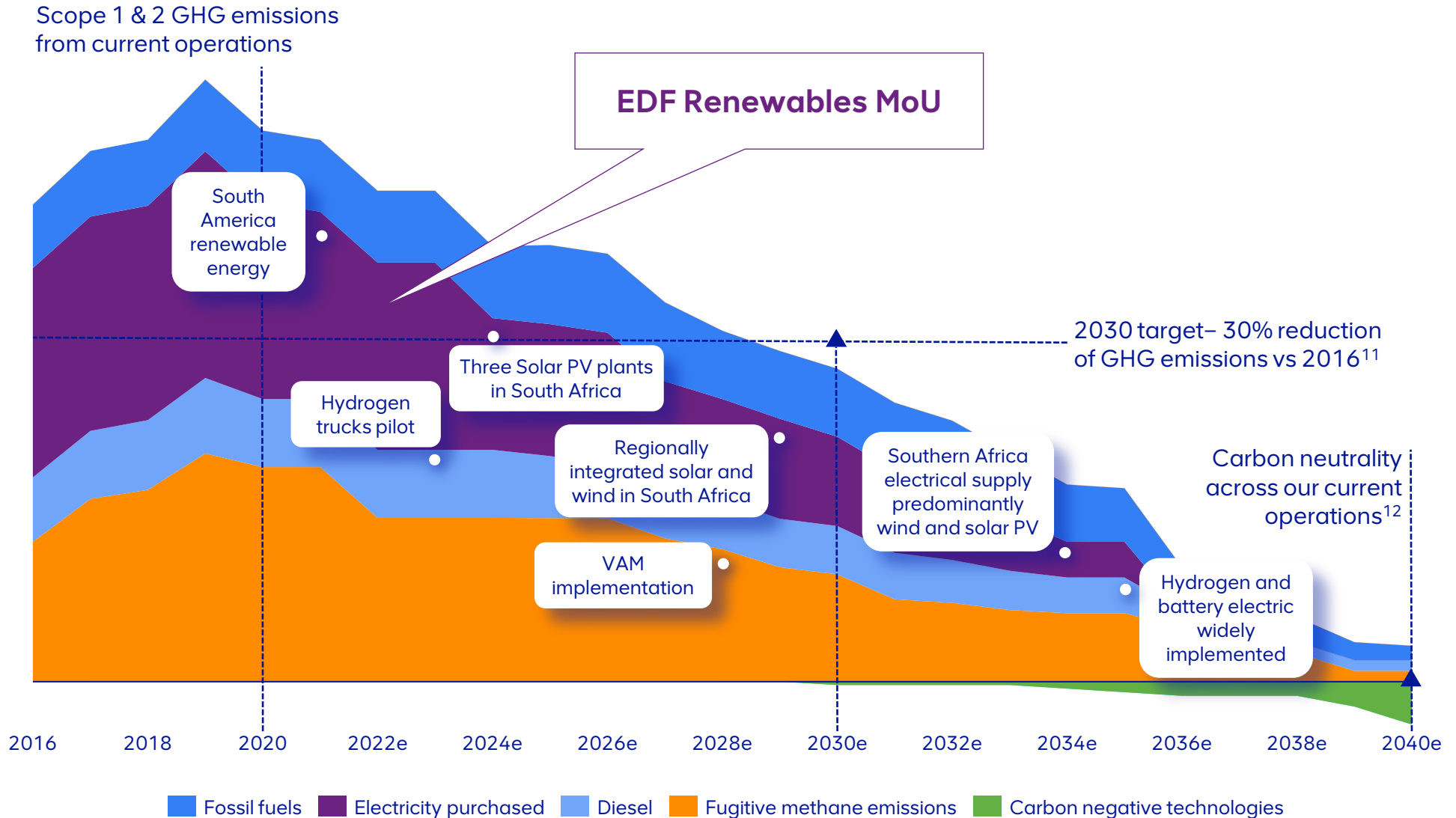
Electrified World

Consumer World

Cu Eq production<sup>10</sup>

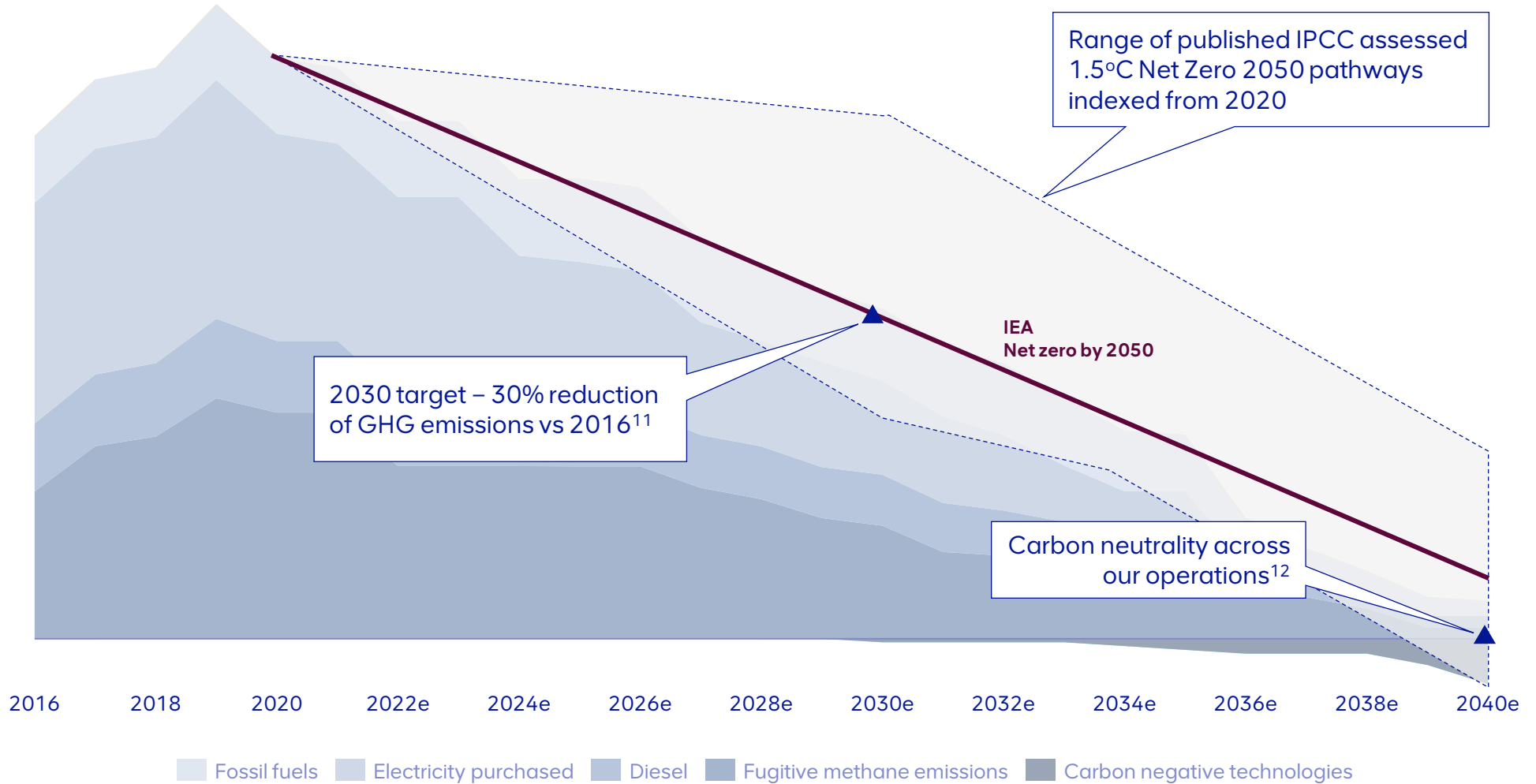


# Roadmap to carbon neutral operations by 2040

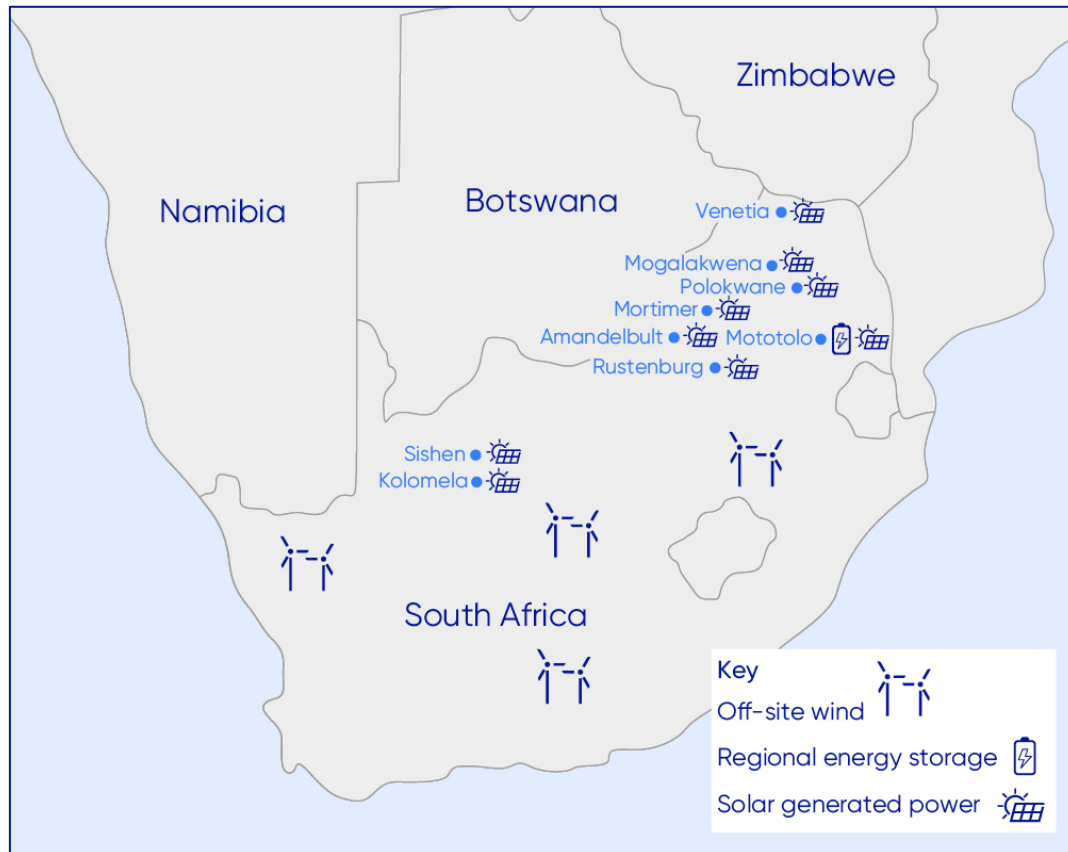


# 2040 carbon neutrality before 90% of 1.5°C pathways

Scope 1 & 2 GHG emissions  
From current operations



# Collaboration and partnership key to renewables-driven emissions reduction



**Partnership with EDF  
Renewables**

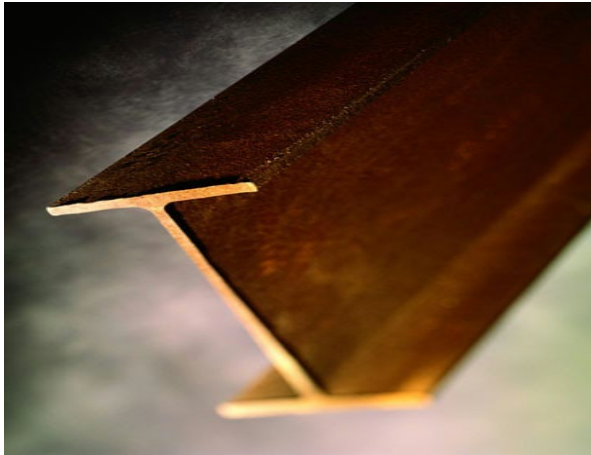
**Increased grid capacity  
(3 – 5 GW)**

**Investment majority funded by  
equity partners & debt financing**

**Supporting Just Transition**

# Ambition to reduce Scope 3 emissions by 50% by 2040

## Portfolio



~65% Fe average quality suits carbon efficient DRI pellet feed

## Partnering

hydrogenious



Working with customers and technology partners towards steel industry decarbonisation

## Controllables



10% freight emissions reduction in biofuels trials

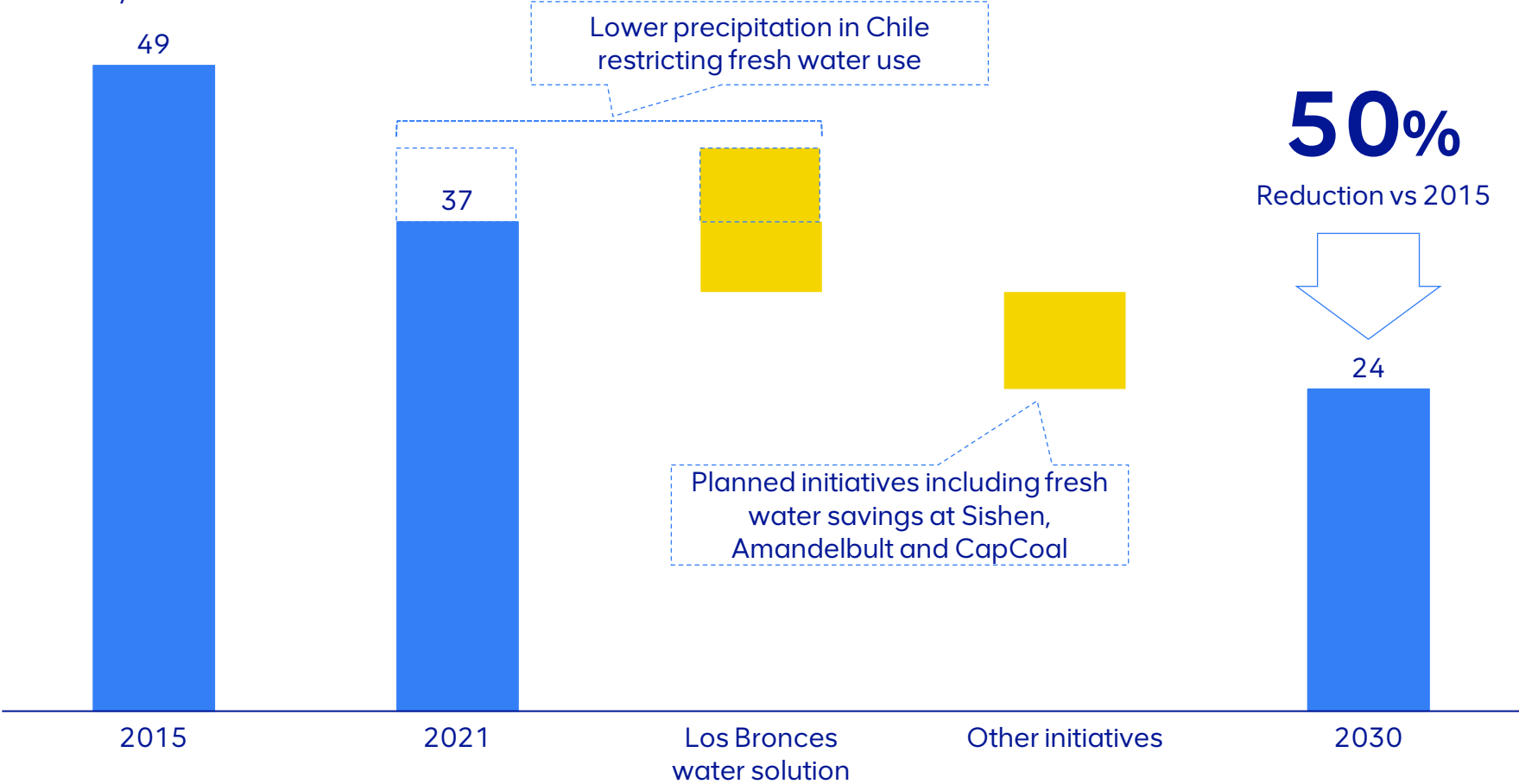
# Water

Mark Cutifani – Chief Executive



# Water reduction target dependent on key initiatives

Fresh water withdrawal from water scarce regions<sup>13</sup>  
'000 MI/year



# Water management and efficiency



# Beyond water stewardship: value through collaboration

Socially equitable

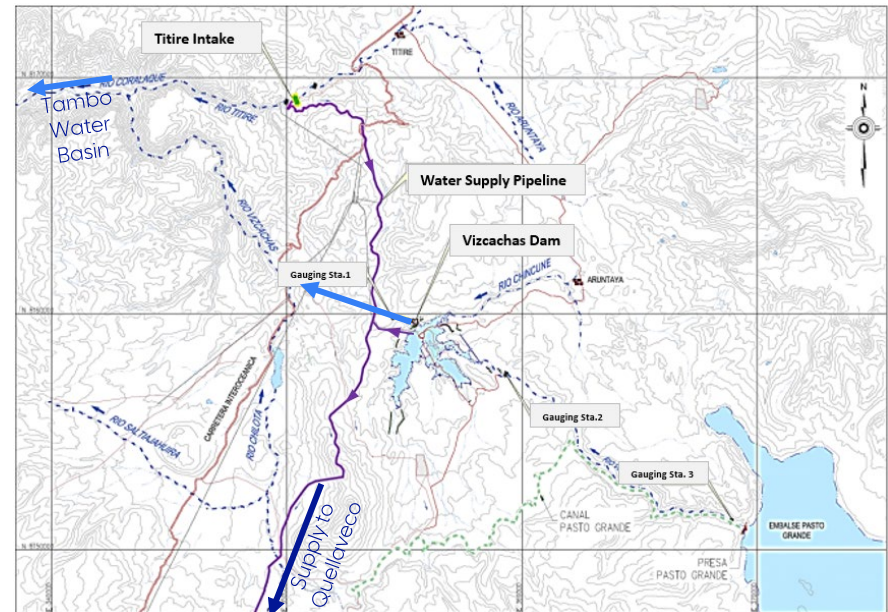
Environmentally sustainable

Economically beneficial



# Case study: Quellaveco water supply

Sustainable water supply to communities and environment in the downstream Tambo Water Basin



## Culture & Social Impact

Anik Michaud – Group Director Corporate Relations & Sustainable Impact



# Promoting an inclusive and diverse work environment

Holistic strategy to attract, retain and develop talent



Inclusive leadership

Top 50 most inclusive companies in the UK

Valued & respected colleagues

Listed in Bloomberg Gender Equality Index

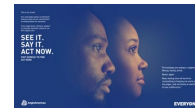
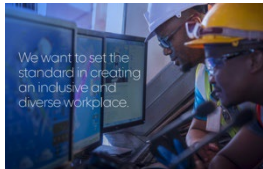
Safe & enabling environment

#2 ranked by RMI for working conditions, #1 overall across all RMI indicators

Fair & supportive workplace

#1 overall in Glassdoor metrics

# Building a safe and inclusive culture



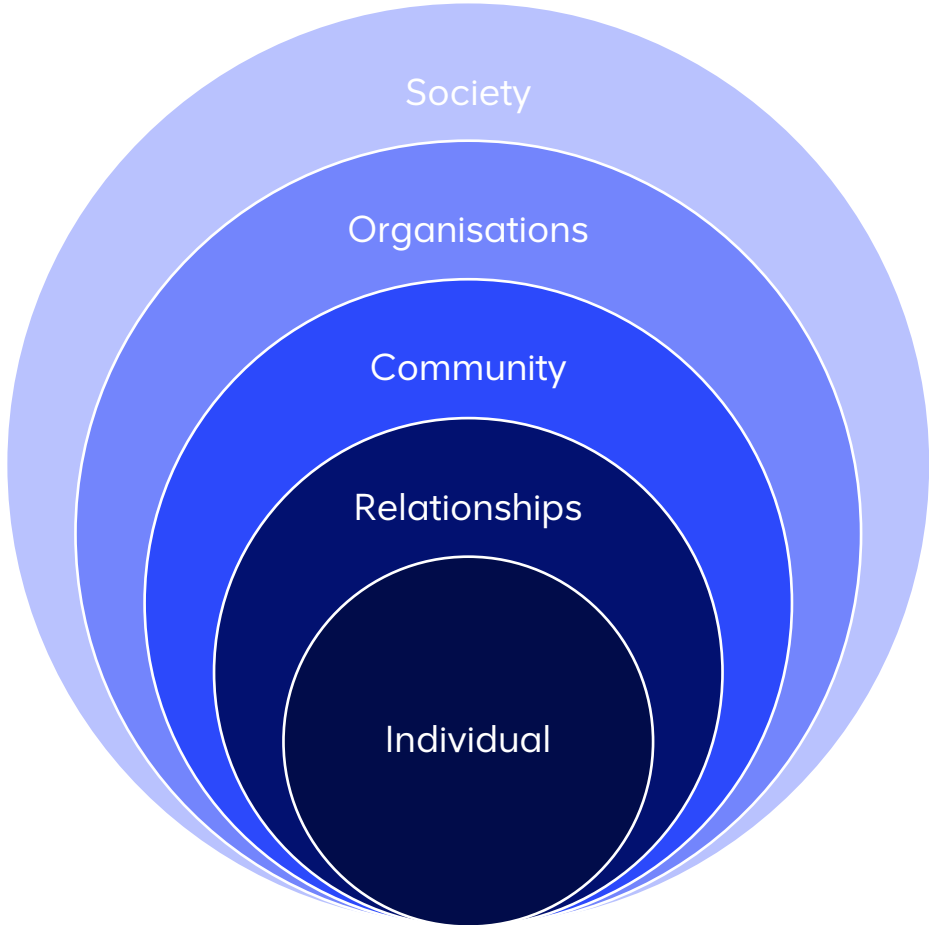
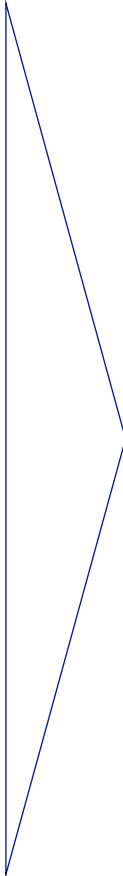
# Building shared commitment to action

 Safe homes

 Safe schools

 Safe communities

 Safe workplace



# Positioned for a sustainable future

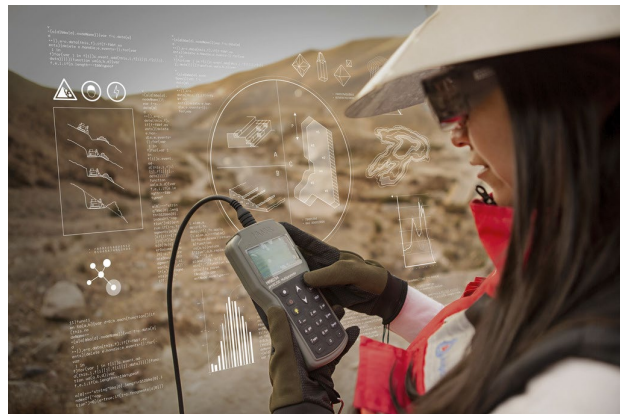
Mark Cutifani – Chief Executive



# Evolving, holistic approach to sustainability

Sustainability rather than ESG

Embedding holistic approach into governance



Evolving societal expectations

Continuing to build on our commitments

Purpose: to re-imagine mining to improve people's lives

**Effectiveness**

**>10%**

**Free Cash Flow<sup>15</sup>**  
(on capital employed)

**Efficiency**

**15-20%**

**ROCE<sup>16</sup>**

**Sustainability**

**7**

**Pillars of Value**

**31%**

**2021**

**43%**

**Embedded**

## Q&A

To ask a question,

Standard International Dial-in:

UK +44 (0) 2071 928338

SA 0800 014552

US 1 87787 09135

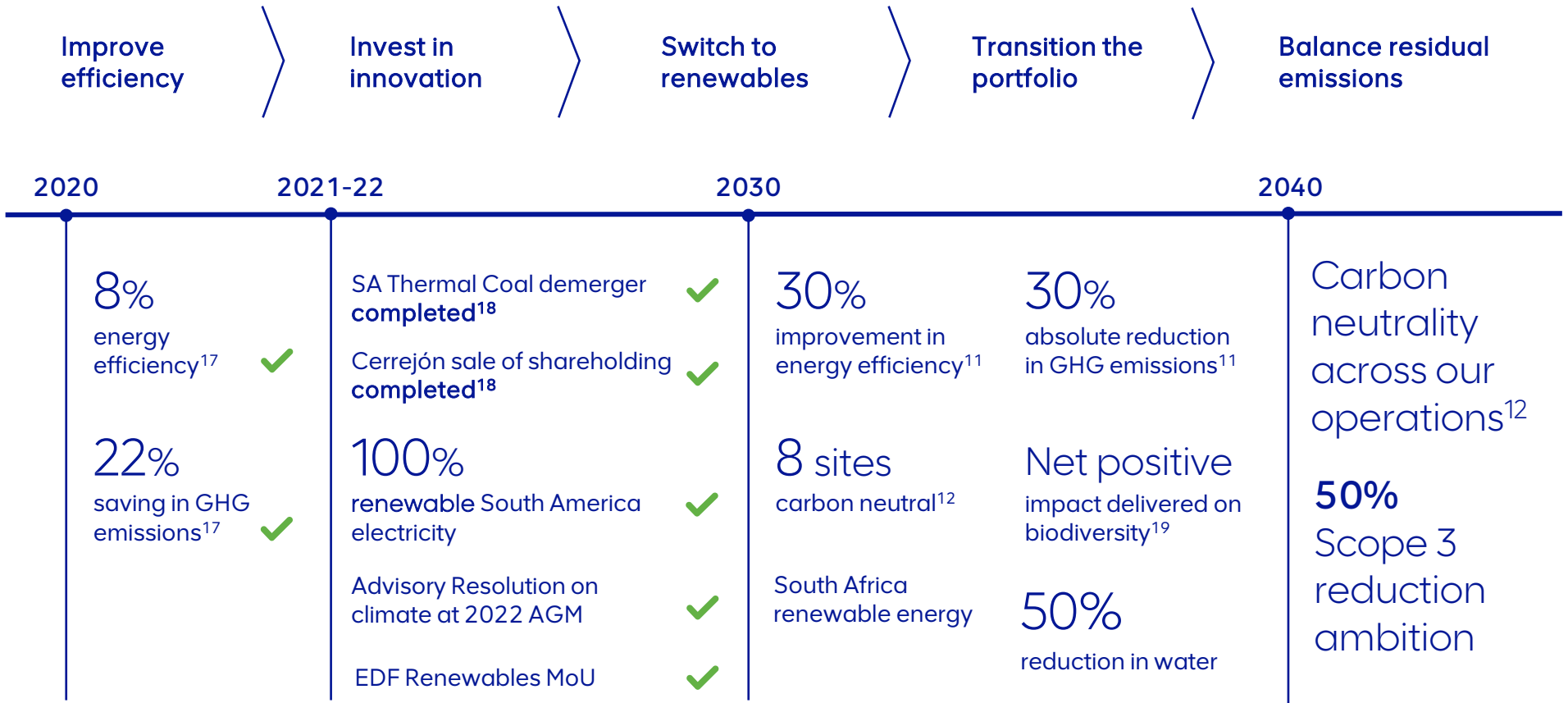
Conference ID: 3881756



# Appendix



# Active route to a more sustainable world



**Supporting the Just Transition**

# Footnotes

1. Restated following loss of life of Boitshepo Julian Sesinyi from an injury sustained in November 2021.
2. Reflects the number of employees and contractors who work in environments where there is potential for exposure above the exposure limit. All employees and contractors working in such environments are issued with protective equipment to prevent occupational illness.
3. In 2020, we launched a new integrated social performance management system (Social Way 3.0) which has raised performance expectations and has resulted in continued improvement in our social performance. Sites are expected to have implemented the Social Way 3.0 by the end of 2022. While sites are assessed annually against all requirements applicable to their context, for consistency during the transition period, the metric reflects performance against the Social Way foundational requirements.
4. Local procurement spend relates to spend within the country where an operation is located. The basis of calculation has been amended to more closely reflect the Group's financial accounting consolidation, i.e. 100% of subsidiaries and a proportionate share of joint operations, based on Anglo American's shareholding. The prior year comparative has been restated.
5. Taxes and royalties include all taxes and royalties both borne and collected by the Group. This includes corporate income taxes, withholding taxes, mining taxes royalties, employee taxes and social security contributions and other taxes, levies and duties directly incurred by the Group, as well as taxes incurred by other parties (e.g. customers and employees) but collected and paid by the Group on their behalf. Figures disclosed are based on cash remitted, net of entities consolidated for accounting purposes, plus a proportionate share, based on the percentage shareholding, of joint operations. Taxes borne and collected by associates and joint ventures are not included.
6. Recordable incidents. Data relates to subsidiaries and joint operations over which Anglo American has management control. Since 2018 data for fatalities, TRCFR and environmental metrics excludes results from De Beers' joint operations in Namibia and Botswana.
7. Total Recordable Cases Frequency Rate per million hours.
8. New cases of occupational disease.
9. Environmental incidents are classified in terms of a 5-level severity rating. Incidents with medium, high and major impacts, as defined by standard internal definitions, are reported as level 3-5 incidents.
10. Copper equivalent production is calculated using long-term consensus parameters. 2021 copper equivalent production is normalised to reflect the demerger of the South Africa thermal coal operations, the sale of our interest in Cerrejón and the closure of the manganese alloy operations. Growth was calculated in Q4 2021 with reference to a 2021F baseline. Future production levels are indicative and subject to final approval.
11. 2030 target based on an absolute reduction in GHG emissions across the business vs 2016 baseline adjusted for structural changes. De Beers is targeting carbon neutrality across its operations by 2030. For more information on our targets, see our 2021 Climate Change Report or Sustainable Performance presentation from 29 October 2021.
12. Goal and guidance as announced on 7 May 2020.
13. Fresh water is naturally-occurring water that meets the criteria Water Accounting Framework (WAF) Category 1, excluding precipitation and runoff which reasonably cannot effectively be prevented from entry into our operational processes.
14. Efficiency (re-use/recycle): water that has been used in an operational task and is recovered and used again in an operational task, either without treatment (re-use) or with treatment (recycle).
15. Long-term target for 'Sustaining attributable free cash flow' / average attributable capital employed.
16. Attributable ROCE is defined as attributable underlying EBIT divided by average attributable capital employed. It excludes the portion of the return and capital employed attributable to non-controlling interests in operations where the Group has control but does not hold 100% of the equity.
17. 2020 Energy and GHG (Scope 1 & 2) savings are calculated relative to projected 'business as usual' consumption levels.
18. The demerger of the South Africa thermal coal operations was completed on 4 June 2021. The sale of Anglo American's 33% interest in Cerrejón was completed on 11 January 2022 following receipt of the relevant regulatory approvals. The agreement is effective 31 December 2020 and, therefore, economic benefits from 1 January 2021 have not accrued to Anglo American.
19. Included within Healthy Environment related Global Stretch Goals in Sustainable Mining Plan (<https://www.angloamerican.com/sustainability/environment>).

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