



Woodsmith introduction

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Refer to cautionary statement in presentation slides.

Slide 1: Welcome

Good afternoon everyone. I will briefly open up this afternoon's proceedings covering the fit of Woodsmith within our portfolio.

In terms of the order of play from there:

Tom McCulley, CEO of our Crop Nutrients business, will cover the project itself. We will then take Q&A, before a quick break.

Then you will hear from Alex Schmitt our Chief Marketing Officer for Crop Nutrients, after which we will again take questions.

Many of you will be familiar with both of them. Tom was CEO for Quellaveco and took you around that project back in 2018. Alex previously led our Base Metals Marketing business and was instrumental in setting that up as we expanded our customer offering. He was also at the Copper site visit. Very pleased to have both of them leading our work at Woodsmith.

Slide 2: Cautionary statement

Slide 3: Supplying the world's needs and wants

Demand for our products is underpinned by 3 major global trends:

1. Decarbonisation through cleaner energy, industrial and transport systems.
2. Improving living standards expected by a growing and urbanising global population – I'll come back to this point shortly.
3. And food security – there is increasing recognition of the huge strain on global agriculture to feed this growing global population, and to do so in a way that does not continue to wreak havoc on the environment.

Our current product mix and future growth options play very strongly into these 3 themes...

Slide 4: The agricultural industry faces significant pressure in being able to feed the growing global population

...But rather uniquely, Woodsmith plays into all 3 of these with a single product – polyhalite. The potential of this unique product is one of the things that first attracted us to the project.

Farmers must produce more food for a growing global population, whilst meeting increasing consumer, supply chain and governmental expectations for improved sustainability and a reduction in the environmental impact of agriculture.

1. The growing global population demands improved living standards, including nutrition. But this must all be achieved from available arable land that is likely flat in terms of total area, and probably decreasing.
2. The industry needs to move to more sustainable practices such as reducing its carbon footprint, stopping the pollution of waterways and the loss of biodiversity.
3. And thirdly, deteriorating soil health is a key issue that is fast rising to the top of the industry agenda. The long-term use of chemical fertilisers has a detrimental effect on soil strength and structure, and therefore on the productivity of that limited arable land.

POLY4 is the only product we know of that is positioned to help simultaneously address all three of these interconnected challenges. There is no other natural, organic mineral that

delivers this. And Anglo American has the only scalable source of polyhalite globally. This mineral is distinct in its composition, behaviour, benefit, and therefore its value.

Alex will talk you through the detail of this but make no mistakes - we are absolutely convinced that these themes underpin a strong pull for the product, with a huge prize to be had on the pricing opportunity.

Slide 5: Diversified portfolio balancing returns & growth

Our strategy is to secure, develop and operate a portfolio of high quality and long-life mineral assets, from which we will deliver leading long-term shareholder returns.

We have a uniquely diversified portfolio with a range of attractive, organic growth options that continue to build our exposure to those three major demand themes. We have a pipeline of smaller brownfield projects as well as greenfield options such as Woodsmith and Sakatti, which together offer about 25% growth over the next decade. We will develop those options sustainably, profitably and at the right time.

The underlying growth in our portfolio is supplemented by an attractive base dividend payout through the cycle of 40%. All underpinned by a strong but working balance sheet.

Slide 6: Portfolio of attractive assets positioned for the future

So what exactly do we mean by high quality assets?

We want assets that are:

- long-life – and by that I mean 20 years or more;
- that sit in the bottom half of the cost curve; and
- are expandable.

Of course, much of that is determined by geology and geography. But being able to extract the maximum value from the geological potential that we see is also very dependent on the ability to apply our parenting capabilities. Be that through our world-class technology and digitalisation capabilities, operating expertise, focus on sustainability, our marketing skills, or synergies with our existing portfolio – to give a few examples.

Slide 7: Track record of delivering growth: Quellaveco

Quellaveco is our most recently delivered project that ticks these boxes. It was on time and on budget, despite a two-year pandemic through its four-year construction. It is now ramped up and, if we model at current spot prices and assume production levels and costs align to our most recent guidance, could potentially deliver up to \$2bn of EBITDA per annum over the next few years.

On Quellaveco, we shared the risk and reward through syndication. But it must be a decision for value, so the timing has to be right. At Woodsmith, that time isn't now but it remains something we will continue to revisit.

When we approved Quellaveco, it was 50% engineered overall, which is a high mark, but even higher, at 70%, in key-risk areas. This level of detail, which far surpassed typical industry levels, was core to the success of the project. It is one of the key takeaways that we are now bringing to bear at Woodsmith.

Slide 8: Woodsmith: a portfolio cornerstone for the future

And following on from that - Woodsmith is the next multi-billion dollar greenfield project in the pipeline. Woodsmith is practically a textbook example of a high quality, tier 1 asset in a low-risk jurisdiction.

The scale of the orebody gives it potential to be a multi-generational mine. This is why it is so important to nail the design at the outset.

It has structural advantages, that Tom will outline for you, in both the quality of the orebody and its proximity to logistics. This means it will be a very low-cost mine with low SIB capex requirements. From a portfolio perspective, it will be a cornerstone, long life, lowest quartile of the cost curve asset delivering strong cashflow for many, many decades.

Polyhalite plays perfectly into those demand themes I mentioned earlier. Food security for 10 billion people, and delivering that sustainably is a key challenge for the agricultural industry. POLY4 can increase crop yields by around 3-5%, it will have a significantly lower carbon footprint than conventional products because it's a natural product, with no chemical processing required, which means it is also suitable for organic use. The nutrients are not new – but having them in a single product is. Plus, POLY4 can deliver significant additional benefits to a farmer, beyond the pure nutrient value. There is enormous potential, even if we just capture a slice of the significant upside that we see.

We accept that the impairment of project in the 2022 full year results was an unhelpful wrinkle in what we think is otherwise a very compelling story. The restricted rules that must be applied in the accounting do not reflect what we believe to be the value reality - that is what Tom and the team will unpack for you over the next few hours and during tomorrow's visit to site. Everything we have learned about the project and product since acquisition has only confirmed and enhanced our view.

Slide 9: Woodsmith brings attractive geographic diversification to our portfolio

Now while we don't go out looking for diversification for the sake of it – it is certainly attractive having a project based here in the UK. The support we have received from the local and national levels of government has been fantastic. It is an advanced economy (most of the time!), with good infrastructure and stable political and fiscal regimes. To put some rough numbers to this, if the 13Mtpa project had been online in the first half of this year around 15% of our EBITDA would have been generated by Woodsmith in the UK.

Slide 10: Balanced capital allocation framework enabling sustainable value creation

We are committed to maintaining a strong, flexible balance sheet and an attractive base dividend payout while delivering sustainable long-term value for all our stakeholders. We have a uniquely diversified portfolio with a range of attractive, organic growth options, such as Woodsmith and our copper assets, that continue to build our exposure to the three major global demand themes we see.

In delivering our pipeline of projects, we are absolutely committed to our capital allocation framework. There is a robust evaluation of our all projects as they compete for capital to ensure we pursue the most value-accretive options for our stakeholders. And we benchmark those options against inorganic opportunities that might arise, as well as the possibility of returning cash back to shareholders. Woodsmith is evaluated against these hurdles, like any other project. Based on what we see so far, it will be a significant cash generator within the

portfolio for many, many decades. And we see scope for further optimisation and value as we complete the remaining studies over the next 12 months or so to ensure we progress the best option over the long-term for this incredible ore body.

Slide 11: FutureSmart Mining™ integrates innovative tech & sustainability to unlock resource potential

As we have talked about consistently, we must deliver production from both our existing assets and our growth options as sustainably as possible. This is where I believe we have a very different approach, with sustainability considerations embedded into our strategy and value creation model, from portfolio choices to everyday operational decisions.

FutureSmart Mining™ integrates innovative technology and our approach to sustainability and drives us to consider issues holistically and to see opportunities where others see challenges. We see sustainability as a key driver of commercial and stakeholder value from the outset. For long-life assets, such as Woodsmith, it is critical that we embed the latest thinking and technologies into sustainable, modern mine designs. Tom will talk you through what we are doing on that front at Woodsmith shortly. I think you are going to be very impressed with the minimal footprint of this mine. These design considerations allow us to maximise the value we can capture from the organic, low carbon, sustainable POLY4 product. This is the crop nutrition solution the agricultural industry needs to help solve its most urgent challenges. This is arguably the most future-enabling product in our portfolio and the development of this mine will set us apart from the rest of the industry in terms of our mining footprint.

Quellaveco was the first fully digital and automated mine in the Group, as well as the first in Peru. We embedded innovative approaches to water and social performance into the designs and those are proving to be very wise decisions. We are now taking the learnings from Quellaveco and embedding those into our designs for Woodsmith. We will also embed them at Sakatti, our polymetallic greenfield option in Finland. The EIA for that project was recently approved in August by the Finnish authorities and we are now working with those authorities to progress the Natura assessment.

I believe this approach is key to demonstrating to our host communities, governments, customers and partners, as well as to current and potential shareholders and society more broadly, what responsible and sustainable mining looks like, guided by our clear purpose. We aim to be the partner of choice to those who, like us, focus on long term sustainable value creation.

And with that – Tom, over to you.

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