AngloAmerican

YEAR END FINANCIAL REPORT

for the year ended 31 December 2023

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22 February 2024

Anglo American Preliminary Results for the year ended 31 December 2023

Production increase and strong cost performance outweighed by cyclical lows for PGMs and diamonds

- Quellaveco fully ramped up and produced 319,000 tonnes of copper at unit cost of 111 c/lb
- On track to reduce annual costs by c.$1 billion and capex by c.$1.6 billion over 2024–2026
- Underlying EBITDA* of $10.0 billion, a 31% decrease; 2% volume increase and unit costs held to +4% despite high inflation, more than offset by $5.5 billion revenue impact of PGMs and diamonds at cyclical lows
- Profit attributable to equity shareholders of $0.3 billion
- Net debt* of $10.6 billion: investing in long term growth through the cycle, with leverage at 1.1x
- $1.2 billion total dividend for FY 2023, equal to $0.96 per share, consistent with our 40% payout policy.

Duncan Wanblad, Chief Executive of Anglo American, said: "2023 saw us increase production by 2% and contain the effect of high inflation on our costs, while facing a cyclical downturn in PGMs and diamonds. Against that backdrop, we are reducing annual run rate costs by $1 billion and capital spend by $1.6 billion over the next three years, while also cutting out unprofitable volumes. This value over volume mindset represents our biggest margin lever to enhance returns. We are systematically reviewing our assets and will take further actions as needed to ensure their competitiveness. We have also this week set out the difficult but necessary reconfigurations of our PGMs and Kumba operations to set them up on a far more sustainable footing, building on the recent 25% cost reduction from our consolidation of senior head office roles.

"We continue to make progress on safety, achieving our lowest ever injury rate in 2023. However, I am sad to report that three colleagues died during the year following two accidents, at Los Bronces and Kumba. We extend our deepest condolences to their families, friends and colleagues. We are unconditional in our commitment to safety and working to ensure that every colleague returns home safe and well each day.

"Operationally, we ramped up our flagship Quellaveco operation to full capacity in 2023, producing 319,000 tonnes of copper at a highly competitive unit cost. Minas-Rio set a number of performance records, while Kumba performed well but was limited by third-party rail constraints. At Los Bronces we have reconfigured the mine plan to remove unprofitable production during a phase of lower grades and hard ore, and in Australia we reset production plans to align with new safety protocols and ongoing challenging ground conditions at Moranbah. PGMs and De Beers performed well operationally but faced markets at cyclical lows.

"Underlying EBITDA of $10.0 billion at a 39% Mining EBITDA margin* reflects a 13% lower product basket price and a 4% unit cost increase, partially offset by our 2% volume growth. Net debt increasing to $10.6 billion reflects the growth investments we are making through the cycle in line with our belief in the strong long term fundamentals. Our updated assessment of global GDP growth and consumer demand were the main factors behind our $1.6 billion write-down of our book value of De Beers, principally relating to goodwill. Our $0.5 billion proposed final dividend of $0.41 per share is in line with our 40% payout policy.

"There is no doubt that while the immediate macro picture presents some challenges for our PGMs and diamonds businesses, the demand trends for metals and minerals have rarely looked better. We are focused on reducing complexities and continue to manage our assets, capital and portfolio dynamically and for value. This includes syndicating large greenfield projects for value, as we did with Quellaveco, and as we plan to do for Woodsmith at the right time. We also look to identify opportunities with adjacent assets where there is significant value to be unlocked, while progressing our sequence of organic project options that offer considerable value growth, predominantly in copper, crop nutrients and high quality iron ore**.**"

Year ended US$ million, unless otherwise stated	**31 December 2023**	31 December 2022	Change
Revenue	**30,652**	35,118	(13) %
Underlying EBITDA*	**9,958**	14,495	(31) %
Mining EBITDA margin*	**39 %**	47 %	
Attributable free cash flow*	**(1,385)**	1,585	(187) %
Profit attributable to equity shareholders of the Company	**283**	4,514	(94) %
Basic underlying earnings per share* ($)	**2.42**	4.97	(51) %
Basic earnings per share ($)	**0.23**	3.72	(94) %
Final dividend per share ($)	**0.41**	0.74	(45) %
Interim dividend per share ($)	**0.55**	1.24	(56) %
Total dividend per share ($)	**0.96**	1.98	(52) %
Group attributable ROCE*	**16 %**	30 %	

Terms with this symbol * are defined as Alternative Performance Measures (APMs). For more information, refer to page 84.

Sustainability performance

Key sustainability performance indicators[1]

Anglo American tracks its strategic progress using KPIs that are based on our seven pillars of value: safety and health, environment, socio-political, people, production, cost, and financial. In addition to the financial performance set out above and our operational performance on pages 6–34, our performance for the first four pillars is set out below:

Pillar of value	Metric	31 December 2023	31 December 2022	Target	Target achieved
Safety and health	Work-related fatal injuries	3	2	Zero	Not achieved
	Total recordable injury frequency rate (TRIFR) per million hours	1.78	2.19	Reduction year on year	On track
	New cases of occupational disease	15	5	Reduction year on year	Not achieved
Environment	GHG emissions – Scopes 1 & 2 (Mt CO_2e)	12.5	13.3	Reduce absolute GHG emissions by 30% by 2030	On track
	Fresh water withdrawals (ML)[2]	38,040	35,910	Reduce fresh water abstraction in water scarce areas by 50% by 2030	On track for 2030 target
	Level 4–5 environmental incidents	0	0	Zero	On track
Socio-political	Social Way 3.0 implementation[3]	73%	66%	Full implementation of the Social Way 3.0 by end 2022	Behind schedule
	Number of jobs supported off site[4]	139,308	114,534		
	Local procurement spend ($bn)[5]	13.0	13.6		
	Taxes and royalties ($m)[6]	5,081	5,893		
People	Women in management	34 %	32%	To achieve 33% by 2023	Achieved
	Women in the workforce	26 %	24%		
	Voluntary labour turnover	3.5 %	3.6%	< 5%	On track

[1] The following sustainability performance indicators for the year ended 31 December 2023 and the comparative period are externally assured: work-related fatal injuries; TRIFR; GHG emissions; and fresh water withdrawals.

[2] Fresh water withdrawal data can vary year on year due to seasonal variations in hydrological cycles, production profiles and operational requirements. The fresh water savings projects and initiatives remain on track to achieve our 2030 water reduction targets, with a reduction to date of 22% against the 2015 baseline (48,666 ML).

[3] 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. For further information on progress, see Socio-political commentary on page 4.

[4] Jobs supported since 2018, in line with the Sustainable Mining Plan Livelihoods stretch goal.

[5] Local procurement is defined as procurement from businesses that are registered and based in the country of operation – also referred to as in-country procurement – and includes local procurement expenditure from the Group's subsidiaries and a proportionate share of the Group's joint operations, based on shareholding.

[6] Taxes and royalties include all taxes and royalties borne and taxes collected by the Group. This includes corporate income taxes, withholding taxes, mining taxes and royalties, employee taxes and social security contributions and other taxes, levies and duties directly incurred by the Group, as well as taxes incurred by other parties (e.g. customers and employees) but collected and paid by the Group on their behalf. Figures disclosed are based on cash remitted, being the amounts remitted by entities consolidated for accounting purposes, plus a proportionate share, based on the percentage shareholding, of joint operations. Taxes borne and collected by equity accounted associates and joint ventures are not included.

Safety

Anglo American's number one value is safety, and it is our first priority, always. We are committed, and believe it is possible, to prevent our people from being harmed at work. Safety is foremost in everything we do; we train, equip and empower our people to work safely, because we believe that everybody, everywhere should return home safe at the end of their working day.

In 2023, we renewed our focus on three key safety levers: supporting operational leaders to spend more time in the field; using our Operating Model principles to deliver planned work, with risk identification and mitigation at the heart of that work; and implementing our new Contractor Performance Management framework across the business. We have made solid progress in our safety journey, recording our lowest total recordable injury frequency rate (TRIFR) of 1.78 in 2023 (2022: 2.19). While encouraged by this improvement, we were deeply saddened to lose three colleagues at our managed operations: one at our Kumba iron ore business in South Africa, and two at our Los Bronces copper operation in Chile.

Alongside our continued use of innovative technologies to help make Anglo American a safer and healthier place to work, we are building a stronger safety culture, based on the established concept of Visible Felt Leadership (VFL). VFL involves connecting operational leaders on a one to one or small group basis around a task or activity and ensuring that it is done safely and effectively. Unlike traditional 'top-down' interventions, which were generally regarded by both leaders and frontline workers as "looking to see what's wrong", our approach to VFL recognises people for doing the right things, and encourages them to stand up for safety and speak up if they see something that doesn't look or feel right.

To deliver safe, responsible production, we know that we need to be better at how we work with our contractors and how we support their safety on our sites, ensuring they too feel valued and respected as a critical contributor to everyone's safety. We have, therefore, launched a new Contractor Performance Management framework which has been designed as an end to end approach: it incorporates people, processes and systems and provides the foundation for safe and stable production by creating a psychologically and physically safe, healthy and productive work environment for employees, contractors and suppliers.

Health

In 2023, we continued to implement our Health and Well-being strategy in line with the World Health Organization (WHO) Healthy Workplace model and framework covering employee health. This strategy, supported by our WeCare well-being and livelihoods support programmes, requires us to work together to support our people and achieve our health and well-being goals.

Occupational diseases

In 2023, there were 15 reported new cases of occupational disease, of which 14 were related to noise exposure (2022: 5, all related to noise exposure). A significant challenge in reporting occupational disease is that many hazards do not cause immediate symptoms or measurable health harms. Occupational disease is often not detectable or definable until many years after exposure. This means cases reported in a given year are most likely to reflect accumulated past working conditions. This latency challenge underscores the importance of long term environment monitoring, comprehensive worker occupational health surveillance, and proactive risk assessment – preventative management strategies that are an ongoing focus at Anglo American.

Occupational exposures

At the beginning of 2023, we changed the definition of our occupational exposure metrics to reduce the threshold of definitions of exposure to inhalables and carcinogens in line with the Occupational Health and Safety Act 85 (1993) South Africa. This change to the reporting basis has led to an increase in the number of exposure incidents captured, resulting in 2023 data being incomparable to that reported in 2022.

Although it is not possible to compare year-on-year exposure levels, there has been a reduction in the number of employees exposed to occupational hazards above the occupational exposure limit over the course of 2023. Occupational noise exposure enhancements were driven by acoustic improvements at both PGMs and Copper. Advancements in relation to employees exposed to inhalables and carcinogens were largely driven by enhanced local exhaust ventilation controls at our PGMs processing operations and retrofitting of diesel exhaust after-treatment systems on a range of diesel-powered equipment at our underground operations.

Environment

Our Sustainable Mining Plan includes commitments to be a leader in environmental stewardship. By 2030, we aim to reduce greenhouse gas (GHG) emissions (Scopes 1 and 2) by 30%; achieve a 50% reduction in fresh water abstraction in water scarce areas; and deliver net-positive impacts in biodiversity across our managed operations.

In addition to our GHG emissions reduction aims, we also have a target to be carbon neutral across our operations by 2040, and an ambition to at least halve our Scope 3 emissions, also by 2040. We continue to make encouraging progress, with Scope 1 and 2 GHG emissions 6% lower than the prior year, despite the increase in production volumes. In Peru, our Quellaveco copper mine was supplied with 100% renewable electricity supply from April 2023, completing the transition for all our operations in South America. With our operations in Australia moving to renewable supply from 2025, we are on target to be drawing approximately 60% of our global grid supply from renewables from 2025. In southern Africa, we are developing a regional renewable energy ecosystem through our partnership with EDF Renewables, known as Envusa Energy. In 2023, Envusa Energy made significant progress towards the delivery of solar and wind power to our operations. The three Koruson 2 projects, on the border of the Northern and Eastern Cape provinces, are expected to reach a key milestone – financial close – with the lenders consortium and EDF Renewables, imminently.

Methane emissions from our steelmaking coal operations represent the largest component of our Scope 1 emissions and we continue to explore ways to manage and abate these emissions. We have invested significantly, in excess of $100 million per annum, in methane capture infrastructure at our underground steelmaking coal operations. In 2023, across these operations, we abated approximately 60% of methane emissions, including 5.3 million tonnes of CO_2e emissions through the capture and delivery of methane to gas-fired power stations with our partner and operator, EDL.

As part of our ambition to reduce our Scope 3 emissions by at least 50% by 2040, we are focusing on hard-to-abate sectors such as steel – from which most of our value chain emissions derive. In 2023, we agreed several MoUs with our customers, including H2 Green Steel, Meranti and Baowu, with a focus on reducing emissions within the steel value chain. The collaborations focus on accelerating the adoption of less carbon intensive production technologies, such as DRI and EAF, using Anglo American's premium quality iron ore products from the Kumba mines in South Africa and Minas-Rio mine in Brazil.

With more than 80% of our global assets located in water scarce areas, we need to reduce our dependence on fresh water and are working on technologies to help us do that. Our combined technologies of coarse particle recovery (CPR) and hydraulic dewatered stacking (HDS) are demonstrating a new way to safely dispose of mining waste and accelerate our progress towards ending wet tailings storage, while also increasing production and reducing energy consumption. Following an 18-month pilot period at our El Soldado copper mine's technology-testing hub in Chile, the two processes, working in tandem with each other, have accelerated dewatering times significantly and yielded water recoveries of c.80%, while considerably lowering the liquefaction risk of stored tailings, as well as delivering significant energy savings. Full-scale CPR plants are at advanced stage of commissioning at Mogalakwena (PGMs) and Quellaveco (Copper).

Socio-political

We continue working to strengthen and broaden our social performance competencies through embedding the Social Way 3.0 (launched in 2020) across Anglo American. The Social Way is our asset-level system for managing impacts to stakeholders, related risks to the business and delivery of socio-economic benefits. The Social Way 3.0 is a critical foundation of our business and an enabler of our sustainability commitments. We believe it is one of the most robust and comprehensive social performance management systems in the mining sector.

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

Since the launch of our Sustainable Mining Plan, we have supported 139,308 off site jobs through socio-economic development programmes, including local procurement, enterprise and supplier development initiatives, training, mentoring and capacity development, loan funding to small businesses, agriculture programmes, and collaborative regional development initiatives.

The success of our business is shared with a wide range of stakeholders, including national governments and host communities, through the significant corporate tax, mining tax and royalty payments that we make. Total taxes and royalties borne and taxes collected amounted to $5,081 million, a 14% decrease compared with the prior year, reflecting lower profit before tax and revenues.

People

Tightly linked to our safety imperative and our Values, we strive to create a workplace that places people at its heart. We are committed to promoting an inclusive and diverse environment where every colleague is valued and respected for who they are, and has the opportunity to fulfil their potential.

By the end of 2023, we exceeded our consolidated target of 33% female representation across the business for our management population, reaching 34%. However, for female representation for those on the Executive Leadership Team and for those reporting into an Executive Leadership Team member, we achieved 25% and 29%, respectively. The company is committed to building female representation in our Executive Leadership Team and those reporting to them. We have seen positive improvements year on year on other key performance metrics such as the percentage of women in the workforce which increased to 26% in 2023 (2022: 24%).

We were recognised for our work on reducing gender inequalities in the workplace by being included in The Times' Top 50 Employers for Gender Equality Index for the second year in a row; both Anglo American plc and our PGMs business, Anglo American Platinum, were also included in the Bloomberg Gender Equality Index in 2023. Anglo American was once again included in the Top Employer listings in both South Africa and the UK. In January 2023, Anglo American became the first mining company, and the third company in the world, to secure a global living wage accreditation from the Fair Wage Network, formally recognising our status as a committed living wage employer across the Group.

Living with Dignity – building a safe and inclusive culture

Building a safe and inclusive culture has been a longstanding focus Anglo American as part of our commitment to our people and the communities in which we operate. We are committed to listening to our people and the community stakeholders who support our business every day.

We deeply understand the unique role our business plays in society, and we believe that this extends beyond our mine fences. We launched our Living with Dignity programme in 2019, founded on the belief that everyone has the right to dignity – in our homes, schools, at work and everywhere in between. Through this programme, Anglo American is working collaboratively with our partners in government and civil society to build sustainable partnerships aimed at providing direct employee and community support to combat dignity harms, including gender-based and domestic violence.

We continue to build on this important work as part of our WeCare global lives and livelihoods programme and, in 2022, established our Living with Dignity Hub in South Africa to bring our policies to life in an independent unit dedicated to providing ongoing and committed support to our employees, contractors and their families. The Hub handles all formal complaints of dignity harms – including sexual harassment and gender-based violence – and bullying, harassment and victimisation across our South African footprint, and is overseen by an independent Ambassador to ensure we stand by our policies and remain committed to amplifying our efforts. We are proud of the results we have seen from the Hub, which has handled over 429 cases since opening and a consistent increase in reports as awareness rises, establishing itself as the primary support centre to get help when it is most needed.

Sustainable Mining Plan

Our Sustainable Mining Plan is designed to be a flexible, living plan and we will continue to evolve it as we learn and make progress and as technologies develop, while also ensuring it stays relevant and suitably stretching, in tune with our employees' and stakeholders' ambitions for our business. We are currently exploring a number of areas of the Sustainable Mining Plan that we feel may benefit from being updated to align more closely with our stakeholder expectations or deliver improved sustainability outcomes and will update the plan when we have developed these options more fully.

Operational and financial review of Group results for the year ended 31 December 2023

Operational performance

Production volumes increased by 2% on a copper equivalent basis, primarily driven by the ramp-up of our Quellaveco copper mine in Peru, a strong operational performance at our Minas-Rio iron ore operation in Brazil, as well as higher production from our Steelmaking Coal operations in Australia. Production was lower at De Beers, as the Venetia mine transitions from open pit to underground operations, and at PGMs due to lower production from the Kroondal joint operation (now sold) and planned infrastructure closures at Amandelbult. Lower grades impacted production at Los Bronces (Copper Chile).

Total copper production of 826,200 tonnes increased by 24% (2022: 664,500 tonnes), primarily driven by Quellaveco (Copper Peru), which reached commercial production levels in June 2023 and delivered 319,000 tonnes of copper in the year. Copper Chile's production of 507,200 tonnes was 10% lower (2022: 562,200 tonnes), principally driven by Los Bronces, where production decreased by 20% to 215,500 tonnes (2022: 270,900 tonnes) due to lower grades and ore hardness. Collahuasi's attributable production was marginally higher at 252,200 tonnes (2022: 251,100 tonnes) due to planned higher grades and the ongoing commissioning of a fifth ball mill that started at the end of October.

Nickel production increased marginally to 40,000 tonnes (2022: 39,800 tonnes), reflecting improved operational stability.

Total PGM production decreased by 5% to 3,806,100 ounces (2022: 4,024,000 ounces), principally due to lower production from the Kroondal joint operation (now sold), planned infrastructure closures at Amandelbult and lower grades at Mogalakwena, partially offset by higher production at Unki.

De Beers' rough diamond production decreased by 8% to 31.9 million carats (2022: 34.6 million carats), due to planned lower production levels at Venetia as the operation transitions to underground.

Iron ore production was broadly in line with the prior year at 59.9 Mt (2022: 59.3 Mt). Minas-Rio production increased by 12% to 24.2 Mt (2022: 21.6 Mt), the best performance since the start of the operation in 2014, reflecting an integrated focus on stable and capable operating performance. At Kumba, production decreased by 5% to 35.7 Mt (2022: 37.7 Mt), as underperformance by the third-party logistics provider, Transnet, resulted in production in the fourth quarter being reduced to align to lower rail capacity and alleviate mine stockpile constraints.

Steelmaking coal production increased by 7% to 16.0 Mt (2022: 15.0 Mt), reflecting a steady step-up in performance from the Aquila underground operation due to its largely automated longwall, and increased production at the open cut operations which were impacted by unseasonal wet weather in 2022. Moranbah continues to operate through challenging strata conditions.

Manganese ore production was in line with the prior year at 3.7 Mt (2022: 3.7 Mt).

Group copper equivalent unit costs increased by 4% as inflationary pressures, particularly labour and electricity, were partially offset by the benefit of favourable exchange rates and ramp-up of production from Quellaveco which started operations in July 2022. Excluding the favourable impact of foreign exchange, unit costs increased by 7%.

Financial performance

Anglo American's profit attributable to equity shareholders decreased to $0.3 billion (2022: $4.5 billion). Underlying earnings were $2.9 billion (2022: $6.0 billion), while operating profit was $3.9 billion (2022: $9.2 billion).

Underlying EBITDA*

Group underlying EBITDA decreased by $4.5 billion to $10.0 billion (2022: $14.5 billion). Financial results were impacted by lower prices in PGMs, as well as diamonds, which were predominantly driven by mix. As a result, the Group Mining EBITDA margin* of 39% was lower than the prior year (2022: 47%). Our strong balance sheet and ongoing focus on cost control and cash generation has allowed us to continue to invest appropriately in our future growth options. A reconciliation of 'Profit before net finance costs and tax', the closest equivalent IFRS measure to underlying EBITDA, is provided within note 3 to the Condensed financial statements.

Underlying EBITDA* by segment

$ million	**Year ended 31 December 2023**	Year ended 31 December 2022
Copper	**3,233**	2,182
Nickel	**133**	381
PGMs	**1,209**	4,417
De Beers	**72**	1,417
Iron Ore	**4,013**	3,455
Steelmaking Coal	**1,320**	2,749
Manganese	**231**	378
Crop Nutrients	**(60)**	(44)
Corporate and other	**(193)**	(440)
Total	**9,958**	14,495

Underlying EBITDA* reconciliation for the year ended 31 December 2022 to year ended 31 December 2023

The reconciliation of underlying EBITDA from $14.5 billion in 2022 to $10.0 billion in 2023 shows the major controllable factors (e.g. cost and volume), as well as those outside of management control (e.g. price, foreign exchange and inflation), that drive the Group's performance.

$ billion	
2022 underlying EBITDA*	**14.5**
Price	**(4.8)**
Foreign exchange	**1.0**
Inflation	**(0.7)**
Net cost and volume	**(0.1)**
Other	**0.1**
2023 underlying EBITDA*	**10.0**

Price

Average market prices for the Group's basket of products decreased by 13% compared to 2022, reducing underlying EBITDA by $4.8 billion. The PGMs basket price decreased by 35%, primarily driven by rhodium and palladium, which decreased by 58% and 37% respectively. Alongside this, the weighted average realised price for steelmaking coal reduced by 14% and the De Beers consolidated average realised price for diamonds fell by 25%, predominantly driven by mix.

Foreign exchange

Favourable foreign exchange benefited underlying EBITDA by $1.0 billion, primarily reflecting the favourable impact of the weaker South African rand on costs.

Inflation

The Group's weighted average CPI was 5% in 2023 as inflation continued to increase in all regions, albeit lower than the 8% in 2022. The impact of CPI inflation on costs reduced underlying EBITDA by $0.7 billion (2022: $0.9 billion).

Net cost and volume

The net impact of cost and volume was a $0.1 billion decrease in underlying EBITDA, driven by lower sales volumes at De Beers due to weaker market sentiment, and lower sales at Copper Chile primarily as a result of lower grades and ore hardness at Los Bronces impacting production and costs. In addition, above-CPI inflationary pressures contributed to higher costs across the Group, particularly in South Africa at both PGMs and Kumba. These were largely offset by the ramp-up of volumes at Quellaveco and improved sales at Minas-Rio due to higher production volumes.

Other

The $0.1 billion favourable movement in underlying EBITDA from other factors was primarily driven by smaller increases to environmental restoration provisions at Copper Chile than in the prior year, partially offset by the impact of lower sales volumes and cost pressures at our associates and joint operations.

Underlying earnings*

Group underlying earnings decreased to $2.9 billion (2022: $6.0 billion), driven by the lower underlying EBITDA, partly offset by a corresponding decrease in income tax expense and earnings attributable to non-controlling interests.

Reconciliation from underlying EBITDA* to underlying earnings*

$ million	**Year ended 31 December 2023**	Year ended 31 December 2022
Underlying EBITDA*	**9,958**	14,495
Depreciation and amortisation	**(2,790)**	(2,532)
Net finance costs and income tax expense	**(3,126)**	(4,307)
Non-controlling interests	**(1,110)**	(1,620)
Underlying earnings*	**2,932**	6,036

Depreciation and amortisation

Depreciation and amortisation increased by 10% to $2.8 billion (2022: $2.5 billion), largely due to Quellaveco commencing commercial production in June 2023, as well as a higher carrying value of our Steelmaking Coal assets due to the impairment reversal recognised in 2022.

Net finance costs and income tax expense

Net finance costs, before special items and remeasurements, were $0.6 billion (2022: $0.3 billion). The increase was principally driven by the impact of higher floating interest rates on the Group's interest expenses.

The underlying effective tax rate (ETR) was higher than the prior year at 38.5% (2022: 34.0%), impacted by the relative levels of profits arising in the Group's operating jurisdictions as well as the revaluation of deferred taxes in Chile following the enactment of the Mining Royalty Bill during the year, which contributed a 1.2 percentage point increase to the Group's ETR. The tax charge for the year, before special items and remeasurements, was $2.3 billion (2022: $3.6 billion), reflecting lower profit before tax.

Non-controlling interests

The share of underlying earnings attributable to non-controlling interests of $1.1 billion (2022: $1.6 billion) principally relates to minority shareholdings in Kumba (Iron Ore), Copper and PGMs.

Special items and remeasurements

Special items and remeasurements (after tax and non-controlling interests) are a net charge of $2.6 billion (2022: net charge of $1.5 billion), principally relating to the impairments after tax and non-controlling interests of $1.6 billion recognised in De Beers and $0.5 billion recognised in Barro Alto (Nickel).

Full details of the special items and remeasurements recorded are included in note 10 to the Condensed financial statements.

Net debt*

$ million	2023	2022
Opening net debt* at 1 January	(6,918)	(3,842)
Underlying EBITDA* from subsidiaries and joint operations	9,241	13,370
Working capital movements	(1,167)	(2,102)
Other cash flows from operations	41	621
Cash flows from operations	8,115	11,889
Capital repayments of lease obligations	(309)	(266)
Cash tax paid	(2,001)	(2,726)
Dividends from associates, joint ventures and financial asset investments	382	602
Net interest[1]	(727)	(253)
Distributions paid to non-controlling interests	(978)	(1,794)
Sustaining capital expenditure	(4,404)	(4,143)
Sustaining attributable free cash flow*	78	3,309
Growth capital expenditure and other[2]	(1,463)	(1,724)
Attributable free cash flow*	(1,385)	1,585
Dividends to Anglo American plc shareholders	(1,564)	(3,549)
Acquisitions and disposals	200	564
Foreign exchange and fair value movements	21	(238)
Other net debt movements[3]	(969)	(1,438)
Total movement in net debt*	(3,697)	(3,076)
Closing net debt* at 31 December	(10,615)	(6,918)

[1] Includes cash outflows of $403 million (2022: outflows of $14 million), relating to interest payments on derivatives hedging net debt, which are included in cash flows from derivatives related to financing activities.
[2] Growth capital expenditure and other includes $133 million (2022: $129 million) of expenditure on non-current intangible assets.
[3] Includes the purchase of shares (including for employee share schemes) of $274 million; Mitsubishi's share of Quellaveco capital expenditure of $129 million; other movements in lease liabilities (excluding variable vessel leases) increasing net debt by $120 million; and contingent and deferred consideration paid in respect of acquisitions completed in previous years of $128 million. 2022 includes the purchase of shares under the 2021 buyback programme of $186 million; the purchase of shares for other purposes (including for employee share schemes) of $341 million; Mitsubishi's share of Quellaveco capital expenditure of $446 million; other movements in lease liabilities (excluding variable vessel leases) decreasing net debt by $33 million; and contingent and deferred consideration paid in respect of acquisitions completed in previous years of $165 million.

Net debt (including related derivatives) of $10.6 billion increased by $3.7 billion since 31 December 2022, which includes a working capital cash outflow of $1.2 billion, primarily due to a reduction in payables. The Group generated sustaining attributable free cash flow of $0.1 billion. Further funding includes growth capital expenditure of $1.3 billion and dividends paid to Anglo American plc shareholders of $1.6 billion. Net debt at 31 December 2023 represented gearing (net debt to total capital) of 25% (2022: 17%). Net debt to EBITDA ratio of 1.1x (2022: 0.5x) remains well within our target range of <1.5x at the bottom of the cycle.

Cash flow

Cash flows from operations

Cash flows from operations decreased to $8.1 billion (2022: $11.9 billion), reflecting a reduction in underlying EBITDA from subsidiaries and joint operations, and a working capital build of $1.2 billion (2022: build of $2.1 billion). Payables reduced by $0.8 billion, largely driven by the impact of lower PGM prices on the valuation of the Purchase of Concentrate (POC) creditor as well as the PGM customer prepayment. Receivables increased by $0.4 billion led by higher price and volume across Iron Ore and Copper. Inventory was flat in the year, with price and volume led reductions at PGMs offsetting a build at De Beers driven by weak demand for diamonds and the impact of logistics constraints on Kumba's inventory levels.

Capital expenditure*

$ million	Year ended 31 December 2023	Year ended 31 December 2022
Stay-in-business	2,902	2,558
Development and stripping	920	1,010
Life-extension projects	598	582
Proceeds from disposal of property, plant and equipment	(16)	(7)
Sustaining capital	4,404	4,143
Growth projects	1,330	1,595
Total capital expenditure	5,734	5,738

Capital expenditure remained in line with prior year at $5.7 billion as higher sustaining capital was offset by reduced growth capital.

Sustaining capital expenditure increased to $4.4 billion (2022: $4.1 billion), driven by additional stay-in-business expenditure for Copper Chile related to the Collahuasi desalination plant project, the new tailings filtration plant for Minas-Rio (Iron Ore) in Brazil, and increased expenditure at Quellaveco as it transitioned into operations.

Growth capital expenditure of $1.3 billion primarily related to the Woodsmith project and the remaining spend on completing Quellaveco. This was lower than the prior year (2022: $1.6 billion) as the Quellaveco project was successfully delivered in July 2022, and reached commercial production levels in June 2023.

Attributable free cash flow*

The Group's attributable free cash flow decreased to an outflow of $1.4 billion (2022: inflow of $1.6 billion), mainly due to lower cash flows from operations of $8.1 billion (2022: $11.9 billion) and an increase in net interest to $0.7 billion (2022: $0.3 billion). This was partially offset by decreased tax payments of $2.0 billion (2022: $2.7billion) and a reduction in dividends paid to non-controlling interests to $1.0 billion (2022: $1.8 billion).

Shareholder returns

In line with the Group's established dividend policy to pay out 40% of underlying earnings, the Board has proposed a final dividend of $0.41 per share (2022: $0.74 per share), equivalent to $0.5 billion (2022: $0.9 billion).

Disposals

Net cash inflows on disposals of $0.2 billion principally relate to the settlement of the deferred consideration balance relating to the sale of the Rustenburg operations (PGMs) completed in November 2016.

Balance sheet

Net assets decreased by $2.3 billion to $31.6 billion (2022: $34.0 billion), reflecting dividend payments to Company shareholders and non-controlling interests as well as foreign exchange movements, partially offset by the profit in the year, which was impacted by the impairments at De Beers and Nickel.

Attributable ROCE*

Attributable ROCE decreased to 16% (2022: 30%). Attributable underlying EBIT decreased to $5.4 billion (2022: $9.7 billion), reflecting the impact of lower realised prices for the Group's products and inflationary cost pressures. Average attributable capital employed increased to $33.2 billion (2022: $32.0 billion), primarily due to capital expenditure, largely at Quellaveco and Collahuasi (Copper), and shipping vessel lease additions and revaluations (Corporate and Other), partly offset by the reduction in capital employed following the De Beers and Nickel impairments recorded in 2023.

Liquidity and funding

Group liquidity stood at $13.2 billion (2022: $16.1 billion), comprising $6.1 billion of cash and cash equivalents (2022: $8.4 billion) and $7.2 billion of undrawn committed facilities (2022: $7.7 billion).

During the first half of 2023, the Group issued $2.0 billion of bond debt. In March 2023, the Group issued €500 million 4.5% Senior Notes due 2028, €500 million 5.0% Senior Notes due 2031 and, in May 2023, $900 million 5.5% Senior Notes due 2033. These were swapped to US dollar floating interest rate exposures in line with the Group's policy.

Consequently, the weighted average maturity on the Group's bonds was broadly in line with the prior year at 7.4 years (2022: 7.7 years).

In the second half of 2023, the Group refinanced its $4.7 billion revolving credit facility maturing in March 2025, to a one year $1 billion facility maturing in November 2024, and a $3.7 billion five year facility maturing in November 2028.

Attractive growth options

Anglo American continues to evolve its portfolio of competitive, world class assets towards those future-enabling products that are fundamental to enabling a low carbon economy and that cater to major global consumer demand trends.

Growth projects (metrics presented on a 100% basis unless otherwise indicated)

Progress and current expectations in respect of our key growth projects are as follows:

Operation	Scope	Capex $bn	Remaining capex $bn	First production
Copper				
Collahuasi	Commissioning of the fifth ball mill, adding c.15 ktpa (44% share), started at the end of October 2023 and is ongoing.	Fifth ball mill c.0.1 (44% share)	0.0	2023
	Investment in additional crushing capacity and flotation cells is expected to add additional production of c.10 ktpa (44% share) on average from 2026.	Additional crushing capacity and flotation cells c.0.2 (44% share)	0.2 (44% share)	2026
	Additional debottlenecking options remain under study and are expected to add c.15 ktpa (44% share) from 2025 to 2028. Beyond that, studies and permitting are required to be finalised for a fourth processing line in the plant and mine expansion that would add up to c.150 ktpa (44% share).		Expansion studies ongoing. Subject to permitting and approvals	
Crop Nutrients				
Woodsmith	New polyhalite (natural mineral fertiliser) mine being developed in North Yorkshire, UK. Expected to produce POLY4 – a premium quality, comparatively low carbon fertiliser suitable for organic use. Final design capacity of c.13 Mtpa is expected, subject to studies and approval.	Refer to page 32 for more information on project progress		

Life-extension projects (metrics presented on a 100% basis unless otherwise indicated)

Progress and current expectations in respect of our key life-extension projects are as follows:

Operation	Scope	Capex $bn	Remaining capex $bn	Expected first production
Diamonds				
Venetia	4 Mctpa underground replacement for the open pit. First production recently achieved with ramp-up over the next few years as development continues.	2.3	0.8	Achieved in June 2023
Jwaneng	9 Mctpa (100% basis) replacement for Cuts 7 and 8. The Cut-9 expansion of Jwaneng will extend the life of the mine to 2036.	0.4 (19.2% share)	0.2 (19.2% share)	2027
Iron Ore				
Kolomela	High grade iron ore replacement project of c.4 Mtpa. The development of a new pit, Kapstevel South, and associated infrastructure at Kolomela to sustain output of 10–11Mtpa.	0.4	0.0	First ore is expected in 2024
PGMs				
Mototolo/ Der Brochen	Project leverages the existing Mototolo infrastructure, enabling mining to extend into the adjacent and down-dip Der Brochen resource to extend life of asset to 2074.	0.2	0.2	2024
Mogalakwena	Evaluating various options to support possible future underground operations of the mine through progressing the drilling, twin exploration decline and studies for underground operations.	Projects under review with a number of options being considered		

Technology projects[1]

The Group plans to invest c.$0.1-0.3 billion per year on projects to support the FutureSmart Mining™ programme and the delivery of Anglo American's Sustainable Mining Plan targets, particularly those that relate to safety, energy, emissions and water. The Group is currently optimising the technology programme, focusing only on those technologies that will bring the most benefit to the operating assets and development projects, as well as determining the most effective manner to execute these programmes. For more information on our technology, please refer to our Integrated Annual Report 2023, page 44, due to be published on the Group's website on 4 March 2024.

[1] Expenditure relating to technology projects is included within operating expenditure, or if it meets the accounting criteria for capitalisation, within Growth capital expenditure.

The Board

Changes during 2023 to the composition of the Board are set out below.

On 1 April 2023, Magali Anderson joined the Board as a non-executive director and member of the Board's Sustainability Committee.

On 1 December 2023, Stephen Pearce stepped down from the Board and as Finance Director, following his decision to retire from the Group in February 2024. John Heasley joined Anglo American as Finance Director and as an executive director on the Board on 1 December 2023.

At the date of this report, four (40%) of the 10 Board directors are female and two (20%) identify as minority ethnic. The names of the directors at the date of this report and the skills and experience our Board members contribute to the long term sustainable success of Anglo American are set out on the Group's website:

www.angloamerican.com/about-us/leadership-team

Principal risks and uncertainties

Anglo American is exposed to a variety of risks and uncertainties which may have a financial, operational or reputational impact on the Group, and which may also have an impact on the achievement of social, economic and environmental objectives. The principal risks and uncertainties facing the Group are unchanged from those reported in 2022 and relate to the following:

- Catastrophic and natural catastrophe risks
- Product prices
- Cybersecurity
- Geopolitical
- Community and social relations
- Safety
- Climate change
- Corruption
- Regulatory and permitting
- Water
- Pandemic
- Operational performance
- Future demand

The Group is exposed to changes in the economic environment, including tax rates and regimes, as with any other business. Details of any key risks and uncertainties specific to the period are covered in the business reviews on pages 15–34. Details of relevant tax matters are included in note 6 to the Condensed financial statements.

The principal risks and uncertainties facing the Group at the 2023 year end are set out in detail in the strategic report section of the Integrated Annual Report 2023, published on the Group's website **www.angloamerican.com**, on 4 March 2024.

Copper

Operational and financial metrics

	Production volume	Sales volume	Price	Unit cost*	Group revenue*	Underlying EBITDA*	Mining EBITDA margin*	Underlying EBIT*	Capex*	ROCE*
	kt	kt[1]	c/lb[2]	c/lb[3]	$m[4]	$m		$m	$m	
Copper Total	**826**	**843**	**384**	**166**	**7,360**	**3,233**	**44 %**	**2,451**	**1,684**	**20 %**
Prior year	*664*	*641*	*385*	*154*	*5,599*	*2,182*	*39 %*	*1,595*	*2,031*	*16 %*
Copper Chile	**507**	**505**	**384**	**200**	**4,615**	**1,452**	**31 %**	**893**	**1,268**	**22 %**
Prior year	*562*	*563*	*386*	*157*	*4,991*	*1,952*	*40 %*	*1,387*	*1,217*	*32 %*
Los Bronces[5]	**216**	**217**	**n/a**	**304**	**1,724**	**114**	**7 %**	**(94)**	**552**	**n/a**
Prior year	*271*	*268*	—	*214*	*2,185*	*533*	*24 %*	*306*	*725*	—
Collahuasi[6]	**252**	**248**	**n/a**	**113**	**2,197**	**1,372**	**62 %**	**1,124**	**678**	**n/a**
Prior year	*251*	*256*	—	*87*	*2,180*	*1,512*	*69 %*	*1,259*	*419*	—
Other operations[7]	**40**	**40**	**n/a**	**n/a**	**694**	**(34)**	**(5)%**	**(137)**	**38**	**n/a**
Prior year	*40*	*39*	—	—	*626*	*(93)*	*(9)%*	*(178)*	*73*	—
Copper Peru (Quellaveco)[8]	**319**	**339**	**384**	**111**	**2,745**	**1,781**	**65 %**	**1,558**	**416**	**19 %**
Prior year	*102*	*78*	*379*	*136*	*608*	*230*	*38 %*	*208*	*814*	*2 %*

[1] Excludes 444 kt third-party sales (2022: 422 kt).

[2] Represents realised copper price and excludes impact of third-party sales.

[3] C1 unit cost includes by-product credits.

[4] Group revenue is shown after deduction of treatment and refining charges (TC/RCs).

[5] Figures on a 100% basis (Group's share: 50.1%).

[6] 44% share of Collahuasi production, sales and financials.

[7] Other operations form part of the results of Copper Chile. Production and sales are from El Soldado mine (figures on a 100% basis, Group's share 50.1%). Financials include El Soldado and Chagres (figures on a 100% basis, Group's share 50.1%), third-party trading, projects and corporate costs. El Soldado mine C1 unit costs increased by 21% to 316 c/lb (2022: 262 c/lb).

[8] Figures on a 100% basis (Group's share: 60%). Included in capex is the project capex which represents the Group's share after deducting direct funding from non-controlling interests. The Group's share of project capex was $138 million (on a 100% basis, $230 million). In 2022, the Group's share was $633 million (on a 100% basis, $1,055 million).

Operational performance

Copper Chile

Copper production of 507,200 tonnes was 10% lower than the prior year (2022: 562,200 tonnes), due to lower grades and ore hardness at Los Bronces.

At Los Bronces, production decreased by 20% to 215,500 tonnes (2022: 270,900 tonnes), due to lower ore grade (0.51% vs 0.62%) and continued ore hardness, as well as an electrical sub-station fire that interrupted plant facilities' power supply for 16 days. The unfavourable ore characteristics in the current area of mining will continue to affect the operation until the next phase of the mine, where the grades are expected to be higher and the ore softer. Development work for this phase is now under way and is expected to benefit production from early 2027 (refer to 'Operational outlook' below for further details).

At Collahuasi, Anglo American's attributable share of copper production increased marginally to 252,200 tonnes (2022: 251,100 tonnes), due to planned higher grades (1.17% vs 1.11%) and the ongoing commissioning of a fifth ball mill that started at the end of October, partially offset by lower copper recovery.

Production at El Soldado decreased by 2% to 39,500 tonnes (2022: 40,200 tonnes). Planned higher grades were offset by an existing geotechnical fault that was exacerbated by record levels of rain during the third quarter, resulting in the temporary closure of the mine. The production impact was partially mitigated by processing lower grade ore from stockpiles.

Chile´s central zone, where Los Bronces is located, faced dry conditions during the first half of the year followed by heavy precipitation. The increase in precipitation and the decision to place the smaller and less efficient of the two plants at the Los Bronces operation (the 'Los Bronces plant') on care and maintenance during 2024, has significantly reduced the risk in relation to water availability for Los Bronces in 2024. For Collahuasi, which is located in the north of the country, the outlook for 2024 remains dry; a desalination water solution is expected to be operational from 2026.

Copper Peru

Quellaveco produced 319,000 tonnes (2022: 102,300 tonnes), reflecting the progressive ramp-up in production volumes since first production in July 2022, with commercial production achieved in June 2023.

Following first production from the molybdenum plant in April 2023, commercial production was achieved in November 2023.

With the mine operational, focus is on the commissioning of the coarse particle recovery plant, which started in November 2023, and will treat flotation tails, leading to improved metal recoveries.

Markets

	Year ended 31 December 2023	Year ended 31 December 2022
Average market price (c/lb)	**385**	399
Average realised price (Copper Chile – c/lb)	**384**	386
Average realised price (Copper Peru – c/lb)	**384**	379

The differences between the market price and the realised prices are largely a function of provisional pricing adjustments and the timing of sales across the year. At Copper Chile, 114,500 tonnes of copper were provisionally priced at 386 c/lb at 31 December 2023 (31 December 2022: 166,900 tonnes provisionally priced at 379 c/lb). At Copper Peru, 39,000 tonnes of copper were provisionally priced at 385 c/lb at 31 December 2023 (31 December 2022: 74,800 tonnes provisionally priced at 380 c/lb).

Copper prices were relatively stable during 2023, with LME prices averaging 385 c/lb, down 4% from last year (2022: 399 c/lb). 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. However disruptions, mostly from social and environment concerns, continue to impact global mine supply.

Financial performance

Underlying EBITDA for Copper increased by 48% to $3,233 million (2022: $2,182 million), driven by the successful ramp-up of Quellaveco in Peru, partly offset by an 8% increase in unit costs and 19% lower sales from Los Bronces.

Copper Chile

Underlying EBITDA decreased by 26% to $1,452 million (2022: $1,952 million), driven by lower sales and higher unit costs. C1 unit costs increased by 27% to 200 c/lb (2022: 157 c/lb), reflecting the impact of lower production, cost inflation and a stronger Chilean peso, partially offset through cost control and higher by-product credits.

Capital expenditure increased by 4% to $1,268 million (2022: $1,217 million), mainly driven by expenditure at Collahuasi on the desalination plant and the fifth ball mill.

Copper Peru

The significant increase in underlying EBITDA to $1,781 million (2022: $230 million), reflects higher sales volumes and lower unit costs, as the operation ramped up. C1 unit costs decreased by 18% to 111 c/lb (2022: 136 c/lb), reflecting the benefit of higher production volumes.

Capital expenditure decreased by 49% to $416 million (2022: $814 million), reflecting the completion of major project spend for the construction of Quellaveco, which was successfully delivered in July 2022.

Operational outlook

Copper Chile

Los Bronces

Los Bronces is currently mining a single phase impacted by ore hardness, and with expected lower grades. Additional mining phases and intermediate ore stockpiles that would typically provide operational flexibility have not been developed as a result of delays in mine development, permitting and operational challenges.

While the operation works through the challenges in the mine, and until the economics improve, the older, smaller (c.40% of production volumes) and more costly Los Bronces processing plant will be placed on care and maintenance from mid-2024. This value over volume decision will enable the business to significantly reduce operating costs and improve competitiveness, at both the mine and the plant, reduce overheads, reduce capital spend as well as reduce reliance on external water sources (such as transportation via truck). The expected annualised unit cost saving from this action is c.30–40 c/lb.

The development of the first phase of the Los Bronces integrated water solution is also ongoing, which will secure a large portion of the mine's water needs through a desalinated water supply from the beginning of 2026.

Los Bronces remains a world class copper deposit, accounting for more than 2% of the world's known copper resources. The environmental permit for the Los Bronces open pit expansion and underground development was issued by the authorities in November 2023. Development work for the next higher grade, softer ore phase of the mine, Donoso 2, is now under way and is expected to benefit production and unit costs from early 2027. Pre-feasibility studies for the Los Bronces underground expansion are ongoing and are expected to be finalised in mid-2025.

Collahuasi

Collahuasi is a world class orebody with significant growth potential. Near term grades are expected to be c.1.05% TCu, with the exception of 2025 where the grade temporarily declines to c.0.95% TCu. Various debottlenecking options are being studied that are expected to add c.25,000 tonnes per annum (tpa) (our 44% share) between 2025–2028. Beyond that, studies and permitting are under way for a fourth processing line in the plant and mine expansion that would add up to 150,000 tpa (our 44% share). Timing of that expansion is subject to the permitting process; assuming permit approval in 2027, first production could follow from c.2032.

A desalination plant is currently under construction that will meet a large portion of the mine's water requirements when complete in 2026, and has been designed to accommodate capital-efficient expansion as the fourth processing line project progresses.

El Soldado

Following the exacerbation of the geotechnical fault at El Soldado by the heavy rainfall in 2023, the mine plan was revised in the third quarter of 2023. Production in 2024 is expected to be broadly comparable to 2023, before declining to 30,000–35,000 tpa as the mine reaches end of life by mid-2028. Following receipt of the environmental permit for phase 5, options are being evaluated that may enable a life extension.

Copper Chile

These impacts are reflected in the three-year guidance provided on pages 35–36, which is unchanged from the December 2023 Investor Update presentation. Production guidance for Chile for 2024 is 430,000–460,000 tonnes, subject to water availability. 2024 unit cost guidance is c.190 c/lb.

Copper Peru

A localised geotechnical fault in one of the phases previously scheduled for mining in 2024 necessitated a revised mining plan in the latter part of 2023, as it was determined that a change in the inter-ramp angle of that phase was required to ensure safety standards. While this stripping work progresses, other lower grade phases will be mined. As a result, access to higher grade sectors that were previously planned to be mined in 2024 have been rephased to 2027. However, as a result of further optimisation work within the revised mine plan, an additional c.25,000 tonnes of copper is expected to be mined over the next five years. Given the current copper market outlook, higher real term prices for these volumes may be achieved; thereby negating, or even benefiting, the NPV impact of the revised mine plan.

While current focus remains on embedding safe, consistent and stable operational performance, there is significant expansion potential that could sustain production beyond the initial high grade area. The first step, subject to permitting, would be an increase in throughput rates to 150,000 tonnes per day (tpd) (from the currently permitted level of 127,500 tpd), with limited capital required and no additional water required. Beyond that, different expansion alternatives are under study, including a possible third ball mill. There is also interesting regional potential that our Discovery team is progressing – including the adjacent Mamut area, c.10 km away.

These impacts are reflected in the three-year guidance provided on pages 35–36, which is unchanged from the December 2023 Investor Update presentation. Production guidance for Peru for 2024 is 300,000–330,000 tonnes and 2024 unit cost guidance is c.110 c/lb. Production in Peru will be weighted to the second half of the year, primarily as a result of the grades temporarily declining to between 0.6–0.7% TCu in the first half of the year.

Nickel

Operational and financial metrics

	Production volume	Sales volume	Price	Unit cost*	Group revenue*	Underlying EBITDA*	Mining EBITDA margin*	Underlying EBIT*	Capex*	ROCE*
	t	t	$/lb[1]	c/lb[2]	$m	$m		$m	$m	
Nickel	**40,000**	**39,800**	**7.71**	**541**	**653**	**133**	**20%**	**62**	**91**	**6%**
Prior year	*39,800*	*39,000*	*10.26*	*513*	*858*	*381*	*44%*	*317*	*79*	*24%*

[1] Realised price.
[2] C1 unit cost.

Operational performance

Nickel production increased marginally to 40,000 tonnes (2022: 39,800 tonnes), reflecting improved operational stability.

Markets

	31 December 2023	31 December 2022
Average market price ($/lb)	**9.74**	11.61
Average realised price ($/lb)	**7.71**	10.26

Differences between the market price (which is LME-based) and our realised price (the ferronickel price) are due to the discounts to the LME price, which depend on market conditions, supplier products and consumer preferences.

The average LME nickel price of $9.74/lb was 16% lower than prior year (2022: $11.61/lb), 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.

Financial performance

Underlying EBITDA decreased by 65% to $133 million (2022: $381 million), primarily as a result of lower realised prices. C1 unit costs increased by 5% to 541 c/lb (2022: 513 c/lb), reflecting the stronger Brazilian real and the impact of higher costs of production due to lower grade ore, including planned maintenance costs to secure asset integrity and availability.

Capital expenditure increased by 15% to $91 million (2022: $79 million), mainly driven by higher deferred stripping costs capitalised.

Within special items and remeasurements, total impairments of $779 million (before tax) were recognised at Barro Alto in 2023 following revisions to the pricing outlook and the long term cost profile of the asset.

Operational outlook

Following safety improvements within the mine plan, certain geotechnical parameters have been revised, so the amount of material accessed from higher grade areas of the mine has reduced. The next higher grade area of the pit is currently going through permitting, with production expected from 2028 to blend with the lower grade areas of the existing pit. Also, bulk ore sorting has not yet delivered the scale that had previously been anticipated. While studies are ongoing to calibrate and adapt the technology, these benefits are no longer incorporated into guidance due to their early maturity. Additional drilling is under way to increase coverage and enhance confidence levels within the geological models.

These impacts are reflected in the three-year guidance provided on pages 35–36, which is unchanged from the December 2023 Investor Update presentation. Production guidance for 2024 is 36,000–38,000 tonnes, and 2024 unit cost guidance is c.600 c/lb.

Platinum Group Metals (PGMs)

Operational and financial metrics

	Production volume PGMs	Sales volume PGMs	Basket price	Unit cost*	Group revenue*	Underlying EBITDA*	Mining EBITDA margin*[5]	Underlying EBIT*	Capex*	ROCE*
	koz[1]	koz[2]	$/PGM oz[3]	$/PGM oz[4]	$m	$m		$m	$m	
PGMs	**3,806**	**3,925**	**1,657**	**968**	**6,734**	**1,209**	**30 %**	**855**	**1,108**	**15 %**
Prior year	*4,024*	*3,861*	*2,551*	*937*	*10,096*	*4,417*	*54 %*	*4,052*	*1,017*	*86 %*
Mogalakwena	**974**	**1,011**	**1,718**	**884**	**1,740**	**778**	**45 %**	**601**	**519**	**n/a**
Prior year	*1,026*	*1,010*	*2,451*	*826*	*2,466*	*1,548*	*63 %*	*1,380*	*394*	—
Amandelbult	**634**	**668**	**1,934**	**1,189**	**1,294**	**323**	**25 %**	**276**	**75**	**n/a**
Prior year	*713*	*700*	*2,883*	*1,127*	*2,010*	*1,036*	*52 %*	*982*	*74*	—
Other operations[6]	**853**	**894**	**1,587**	**973**	**1,453**	**246**	**17 %**	**151**	**514**	**n/a**
Prior year	*911*	*842*	*2,615*	*928*	*2,270*	*1,033*	*46 %*	*922*	*549*	—
Processing and trading[7]	**1,346**	**1,352**	**n/a**	**n/a**	**2,247**	**(138)**	**(6)%**	**(173)**	**n/a**	**n/a**
Prior year	*1,375*	*1,309*	—	—	*3,350*	*800*	*24 %*	*768*	—	—

[1] Production reflects own-mined production and purchase of metal in concentrate. PGM volumes consist of 5E metals and gold.

[2] Sales volumes exclude tolling and third-party trading activities. PGM volumes consist of 5E metals and gold.

[3] Average US$ realised basket price, based on sold ounces (own mined and purchased concentrate). Excludes the impact of the sale of refined metal purchased from third parties.

[4] Total cash operating costs (includes on-mine, smelting and refining costs only) per own mined PGM ounce of production.

[5] The total PGMs mining EBITDA margin excludes the impact of the sale of refined metal purchased from third parties, purchase of concentrate and tolling.

[6] Includes Unki, Mototolo, our 50% share of Modikwa (joint operation), and our 50% share of Kroondal until the disposal of our interest in the joint operation on 1 November 2023. Other operations margin includes unallocated market development, care and maintenance, and corporate costs.

[7] Includes purchase of concentrate from joint operations and third parties for processing into refined metals, tolling and third-party trading activities, with the exception of production and sales volumes which exclude tolling and trading. The disposal of our 50% interest in Kroondal on 1 November 2023, resulted in Kroondal moving to a 100% third-party POC arrangement, until it transitions to a toll arrangement expected at the end of H1 2024.

Operational performance

Total PGM production decreased by 5% to 3,806,100 ounces (2022: 4,024,000 ounces), primarily due to lower production from the Kroondal joint operation (now sold), planned infrastructure closures at Amandelbult and lower grades at Mogalakwena, partially offset by higher production from Unki.

Own mined production

PGM production from own-managed mines (Mogalakwena, Amandelbult, Unki and Mototolo) and equity share of joint operations decreased by 7% to 2,460,200 ounces (2022: 2,649,200 ounces).

Amandelbult production decreased by 11% to 634,200 ounces (2022: 712,500 ounces) due to planned infrastructure closures and poor ground conditions at Dishaba.

Mogalakwena production decreased by 5% to 973,500 ounces (2022: 1,026,200 ounces), largely as a result of lower grades, and lower throughput from unplanned maintenance, despite moving into a higher grade, lower waste area towards the end of the year.

Production from other operations decreased by 6% to 852,500 ounces (2022: 910,500 ounces), mainly due to lower production from Kroondal, reflecting both a planned ramp-down of the operation and the disposal of our 50% interest, effective 1 November 2023; Kroondal has now transitioned to a 100% third-party purchase of concentrate arrangement. This arrangement is then expected to transition to a toll arrangement at the end of the first half in 2024.

Purchase of concentrate

Purchase of concentrate decreased by 2% to 1,345,900 ounces (2022: 1,374,800 ounces), primarily due to lower production from Kroondal in light of the planned ramp-down of the operation.

Refined production and sales volumes

Refined PGM production (excluding toll-treated metal) was broadly unchanged at 3,800,600 ounces (2022: 3,831,100 ounces).

PGM sales volumes increased marginally to 3,925,300 ounces (2022: 3,861,300 ounces) as inventory was drawn down to mitigate the lower production.

Markets

	31 December 2023	31 December 2022
Average platinum market price ($/oz)	**965**	961
Average palladium market price ($/oz)	**1,336**	2,111
Average rhodium market price ($/oz)	**6,611**	15,465
Realised basket price ($/PGM oz)	**1,657**	2,551

Following record pricing in 2021–2022, a general easing of supply concerns that had arisen post Russia's invasion of Ukraine and end-user destocking saw sharp falls in palladium and rhodium prices. This drove the average realised PGM basket price down by 35% in 2023 to $1,657 per PGM ounce (2022: $2,551 per PGM ounce).

The average rhodium market price of $6,611 per ounce was 57% lower than in 2022, impacted in the first half of the year by persistent selling of excess stock from the glass industry, which had shifted to a lower rhodium, higher platinum mix. Palladium declined 37%, averaging $1,336 per ounce, as robust Russian metal flows met automotive industry destocking. Platinum was broadly flat at $965 per ounce. The minor PGMs, iridium and ruthenium, continued to make historically large contributions to the basket price. By the end of the year, PGM pricing was firmly into the cost curve, and several producers responded by restructuring existing mines or mothballing future plans.

Financial performance

Underlying EBITDA decreased to $1,209 million (2022: $4,417 million), primarily driven by a lower basket price, which resulted in lower POC margins and affected the cost of POC inventory. Additionally, own-mined unit costs increased by 3% to $968/PGM ounce (2022: $937/PGM ounce), due to lower production and higher inflation, partly offset by the weaker South African rand.

Capital expenditure increased by 9% to $1,108 million (2022: $1,017 million), as planned higher stay-in-business expenditure was partially offset by the weaker South African rand.

Operational outlook

PGM prices remain at low levels and the prevailing macro-economic conditions and uncertainty have prompted the difficult but necessary action to reconfigure our PGM business to ensure the long term sustainability and competitive position of our operations.

There is an intentional strategy at the concentrators to produce higher grade concentrate which results in the same PGM content, but from lower concentrate volume. This reduces required primary furnace capacity and allows us to place the Mortimer smelter on care and maintenance – reducing both operating and capital expenditure while enhancing overall processing competitiveness.

Overall, sustainable cost reduction initiatives will deliver annual cost savings of c.$0.3 billion from a 2023 baseline, and in 2024, the business is targeting an all-in-sustaining cost of c.$1,050/3E oz.

Furthermore, in line with lower capital expenditure and near term asset optimisation, work on the option for the third concentrator at Mogalakwena will not be progressing, nor will the expansion opportunities at both Amandelbult and Mototolo.

These extensive measures will improve the positioning of our world-class PGM assets for the long term, securing the highly attractive value proposition of Mogalakwena.

These impacts are reflected in the three-year guidance provided on pages 35–36, which is unchanged from the December 2023 Investor Update presentation. PGM metal in concentrate production guidance for 2024 is 3.3–3.7 million ounces, with own-mined output of 2.1–2.3 million ounces and purchase of concentrate of 1.2–1.4 million ounces. Refined PGM production guidance for 2024 is 3.3–3.7 million ounces. Refined production is usually lower in the first quarter than the rest of the year, due to the annual stock count and planned processing maintenance. Production remains subject to the impact of Eskom load-curtailment.

Unit cost guidance for 2024 is c.$920/PGM ounce.

De Beers – Diamonds

Operational and financial metrics[1]

	Production volume	Sales volume	Price	Unit cost*	Group revenue*	Underlying EBITDA*	EBITDA margin[6]	Underlying EBIT*	Capex*	ROCE*
	'000 cts	'000 cts[2]	$/ct[3]	$/ct[4]	$m[5]	$m		$m	$m	
De Beers	31,865	24,682	147	71	4,267	72	48 %	(252)	623	(3)%
Prior year	*34,609*	*30,355*	*197*	*59*	*6,622*	*1,417*	*52 %*	*994*	*593*	*11 %*
Botswana	24,700	n/a	168	31	n/a	412	n/a	349	74	n/a
Prior year	*24,142*	—	*193*	*32*	—	*614*	—	*537*	*70*	—
Namibia	2,327	n/a	515	246	n/a	159	n/a	123	35	n/a
Prior year	*2,137*	—	*599*	*293*	—	*181*	—	*149*	*34*	—
South Africa	2,004	n/a	109	97	n/a	26	n/a	5	403	n/a
Prior year	*5,515*	—	*134*	*42*	—	*413*	—	*315*	*378*	—
Canada	2,834	n/a	85	48	n/a	35	n/a	(6)	63	n/a
Prior year	*2,815*	—	*100*	*50*	—	*(10)*	—	*(68)*	*48*	—
Trading	n/a	n/a	n/a	n/a	n/a	(104)	(3)%	(111)	2	n/a
Prior year	—	—	—	—	—	*589*	*10 %*	*582*	*4*	—
Other[7]	n/a	n/a	n/a	n/a	n/a	(456)	n/a	(612)	46	n/a
Prior year	—	—	—	—	—	*(370)*	—	*(521)*	*59*	—

[1] Prepared on a consolidated accounting basis, except for production, which is stated on a 100% basis except for the Gahcho Kué joint operation in Canada, which is on an attributable 51% basis.

[2] Total sales volumes on a 100% basis were 27.4 million carats (2022: 33.7 million carats). Total sales volumes (100%) include De Beers Group's joint arrangement partners' 50% proportionate share of sales to entities outside De Beers Group from Diamond Trading Company Botswana and Namibia Diamond Trading Company.

[3] Pricing for the mining businesses is based on 100% selling value post-aggregation of goods. Realised price includes the price impact of the sale of non-equity product and, as a result, is not directly comparable to the unit cost.

[4] Unit cost is based on consolidated production and operating costs, excluding depreciation and operating special items, divided by carats recovered.

[5] Includes rough diamond sales of $3.6 billion (2022: $6.0 billion).

[6] Total De Beers EBITDA margin shows mining EBITDA margin on an equity basis, which excludes the impact of non-mining activities, third-party sales, purchases, trading downstream and corporate.

[7] Other includes Element Six, brands and consumer markets, and corporate.

Markets

After strong demand in 2021 and 2022, global rough diamond demand fell significantly in 2023. With polished diamond inventories rising and increases in inflation and interest rates, jewellery retailers took a cautious approach to purchasing new stock. US consumer demand for natural diamonds was impacted by macro-economic challenges as well as rising supply of lab-grown diamonds – however, while sales of lab-grown diamonds to consumers increased, wholesale lab-grown prices continued to fall sharply, supporting further differentiation from natural diamonds. In China, economic challenges led to low consumer confidence, which lead to marginal consumer demand contraction off the subdued levels seen in 2022. In contrast, consumer confidence and demand growth in India were robust in 2023, especially towards the end of the year.

The retail slowdown led to already inflated midstream polished diamond inventories increasing over the course of the year, resulting in downward pressure on polished diamond wholesale prices. In response, the midstream industry in India implemented a voluntary moratorium on rough diamond imports into the country between 15 October and 15 December. De Beers supported its Sightholders by offering full flexibility for rough diamond allocations for Sight 9 and Sight 10 as the midstream sought to re-establish equilibrium. This resulted in very low rough diamond sales in the fourth quarter.

Overall, during the fourth quarter, industry conditions began to stabilise. Retail demand improved over the end of year holiday season, especially in the United States, helping to ease midstream inventory pressure. However, with ongoing macro-economic uncertainty, it is anticipated that recovery in rough diamond demand will be gradual.

Operational performance

Mining

Operational performance was strong in 2023. The new Venetia underground project delivered first production in June and will ramp up over the next few years.

Rough diamond production decreased to 31.9 million carats (2022: 34.6 million carats), due to planned lower production levels at Venetia as the operation transitions to underground.

In Botswana, production was broadly stable, with a 2% increase to 24.7 million carats (2022: 24.1 million carats), driven by the planned treatment of higher grade ore at Orapa.

Namibia production increased by 9% to 2.3 million carats (2022: 2.1 million carats), primarily driven by a full year of production from the Benguela Gem vessel (commissioned in March 2022) and the ongoing ramp-up and expansion of the mining area at the land operations.

South Africa production decreased by 64% to 2.0 million carats (2022: 5.5 million carats), due to the planned completion of the Venetia open pit in December 2022. Venetia continues to process lower grade surface stockpiles, while the new underground project commenced operations in June, and will ramp up over the next few years as development continues.

Production in Canada was stable at 2.8 million carats (2022: 2.8 million carats), with higher throughput offset by planned treatment of lower grade ore.

Financial performance

Due to the downturn in industry conditions from 2022 to 2023, total revenue decreased to $4.3 billion (2022: $6.6 billion), with rough diamond sales decreasing to $3.6 billion (2022: $6.0 billion). Total rough diamond sales volumes decreased by 19% to 24.7 million carats (2022: 30.4 million carats). The average realised price decreased by 25% to $147/ct (2022: $197/ct), reflecting a larger proportion of lower value rough diamonds being sold, as well as a 6%, decrease in the average rough price index.

Underlying EBITDA decreased to $72 million (2022: $1,417 million) as a result of significantly lower sales volumes, coupled with a lower average realised price (impacted by both the mix of products sold and a lower average rough price index) which negatively impacted margins in the trading business. The current year results incorporate an inventory write-down of $0.2 billion on rough stock. The increase in unit cost to $71/ct (2022: $59/ct), was primarily driven by lower production volumes from Venetia as the underground operations ramp up.

Capital expenditure increased by 5% to $623 million (2022: $593 million), due to the ramp-up of the Venetia underground project as well as the continued execution of other life-extension projects, including Jwaneng Cut-9.

An impairment of $1.6 billion (before tax and non-controlling interests) to the carrying value of De Beers has been recognised within special items and remeasurements, reflecting the near term adverse macro-economic outlook and industry-specific challenges. Please refer to note 9 in the financial statements for further details.

De Beers and the Government of the Republic of Botswana have signed Heads of Terms setting out the key terms for a new 10-year sales agreement for Debswana's rough diamond production (through to 2034) and the new 25-year Debswana mining licences (through to 2054). De Beers and the Government of Botswana are working together to progress and then implement the formal new sales agreement and related documents including the mining licences. In the interim, the terms of the most recent sales agreement remain in place. The new arrangements constitute a related party transaction under the UK Listing Rules, given that both Anglo American and the Government of Botswana are shareholders in De Beers, and therefore will be subject to approval by Anglo American's shareholders in due course.

De Beers Jewellers delivered a stable sales performance given the global macro-economic headwinds and challenging Chinese sector.

Market outlook

Industry conditions are expected to remain challenging in the short term, but the long term outlook is favourable. Midstream and retail demand stabilised towards the end of 2023, but inventories of rough diamonds reportedly grew at producers globally. Over the course of 2024, assuming a measured approach from producers to the release of upstream inventory, the high midstream inventory levels seen in 2023 are expected to decline as retailers replenish their stocks.

Limited consumer demand growth and ongoing retailer caution are anticipated ahead of an expected return to growth into 2025.

The ongoing focus on diamond provenance – especially given the expected introduction of Russian diamond import restrictions by G7 nations – has the potential to reinforce demand for De Beers' rough diamonds, supported by the blockchain Tracr™ platform. The global supply of rough diamonds is anticipated to continue to decline owing to the maturity of major mines and limited new discoveries.

The wholesale prices of lab-grown diamonds are falling sharply, leading to financial challenges at some leading lab-grown diamond producers. These price declines are expected to lead to further substantial reductions in retail prices (with De Beers' Lightbox brand testing significantly lower prices for its products). This will further reinforce consumers' understanding of the fundamental differences between lab-grown and natural diamond jewellery.

Operational outlook

2025 guidance was reduced at the December investor update, reflecting the ramp-up profile at Venetia underground as well as deferral of an expansion project at Gahcho Kué (Canada) into 2026.

Venetia is processing lower grade surface stockpiles while the operation transitions to underground. This will continue as the underground production slowly ramps up following the first production blast in mid-2023. It is expected to ramp up to steady-state levels of c.4 million carats per annum (Mctpa) production over the next few years.

Near term unit cost will be impacted by a low carat profile from Venetia as the underground project ramps up and is subsequently expected to reach a steady-state of c.$75/ct from 2026.

These impacts are reflected in the three-year guidance provided at the December 2023 Investor Update presentation, which is unchanged. Production guidance for 2024 is 29–32 million carats (100% basis) and 2024 unit cost guidance is c.$80/ct. However, De Beers will assess options to reduce production in response to prevailing market conditions.

Iron Ore

Operational and financial metrics

	Production volume	Sales volume	Price	Unit cost*	Group revenue*	Underlying EBITDA*	Mining EBITDA margin*	Underlying EBIT*	Capex*	ROCE*
	Mt[1]	Mt[1]	$/t[2]	$/t[3]	$m	$m		$m	$m	
Iron Ore Total	**59.9**	**61.5**	**114**	**38**	**8,000**	**4,013**	**50 %**	**3,549**	**909**	**34 %**
Prior year	*59.3*	*58.0*	*111*	*38*	*7,534*	*3,455*	*45 %*	*2,962*	*834*	*28 %*
Kumba Iron Ore[4]	**35.7**	**37.2**	**117**	**41**	**4,680**	**2,415**	**52 %**	**2,136**	**538**	**71 %**
Prior year	*37.7*	*36.7*	*113*	*40*	*4,580*	*2,211*	*48 %*	*1,894*	*674*	*66 %*
Iron Ore Brazil (Minas-Rio)	**24.2**	**24.3**	**110**	**33**	**3,320**	**1,598**	**48 %**	**1,413**	**371**	**24 %**
Prior year	*21.6*	*21.3*	*108*	*35*	*2,954*	*1,244*	*41 %*	*1,068*	*160*	*18 %*

[1] Production and sales volumes are reported as wet metric tonnes. Product is shipped with c.1.6% moisture from Kumba and c.9% moisture from Minas-Rio.
[2] Prices for Kumba Iron Ore are the average realised export basket price (FOB Saldanha) (wet basis). Prices for Minas-Rio are the average realised export basket price (FOB Brazil) (wet basis). Prices for total iron ore are a blended average.
[3] Unit costs are reported on an FOB wet basis. Unit costs for total iron ore are a blended average.
[4] Sales volumes, stock and realised price could differ to Kumba's stand-alone reported results due to sales to other Group companies.

Operational performance

Kumba

Production decreased by 5% to 35.7 Mt (2022: 37.7 Mt), driven by a 6% decrease at Sishen to 25.4 Mt (2022: 27.0 Mt) and a 4% decrease at Kolomela to 10.3 Mt (2022: 10.7 Mt). The under-performance by the third-party logistics provider, Transnet, resulted in production in the fourth quarter being reduced to align to lower rail capacity and alleviate mine stockpile constraints. Sales volumes were 37.2 Mt, slightly higher than the prior year (2022: 36.7 Mt), driven by improved performance at Saldanha Bay port, despite the low levels of finished stock at the port.

As a result of actively managing inventory, total finished stock decreased to 7.1 Mt[1] (2022: 7.8 Mt[1]), with stock at the mines decreasing to 6.5 Mt[1], which remains above desired levels. However, due to rail under-performance, stock at the port is very low, having decreased to 0.6 Mt[1] (2022: 0.8 Mt[1]).

[1] Production and sales volumes, stock and realised price are reported on a wet basis and could differ to Kumba's stand-alone results due to sales to other Group companies.

Minas-Rio

Production increased by 12% to 24.2 Mt (2022: 21.6 Mt), the best performance since the start of Minas-Rio operations in 2014, reflecting an integrated focus on stable and capable operating performance across the operation. The strong mining performance was underpinned by improved mine access and equipment availability, which led to higher mine movement and enabled an improved performance at the plant due to the quality of ore feed, as well as increased crushing circuit availability.

Markets

	31 December 2023	31 December 2022
Average market price (Platts 62% Fe CFR China – $/tonne)	**120**	120
Average market price (MB 65% Fe Fines CFR – $/tonne)[1]	**132**	139
Average realised price (Kumba export – $/tonne) (FOB wet basis)	**117**	113
Average realised price (Minas-Rio – $/tonne) (FOB wet basis)	**110**	108

[1] As publication of the Metal Bulletin (MB) 66 index has ceased, the reference benchmark is the MB 65 index from 2023. 2022 updated to reflect MB 65 price.

Kumba's FOB realised price of $117/wet metric tonne (wmt) was 15% higher than the equivalent Platts 62% Fe FOB Saldanha market price (adjusted for moisture) of $102/wmt. This was driven by premiums for higher iron content (at 63.7%) and relatively high proportion of lump sold (approximately 66%) alongside provisional pricing benefits.

Minas-Rio's pellet feed product is higher grade (with iron content of 67% and lower impurities) so the MB 65 Fines index is used when referring to the Minas-Rio product since the cessation of the MB 66 index. The Minas-Rio realised price of $110/wmt was 11% higher than the equivalent MB 65 FOB Brazil index (adjusted for moisture) of $99/wmt, reflecting the premium for our high-quality product as well as provisional pricing benefits.

Financial performance

Underlying EBITDA for Iron Ore increased by 16% to $4,013 million (2022: $3,455 million), principally driven by a 6% increase in sales volumes and 3% increase in the realised iron ore price.

Kumba

Underlying EBITDA increased by 9% to $2,415 million (2022: $2,211 million), driven by the higher average realised price as well as slightly higher sales volumes. Unit costs increased by 3% to $41/tonne (2022: $40/tonne) due to lower production volumes and high cost inflation, partly offset by a weaker South African rand.

Capital expenditure decreased by 20% to $538 million (2022: $674 million), mainly as a result of lower deferred stripping capitalisation due to lower waste volumes at Kolomela and a weaker South African rand.

Minas-Rio

Underlying EBITDA increased by 28% to $1,598 million (2022: $1,244 million), reflecting higher sales volumes and a higher realised price, as well as lower unit costs. Unit costs decreased by 6% to $33/tonne (2022: $35/tonne), primarily reflecting higher production volumes, partially offset by the stronger Brazilian real.

Capital expenditure was 132% higher at $371 million (2022: $160 million), mainly as construction is under way for a new tailings filtration plant that will reduce the deposition rate on the tailings facility and extend its life. In addition, there was higher spend on projects to improve recoveries in the flotation circuit.

Operational outlook

Kumba

Kumba is committed in its support of key measures being undertaken by the National Logistics Crisis Committee to improve the logistics network. However, following an extended period of under-performance by the third-party logistics provider, Transnet, and the amount of work required to turn the situation around, the logistics network is expected to remain constrained over the near term. The decision has been made to reduce production to align with this reduced rail capacity and ensure a balanced value chain. Production is therefore expected to remain at 35–37 Mtpa for the period 2024 to 2026. Unit costs are expected to be between $38–40/tonne during this three-year period, benefiting from Kumba's business reconfiguration and cost optimisation programme, in line with the lower production profile.

These impacts are reflected in the three-year guidance provided on pages 35–36, which is unchanged from the December 2023 Investor Update presentation. Production guidance for 2024 is 35–37 Mt, subject to third-party rail and port performance, and 2024 unit cost guidance is c.$38/tonne.

Minas-Rio

Following the record quarterly production in the fourth quarter of 2023, focus is on embedding consistent, stable and strong operating performance, while increasing the maturity of capital projects to sustain and grow production volumes. Beyond the three-year guidance period, production growth will be supported by projects to debottleneck the plant and increase recoveries and throughput. Optionality is also being evaluated to maximise long term value in light of the agreement to acquire and integrate the contiguous Serra da Serpentina high grade iron ore resource.

In parallel, Minas-Rio is focused on increasing tailings storage capacity. The tailings filtration plant project is on track for completion by early 2026 and alternative, additional disposal options continue to be studied.

In mid-2025, Minas-Rio will undertake the next pipeline inspection of the 529 km pipeline that carries iron ore slurry from the plant to the port. Improvements were made to the inspection strategy that extended its duration to ensure the rigour of data collection while also incorporating some additional plant maintenance to coincide with the operational stoppage. Pipeline inspections take place every five years and are validated by external consultants and agreed with the Brazilian Environmental Authorities.

These impacts are reflected in the three-year guidance provided on pages 35–36, which is unchanged from the December 2023 Investor Update presentation. Production guidance for 2024 is 23–25 Mt and 2024 unit cost guidance is c.$35/tonne.

Steelmaking Coal

Operational and financial metrics

	Production volume	Sales volume	Price	Unit cost*	Group revenue*	Underlying EBITDA*	Mining EBITDA margin*	Underlying EBIT*	Capex*	ROCE*
	Mt[1]	Mt[2]	$/t[3]	$/t[4]	$m	$m		$m	$m	
Steelmaking Coal	**16.0**	**14.9**	**261**	**121**	**4,153**	**1,320**	**32 %**	**822**	**619**	**27 %**
Prior year	*15.0*	*14.7*	*304*	*107*	*5,034*	*2,749*	*55 %*	*2,369*	*648*	*85 %*

[1] Production volumes are saleable tonnes, excluding thermal coal production of 1.1 Mt (2022: 1.6 Mt). Includes production relating to third-party product purchased and processed at Anglo American's operations, and may include some product sold as thermal coal.
[2] Sales volumes exclude thermal coal sales of 1.7 Mt (2022: 1.7 Mt). Includes sales relating to third-party product purchased and processed by Anglo American.
[3] Realised price is the weighted average hard coking coal and PCI export sales price achieved at managed operations.
[4] FOB unit cost comprises managed operations and excludes royalties.

Operational performance

Production increased to 16.0 Mt (2022: 15.0 Mt), reflecting a steady step-up in performance from the Aquila underground operation due to its largely automated longwall, and increased production at Dawson and Capcoal open cut operations which were impacted by unseasonal wet weather in 2022.

The increased production was partly offset by challenging operating conditions at the Moranbah and Grosvenor longwall operations.

Markets

	31 December 2023	31 December 2022
Average benchmark price – hard coking coal ($/tonne)[1]	**296**	364
Average benchmark price – PCI ($/tonne)[1]	**219**	331
Average realised price – hard coking coal ($/tonne)[2]	**269**	310
Average realised price – PCI ($/tonne)[2]	**214**	271

[1] Represents average spot prices.
[2] Realised price is the export sales price achieved at managed operations.

Average realised prices differ from the average market prices due to differences in material grade and timing of shipments. Hard coking coal (HCC) price realisation increased to 91% of average benchmark price (2022: 85%), as a result of the timing of sales.

The average benchmark price for Australian HCC was $296/tonne (2022: $364/tonne). 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. Strong demand from Indian steelmakers for imported steelmaking coal was driven by a healthy domestic steel industry that resulted in a substantial year-on-year increase in crude steel production.

Financial performance

Underlying EBITDA decreased to $1,320 million (2022: $2,749 million), as a result of a 14% decrease in the weighted average realised price for steelmaking coal and a 13% increase in unit costs to $121/tonne (2022: $107/tonne), reflecting the impact of high inflation and additional operating activity. Furthermore, 2022 included a $343 million receipt from the Group's self-insurance entity.

Capital expenditure decreased to $619 million (2022: $648 million), reflecting lower life-extension expenditure following the completion of the Aquila project in 2022.

Operational outlook

Following an extensive review during the course of 2023 on realistic opportunities to improve productivity, debottleneck the operations and leverage technology, a downwardly revised pathway has been developed to progressively ramp-up towards 20 Mtpa of steelmaking coal production. This pathway also incorporates the more stringent safety operating protocols implemented by the Queensland regulator in recent years, as well as the more complex geotechnical strata conditions that the Moranbah and Grosvenor underground longwall operations are navigating.

These impacts are reflected in the three-year guidance provided on pages 35–36, which is unchanged from the December 2023 Investor Update presentation. Export steelmaking coal production guidance for 2024 is 15–17 Mt and 2024 unit cost guidance is c.$115/tonne. The next longwall moves scheduled at Moranbah and Grosvenor are both in the third quarter of 2024. A walk-on/walk-off longwall move is scheduled at Aquila during the second quarter with the impact on production expected to be minimal.

Manganese

Operational and financial metrics

	Production volume	Sales volume	Group revenue*	Underlying EBITDA*	Mining EBITDA margin*	Underlying EBIT*	Capex*	ROCE*
	Mt	Mt	$m	$m		$m	$m	
Manganese	**3.7**	**3.7**	**670**	**231**	**34 %**	**145**	**n/a**	**81 %**
Prior year	*3.7*	*3.6*	*840*	*378*	*45 %*	*312*	—	*138 %*

Operational performance

Attributable manganese ore production was flat at 3.7 Mt (2022: 3.7 Mt).

Financial performance

Underlying EBITDA decreased by 39% to $231 million (2022: $378 million), primarily driven by the weaker average realised manganese ore price, partially offset by lower operating costs.

The average benchmark price for manganese ore (Metal Bulletin 44% manganese ore CIF China) decreased by 22% to $4.75/dmtu (2022: $6.06/dmtu). Prices were on a declining trend throughout much of the year as supply improved, while demand continued to soften in the second half of 2023. Prices stabilised during December, however, ending the year at $4.17/dmtu.

Crop Nutrients

Operational and financial metrics

	Production volume	Sales volume	Group revenue*	Underlying EBITDA*	Mining EBITDA margin*	Underlying EBIT*	Capex*	ROCE*
			$m	$m		$m	$m	
Crop Nutrients	n/a	n/a	225	(60)	n/a	(61)	641	n/a
Prior year	—	—	*254*	*(44)*	—	*(45)*	*522*	—
Woodsmith project	n/a	n/a	n/a	n/a	n/a	n/a	641	n/a
Prior year	—	—	—	—	—	*n/a*	*522*	—
Other[1]	n/a	n/a	225	(60)	n/a	(61)	n/a	n/a
Prior year	—	—	*254*	*(44)*	—	*(45)*	—	—

[1] Other comprises projects and corporate costs as well as the share in associate results from The Cibra Group, a fertiliser distributor based in Brazil.

Crop Nutrients

Anglo American is developing Woodsmith, a large scale, long-life Tier 1 asset in the north east of England, to access the world's largest known deposit of polyhalite – a natural mineral fertiliser product containing potassium, sulphur, magnesium and calcium – four of the six nutrients that every plant needs to grow.

The Woodsmith project is located on the North Yorkshire coast, just south of Whitby, where polyhalite ore will be extracted via 1.6 km deep mine shafts and transported to Teesside via an underground conveyor belt in a 37 km mineral transport system (MTS) tunnel, thereby minimising any environmental impact on the surface. It will be granulated at a materials handling facility to produce a comparatively low carbon fertiliser – known as POLY4 – that will then be exported from the port facility, where we have priority access, to a network of customers around the world.

Progress update

Woodsmith project

Throughout 2023, we saw continued good progress on the core infrastructure, with capital expenditure of $641 million (2022: $522 million). Sinking activities at the two deep shafts continue to progress well. The service shaft is now c.745 metres deep, having reached the expected depth for the year. Sinking activities on the production shaft began in January 2023 as planned, at 120 metres below the surface, and following a successful ramp-up to planned sinking rates, is now at a depth of c.510 metres.

Excavation of the three shallow shafts that will provide both ventilation and additional access to the Mineral Transport System (MTS) tunnel is complete. The MTS tunnel is also progressing to plan and has now reached c.27.5 km of the total 37 km length.

During 2024, a key focus area for shaft sinking will be on progress through a strata called the Sherwood sandstone, where we expect sink rates to decrease due to the expected hardness of the rock and potential water fissures. This is planned for in progress rates, and the intersection of the strata is expected around mid-2024. On the tunnel boring machine, there is a planned 3–4 month maintenance pause from the second quarter of 2024, during which the tunnel will be connected to the final intermediate shaft, providing further tunnel access and ventilation.

In parallel to the core infrastructure development, we are enhancing the project's configuration to allow a higher production capacity and more efficient, scalable mining methods over time. The required studies for this are progressing well and will ensure that additional infrastructure is optimally designed to enable future optionality and maximise long term value over the expected multi-decade asset life.

The project is planned to be submitted for a Board approval decision on Full Notice to Proceed in the first half of 2025, following conclusion of the study programme.

Capital expenditure of $0.9 billion is approved for 2024, the bulk of which will continue to be invested on shaft sinking and tunnel boring activities.

The project is expected to deliver first product to market in 2027, with a final design capacity of 13 Mtpa, subject to studies and approval.

Market development – POLY4

POLY4 provides farmers, through one core product, with a fertiliser solution to tackle the three key challenges facing the food industry today – the increasing demand for food from less available land; the need to reduce the environmental impact of farming; and the deteriorating health of soils.

In tackling these challenges, the fertiliser industry will evolve and need new solutions. POLY4 represents a new solution, helping farmers to deliver balanced, nutrient-efficient and environmentally responsible crop nutrition practices that are required at scale.

POLY4 offers farmers superior performance compared to existing fertiliser products: demonstrated crop yield improvement of 3–5% across a wide variety of crops and soil types, improved crop quality and resilience to drought and disease, and help in preserving the health of a farmer's greatest asset – their soil. The use of POLY4 can also help minimise the nutrients lost to the environment by improving the ability of crops to take up and utilise available nutrients – i.e. improving a plant's nutrient-use efficiency. Furthermore, its granular form offers a more flexible and convenient in-field application for farmers, compared with common existing fertilisers. All this, while also being low carbon relative to comparable products, and certified for organic agriculture.

Through our global agronomy programme, we have conducted over 1,800 field demonstrations to date, on over 80 crops, and our research continues to reinforce these superior qualities and characteristics of POLY4.

The ongoing focus of market development activities is to develop and implement detailed sales and marketing strategies for each region and to support customers with their own market development activities to further promote POLY4 to the end-users of the product – farmers.

We have continued to develop our routes to market partnerships in key high-value regions, working closely with our distribution partners, and also engaging deeper into the value chain to ensure we deliver what is needed at the farm gate. Through our ongoing engagements with some 350 value chain partners to date – including top retailers in the United States, large distributors and co-operatives in Europe, and major blenders and mega farms in Brazil – we are working across the full value chain to introduce POLY4 to the market. We have also already engaged more than 570 influencers in the industry, including major universities, farming associations, and academic research institutes, to ensure that the industry recognises the benefits that POLY4 will bring at scale into the marketplace.

POLY4 has significant value beyond its multi-nutrient content, and our innovative marketing strategy will ensure that we unlock the full potential of our product.

Corporate and Other

Financial metrics

	Group revenue*	Underlying EBITDA*	Underlying EBIT*	Capex*
	$m	$m	$m	$m
Corporate and Other	**440**	**(193)**	**(403)**	**59**
Prior year	*554*	*(440)*	*(593)*	*14*
Exploration	**n/a**	**(107)**	**(107)**	**3**
Prior year	—	*(155)*	*(162)*	*2*
Corporate activities and unallocated costs[1]	**440**	**(86)**	**(296)**	**56**
Prior year	*554*	*(285)*	*(431)*	*12*

[1] Revenue within Corporate activities and unallocated costs primarily relates to third-party shipping activities, as well as the Marketing business's energy solutions activities.

Financial overview

Exploration

Underlying EBITDA was a $107 million loss (2022: $155 million loss) following a decrease in other expenses due to timing differences in copper. Exploration expenditure across the Group was broadly in line with the prior year.

Corporate activities and unallocated costs

Underlying EBITDA was a $86 million loss (2022: $285 million loss), this improved result was driven primarily by the Group's self-insurance entity and corporate cost savings. The positive year-on-year variance reflects the finalisation of the Grosvenor gas ignition claim and the Moranbah overpressure event claim in 2022 by the Group's self-insurance entity, which resulted in an expense in Corporate activities that was offset within the underlying EBITDA of Steelmaking Coal. There have been no equivalent insurance claim settlements in the current year. Corporate cost savings of $0.3 bn were realised and are partially recognised in the overheads of the underlying businesses.

Guidance summary

Production and unit costs

	Unit costs 2024F	Production volumes			
		Units	2024F	2025F	2026F
Copper[1]	c.157 c/lb	kt	730–790	690–750	760–820
Nickel[2]	c.600 c/lb	kt	36–38	35–37	35–37
PGMs – metal in concentrate[3]	c.$920/PGM ounce	Moz	3.3–3.7	3.0–3.4	3.0–3.4
Own mined		Moz	2.1–2.3	2.1–2.3	2.1–2.3
Purchase of concentrate		Moz	1.2–1.4	0.9–1.1	0.9–1.1
PGMs – refined[4]		Moz	3.3–3.7	3.0–3.4	3.0–3.4
Diamonds[5]	c.$80/ct	Mct	29–32	30–33	32–35
Iron ore[6]	c.$37/tonne	Mt	58–62	57–61	58–62
Steelmaking Coal[7]	c.$115/tonne	Mt	15–17	17–19	18–20

Further commentary on the operational outlook at each business is included within the respective business reviews on pages 15–34.

Note: Unit costs exclude royalties, depreciation and include direct support costs only. FX rates used for 2024F unit costs: c.850 CLP:USD, c.3.7 PEN:USD, c.5.0 BRL:USD, c.19 ZAR:USD, c.1.5 AUD:USD.

[1] Copper business only. On a contained-metal basis. Total copper is the sum of Chile and Peru. Unit cost total is a weighted average based on the mid-point of production guidance. 2024 Chile: 430–460 kt; Peru 300–330 kt. 2025 Chile: 380–410 kt; Peru: 310–340 kt. 2026 Chile: 440–470 kt; Peru 320–350 kt. Chile production guidance is lower for the next three years impacted by Los Bronces due to lower grades and continued ore hardness, with the smaller and less efficient of the two processing plants being put on care & maintenance in 2024, as well as the impact of a revised mine plan at El Soldado. In 2025, grades decline at all operations in Chile. In 2026, production benefits from improved grades at Collahuasi. Production guidance in Chile for 2024 and 2025 is subject to water availability. Peru production in 2024 will be weighted to the second half of the year, primarily as a result of the grades temporarily declining to between 0.6-0.7% TCu in the first half of the year as the geotechnical fault requires changes to be made to the angle of the slope in the mining pit wall. Chile 2024 unit cost is c.190 c/lb. Peru 2024 unit cost is c.110 c/lb.

[2] Nickel operations in Brazil only. The Group also produces approximately 20 kt of nickel on an annual basis from the PGM operations. Nickel production is impacted by declining grades.

[3] Unit cost is per own mined 5E + gold PGMs metal in concentrate ounce. Production is 5E + gold PGMs produced metal in concentrate ounces. Includes own mined production and purchased concentrate volumes - please see split in above table. The average metal in concentrate split by metal is Platinum: c.45%; Palladium: c.35% and Other: c.20%. Metal in conc entrate production from own mined remains broadly at 2023 levels (excluding Kroondal), but POC volumes will be lower as POC agreements reach their contractual conclusion. Kroondal is expected to move from 100% third-party POC to a toll arrangement (4E metals) at the end of H1 2024. In 2025, the Siyanda POC agreement will transition to a tolling arrangement (4E metals). At the end of 2026, the Sibanye-Stillwater toll agreement concludes (impacting POC due to the minor metal volumes retained). Production remains subject to the impact of Eskom load-curtailment.

[4] 5E + gold produced refined ounces. Includes own mined production and purchased concentrate volumes. Refined production in 2024 is expected to be lower in the first quarter than the rest of the year, due to the annual stock count and planned processing maintenance. Production remains subject to the impact of Eskom load-curtailment.

[5] Production is on a 100% basis except for the Gahcho Kué joint operation, which is on an attributable 51% basis. De Beers will assess options to reduce production in response to prevailing market conditions. Venetia continues to transition to underground operations, it is expected to ramp-up to steady-state levels of c.4Mctpa production over the next few years. 2026 production benefits from an expansion at Gahcho Kué. Unit cost is based on De Beers' share of production. Near term unit cost will be impacted by a low carat profile from Venetia as the underground ramps up and is subsequently expected to reach a steady-state of c.$75/ct from 2026.

[6] Wet basis. Total iron ore is the sum of Kumba and Minas-Rio. Unit cost total is a weighted average based on the mid-point of production guidance. 2024 Kumba: 35–37 Mt; Minas-Rio: 23–25 Mt. 2025 Kumba: 35–37 Mt; Minas-Rio: 22–24 Mt (impacted by pipeline inspection). 2026 Kumba: 35–37 Mt; Minas-Rio: 23–25 Mt. Kumba production is subject to the third-party rail and port availability and performance. The UHDMS plant remains under review and is not captured in guidance. Kumba 2024 unit cost is c.$38/tonne. Minas-Rio 2024 unit cost is c.$35/tonne.

[7] Steelmaking Coal FOB/tonne unit cost comprises managed operations and excludes royalties. Production excludes thermal coal by-product and reflects the challenging operating environment of the longwalls due to the gas, depth and strata as well as the operating protocols. In 2024, the next longwall moves scheduled at Moranbah and Grosvenor are both in the third quarter, and a walk-on/walk-off longwall move is scheduled at Aquila during the second quarter with the impact on production expected to be minimal.

Capital expenditure[1]

	2024F	2025F	2026F
Growth	~$1.2bn *Includes ~$0.9bn Woodsmith capex*	~$1.3bn *Includes ~$1.0bn Woodsmith capex*	~$1.3bn *Includes ~$1.0bn Woodsmith capex*
Sustaining	~$4.5bn *Reflects ~$3.4bn baseline, ~$0.7bn lifex projects and ~$0.4bn Collahuasi desalination plant*[2]	~$4.4bn *Reflects ~$3.5bn baseline, ~$0.7bn lifex projects and ~$0.2bn Collahuasi desalination plant*[2]	~$4.0bn *Reflects ~$3.5bn baseline and ~$0.5bn lifex projects*
Total	**~$5.7bn**	**~$5.7bn**	**~$5.3bn**

Further details on Anglo American's high quality growth and life-extension projects, including details of the associated volumes benefit, are disclosed on pages 12–13.

Long term sustaining capital expenditure is expected to be $3.0–3.5 billion per annum[3], excluding life-extension projects.

Other guidance

- 2024 depreciation: $3.0–3.2 billion
- 2024 underlying effective tax rate: 40–42%[4]
- Long term underlying effective tax rate: 35–39%[4]
- Dividend payout ratio: 40% of underlying earnings
- Net debt:EBITDA: <1.5x at the bottom of the cycle

[1] Cash expenditure on property, plant and equipment including related derivatives, net of proceeds from disposal of property, plant and equipment, and includes direct funding for capital expenditure from non-controlling interests. Guidance includes unapproved projects and is, therefore, subject to the progress of project studies, and unapproved Woodsmith capex of ~$1 billion per annum is included after 2024. Refer to the 2023 results presentation for further detail on the breakdown of the capex guidance at project level.

[2] Attributable share of Collahuasi desalination capex at 44%.

[3] Long term sustaining capex guidance is shown on a 2023 real basis.

[4] Underlying effective tax rate is highly dependent on a number of factors, including the mix of profits and any relevant tax reforms impacting the countries where we operate, and may vary from guidance.

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Notes to editors:
Anglo American is a leading global mining company and our products are the essential ingredients in almost every aspect of modern life. Our portfolio of world-class competitive operations, with a broad range of future development options, provides many of the future-enabling metals and minerals for a cleaner, greener, more sustainable world and that meet the fast growing every day demands of billions of consumers. With our people at the heart of our business, we use innovative practices and the latest technologies to discover new resources and to mine, process, move and market our products to our customers – safely and sustainably.

As a responsible producer of copper, nickel, platinum group metals, diamonds (through De Beers), and premium quality iron ore and steelmaking coal – with crop nutrients in development – we are committed to being carbon neutral across our operations by 2040. More broadly, our Sustainable Mining Plan commits us to a series of stretching goals to ensure we work towards a healthy environment, creating thriving communities and building trust as a corporate leader. We work together with our business partners and diverse stakeholders to unlock enduring value from precious natural resources for the benefit of the communities and countries in which we operate, for society as a whole, and for our shareholders. Anglo American is re-imagining mining to improve people's lives.

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Webcast of presentation:
A live webcast of the results presentation, starting at 9.00am UK time on 22 February 2024, can be accessed through the Anglo American website at www.angloamerican.com

Note: Throughout this results announcement, '$' denotes United States dollars and 'cents' refers to United States cents. Tonnes are metric tons, 'Mt' denotes million tonnes and 'kt' denotes thousand tonnes, unless otherwise stated.

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CONDENSED FINANCIAL STATEMENTS

for the year ended 31 December 2023

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Consolidated income statement

for the year ended 31 December 2023

				2023			2022
US$ million	Note	Before special items and remeasurements	Special items and remeasurements (note 10)	Total	Before special items and remeasurements	Special items and remeasurements (note 10)	Total
Revenue	3	30,656	(4)	30,652	35,127	(9)	35,118
Operating costs		(24,100)	(2,648)	(26,748)	(24,203)	(1,672)	(25,875)
Operating profit	3	6,556	(2,652)	3,904	10,924	(1,681)	9,243
Non-operating special items	10	—	(100)	(100)	—	(77)	(77)
Net income from associates and joint ventures	3 13	378	—	378	641	—	641
Profit before net finance costs and tax		6,934	(2,752)	4,182	11,565	(1,758)	9,807
Investment income		427	—	427	214	—	214
Interest expense		(990)	—	(990)	(515)	—	(515)
Other net financing gains/(losses)		7	(31)	(24)	(41)	15	(26)
Net finance costs	5	(556)	(31)	(587)	(342)	15	(327)
Profit before tax		6,378	(2,783)	3,595	11,223	(1,743)	9,480
Income tax expense	6	(2,337)	86	(2,251)	(3,570)	114	(3,456)
Profit for the financial year		4,041	(2,697)	1,344	7,653	(1,629)	6,024
Attributable to:							
Non-controlling interests	16	1,109	(48)	1,061	1,617	(107)	1,510
Equity shareholders of the Company		2,932	(2,649)	283	6,036	(1,522)	4,514
Earnings per share (US$)							
Basic	4	2.42	(2.19)	0.23	4.97	(1.25)	3.72
Diluted	4	2.40	(2.17)	0.23	4.92	(1.24)	3.68

Consolidated statement of comprehensive income

for the year ended 31 December 2023

US$ million	**2023**	2022
Profit for the financial year	**1,344**	6,024
Items that will not be reclassified to the income statement (net of tax)		
Remeasurement of net retirement benefit obligation	**(53)**	(207)
Net revaluation (loss)/gain on equity investments	**(40)**	20
Items that have been or may subsequently be reclassified to the income statement (net of tax)		
Net exchange differences:		
Net loss (including associates and joint ventures)	**(938)**	(1,153)
Cumulative loss transferred to the income statement on disposal of foreign operations	**9**	—
Fair value movements on cash flow hedges:		
Net revaluation loss	**(11)**	(80)
Other comprehensive loss for the financial year (net of tax)	**(1,033)**	(1,420)
Total comprehensive income for the financial year (net of tax)	**311**	4,604
Attributable to:		
Non-controlling interests	**850**	1,285
Equity shareholders of the Company	**(539)**	3,319

Consolidated balance sheet

as at 31 December 2023

US$ million	Note	2023	2022 (restated)[1]
ASSETS			
Non-current assets			
Intangible assets		1,479	2,828
Property, plant and equipment		43,949	41,125
Environmental rehabilitation trusts		108	107
Investments in associates and joint ventures	13	1,066	1,056
Financial asset investments		391	390
Inventories		847	809
Trade and other receivables		467	440
Deferred tax assets		262	198
Derivative financial assets		238	49
Pension asset surplus and other non-current assets		410	469
Total non-current assets		49,217	47,471
Current assets			
Inventories		6,387	6,598
Trade and other receivables		4,516	4,483
Current tax assets		170	201
Derivative financial assets		118	204
Current financial asset investments		48	38
Cash and cash equivalents	14	6,088	8,412
Total current assets		17,327	19,936
Total assets		66,544	67,407
LIABILITIES			
Current liabilities			
Trade and other payables		(6,511)	(7,380)
Short term borrowings	14 15	(1,740)	(1,420)
Provisions for liabilities and charges		(684)	(684)
Current tax liabilities		(326)	(569)
Derivative financial liabilities		(94)	(441)
Total current liabilities		(9,355)	(10,494)
Non-current liabilities			
Trade and other payables		(189)	(249)
Medium and long term borrowings	14 15	(15,172)	(12,945)
Royalty liability		(578)	(510)
Retirement benefit obligations		(531)	(510)
Deferred tax liabilities		(5,580)	(5,249)
Derivative financial liabilities		(648)	(888)
Provisions for liabilities and charges		(2,874)	(2,609)
Total non-current liabilities		(25,572)	(22,960)
Total liabilities		(34,927)	(33,454)
Net assets		31,617	33,953
EQUITY			
Called-up share capital		734	734
Share premium account		2,558	2,558
Own shares		(6,275)	(6,272)
Other reserves		(12,820)	(12,070)
Retained earnings		40,860	42,368
Equity attributable to equity shareholders of the Company		25,057	27,318
Non-controlling interests	16	6,560	6,635
Total equity		31,617	33,953

[1] Comparative figures are restated for the adoption of the amendment to IAS 12, see note 2.

The Condensed financial statements of Anglo American plc, registered number 03564138, were approved by the Board of directors on 21 February 2024 and signed on its behalf by:

Duncan Wanblad
Chief Executive

John Heasley
Finance Director

Consolidated cash flow statement

for the year ended 31 December 2023

US$ million	Note	2023	2022
Cash flows from operating activities			
Profit before tax		**3,595**	9,480
Net finance costs including financing special items and remeasurements	5	**587**	327
Net income from associates and joint ventures	13	**(378)**	(641)
Non-operating special items	10	**100**	77
Operating profit		**3,904**	9,243
Revenue and operating special items and remeasurements	10	**2,652**	1,681
Cash element of special items		**(89)**	(12)
Depreciation and amortisation		**2,685**	2,446
Share-based payment charges		**175**	215
Increase in provisions and net retirement benefit obligations		**25**	250
Decrease /(increase) in inventories		**2**	(1,776)
Increase in operating receivables		**(384)**	(374)
(Decrease)/increase in operating payables		**(785)**	48
Other adjustments		**(70)**	168
Cash flows from operations		**8,115**	11,889
Dividends from associates and joint ventures	13	**379**	602
Dividends from financial asset investments		**3**	—
Income tax paid		**(2,001)**	(2,726)
Net cash inflows from operating activities		**6,496**	9,765
Cash flows from investing activities			
Expenditure on property, plant and equipment	12	**(5,876)**	(6,191)
Cash flows used in derivatives related to capital expenditure	12	**(3)**	—
Proceeds from disposal of property, plant and equipment	12	**16**	7
Investments in associates and joint ventures	13	**(15)**	(37)
Expenditure on intangible assets		**(133)**	(129)
Net issuance of financial asset investments		**(63)**	(142)
Interest received and other investment income		**377**	181
Net cash outflow on acquisitions		**(10)**	—
Net cash inflow on disposals	19	**210**	564
Other investing activities		**(63)**	(70)
Net cash used in investing activities		**(5,560)**	(5,817)
Cash flows from financing activities			
Interest paid		**(701)**	(420)
Cash flows used in derivatives related to financing activities	14	**(605)**	(1)
Dividends paid to Company shareholders	7	**(1,564)**	(3,549)
Distributions paid to non-controlling interests	16	**(978)**	(1,794)
Proceeds from issuance of bonds		**1,950**	1,963
Proceeds from other borrowings		**1,113**	1,537
Capital repayment of lease obligations		**(309)**	(266)
Repayments of bonds and borrowings		**(1,650)**	(1,098)
Purchase of shares by Group companies		**(274)**	(527)
Other financing activities		**(205)**	(213)
Net cash used in financing activities		**(3,223)**	(4,368)
Net decrease in cash and cash equivalents		**(2,287)**	(420)
Cash and cash equivalents at start of year	14	**8,400**	9,057
Cash movements in the year		**(2,287)**	(420)
Effects of changes in foreign exchange rates		**(39)**	(237)
Cash and cash equivalents at end of year	14	**6,074**	8,400

Consolidated statement of changes in equity

for the year ended 31 December 2023

US$ million	Total share capital[1]	Own shares[2]	Retained earnings	Cumulative translation adjustment reserve	Other reserves[3]	Total equity attributable to equity shareholders of the Company	Non-controlling interests	Total equity
At 1 January 2022	3,295	(6,141)	41,716	(11,696)	651	27,825	6,945	34,770
Adoption of amendments to IAS 12 (see note 2)	—	—	(43)	—	—	(43)	(28)	(71)
At 1 January 2022 (restated)	3,295	(6,141)	41,673	(11,696)	651	27,782	6,917	34,699
Profit for the year	—	—	4,514	—	—	4,514	1,510	6,024
Other comprehensive loss	—	—	(183)	(963)	(49)	(1,195)	(225)	(1,420)
Dividends	—	—	(3,549)	—	—	(3,549)	(1,566)	(5,115)
Equity settled share-based payment schemes[4]	—	397	(59)	—	1	339	(1)	338
Treasury shares purchased[4]	—	(527)	—	—	—	(527)	—	(527)
Shares cancelled during the year	(3)	—	—	—	3	—	—	—
Other	—	(1)	(28)	—	(17)	(46)	—	(46)
At 31 December 2022 (restated)	**3,292**	**(6,272)**	**42,368**	**(12,659)**	**589**	**27,318**	**6,635**	**33,953**
Profit for the year	**—**	**—**	**283**	**—**	**—**	**283**	**1,061**	**1,344**
Other comprehensive loss	**—**	**—**	**(45)**	**(730)**	**(47)**	**(822)**	**(211)**	**(1,033)**
Dividends	**—**	**—**	**(1,564)**	**—**	**—**	**(1,564)**	**(957)**	**(2,521)**
Equity settled share-based payment schemes	**—**	**272**	**(137)**	**—**	**25**	**160**	**(3)**	**157**
Treasury shares purchased	**—**	**(275)**	**—**	**—**	**—**	**(275)**	**—**	**(275)**
Change in ownership interest in subsidiaries	**—**	**—**	**(38)**	**—**	**—**	**(38)**	**37**	**(1)**
Other	**—**	**—**	**(7)**	**—**	**2**	**(5)**	**(2)**	**(7)**
At 31 December 2023	**3,292**	**(6,275)**	**40,860**	**(13,389)**	**569**	**25,057**	**6,560**	**31,617**

[1] Includes share capital and share premium.

[2] Own shares comprise shares of Anglo American plc held by the Company, its subsidiaries and employee benefit trusts.

[3] Includes the share-based payment reserve, financial asset revaluation reserve, capital redemption reserve, legal reserve, cash flow hedge reserve and other reserves.

[4] The prior year equity settled share-based payment schemes were presented net of treasury shares purchased. Comparatives were re-presented to align with the current presentation.

Notes to the Condensed financial statements

1. Basis of preparation

Basis of preparation

The Condensed financial statements for the year ended 31 December 2023 do not constitute statutory accounts as defined in section 435 (1) and (2) of the Companies Act 2006. The results for the year to 31 December 2023 have been extracted from the 31 December 2023 audited Consolidated Financial Statements which have been approved by the Board of Directors. Statutory accounts for the year ended 31 December 2022 have been delivered to the Registrar of Companies and those for 2023 will be delivered following the Company's Annual General Meeting convened for 24 April 2024. The auditors have reported on these accounts; their reports were unqualified, did not include a reference to any matters to which the auditors drew attention by way of emphasis of matter and did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

Whilst the preliminary announcement (the Condensed financial statements) has been prepared in accordance with UK-adopted International Accounting Standards, with those parts of the Companies Act 2006 applicable to companies reporting under those standards and the requirements of the Listing Rules of the Financial Conduct Authority in the United Kingdom, these Condensed financial statements do not contain sufficient information to comply with UK-adopted International Accounting Standards. The Group will publish full financial statements that comply with UK-adopted International Accounting Standards in March 2024.

Going concern

The financial position of the Group, its cash flows, liquidity position and borrowing facilities are set out in the Group financial review on pages 7 - 11. The Group's net debt (including related hedges) at 31 December 2023 was $10.6 billion (2022: $6.9 billion). During the first half of 2023, the Group issued $2.0 billion of bond debt. In March 2023, the Group issued €500 million 4.5% Senior Notes due 2028, €500 million 5.0% Senior Notes due 2031 and, in May 2023, $900 million 5.5% Senior Notes due 2033. In the second half of 2023, the Group refinanced its $4.7 billion revolving credit facility maturing in March 2025, to a one year $1 billion facility maturing in November 2024, and a $3.7 billion five year facility maturing in November 2028. The Group's liquidity position (defined as cash and undrawn committed facilities) of $13.2 billion at 31 December 2023 remains strong. Further details of borrowings and facilities are set out in note 15 on page 75 and net debt is set out in note 14 on page 73.

The directors have considered the Group's cash flow forecasts for the period to the end of December 2025 under base and downside scenarios, with reference to the Group's principal risks as set out on page 14 of these results. In the downside scenario modelled (including pricing and production downsides, alongside a significant operational incident), the Group maintains sufficient liquidity throughout the period of assessment without the use of mitigating actions.

The Board is satisfied that the Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group will be able to operate within the level of its current facilities for the period of at least 12 months from the date of approval of the financial statements. For this reason the Group continues to adopt the going concern basis in preparing its financial statements.

Alternative Performance Measures

When assessing and discussing the Group's reported financial performance, financial position and cash flows, management makes reference to Alternative Performance Measures (APMs) of historical or future financial performance, financial position or cash flows that are not defined or specified under International Financial Reporting Standards (IFRS). 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. Further information on APMs is provided on page 84.

2. Changes in accounting policies, estimates and disclosures

The accounting policies applied are consistent with those adopted and disclosed in the Group financial statements for the year ended 31 December 2022 with the exception of new accounting pronouncements, which became effective on 1 January 2023 and have been adopted by the Group. The adoption of these new accounting pronouncements has not had a significant impact on the accounting policies, methods of computation or presentation applied by the Group except for the adoption of the amendment to IAS 12 *Income taxes* below.

IAS 12 *Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

An amendment to IAS 12 *Income Taxes* was published in May 2021 and became effective for the Group from 1 January 2023. The amendment narrowed the scope of the deferred tax recognition exemption so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

The Group has considered the impact of this amendment, notably in relation to the accounting for deferred taxes on leases and decommissioning and environmental restoration provisions. The impact of transitioning to the revised standard was to increase net deferred tax liabilities and reduce total equity as at 1 January 2022 and 31 December 2022 by $71million ($43 million reducing Retained earnings and $28 million reducing Non-controlling interests).

The Group has not early adopted any amendment, standard or interpretation that has been issued but is not yet effective. It is expected that where applicable, these standards and amendments will be adopted on each respective effective date.

Financial performance

Profit attributable to equity shareholders for the year ended 31 December 2023 decreased by 94% to $283 million (2022: $4,514 million). Underlying earnings decreased by 51%56 to $2,932 million (2022: $6,036 million).

The following disclosures provide further information about the drivers of the Group's financial performance in the year. This includes analysis of the respective contribution of the Group's reportable segments along with information about its operating cost base, net finance costs and tax. In addition, disclosure on earnings per share and the dividend is provided.

3. Financial performance by segment

Overview

The Group's operating segments are aligned to those businesses that are evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. Operating segments with similar economic characteristics are aggregated into reportable segments.

The Group aggregates the following operating segments into reportable segments:

- Kumba Iron Ore and Iron Ore Brazil are aggregated into Iron Ore
- Copper Chile and Copper Peru are aggregated into Copper.

Shipping revenue related to shipments of the Group's products is shown within the relevant operating segment. Revenue from other marketing and trading activities from shipping and energy solutions within the Marketing business is presented within the 'Corporate and other' segment, which also includes unallocated corporate costs and exploration costs.

The disclosures in this note include certain Alternative Performance Measures (APMs). For more information on the APMs used by the Group, including definitions, please refer to page 84.

Segment results

							2023
US$ million	Group revenue	Underlying EBITDA	Depreciation and amortisation	Underlying EBIT	Net finance costs and income tax expense	Non-controlling interests	Underlying earnings
Copper	7,360	3,233	(782)	2,451	(1,127)	(225)	1,099
Nickel	653	133	(71)	62	3	—	65
Platinum Group Metals	6,734	1,209	(354)	855	(226)	(181)	448
De Beers	4,267	72	(324)	(252)	(113)	51	(314)
Iron Ore	8,000	4,013	(464)	3,549	(987)	(770)	1,792
Steelmaking Coal	4,153	1,320	(498)	822	(138)	—	684
Manganese	670	231	(86)	145	(77)	(2)	66
Crop Nutrients	225 [1]	(60)	(1)	(61)	(14)	—	(75)
Corporate and other	440	(193)	(210)	(403)	(447)	17	(833)
	32,502	9,958	(2,790)	7,168	(3,126) [2]	(1,110)	2,932
Less: associates and joint ventures	(1,846)	(717)	105	(612)	233	1	(378)
Subsidiaries and joint operations	30,656	9,241	(2,685)	6,556	(2,893)	(1,109)	2,554
Reconciliation:							
Net income from associates and joint ventures				378			378
Special items and remeasurements	(4)			(2,752)			(2,649)
Revenue	30,652						
Profit before net finance costs and tax				4,182			
Profit attributable to equity shareholders of the Company							283

See next page for footnotes.

Financial performance

3. Financial performance by segment continued

2022

US$ million	Group revenue	Underlying EBITDA	Depreciation and amortisation	Underlying EBIT	Net finance costs and income tax expense	Non-controlling interests	Underlying earnings
Copper	5,599	2,182	(587)	1,595	(684)	(151)	760
Nickel	858	381	(64)	317	(58)	—	259
Platinum Group Metals	10,096	4,417	(365)	4,052	(1,132)	(654)	2,266
De Beers	6,622	1,417	(423)	994	(334)	(108)	552
Iron Ore	7,534	3,455	(493)	2,962	(927)	(698)	1,337
Steelmaking Coal	5,034	2,749	(380)	2,369	(729)	—	1,640
Manganese	840	378	(66)	312	(161)	(3)	148
Crop Nutrients	254 [1]	(44)	(1)	(45)	(6)	—	(51)
Corporate and other	554	(440)	(153)	(593)	(276)	(6)	(875)
	37,391	14,495	(2,532)	11,963	(4,307)[2]	(1,620)	6,036
Less: associates and joint ventures	(2,264)	(1,125)	86	(1,039)	395	3	(641)
Subsidiaries and joint operations	35,127	13,370	(2,446)	10,924	(3,912)	(1,617)	5,395
Reconciliation:							
Net income from associates and joint ventures				641			641
Special items and remeasurements	(9)			(1,758)			(1,522)
Revenue	35,118						
Profit before net finance costs and tax				9,807			
Profit attributable to equity shareholders of the Company							4,514

[1] Group revenue in respect of Crop Nutrients principally relates to revenue from its associate, The Cibra Group, a fertiliser distributor based in Brazil.
[2] Comprises net finance costs of $593 million (2022: $358 million) and income tax expense of $2,533 million (2022: $3,949 million).

The segment results are stated after elimination of inter-segment interest and dividends and include an allocation of corporate costs.

Further information

Group revenue by product

Segments predominantly derive revenue as follows – Copper: copper; De Beers: rough and polished diamonds; Platinum Group Metals: platinum group metals and nickel; Iron Ore: iron ore; Steelmaking Coal: steelmaking coal; Nickel: nickel; Manganese: manganese ore. Revenue reported within Corporate and other includes margins from marketing and trading activities in the Group's Energy Solutions activities and shipping services provided to third parties.

Other revenue principally relates to iridium, gold, ruthenium and molybdenum. The revenue analysis below includes the Group's share of revenue in equity accounted associates and joint ventures excluding special items and remeasurements. See note 13.

Financial performance

3. Financial performance by segment continued

US$ million	Revenue from contracts with customers 2023	Revenue from other sources 2023	Group revenue 2023	Revenue from contracts with customers 2022	Revenue from other sources 2022	Group revenue 2022
Copper	6,824	86	6,910	5,247	(80)	5,167
Nickel	1,046	47	1,093	1,422	15	1,437
Platinum	1,723	8	1,731	1,680	6	1,686
Palladium	1,681	9	1,690	2,542	6	2,548
Rhodium	1,509	22	1,531	4,066	21	4,087
Diamonds	4,198	69	4,267	6,608	14	6,622
Iron ore	6,548	606	7,154	6,597	(45)	6,552
Steelmaking coal	3,155	755	3,910	3,544	990	4,534
Thermal coal[1]	213	169	382	495	188	683
Manganese ore	—	670	670	—	840	840
Shipping	1,115	—	1,115	1,362	—	1,362
Other	1,770	279	2,049	1,484	389	1,873
	29,782	2,720	32,502	35,047	2,344	37,391
Reconciliation:						
Less: Revenue from associates and joint ventures	—	(1,846)	(1,846)	—	(2,264)	(2,264)
Special items and remeasurements	—	(4)	(4)	—	(9)	(9)
Revenue	29,782	870	30,652	35,047	71	35,118

[1] For the year ended 31 December 2023, thermal coal represents 1% of Group revenue and comprises sales volumes of 15.3Mt. These arise from transitional marketing support provided to Thungela Resources, purchases from other third parties included within the Marketing business' energy solutions activities, and secondary product sales from the Steelmaking Coal business.

Revenue from other sources for subsidiaries and joint operations of $870 million (2022: $71 million) includes net fair value gains relating to derivatives of $880 million (2022: net fair value gains of $176 million), net fair value losses relating to provisionally priced contracts of $6 million and revenue remeasurements loss of $4 million (2022: $96 million and $9 million respectively). Derivative net gains/losses include both financial derivatives and the net margin arising on contracts for the physical sale and purchase of third-party material (third-party sales) where these contracts are accounted for as derivatives prior to settlement and are entered into to generate a trading margin.

Group revenue by destination

The Group's geographical analysis of segment revenue is allocated based on the customer's port of destination. Where the port of destination is not known, revenue is allocated based on the customer's country of domicile.

	2023 US$ million	2023 %	2022 US$ million	2022 %
China	9,891	30%	8,965	24%
India	2,275	7%	2,798	7%
Japan	3,783	12%	5,542	15%
Other Asia	5,710	18%	6,944	18%
South Africa	833	3%	1,312	4%
Other Africa	1,403	4%	2,080	6%
Brazil	923	3%	986	3%
Chile	882	3%	811	2%
Other South America	63	—	10	—
North America	1,230	4%	1,160	3%
Australia	103	—	309	1%
United Kingdom[1]	1,902	6%	1,502	4%
Other Europe	3,504	10%	4,972	13%
	32,502	100%	37,391	100%

[1] United Kingdom is Anglo American plc's country of domicile.

Financial performance

4. Earnings per share

Overview

The disclosures in this note include certain Alternative Performance Measures (APMs). For more information on the APMs used by the Group, including definitions, please refer to page 84.

US$	2023	2022
Earnings per share		
Basic	0.23	3.72
Diluted	0.23	3.68
Underlying earnings per share		
Basic	2.42	4.97
Diluted	2.40	4.92
Headline earnings per share		
Basic	2.06	4.98
Diluted	2.05	4.93

Further information

The calculation of basic and diluted earnings per share is based on the following data:

	Profit attributable to equity shareholders of the Company		Underlying earnings		Headline earnings	
	2023	2022	2023	2022	2023	2022
Earnings (US$ million)						
Basic and diluted earnings	283	4,514	2,932	6,036	2,496	6,050
Weighted average number of shares (million)						
Basic number of ordinary shares outstanding	1,214	1,215	1,214	1,215	1,214	1,215
Effect of dilutive potential ordinary shares	6	11	6	11	6	11
Diluted number of ordinary shares outstanding	1,220	1,226	1,220	1,226	1,220	1,226

The weighted average number of ordinary shares in issue is the weighted number of shares in issue throughout the year, and excludes shares held by employee benefit trusts and Anglo American plc shares held by Group companies. The diluted number of ordinary shares outstanding, including share options and awards, is calculated on the assumption of conversion of all dilutive potential ordinary shares. In the year ended 31 December 2023 there were 345,152 (2022: 342,939) share options that were potentially dilutive but not included in the calculation of diluted earnings because they were anti-dilutive.

Financial performance

4. Earnings per share continued

Headline earnings, a Johannesburg Stock Exchange defined performance measure, is reconciled from profit attributable to equity shareholders of the Company as follows, and the reconciling items below are shown gross and net of tax and non-controlling interests:

	2023		2022	
US$ million	Gross	Net	Gross	Net
Profit attributable to equity shareholders of the Company		283		4,514
Special items and remeasurements		2,649		1,522
Underlying earnings for the financial year		2,932		6,036
Revenue remeasurements	(4)	(3)	(9)	(14)
Operating special items – restructuring	(142)	(131)	—	—
Operating remeasurements	(86)	(82)	(80)	(72)
Non-operating special items – charges relating to BEE transactions	—	—	(10)	(9)
Non-operating special items – remeasurement of deferred consideration	(17)	(14)	(111)	(73)
Non-operating special items – disposals	8	6	(3)	(4)
Financing special items and remeasurements	(31)	(31)	15	15
Tax special items and remeasurements	—	(183)	—	126
Other reconciling items	(4)	2	63	45
Headline earnings for the financial year		2,496		6,050

Other reconciling items principally comprise adjustments relating to business combinations in prior years partially offset by impairments in De Beers (2022: relate to adjustments to former operations and disposals of Property, plant and equipment).

Financial performance

5. Net finance costs

US$ million	2023	2022
Investment income		
Interest income from cash and cash equivalents	345	173
Interest income from associates and joint ventures	15	6
Net interest income on defined benefit arrangements	24	20
Other interest income	43	16
	427	215
Less: Interest income capitalised	—	(1)
Investment income	427	214
Interest expense		
Interest and other finance expense	(1,322)	(721)
Lease liability interest expense	(62)	(42)
Net interest cost on defined benefit arrangements	(42)	(45)
Unwinding of discount relating to provisions and other liabilities	(79)	(86)
	(1,505)	(894)
Less: Interest expense capitalised	515	379
Interest expense	(990)	(515)
Other net financing (losses)/gains		
Net foreign exchange (losses)/gains	(51)	105
Other net fair value gains/(losses)	58	(146)
Other net financing gains/(losses) before special items and remeasurements	7	(41)
Financing remeasurements	(31)	15
Other net financing losses	(24)	(26)
Net finance costs	(587)	(327)

Further information

Interest income recognised on financial assets at amortised cost is $183 million (2022: $96 million) and interest expense recognised on financial liabilities at amortised cost is $769 million (2022: $302 million).

Interest expense capitalised predominantly relates to US dollar denominated borrowings which were capitalised at a weighted average interest rate of 7.1% (2022: 3.7%).

Included in other net fair value gains/losses is $46 million (2022: loss of $47million) in respect of fair value gains on the revaluation of deferred consideration balances relating to the Mototolo acquisition. Revaluation of deferred consideration balances are classified as special items and remeasurements only when the original gain or loss on disposal or acquisition has been classified as a special item.

Financial performance

6. Income tax expense

Overview

	2023		
	Profit before tax US$ million	Tax charge US$ million	Effective tax rate
Calculation of effective tax rate (statutory basis)	**3,595**	**(2,251)**	**62.6%**
Adjusted for:			
Special items and remeasurements	2,783	(86)	
Associates' and joint ventures' tax and non-controlling interests	197	(196)	
Calculation of underlying effective tax rate	**6,575**	**(2,533)**	**38.5%**

The underlying effective tax rate was 38.5% for the year ended 31 December 2023. This is higher than the underlying effective tax rate of 34.0% for the year ended 31 December 2022. The underlying effective tax rate in 2023 was mainly impacted by the relative level of profits arising in the Group's operating jurisdictions.

Uncertainty and changes to tax regimes can materialise in any country in which we operate and the Group has no control over political acts, actions of regulators, or changes in local tax regimes. Global and local economic and social conditions can have a significant influence on governments' policy decisions and these have the potential to change tax and other political risks faced by the Group.

A new Mining Royalty Bill in Chile was enacted during August 2023. This legislation creates a new mining royalty regime including both an 'ad valorem tax' and a 'specific mining tax'. While current taxes do not start to accrue until 1 January 2024, the rebasing of the Group's Chilean deferred taxes to reflect the impact of this new regime, has increased the Group's underlying effective tax rate for the year ended 31 December 2023 by 1.2 percentage points.

In line with our published Tax Strategy, the Group actively monitors tax developments at a national level, as well as global themes and international policy trends, on a continuous basis, and has active engagement strategies with governments, regulators and other stakeholders within the countries in which the Group operates, or plans to operate, as well as at an international level. This includes global tax reforms such as those being agreed through the OECD's Digitalisation of the Economy Project which seeks to reallocate taxing rights for large profitable groups ('Pillar 1') and implement a minimum effective tax rate of 15% on profits of large multinational groups in each country in which they operate ('Pillar 2'). On 23 March 2023, HM Treasury released draft legislation for the Global Minimum Tax rules in the UK which was enacted on 11 July 2023.

Although these rules will only apply to the Group from the financial year ended 31 December 2024 onwards, the Group has carried out an assessment of its potential exposure to Pillar 2 taxes. This assessment is principally based on the application of the transitional safe harbour exemptions within the UK's Pillar 2 legislation and uses data from the most recent submission of the Group's Country-by-Country report, being for the year ended 31 December 2022. As part of this assessment, the Group has adjusted for one-off events in the year ended 31 December 2022, which are not expected to be repeated in future periods. The Group is not aware of any events in the current year ended 31 December 2023 which would give a materially different result. The assessment has identified a potential exposure where the Pillar 2 effective tax rate is estimated to have been lower than 15%. This exposure is estimated to have had an impact of less than one percentage point to the Group's underlying effective tax rate based on underlying profit before tax for 2022.

The Group continues to review legislation to evaluate the potential impact and is engaging with policymakers in efforts to ensure that guidance and any required additional legislation is aligned to the stated policy objectives and that the Group is well placed to comply.

The Group 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.

Financial performance

6. Income tax expense continued

The disclosures in this note include certain Alternative Performance Measures (APMs). For more information on the APMs used by the Group, including definitions, please refer to page 84.

a) Analysis of charge for the year

US$ million	2023	2022
United Kingdom tax	165	106
South Africa tax	585	1,409
Other overseas tax	1,074	1,128
Prior year adjustments	(76)	(80)
Current tax	1,748	2,563
Deferred tax	589	1,007
Income tax expense before special items and remeasurements	2,337	3,570
Special items and remeasurements tax (note 10)	(86)	(114)
Income tax expense	2,251	3,456

Current tax includes royalties which meet the definition of income tax and are in addition to royalties recorded in operating costs.

b) Factors affecting tax charge for the year

The reconciling items between the statutory corporation tax rate and the income tax expense are:

US$ million	2023	2022
Profit before tax	3,595	9,480
Less: Net income from associates and joint ventures	(378)	(641)
Profit before tax (excluding associates and joint ventures)	3,217	8,839
Tax calculated at the weighted average annual statutory rate of corporation tax in the United Kingdom of 23.5% (2022: 19.0%)	756	1,679
Tax effects of:		
Items non-deductible/taxable for tax purposes	61	(2)
Temporary difference adjustments	540	360
Special items and remeasurements		
Functional currency remeasurements (note 10)	(119)	(72)
Taxable income on intercompany loan write-off	—	298
Utilisation of losses and other temporary differences not previously recognised against intercompany loan write-off income	—	(298)
Other special items and other remeasurements	687	289
Other adjustments		
Withholding taxes	108	104
Effect of differences between local and United Kingdom tax rates	396	1,176
Prior year adjustments to current tax	(76)	(80)
Other adjustments	(102)	2
Income tax expense	2,251	3,456

The special items and remeasurements reconciling charge of $568 million (2022: $217 million) relates to the net tax impact of total special items and remeasurements before tax calculated at the United Kingdom corporation tax rate less the associated tax recorded against these items and tax special items and remeasurements.

Included within withholding taxes for the year ended 31 December 2023 is a charge of $2 million (2022: credit of $67 million) due to a reassessment of future dividend distributions.

Associates' and joint ventures' tax included within Net income from associates and joint ventures for the year ended 31 December 2023 is a charge of $196 million (2022: $379 million). Excluding special items and remeasurements, this remains a charge of $196 million (2022: $379 million).

Financial performance

7. Dividends

	2023	2022
Proposed final ordinary dividend per share (US cents)	41	74
Proposed final ordinary dividend (US$ million)	500	905

These financial statements do not reflect the proposed final ordinary dividend as it is still subject to shareholder approval.

Dividends paid during the year are as follows:

US$ million	2023	2022
Final ordinary dividend for 2022 – 74 US cents per ordinary share (2021: 118 US cents per ordinary share)	905	1,440
Final special dividend for 2021 – 50 US cents per ordinary share	—	612
Interim ordinary dividend for 2023 – 55 US cents per ordinary share (2022: 124 US cents per ordinary share)	659	1,497
	1,564	3,549

As at the dividend record date, there are forecasted to be 1,219,991,762 (2022: 1,222,809,154) dividend bearing shares in issue.

Significant items

8. Significant accounting matters

The significant judgements and key sources of estimation uncertainty that affect the results for the year ended 31 December 2023 are set out below and relate to the impairment and impairment reversal of assets. In addition to these items, information about other judgements and estimates determined by management is provided, where applicable, in the relevant note to the Condensed financial statements.

The Group also considers the impact of climate change on judgements and estimates. Although not a key judgement or estimate in itself, climate change potentially impacts a number of judgements and estimates made by the Group, particularly where these are reliant on longer term forecasts. Further information about these matters is provided below and in the Group's Integrated Annual Report for the year ended 31 December 2023:

Significant accounting judgements and estimates

Impairment and impairment reversals of assets

Significant accounting judgement – identification of impairment and impairment reversal indicators

The Group assesses at each reporting date whether there are any indicators that its assets and cash generating units (CGUs) may be impaired, or that an impairment reversal is required for previously impaired assets and CGUs (other than goodwill). Assets which have previously been impaired are generally carried on the balance sheet at a value close to their recoverable amount at the last assessment. Therefore in principle any change in operational assumptions or economic parameters could result in further impairment or impairment reversal if an indicator is identified.

The assessment considers a wide range of potential indicators, including revisions to forecast operating performance, changes to capital projects, the impact of external factors such as tax rates for relevant geographies and both the Group's internal long term economic forecasts and external market data. Judgement is required to determine whether the updates represent significant changes in the service potential of an asset or CGU, and are therefore indicators of impairment or impairment reversal.

Particular judgement may be required to determine whether multiple changes are linked to the same underlying factor and hence should be assessed together, for example where inflationary pressures lead to offsetting increases in both forecast revenues and costs. The Group uses quantitative data and sensitivity analysis using discounted cashflow models to inform these judgements where relevant.

For certain previously impaired assets where an impairment or impairment reversal trigger has not been identified at 31 December 2023, it is reasonably possible that an impairment or reversal trigger, and hence a potential material adjustment to the carrying value, may arise within the next twelve months. Further information about these assets is provided below:

Woodsmith
The Woodsmith polyhalite project is currently under construction and has recognised previous impairments of $1.7 billion (2022) which remain eligible for potential impairment reversal. The valuation remains inherently sensitive to changes in economic and operational assumptions, in particular the forecast polyhalite price and discount rate. The Group has reassessed key input assumptions as at 31 December 2023. At this stage the Group believes the assumptions for these key inputs used in the valuation prepared at 31 December 2022 remain appropriate and hence no indicators of impairment or reversal have been identified.

Moranbah-Grosvenor
Moranbah-Grosvenor is a CGU within the Steelmaking Coal segment and has recognised previous impairments of $0.1 billion which remain eligible for potential impairment reversal. The asset valuation is inherently sensitive to changes in economic and operational assumptions, in particular the steelmaking coal price and the AUD/USD exchange rate. The Group has reviewed operational and macroeconomic developments in the year, including the potential impact of global decarbonisation efforts in response to climate change on forecast steelmaking coal prices, and concluded that there are no indicators of impairment or impairment reversal.

Significant accounting estimate – estimation of recoverable amount
Where indicators of impairment or impairment reversal are identified (or at least annually for goodwill and indefinite life assets), the Group performs impairment reviews to assess the recoverable amount of the relevant operating assets. The recoverable amount is assessed with reference to fair value less costs of disposal, as this is higher than

Significant items

8. Significant accounting matters continued

the value in use model for the Group's assets. The fair value less cost of disposal is estimated with reference to the share price of listed subsidiaries, where appropriate, and for other assets is based on discounted cash flow models. The expected future cash flows used in these models are inherently uncertain and could materially change over time. They may be significantly affected by a number of factors including Ore Reserves and Mineral Resources, together with economic factors such as commodity prices, exchange rates, discount rates and estimates of production costs and future capital expenditure. Where discounted cash flow models based on management's assumptions are used, the resulting fair value measurements are considered to be at level 3 in the fair value hierarchy, as defined in IFRS 13 *Fair Value Measurement* ,as they depend to a significant extent on unobservable valuation inputs.Cash flow projections are based on financial budgets and Life of Asset Plans or, for non-mine assets, an equivalent appropriate long term forecast, incorporating key assumptions as detailed below:

- Ore Reserves and Mineral Resources
  Ore Reserves and, where considered appropriate, Mineral Resources are incorporated in projected cash flows, based on Ore Reserves and Mineral Resources statements and exploration and evaluation work undertaken by appropriately qualified persons. Mineral Resources are included where management has a high degree of confidence in their economic extraction, despite additional evaluation still being required prior to meeting the required confidence to convert to Ore Reserves. Risk adjustments are applied to the inclusion of these resources where appropriate. For further information refer to the unaudited Ore Reserves and Mineral Resources Report 2023.

- Commodity and product prices
  Commodity and product prices are based on latest internal forecasts, benchmarked with external sources of information such as the range of available analyst forecasts and for the short term, spot prices where applicable. In estimating the forecast cash flows, management also takes into account the expected realised price from existing contractual arrangements. Price forecasts are made with reference to the impact of climate change on supply and demand fundamentals for each commodity but are not aligned to any particular emissions scenario.

- Foreign exchange rates
  Foreign exchange rates are based on latest internal forecasts, benchmarked with external sources of information for relevant countries of operation or directly from external forecasts.

- Discount rates
  Cash flow projections used in fair value less costs of disposal impairment models are discounted based on real post-tax discount rates, assessed annually. Adjustments to the rates are made for any risks that are not reflected in the underlying cash flows, including the risk profile of the individual asset and country risk.

- Operating costs, capital expenditure and other operating factors
  Operating costs and capital expenditure are based on the most recently approved financial budgets. Cash flow projections beyond the budget period are based on Life of Asset Plans, as applicable, and internal management forecasts. Cost assumptions incorporate management experience and expectations, as well as the nature and location of the operation and the risks associated therewith (for example, the grade of Ore Reserves varying significantly over time and unforeseen operational issues). Underlying input cost assumptions are consistent with related output price assumptions. Other operating factors, such as the timelines of granting licences and permits, are based on management's best estimate of the outcome of uncertain future events at the balance sheet date.

Where an asset has potential for future development through capital investment, to which a market participant would attribute value, and the costs and economic benefits can be estimated reliably, this development is included in the recoverable amount (with appropriate risk adjustments).

Significant estimate: sensitivity disclosures
The recoverable amounts of the following assets are considered to be significant accounting estimates as a material impairment or an impairment reversal could arise within the next twelve months due to a realistic change in assumptions:

- De Beers
- Barro Alto
- Minas-Rio

Key input and sensitivity information for these assets is provided in note 9.

Significant items

8. Significant accounting matters continued

Climate change

Tackling climate change is the defining challenge of our time and understanding and addressing the implications of climate change for our business is embedded in our strategy. The Group's response to climate change is implemented at an asset-level through the Group's Sustainable Mining Plan and related Life of Asset Plans. Climate change potentially impacts judgements and estimates made when preparing the Group's financial statements. Potential impacts arise in three principal areas; physical risk such as extreme weather events or long term changes in climate patterns, transition risk as demand shifts between commodities and the Group's climate ambitions as the financial impact of climate targets is reflected in operational decisions and cost structures.

The estimation of recoverable amounts for the Group's non-current assets is currently the only judgement or estimate which is materially impacted by climate change. Further information about this estimate, together with additional information in other areas which may be impacted in the medium to long term is provided below:

Judgement/Estimate	Physical Risk	Transition Risk
Estimation of recoverable amounts	↥	↟
Useful economic lives of non-current assets	—	↥
Net realisable value of inventory	—	—
Measurement of rehabilitation and decommissioning	↥	↥

↟ Significant impact on judgement/estimate
↥ Moderate impact on judgement/estimate
— Limited impact on judgement/estimate

Estimation of recoverable amounts

Physical risk

The cashflow forecasts used to determine the recoverable amount of the Group's assets reflect our current best-estimate of the impact of material physical risks. The most significant impacts generally relate to managing either an excess or scarcity of water resources and the resulting impact on production levels. Cashflow forecasts also include the costs (and benefits) of risk mitigation actions included in the Life of Asset Plan, such as water purchases and the cost of new infrastructure. These forecasts may be revised in future periods as the Group continues its programme of detailed site-specific monitoring and assessments.

Transition risk

Transition risk may impact the recoverable amount of the Group's assets as forecast commodity prices are a key input in the discounted cashflow models which are used to calculate the recoverable amount. The Group's discounted cashflow models are prepared on a fair value less cost of disposal basis, which requires input assumptions to be determined from the perspective of a market participant. While the Group has confirmed the strategic and financial resilience of its portfolio under a 1.5°C scenario as part of its Task Force on Climate-Related Financial Disclosures (TCFD) reporting, this scenario is not used for financial reporting purposes as it is not representative of management's best estimate of the likely assumptions that would be used by a market participant when valuing the Group's assets.

The Group has not performed a full assessment of the implications of any resilience scenario on asset valuations used for financial reporting purposes. While there is a wide range of possible transition impacts for each level of warming depending on the assumptions made, we anticipate that prices for the majority of the Group's commodities would be higher than existing forecasts in the short and medium term under a 1.5°C scenario, driven by growing investment in infrastructure associated with the transition to a low carbon economy while carbon prices are also likely to be higher than existing forecasts.

In the longer term, the more rapid decarbonisation of the steel value chain under a 1.5°C scenario through higher steel recycling rates and technological change would be expected to lead to lower benchmark prices for both iron ore and steelmaking coal, although we anticipate that for iron ore this may largely be offset by higher product premiums for the Group's high quality lump and high grade pellet-feed products given these are particularly well-suited to less carbon intensive steelmaking technologies. The valuation of the Group's steelmaking coal assets is less sensitive to changes in the long term price than other operations given the remaining asset lives.

Increased demand for battery electric vehicles in a 1.5°C scenario may also pose a downside risk to demand for the PGM-containing catalytic converters used in internal combustion engine (ICE) vehicles, although this is expected to

Significant items

8. Significant accounting matters continued

be partly offset by hybrids, which require similar quantities of PGMs, and in the longer term, fuel cell electric vehicles. The recoverable amount of the Group's PGM assets is currently significantly in excess of their accounting carrying values, which makes these carrying values less sensitive to changing valuation input assumptions than other assets.

Climate ambitions and targets
The Group has announced a number of climate targets, which are disclosed on pages 54-57 of the Group's Integrated Annual Report.

When preparing valuation models on a fair value less cost of disposal basis the Group generally assumes that any purchaser would retain similar climate targets and ambitions. The Group therefore includes the cost and commercial benefits of achieving its emissions reduction ambitions and targets once the Group has a high degree of confidence that a project is technically feasible and it is included in the Life of Asset Plan, which typically aligns with the related capital project being internally approved. This is consistent with the approach taken for other key assumptions such as forecasted operating costs and capital expenditures as outlined above.

Some projects relating to the Group's climate targets and ambitions are not included in the Life of Asset Plans, generally because it is not yet possible to reliably estimate the costs and benefits or technical feasibility has not been demonstrated. While the costs and benefits of such projects are not included in cashflow forecasts (other than study costs within the next five years), the Group includes an adjustment within the forecast for the cost of unabated future Scope 1 and 2 emissions irrespective of whether each jurisdiction currently has a carbon tax or similar regime in place. When new emissions reduction projects are included in the Life of Asset Plan, the valuation impact of including the related project's cost is therefore offset by the removal of the cost of the emissions.

Carbon prices are used both as an input into our commodity price forecasts and in our forecast carbon cost for each operation. Carbon costs included in the valuation of each asset are based on the forecast carbon price per tonne/ CO_2e, multiplied by estimated Scope 1 and 2 emissions for the relevant operation. Short term carbon prices are incorporated based on currently enacted legislation (where relevant). Short term carbon prices for jurisdictions without currently enacted legislation and long term prices for all jurisdictions are based on the latest internal views of what a market participant would assess, formed with reference to external forecasts. Separate carbon prices are used for each region in which the Group operates. These internal prices range between $20 and $95 per tonne (2023 real basis) by 2030.

The Group has an ambition to reduce its Scope 3 emissions by 50% (against a 2020 baseline) by 2040. The Group has signed a number of agreements with steel producers to explore how the Group's high quality iron ore and steelmaking coal products can facilitate the decarbonisation of the steel value chain. The financial cost of these agreements is incurred centrally and is not expected to be material to the Group. It is therefore not included in asset-level valuation models.

Useful economic lives of non-current assets

Physical risk
Physical risk is not expected to have a material impact on the useful economic lives of the Group's assets based on the risk assessments conducted to date, given the risk mitigation strategies in place.

Transition risk
Transition risk may impact the useful economic lives of the Group's mining properties if changing commodity prices extend or reduce the period in which resources can be extracted from an orebody economically. This would in turn impact the depreciation charge.

The depreciation charge relating to mining properties is $859 million. Considering the alignment of the Group's portfolio to future-enabling products we believe any impact of transition risk is not likely to be material.

The useful economic lives of other assets are generally shorter and therefore less exposed to transition risk than mining properties.

Climate ambitions and targets
Any impact is not currently expected to be material as new technologies will be phased in as existing equipment or other infrastructure naturally come to the end of their life. The introduction of new dual-fuelled LNG vessels into the

Significant items

8. Significant accounting matters continued

Group's shipping fleet has not significantly impacted asset lives as vessels have previously been leased for relatively short periods of up to two years.

Net realisable value of inventory
Physical risk
Any impact is not currently expected to be material.

Transition risk
Transition risk could result in the recognition of an impairment if falling commodity prices mean that the net realisable value is lower than the production cost at which inventory balances are generally recorded.

Notwithstanding this, the majority of the Group's inventory is expected to be used within one year and is therefore less exposed to transition risk, which will principally impact prices in the medium and long term. The Group's long term inventory balances principally relate to the Iron Ore and Nickel reportable segments. These commodities are future-enabling for a more sustainable world and hence the carrying value of related inventory is less likely to be impacted by climate change.

Climate ambitions and targets
Any impact is not currently expected to be material.

Measurement of rehabilitation and decommissioning provisions

Physical risk
Physical risk may impact the cost of rehabilitating the Group's sites, for example higher average rainfall may impact the water management strategies required for the tailings storage facilities. Changing weather patterns may also lead to increased rates of soil erosion and reduced vegetation rates. Cashflow forecasts include the Group's current best estimate of the impact of such changes.

Transition risk
Transition risk may impact the useful economic lives of the Group's mines and hence the present value of rehabilitation and decommissioning provisions by changing the period over which the future costs are discounted. The Group has reviewed the sensitivity of its provisions to changing asset lives and concluded that this does not represent an area of material estimation uncertainty.

Climate ambitions and targets
Any impact is not expected to be material.

Significant items

9. Impairment and impairment reversals

Overview

The Group has recognised the following impairments as special items in the year ended 31 December 2023:

	2023				2022	
US$ million	Before tax	Tax	Non-controlling interests	Net	Before tax	Net
Impairments						
De Beers (Diamonds)	(1,601)	12	31	(1,558)	—	—
Barro Alto (Nickel)	(779)	235	—	(544)	—	—
Codemin (Nickel)	(40)	—	—	(40)	—	—
Kolomela (Iron Ore)	—	—	—	—	(313)	(122)
Woodsmith (Crop Nutrients)	—	—	—	—	(1,707)	(1,707)
Impairments recognised as special items	(2,420)	247	31	(2,142)	(2,020)	(1,829)
Impairment reversals						
Moranbah-Grosvenor (Steelmaking Coal)	—	—	—	—	211	147
Dawson (Steelmaking Coal)	—	—	—	—	217	152
Impairment reversals recognised as special items	—	—	—	—	428	299
Net impairments recognised as special items	(2,420)	247	31	(2,142)	(1,592)	(1,530)

	2023	2022	
US$ million	Impairments	Impairments	Impairment reversals
Allocates as:			
Intangibles	(1,438)	(40)	—
Property, plant and equipment	(1,044)	(2,025)	438
Other	(10)	(3)	—
Total	(2,492)	(2,068)	438
Recognised before tax:			
As special items	(2,420)	(2,020)	428
Within operating costs before special items	(72)	(48)	10
Total	(2,492)	(2,068)	438

Impairments recorded

De Beers

Overview

The recoverable amount of De Beers was assessed as at 31 December 2023 and an impairment of $1.6 billion ($1.6 billion after tax and non-controlling interest) was recorded to bring the carrying value into line with the recoverable amount of $7.6 billion, calculated using a discount rate of 7.5% (2022: 7.5%). The impairment was allocated primarily to goodwill ($1.4 billion), which has been fully impaired, and property, plant and equipment ($0.2 billion).

Changes in 2023

The reduction in the recoverable amount is primarily driven by lower prices than previous forecasts reflecting a reduction in forecast consumer demand. This reflects macroeconomic uncertainty mainly in the US and China, as well as a strengthening of the US dollar against consumer country currencies which has had an adverse impact on demand in US dollar terms. Management has also updated its best estimates of the timing of differentiation between lab grown and natural diamonds, the impact of recycling, the latest Ore Reserves and Mineral Resources estimates and life of asset plans for the Group's mines and, less significantly, the financial impact of revised contractual terms relating to De Beers' longstanding mutually beneficial relationship with the Government of the Republic of Botswana (which are expected to be finalised during 2024).

Significant items

9. Impairment and Impairment Reversals continued

Inputs to the valuation
The following are key inputs in the consumer demand forecast which in turn drives forecast prices:

- The model assumes real GDP growth, weighted by the markets in which we operate, of 3.3% (2022: 3.4%) over the next five years and starting from a lower base in 2023.
- The external foreign exchange medium term forecast against the US dollar in our end consumer markets is annual US dollar depreciation of 2.5% against the Chinese renminbi, 6.2% against the Japanese yen, 1.7% against the euro and 1.3% against the Indian rupee for the medium term compared to 2023 actual average rates.
- It is still assumed that lab grown diamonds will become clearly established as a product distinct from natural diamonds (as is increasingly clear in the market today given the significant and clear price and consumer offering differential). The model forecasts an imminent bifurcation between lab grown and natural diamond product offerings with only limited residual impact on the natural diamond market in the medium to long term.

Forecast producer currencies are also a key input to the model as the forecasts impact operating costs in US dollar terms. In the medium term, we assume the Southern African producer currencies exchange rates depreciate by 0.1% for the Botswana pula and 0.6% for the South African rand per annum against the US dollar compared to the 2023 actual rates. Thereafter we assume purchasing power parity against the US dollar.

Sensitivities
The valuation remains sensitive to reasonably possible changes in the key inputs. Sensitivities are presented below on the basis that all other assumptions remain constant, although in reality changes may not occur independently of each other:

- A 0.5 percentage point increase or decrease in consumer countries GDP growth rate results in a change in the impairment charge of $0.6 billion.
- A 5% appreciation or depreciation of the US dollar against consumer countries' currencies results in a change in the impairment charge of $0.3 billion.
- A 5% appreciation or depreciation of producer country currencies against our assumed US dollar results in a change in the impairment charge of $0.6 billion.
- An increased level of residual competition from lab grown diamonds or a 1 year delay in bifurcation of natural diamonds and lab grown diamonds would result in an increase in the impairment charge of $0.4 billion and $0.3 billion respectively.
- A 0.5% change in the discount rate would result in a change in the impairment charge of $0.2 billion.

Impairments of goodwill are not eligible for reversal in future periods. The maximum potential reversal within the next twelve months is therefore $0.2 billion.

Barro Alto

The Barro Alto nickel operations had been previously impaired, of which $1 billion remained eligible for potential reversal at the start of the year. The recoverable amount of the CGU was assessed at 30 June 2023 as changes in the long term cost profile were identified as an indicator of impairment. This resulted in an impairment of $0.4 billion.

At 31 December 2023 the recoverable amount of the CGU was assessed again principally due to the short and medium term price outlook changes in the second half of the year, which were considered to be an indicator of impairment. The valuation, calculated using a discount rate of 8.3%, resulted in a further impairment of $0.4 billion, total for the year of $0.8 billion ($0.5 billion after tax), allocated to property, plant and equipment. The remaining carrying value of the CGU represents long term ore stockpiles (non-current inventory), which are required to be blended with future production. The net realisable value of these stockpiles is assessed under IAS 2 Inventories and currently exceeds their carrying value of $0.2 billion.

Significant items

9. Impairment and Impairment Reversals continued

The valuation is inherently sensitive to changes in economic and operational assumptions. The model prepared at 31 December 2023 uses forecast nickel prices that fell within the analyst range throughout the model. The long term price from 2028 in the model fell within the third quartile of the analyst price range of $8.41/lb to $8.83/lb (LME Nickel, 2023 real basis). The model used a forecast for the average Brazilian real to US dollar real exchange rate which fell within the range of 5.0 BRL/$ to 5.3 BRL/$.

Sensitivities were considered to assess the impact of changes in key assumptions, principally price and foreign exchange forecasts. If the future nickel prices were increased by 10% throughout the valuation model with all other valuation assumptions remaining the same, the valuation would have increased by $0.4 billion. A 10% depreciation of the Brazilian real compared to the valuation assumptions would have resulted in an increase to the valuation of $0.3 billion.

Other assets

Minas-Rio

The Minas-Rio CGU includes the Minas-Rio iron ore mine and the Ferroport joint venture, which provides port services to ship the mine's production. The CGU has been previously impaired, of which $5.9 billion remained eligible for potential reversal at the start of the year. At 31 December 2023 the recoverable amount of the CGU was assessed as changes to the medium and long term price outlook and revisions to the forecast production and capital expenditure profile indicated that the recoverable amount may have changed. The valuation, calculated using a discounted cashflow model and a discount rate of 7.8% was consistent with the carrying amount of $7.3 billion.

The valuation is inherently sensitive to changes in economic and operational assumptions and the recoverable amount is considered to be a significant accounting estimate. The valuation model uses forecast iron ore prices that fall within the analyst range throughout the model. The long term price from 2028 fell within the top quartile of the analyst price range of $84/tonne to $100/tonne (Platts 62% CFR Reference basis, 2023 real basis). The model used a forecast for the average Brazilian real to US dollar real exchange rate which fell within the range of 5.0 BRL/$ to 5.3 BRL/$.

Sensitivities were considered to assess the impact of changes in key assumptions, principally price and foreign exchange forecasts. If the future iron ore prices were increased or decreased by 10% throughout the valuation model with all other valuation assumptions remaining the same, the valuation would have changed by $2.0 billion. A 10% depreciation of the Brazilian real compared to the valuation assumptions would have resulted in an increase to the valuation of $0.9 billion. A 10% appreciation of the Brazilian real compared to the valuation assumptions would have resulted in a decrease to the valuation of $1.0 billion.

2022

Impairments/impairment reversals recorded

Kolomela

At 31 December 2022, following revisions to the forecast production and cost profile in the latest Life of Asset Plan, the valuation of the Kolomela mine was assessed and an impairment of $0.3 billion ($0.1 billion after tax and non-controlling interest) was recorded against property, plant and equipment to bring the carrying value in line with the recoverable amount of $0.7 billion, calculated using a discount rate of 8.8%.

Moranbah-Grosvenor

Improvements in the economic environment and the current market conditions were considered to be a trigger for impairment reversal. A partial impairment reversal of $0.2 billion ($0.1 billion after tax) was recognised against property, plant and equipment, based on discounted cashflows using a discount rate of 6.7%, to bring the carrying value to $2.4 billion.

Dawson

Improvements in the economic environment and the current market conditions were considered to be a trigger for impairment reversal. An impairment reversal of $0.2 billion ($0.2 billion after tax) was recognised against property,

Significant items

9. Impairment and Impairment Reversals continued

plant and equipment, based on discounted cashflows using a discount rate of 6.7%, bringing the carrying value to $0.3 billion.

Woodsmith

In 2022, project team proposals, endorsed by the Board at the end of the year, indicated there would be changes to the configuration of the project that would incur higher future capital expenditure and result in a longer construction schedule with first product expected to be brought to market in 2027. These items were identified as an indicator of impairment and the carrying value of the related assets was assessed as at 31 December 2022 based on discounted cashflows using a discount rate of 9.58%. This resulted in an impairment of $1.7 billion ($1.7 billion after tax) to bring the carrying value into line with the recoverable amount of $0.9 billion. The impairment was allocated primarily to property, plant and equipment.

Significant items

10. Special items and remeasurements

Overview

				2023	2022
US$ million	Before tax	Tax	Non-controlling interests	Net	Net
Revenue remeasurements	(4)	(2)	3	(3)	(14)
Impairments	(2,420)	247	31	(2,142)	(1,829)
Impairment reversals	—	—	—	—	299
Restructuring costs	(142)	5	6	(131)	—
Operating remeasurements	(86)	5	(1)	(82)	(72)
Operating special items and remeasurements	(2,648)	257	36	(2,355)	(1,602)
Disposals of businesses and investments	(40)	3	8	(29)	32
Adjustments relating to business combinations	(36)	10	—	(26)	(24)
Adjustments relating to former operations	(24)	(1)	3	(22)	(46)
Charges relating to BEE transactions	—	—	—	—	(9)
Non-operating special items	(100)	12	11	(77)	(47)
Financing special items and remeasurements	(31)	—	—	(31)	15
Tax special items and remeasurements	—	(181)	(2)	(183)	126
Total	(2,783)	86	48	(2,649)	(1,522)

Special items and remeasurements

Special items are those items of financial performance that, due to their size and nature, the Group believes should be separately disclosed on the face of the income statement. Remeasurements are items that are excluded from underlying earnings in order to reverse timing differences in the recognition of gains and losses in the income statement in relation to transactions that, whilst economically linked, are subject to different accounting measurement or recognition criteria. Refer to note 9 of the Group's 2023 Integrated Annual Report for further details on the classification of special items.

Special items and remeasurements, along with related tax and non-controlling interests, are excluded from underlying earnings, which is an Alternative Performance Measure (APM). For more information on the APMs used by the Group, including definitions, please refer to page 84.

Revenue remeasurements

The loss of $4 million ($3 million after tax and non-controlling interests) (2022: loss of $14 million) relates to remeasurements on derivatives presented in revenue from other sources. For further details see note 3.

Operating special items

Impairments

Impairments of $2,420 million ($2,142 million after tax and non-controlling interests) recognised for the year ended 31 December 2023 primarily relate to impairments within De Beers: $1,601 million ($1,558 million after tax and non-controlling interests) and Barro Alto (Nickel): $779 million ($544 million after tax).

Further information on significant accounting matters relating to impairment is provided in note 9.

2022

Impairments of $1,829 million recognised for the year ended 31 December 2022 comprise impairments within Woodsmith (Crop Nutrients) $1,707 million and Kolomela (Iron Ore): $122 million.

Impairment reversals

There were no impairment reversals recognised for the year ended 31 December 2023.

Further information on significant accounting matters relating to impairment reversals is provided in note 9.

2022

Impairment reversals of $299 million for the year ended 31 December 2022 relate to Steelmaking Coal.

Significant items

10. Special items and remeasurements continued

Restructuring costs

Restructuring costs associated with an organisational change programme of $142 million ($131 million after tax and non-controlling interests) have been recognised for the year ended 31 December 2023 (2022: nil).

Operating remeasurements

Operating remeasurements reflect a loss of $86 million ($82 million after tax and non-controlling interests) (2022: $72 million) which principally relates to a $82 million (2022: $84 million) depreciation and amortisation charge arising due to the fair value uplift on the Group's pre-existing 45% shareholding in De Beers, which was required on acquisition of a controlling stake in 2012.

Non-operating special items

Disposals of businesses and investments

The $40 million loss ($29 million after tax and non-controlling interests) relates to the disposal of Kroondal (Platinum Group Metals). Further information is provided in note 19.

2022
The $32 million profit relates to the disposal of Bokoni (Platinum Group Metals).

Adjustments relating to business combinations

The $36 million loss ($26 million after tax) (2022: $24 million) related to adjustments in respect of business combinations in prior years.

Adjustments relating to former operations

The net loss of $24 million ($22 million after tax and non-controlling interests) (2022: $46 million) principally related to deferred consideration adjustments in respect of the Group's interests in Rustenburg and Union (Platinum Group Metals). The Rustenburg consideration was received in full in March 2023.

Charges relating to BEE transactions

There were no charges relating to BEE transactions for the year ended 31 December 2023.

2022
The charge of $9 million relates to a modification charge under IFRS 2 *Share-based Payments* following the amendment of the De Beers agreement with Ponahalo Investments (Pty) Ltd.

Financing special items and remeasurements

Financing special items and remeasurements comprise a net fair value loss of $31 million (2022: a net fair value gain of $15 million) in respect of fair value adjustments in relation to cross currency and interest rate swap derivatives and the related bonds.

Tax associated with special items and remeasurements

Tax associated with special items and remeasurements includes a tax remeasurement credit of $119 million (2022: credit of $72 million) principally arising on Brazilian deferred tax, a tax on special items and remeasurement credit of $267 million (2022: charge of $14 million) and a tax special items charge of $300 million (2022: credit of $56 million).

Of the total tax credit of $86 million (2022: credit of $114 million), there is a net current tax charge of $34 million (2022: charge of $41 million) and a net deferred tax credit of $120 million (2022: credit of $155 million).

Capital base

We have a value-focused approach to capital allocation with clear prioritisation: maintain asset integrity; pay dividends to our shareholders while ensuring a strong balance sheet. Discretionary capital is then allocated based on a balanced approach.

Value-disciplined capital allocation throughout the cycle is critical to protecting and enhancing our shareholders' capital, given the long term and capital intensive nature of our business.

The Group uses attributable return on capital employed (ROCE) to monitor how efficiently assets are generating profit on invested capital for the equity shareholders of the Company. Attributable ROCE is an Alternative Performance Measure (APM). For more information on the APMs used by the Group, including definitions, please refer to page 84.

	Attributable ROCE %	
	2023	2022
Copper	**20**	16
Nickel	**6**	24
Platinum Group Metals	**15**	86
De Beers	**(3)**	11
Iron Ore	**34**	28
Steelmaking Coal	**27**	85
Manganese	**81**	138
Crop Nutrients	**n/a**	n/a
Corporate and other	**n/a**	n/a
	16	30

Attributable ROCE decreased to 16% (2022: 30%). Attributable underlying EBIT decreased to $5.4 billion (2022: $9.7 billion), reflecting the impact of lower realised prices for the Group's products and inflationary cost pressures. Average attributable capital employed increased to $33.2 billion (2022: $32.0 billion[1]), primarily due to capital expenditure, largely at Quellaveco and Collahuasi (Copper), and shipping vessel lease additions and revaluations (Corporate and Other), partly offset by the reduction in capital employed following the De Beers and Nickel impairments recorded in 2023.

[1] Comparative figures are restated for the adoption of the amendment to IAS 12, see note 2.

11. Capital by segment

The disclosures in this note include certain Alternative Performance Measures (APMs). For more information on the APMs used by the Group, including definitions, please refer to page 84.

Capital employed by segment

Capital employed is the principal measure of segment assets and liabilities reported to the Executive Leadership Team. Capital employed is defined as net assets excluding net debt, vessel lease contracts that are priced with reference to a freight index, the debit valuation adjustment attributable to derivatives hedging net debt and financial asset investments.

Capital base

11. Capital by segment continued

US$ million	Capital employed 2023	2022 (restated)[1]
Copper	14,309	13,661
Nickel	588	1,393
Platinum Group Metals	5,175	4,753
De Beers	7,257	8,218
Iron Ore	9,044	8,488
Steelmaking Coal	3,364	2,837
Manganese	141	210
Crop Nutrients	1,309	489
Corporate and other	1,240	492
Capital employed	42,427	40,541
Reconciliation to the Consolidated balance sheet:		
Net debt	(10,615)	(6,918)
Variable vessel leases excluded from net debt (see note 14)	(637)	(127)
Debit valuation adjustment attributable to derivatives hedging net debt	3	29
Financial asset investments	439	428
Net assets	31,617	33,953

[1] Comparative figures are restated for the adoption of the amendment to IAS 12, see note 2.

Non-current assets by location

	Intangible assets, Property, plant and equipment		Total non-current assets	
US$ million	2023	2022	2023	2022
South Africa	10,352	10,074	10,986	10,778
Botswana	2,025	2,979	2,031	2,982
Other Africa	844	1,084	848	1,088
Brazil	7,112	7,529	7,817	8,138
Chile	8,253	7,424	8,330	7,498
Peru	8,654	8,075	8,693	8,079
Other South America	—	—	1	2
North America	630	563	642	581
Australia and Asia	4,357	3,591	4,838	4,083
United Kingdom[1]	3,102	2,536	3,291	2,653
Other Europe	99	98	99	98
Non-current assets by location	45,428	43,953	47,576	45,980
Unallocated assets			1,641	1,491
Total non-current assets			49,217	47,471

[1] United Kingdom is Anglo American plc's country of domicile.

Total non-current assets by location primarily comprise Intangible assets, Property, plant and equipment and Investments in associates and joint ventures.

Capital base

12. Capital expenditure

The disclosures in this note include certain Alternative Performance Measures (APMs). For more information on the APMs used by the Group, including definitions, please refer to page 84.

Capital expenditure by segment

US$ million	2023	2022
Copper	1,684	2,031
Nickel	91	79
Platinum Group Metals	1,108	1,017
De Beers	623	593
Iron Ore	909	834
Steelmaking Coal	619	648
Crop Nutrients	641	522
Corporate and other	59	14
Capital expenditure	5,734	5,738
Reconciliation to Consolidated cash flow statement:		
Cash flows used in derivatives related to capital expenditure	(3)	—
Proceeds from disposal of property, plant and equipment	16	7
Direct funding for capital expenditure received from non-controlling interests	129	446
Expenditure on property, plant and equipment	5,876	6,191

Direct funding for capital expenditure from non-controlling interests related to the Quellaveco project was fully drawn in April 2023. Mitsubishi has continued to provide direct funding for its 40% share of capital expenditure relating to the coarse particle recovery project via draw-downs against a committed shareholder facility which are recorded as borrowings on the Group's Consolidated balance sheet.

Capital expenditure by category

US$ million	2023	2022
Growth projects	1,330	1,595
Life-extension projects	598	582
Stay-in-business	2,902	2,558
Development and stripping	920	1,010
Proceeds from disposal of property, plant and equipment	(16)	(7)
	5,734	5,738

Growth projects and life-extension projects capital expenditure includes the cash flows from derivatives related to capital expenditure and is net of direct funding for capital expenditure received from non-controlling interests.

Capital base

13. Investments in associates and joint ventures

Overview

Investments in associates and joint ventures represent businesses the Group does not control, but instead exercises significant influence or joint control. These include (within the respective businesses) the associate Jellinbah (steelmaking coal production in the Steelmaking Coal segment) and the joint ventures Ferroport (port operations in the Iron Ore segment) and Samancor (manganese mining in the Manganese segment). The Group's other investments in associates and joint ventures arise primarily in the Platinum Group Metals segment and Crop Nutrients segment.

The disclosures in this note include certain Alternative Performance Measures (APMs). For more information on the APMs used by the Group, including definitions, please refer to page 84.

Income statement

The Group's share of the results of the associates and joint ventures is as follows:

US$ million	**2023**	2022
Group revenue	**1,846**	2,264
Operating costs (before special items and remeasurements)	**(1,234)**	(1,225)
Associates' and joint ventures' underlying EBIT	**612**	1,039
Net finance costs	**(37)**	(16)
Income tax expense	**(196)**	(379)
Non-controlling interests	**(1)**	(3)
Net income from associates and joint ventures	**378**	641

Capital base

13. Investments in associates and joint ventures continued

Further information

The Group's share of the results of the associates and joint ventures is as follows:

					2023
US$ million	**Group Revenue**	**Underlying EBITDA**	**Underlying EBIT**	**Share of net income**	**Dividends received**
Samancor	**670**	**231**	**145**	**66**	**127**
Jellinbah	**779**	**373**	**360**	**244**	**198**
Ferroport	**105**	**82**	**74**	**50**	**55**
Other	**292**	**31**	**33**	**18**	**7**
	1,846	**717**	**612**	**378**	**387**

					2022
US$ million	Group Revenue	Underlying EBITDA	Underlying EBIT	Share of net income	Dividends received
Samancor	840	378	312	148	169
Jellinbah	1,056	674	660	454	393
Ferroport	99	75	69	47	41
Other	269	(2)	(2)	(8)	5
	2,264	1,125	1,039	641	608

	Aggregate investment	
US$ million	**2023**	2022
Samancor	**147**	212
Jellinbah	**415**	370
Ferroport	**290**	280
Other	**214**	194
	1,066	1,056

Net debt and financial risk management

Net debt increased from $6.9 billion to $10.6 billion during the year, which includes a working capital cash outflow of $1.2 billion, primarily due to a reduction in payables. Gearing has increased from 17% at 31 December 2022 to 25% at 31 December 2023.

US$ million	2023	2022 (restated)[1]
Net assets	31,617	33,953
Net debt including related derivatives (note 14)	10,615	6,918
Variable vessel leases	637	127
Total capital	42,869	40,998
Gearing	25%	17%

[1] Comparative figures are restated for the adoption of the amendment to IAS 12, see note 2.

Net debt is calculated as total borrowings excluding variable vessel lease contracts that are priced with reference to a freight index, less cash and cash equivalents (including derivatives that provide an economic hedge of net debt but excluding the impact of the debit valuation adjustment on these derivatives). Total capital is calculated as 'Net assets' (as shown in the Consolidated balance sheet) excluding net debt and variable vessel leases.

14. Net debt

Overview

The disclosures in this note include certain Alternative Performance Measures (APMs). For more information on the APMs used by the Group, including definitions, please refer to page 84.

Movement in net debt

US$ million	Short term borrowings	Medium and long term borrowings	Total financing activity liabilities	Removal of variable vessel leases	Cash and cash equivalents	Derivatives hedging net debt	Net debt including derivatives
At 1 January 2022	(1,226)	(11,621)	(12,847)	74	9,057	(126)	(3,842)
Cash flow	1,274	(2,990)	(1,716)	(86)	(420)	103	(2,119)
Interest accrued on borrowings	(430)	(130)	(560)	1	—	—	(559)
Reclassifications	(940)	940	—	—	—	—	—
Movement in fair value	8	886	894	—	—	(1,069)	(175)
Other movements	(141)	(143)	(284)	138	—	—	(146)
Currency movements	47	113	160	—	(237)	—	(77)
At 31 December 2022	(1,408)	(12,945)	(14,353)	127	8,400	(1,092)	(6,918)
Cash flow	1,538	(1,941)	(403)	(133)	(2,287)	610	(2,213)
Interest accrued on borrowings	(719)	(75)	(794)	12	—	—	(782)
Reclassifications	(847)	847	—	—	—	—	—
Movement in fair value	14	(293)	(279)	—	—	54	(225)
Other movements	(329)	(622)	(951)	631	—	—	(320)
Currency movements	25	(143)	(118)	—	(39)	—	(157)
At 31 December 2023	(1,726)	(15,172)	(16,898)	637	6,074	(428)	(10,615)

Other movements within financing activity liabilities include $576 million relating to leases entered into in the year ended 31 December 2023 (2022: $278 million) and $362 million (2022: $8 million) relating to shipping lease revaluations.

Net debt and financial risk management

14. Net debt continued

Further information

Reconciliation to the Consolidated balance sheet

	Cash and cash equivalents		Short term borrowings		Medium and long term borrowings	
US$ million	**2023**	2022	**2023**	2022	**2023**	2022
Balance sheet	**6,088**	8,412	**(1,740)**	(1,420)	**(15,172)**	(12,945)
Bank overdrafts	**(14)**	(12)	**14**	12	**—**	—
Net cash/(debt) classifications	**6,074**	8,400	**(1,726)**	(1,408)	**(15,172)**	(12,945)

Other

Debit valuation adjustments of $3 million (2022: $29 million) reduce the valuation of derivative liabilities hedging net debt reflecting the impact of the Group's own credit risk. These adjustments are excluded from the Group's definition of net debt.

Cash and cash equivalents includes $532 million which is restricted (2022: $513 million). This primarily relates to cash which is held in joint operations where the timing of dividends is jointly controlled by the joint operators.

Net debt and financial risk management

15. Borrowings

Overview

The Group borrows mostly in the capital markets through bonds issued in the US markets and under the Euro Medium Term Note (EMTN) programme. The Group uses interest rate and cross currency swaps to ensure that the majority of the Group's borrowings are exposed to floating rate US dollar interest rates.

As part of its routine financing activities, in March 2023, the Group issued €500 million 4.5% Senior Notes due September 2028 and €500 million 5% Senior Notes due March 2031, and in May 2023, $900 million 5.5% Senior Notes due May 2033.

At 31 December 2022, the following bonds were retained as fixed rate exposure: $193 million 5.375% due April 2025, $99 million 5% due May 2027, $500 million 3.95% due September 2050, and $750 million 4.75% due March 2052. During the year ended 31 December 2023, the Group converted the following bonds to floating rates of interest for the next ten years by entering into interest rate swaps for a notional amount totalling $1.25 billion: $500 million 3.95% due September 2050 and $750 million 4.75% due March 2052. All other bonds at 31 December 2023 and 31 December 2022 were swapped to floating rate exposures.

Further information

			2023			2022
US$ million	**Short term borrowings**	**Medium and long term borrowings**	**Total borrowings**	Short term borrowings	Medium and long term borrowings	Total borrowings
Secured						
Bank loans and overdrafts	**43**	**71**	**114**	38	96	134
Leases	**408**	**1,107**	**1,515**	184	676	860
	451	**1,178**	**1,629**	222	772	994
Unsecured						
Bank loans and overdrafts	**489**	**503**	**992**	253	509	762
Bank sustainability linked loans	**—**	**66**	**66**	—	40	40
Bonds	**635**	**11,044**	**11,679**	800	9,301	10,101
Mitsubishi facility	**—**	**2,381**	**2,381**	—	2,323	2,323
Interest payable and other loans	**165**	**—**	**165**	145	—	145
	1,289	**13,994**	**15,283**	1,198	12,173	13,371
Total borrowings	**1,740**	**15,172**	**16,912**	1,420	12,945	14,365

Undrawn committed borrowing facilities

The Group had the following undrawn committed borrowing facilities at the year end:

US$ million	**2023**	2022
Expiry date		
Within one year	**1,383**	414
Greater than one year, less than two years	**691**	1,082
Greater than two years, less than three years	**789**	5,632
Greater than three years, less than four years	**547**	—
Greater than four years, less than five years	**3,747**	587
Greater than five years	**1**	–
	7,158	7,715

In the second half of 2023, the Group refinanced its $4.7 billion revolving credit facility maturing in March 2025, to a one year $1.0 billion facility maturing in November 2024, and a $3.7 billion five year facility maturing in November 2028.

Equity

Equity represents the capital of the Group attributable to Company shareholders and non-controlling interests, and includes share capital, share premium and reserves.

Total equity has decreased from $34.0 billion to $31.6 billion in the year, driven by dividends to Company shareholders and non-controlling interests of $2.5 billion.

16. Non-controlling interests

Overview

Non-controlling interests that are material to the Group relate to the following subsidiaries:

- Anglo American Sur S.A. (Anglo American Sur) is a company incorporated in Chile. Its principal operations are the Los Bronces and El Soldado copper mines and the Chagres smelter, which are located in Chile. Non-controlling interests hold a 49.9% (2022: 49.9%) interest in Anglo American Sur.
- Anglo American Quellaveco S.A. (Anglo American Quellaveco) is a company incorporated in Peru. Its principal operation is the Quellaveco copper mine, which is located in Peru. Non-controlling interests hold a 40.0% (2022: 40.0%) interest in Anglo American Quellaveco.
- Anglo American Platinum Limited (Anglo American Platinum) is a company incorporated in South Africa and listed on the Johannesburg Stock Exchange (JSE). Its principal mining operations are the Mogalakwena and Amandelbult platinum group metals mines, which are located in South Africa. Non-controlling interests hold an effective 20.8% (2022: 20.8%) interest in the operations of Anglo American Platinum, which represents the whole of the Platinum Group Metals reportable segment.
- De Beers plc (De Beers) is a company incorporated in Jersey. It is one of the world's leading diamond companies with operations across all key parts of the diamond value chain. Non-controlling interests hold a 15.0% (2022: 15.0%) interest in De Beers, which represents the whole of the Diamonds reportable segment.
- Kumba Iron Ore Limited (Kumba Iron Ore) is a company incorporated in South Africa and listed on the JSE. Its principal mining operations are the Sishen and Kolomela iron ore mines, which are located in South Africa. Non-controlling interests hold an effective 46.6% (2022: 46.6%) interest in the operations of Kumba Iron Ore, comprising the 30.0% (2022: 30.0%) interest held by other shareholders in Kumba Iron Ore and the 23.7% (2022: 23.7%) of Kumba Iron Ore's principal operating subsidiary, Sishen Iron Ore Company Proprietary Limited, that is held by shareholders outside the Group.

The disclosures in this note include certain Alternative Performance Measures (APMs). For more information on the APMs used by the Group, including definitions, please refer to page 84.

							2023
US$ million	**Anglo American Sur**	**Quellaveco**	**Anglo American Platinum**	**De Beers**	**Kumba Iron Ore**	**Other**	**Total**
Underlying earnings attributable to non-controlling interests	**(92)**	**317**	**181**	**(56)**	**757**	**2**	**1,109**
(Loss)/profit attributable to non-controlling interests	**(93)**	**319**	**170**	**(89)**	**753**	**1**	**1,061**
Distributions paid to non-controlling interests[1]	**—**	**(320)**	**(149)**	**(46)**	**(420)**	**(43)**	**(978)**
Equity attributable to non-controlling interests	**1,532**	**987**	**1,148**	**1,210**	**1,668**	**15**	**6,560**

							2022
US$ million	Anglo American Sur	Quellaveco	Anglo American Platinum	De Beers	Kumba Iron Ore	Other	Total
Underlying earnings attributable to non-controlling interests	88	63	653	105	682	26	1,617
Profit attributable to non-controlling interests	88	65	641	103	586	27	1,510
Distributions paid to non-controlling interests	(234)	—	(754)	(21)	(738)	(47)	(1,794)
Equity attributable to non-controlling interests[2]	1,630	988	1,202	1,378	1,434	3	6,635

[1] Includes payments of $320 million related to share buy-backs at Quellaveco and dividend payments of $658 million.

[2] Comparative figures are restated for the adoption of the amendment to IAS 12, see note 2.

Equity

16. Non-controlling interests continued

Further information

Summarised financial information on a 100% basis and before inter-company eliminations for Anglo American Sur, Quellaveco, Anglo American Platinum, De Beers and Kumba Iron Ore is as follows:

					2023
US$ million	**Anglo American Sur**	**Quellaveco**	**Anglo American Platinum**	**De Beers**	**Kumba Iron Ore**
Non-current assets	**5,154**	**8,831**	**6,249**	**6,422**	**3,229**
Current assets	**891**	**1,306**	**3,758**	**4,585**	**2,129**
Current liabilities	**(1,003)**	**(869)**	**(2,531)**	**(939)**	**(798)**
Non-current liabilities	**(1,968)**	**(6,800)**	**(1,416)**	**(2,808)**	**(858)**
Net assets	**3,074**	**2,468**	**6,060**	**7,260**	**3,702**
Revenue	**2,382**	**2,722**	**6,734**	**4,198**	**4,674**
Profit/(loss) for the financial year[1]	**(186)**	**798**	**692**	**(1,989)**	**1,604**
Total comprehensive income	**(195)**	**798**	**261**	**(2,328)**	**1,423**
Net cash inflow from operating activities	**318**	**1,704**	**899**	**(513)**	**1,584**

					2022
US$ million	Anglo American Sur	Quellaveco	Anglo American Platinum	De Beers	Kumba Iron Ore
Non-current assets	4,890	8,194	6,125	8,023	3,104
Current assets	1,231	1,188	5,296	5,147	1,818
Current liabilities	(1,036)	(563)	(3,425)	(949)	(915)
Non-current liabilities	(1,817)	(6,352)	(1,531)	(2,489)	(802)
Net assets (restated)[2]	3,268	2,467	6,465	9,732	3,205
Revenue	2,758	600	10,096	6,609	4,612
Profit for the financial year[1]	177	162	3,053	633	1,247
Total comprehensive income	160	162	2,592	57	1,034
Net cash inflow/(outflow) from operating activities	772	(193)	2,869	1,112	1,746

[1] Stated after special items and remeasurements.
[2] Comparative figures are restated for the adoption of the amendment to IAS 12, see note 2.

Unrecognised items and uncertain events

17. Events occurring after end of year

Iron Ore resource acquisition at Minas-Rio
On 21 February 2024, the Anglo American plc Board approved the acquisition and integration of the contiguous Serra da Serpentina ("Serpentina") high-grade iron ore resource owned by Vale SA ("Vale") into Anglo American's Minas-Rio mine in Brazil. Vale will contribute Serpentina and $157.5 million in cash to acquire a 15% shareholding in Anglo American Minério De Ferro Brasil S.A, the owner of the Minas-Rio operation subject to normal completion adjustments. A purchase price adjustment payment will be made depending on average iron ore prices over a four-year period in line with an agreed formula.

Following completion of the Transaction, Vale will receive its pro rata share of Minas-Rio production. Vale will also have an option to acquire an additional 15% shareholding in the enlarged Minas-Rio operation, for cash subject to certain licensing milestones being achieved, at fair value calculated at the time of exercise of the option.

Management has considered the potential impact of the transaction on the valuation of the Minas-Rio CGU (see note 9), of which the mine forms part, and concluded that the valuation supports the carrying value of Minas-Rio at 31 December 2023 with no impairment or impairment reversal required. The Transaction is expected to complete in Q4 2024, subject to regulatory conditions.

With the exception of the declaration of the 2023 final dividend, there have been no further reportable events since 31 December 2023.

18. Contingent assets and liabilities

Overview

The assessment of risk and estimation of future outflows in respect of contingent liabilities is inherently uncertain and hence a material outflow may arise in future periods in relation to these matters.

Contingent assets

Steelmaking Coal
In 2014, the Steelmaking Coal business was granted an arbitration award of $94 million (Group's share) against MMTC Limited in respect of a contractual dispute. The award has since been challenged in the Indian courts, during which time interest has continued to accrue. On 17 December 2020, the Indian Supreme Court found in favour of the Steelmaking Coal business. The award, inclusive of interest, is currently valued at approximately $133 million (Group's share). The precise timing and value of receipt remains uncertain and hence no receivable has been recognised on the Consolidated balance sheet as at 31 December 2023.

Contingent liabilities

Global Industry Standard for Tailing Management (GISTM)
In 2022 the Group disclosed a contingent liability for costs of conformance with the GISTM for sites where reliable cost estimates were not available as technical studies and surveys were ongoing. In August 2023, the Group announced its significant progress towards conformance for all tailings dams in the highest priority rankings according to the GISTM. The Group continues to refine designs and all material costs of conformance with GISTM have been recorded within decommissioning and environmental restoration provisions.

Although the Group targets conformance with Anglo American equivalent standards for non-managed operations, there is no constructive obligation in respect of GISTM where the partner is not an ICMM member, unless a public commitment has been made by that partner.

18. Contingent assets and liabilities continued

Anglo American South Africa Proprietary Limited (AASA)

In October 2020, an application was initiated against Anglo American South Africa Proprietary Limited (AASA). The application sought the certification of class action litigation to be brought on behalf of community members residing in the Kabwe area in Zambia in relation to alleged lead-related health impacts. The certification hearing was held late in January 2023.

On 15 December 2023, the High Court of South Africa issued a judgment dismissing the claimants' application for certification and ruled that the applicants pay the costs incurred by AASA in responding to the application. In its judgment, the Court recognised the multiple legal and factual flaws in the claims made against AASA and deemed that it is not in the interests of justice for the class action to proceed.

The claimants have filed an application seeking leave to appeal against the December 2023 ruling. In light of the pending appeal lodged by the claimants, the outcome of this litigation is still subject to significant uncertainty, and no provision is recognised for this matter.

De Beers

Guarantees provided in respect of environmental restoration and decommissioning obligations involve judgements in terms of the outcome of future events. In one of the territories in which De Beers operates, conditions exist, or are proposed, with respect to backfilling pits on closure. A formal appeal has been lodged to remove the existing backfilling condition and no provision has been raised on the basis that it is not probable that this condition will be enforced. Should the appeal not be successful the estimated cost of backfilling is $217 million.

19. Disposals

On 1 November 2023, the Platinum Group Metals business completed the disposal of its 50% interest in the Kroondal pool-and-share agreement (Kroondal PSA) and the Marikana pool-and-share agreement (Marikana PSA) (collectively the PSAs), to Sibanye-Stillwater Limited (Sibanye-Stillwater), the other 50% owner of the PSAs.

The gross assets and liabilities disposed of amounted to $161 million and $51 million, respectively. Estimated deferred consideration of $70 million was recognised within receivables. A loss on disposal of $40 million was recognised as a non-operating special item, refer to Note 10.

Cash received of $210 million in respect of disposals principally related to the settlement of deferred consideration balances relating to the sale of the Rustenburg operations (Platinum Group Metals) completed in November 2016.

2022

Cash received of $564 million in respect of disposals for 2022 principally related to the settlement of deferred consideration balances relating to the sale of the Rustenburg operations (Platinum Group Metals) completed in November 2016, the sale of the Group’s remaining 8.0% shareholding in Thungela Resources Limited, the Group’s disposal of the Cerrejón associate and the sale of the Group’s 49% interest in Bokoni mine to African Rainbow Minerals Limited (Platinum Group Metals).

Summary by operation

The disclosures in this section include certain Alternative Performance Measures (APMs). For more information on the APMs used by the Group, including definitions, please refer to page 84.

Marketing activities are allocated to the underlying operation to which they relate.

								2023
US$ million (unless otherwise stated)	**Sales volume**	**Realised price**	**Unit cost**	**Group revenue**[1]	**Underlying EBITDA**	**Underlying EBIT**	**Underlying earnings**	**Capital expenditure**
	kt	**c/lb**	**c/lb**					
Copper	843 [2]	384 [3]	166 [4]	7,360	3,233	2,451	1,099	1,684
Copper Chile	505 [2]	384 [3]	200	4,615	1,452	893	n/a	1,268
Los Bronces[5]	217	n/a	304 [4]	1,724	114	(94)	n/a	552
Collahuasi[6]	248	n/a	113 [4]	2,197	1,372	1,124	760	678
Other Operations[7]	40	n/a	n/a	694	(34)	(137)	n/a	38
Copper Peru (Quellaveco)[8]	339	384	111 [4]	2,745	1,781	1,558	578	416
	kt	**$/lb**	**c/lb**					
Nickel	40	7.71	541 [9]	653	133	62	65	91
	koz	**$/PGM oz**	**$/PGM oz**					
Platinum Group Metals	3,925 [10]	1,657 [11]	968 [12]	6,734	1,209	855	448	1,108
Mogalakwena	1,011 [10]	1,718 [11]	884 [12]	1,740	778	601	n/a	519
Amandelbult	668 [10]	1,934 [11]	1,189 [12]	1,294	323	276	n/a	75
Processing and trading[13]	1,352 [10]	n/a	n/a	2,247	(138)	(173)	n/a	n/a
Other[14]	894	1,587	973	1,453	246	151	n/a	514
	'000 cts	**$/ct**	**$/ct**					
De Beers	24,682 [15]	147 [16]	71 [17]	4,267 [18]	72	(252)	(314)	623
Mining								
Botswana	n/a	168 [16]	31 [17]	n/a	412	349	n/a	74
Namibia	n/a	515 [16]	246 [17]	n/a	159	123	n/a	35
South Africa	n/a	109 [16]	97 [17]	n/a	26	5	n/a	403
Canada	n/a	85 [16]	48 [17]	n/a	35	(6)	n/a	63
Trading	n/a	n/a	n/a	n/a	(104)	(111)	n/a	2
Other[19]	n/a	n/a	n/a	n/a	(456)	(612)	n/a	46
	Mt	**$/t**	**$/t**					
Iron Ore	61.5 [20]	114 [21]	38 [22]	8,000	4,013	3,549	1,792	909
Kumba Iron Ore[23]	37.2 [20]	117 [21]	41 [22]	4,680	2,415	2,136	772	538
Iron Ore Brazil (Minas-Rio)	24.3 [20]	110 [21]	33 [22]	3,320	1,598	1,413	1,020	371
	Mt	**$/t**	**$/t**					
Steelmaking Coal	14.9 [24]	261 [25]	121 [26]	4,153	1,320	822	684	619
	Mt	**$/t**	**$/t**					
Manganese (Samancor)	3.7	n/a	n/a	670	231	145	66	—
Crop Nutrients	n/a	n/a	n/a	225	(60)	(61)	(75)	641
Woodsmith	n/a	n/a	n/a	n/a	n/a	n/a	n/a	641
Other[27]	n/a	n/a	n/a	225	(60)	(61)	(75)	—
Corporate and other[28]	n/a	n/a	n/a	440	(193)	(403)	(833)	59
Exploration	n/a	n/a	n/a	n/a	(107)	(107)	(97)	3
Corporate activities and unallocated costs	n/a	n/a	n/a	440	(86)	(296)	(736)	56
	n/a	n/a	n/a	32,502	9,958	7,168	2,932	5,734

See page 82 for footnotes.

US$ million (unless otherwise stated)	Sales volume	Realised price	Unit cost	Group revenue[1]	Underlying EBITDA	Underlying EBIT	Underlying earnings	Capital expenditure
								2022
	kt	c/lb	c/lb					
Copper	641 [2]	385 [3]	154 [4]	5,599	2,182	1,595	760	2,031
Copper Chile	563 [2]	386 [3]	157	4,991	1,952	1,387	n/a	1,217
Los Bronces[5]	268	n/a	214 [4]	2,185	533	306	n/a	725
Collahuasi[6]	256	n/a	87 [4]	2,180	1,512	1,259	865	419
Other Operations[7]	39	n/a	n/a	626	(93)	(178)	n/a	73
Copper Peru (Quellaveco)[8]	78	379	136 [4]	608	230	208	87	814
	kt	$/lb	c/lb					
Nickel	39	10.26	513 [9]	858	381	317	259	79
	koz	$/PGM oz	$/PGM oz					
Platinum Group Metals	3,861 [10]	2,551 [11]	937 [12]	10,096	4,417	4,052	2,266	1,017
Mogalakwena	1,010 [10]	2,451 [11]	826 [12]	2,466	1,548	1,380	n/a	394
Amandelbult	700 [10]	2,883 [11]	1,127 [12]	2,010	1,036	982	n/a	74
Processing and trading[13]	1,309 [10]	n/a	n/a	3,350	800	768	n/a	n/a
Other[14]	842	2,615	928	2,270	1,033	922	n/a	549
	'000 cts	$/ct	$/ct					
De Beers	30,355 [15]	197 [16]	59 [17]	6,622 [18]	1,417	994	552	593
Mining								
Botswana	n/a	193 [16]	32 [17]	n/a	614	537	n/a	70
Namibia	n/a	599 [16]	293 [17]	n/a	181	149	n/a	34
South Africa	n/a	134 [16]	42 [17]	n/a	413	315	n/a	378
Canada	n/a	100 [16]	50 [17]	n/a	(10)	(68)	n/a	48
Trading	n/a	n/a	n/a	n/a	589	582	n/a	4
Other[19]	n/a	n/a	n/a	n/a	(370)	(521)	n/a	59
	Mt	$/t	$/t					
Iron Ore	58.0 [20]	111 [21]	38 [22]	7,534	3,455	2,962	1,337	834
Kumba Iron Ore[23]	36.7 [20]	113 [21]	40 [22]	4,580	2,211	1,894	653	674
Iron Ore Brazil (Minas-Rio)	21.3 [20]	108 [21]	35 [22]	2,954	1,244	1,068	684	160
	Mt	$/t	$/t					
Steelmaking Coal	14.7 [24]	304 [25]	107 [26]	5,034	2,749	2,369	1,640	648
	Mt	$/t	$/t					
Manganese (Samancor)	3.6	n/a	n/a	840	378	312	148	—
Crop Nutrients	n/a	n/a	n/a	254	(44)	(45)	(51)	522
Woodsmith	n/a	n/a	n/a	n/a	n/a	n/a	n/a	522
Other[27]	n/a	n/a	n/a	254	(44)	(45)	(51)	—
Corporate and other[28]	n/a	n/a	n/a	554	(440)	(593)	(875)	14
Exploration	n/a	n/a	n/a	n/a	(155)	(162)	(148)	2
Corporate activities and unallocated costs	n/a	n/a	n/a	554	(285)	(431)	(727)	12
	n/a	n/a	n/a	37,391	14,495	11,963	6,036	5,738

See page 82 for footnotes.

[1] Group revenue is shown after deduction of treatment and refining charges (TC/RCs).

[2] Excludes 444 kt third-party sales (2022: 422 kt).

[3] Represents realised copper price and excludes impact of third-party sales.

[4] C1 unit cost includes by-product credits.

[5] Figures on a 100% basis (Group's share: 50.1%).

[6] 44% share of Collahuasi sales and financials.

[7] Other operations form part of the results of Copper Chile. Production and sales are from El Soldado mine (figures on a 100% basis, Group's share 50.1%). Financials include El Soldado and Chagres (figures on a 100% basis, Group's share 50.1%), third-party trading, projects and corporate costs.

[8] Figures on a 100% basis (Group's share: 60%). Included in capex is the project capex which represents the Group's share after deducting direct funding from non-controlling interests. The Group's share of project capex was $138 million (on a 100% basis, $230 million). In 2022, the Group's share was $633 million (on a 100% basis, $1,055 million).

[9] C1 unit cost.

[10] Sales volumes exclude tolling and third-party trading activities. PGM volumes consist of 5E metals and gold.

[11] Average US$ realised basket price, based on sold ounces (own mined and purchased concentrate). Excludes the impact of the sale of refined metal purchased from third parties.

[12] Total cash operating costs (includes on-mine, smelting and refining costs only) per own mined PGM ounce of production.

[13] Includes purchase of concentrate from joint operations and third parties for processing into refined metals, tolling and third-party trading activities, with the exception of production and sales volumes which exclude tolling and trading. The disposal of our 50% interest in Kroondal on 1 November 2023, resulted in Kroondal moving to a 100% third-party POC arrangement, until it transitions to a toll arrangement expected at the end of H1 2024.

[14] Includes Unki, Mototolo, our 50% share of Modikwa (joint operation), and our 50% share of Kroondal until the disposal of our interest in the joint operation on 1 November 2023.

[15] Total sales volumes on a 100% basis were 27.4 million carats (2022: 33.7 million carats). Total sales volumes (100%) include De Beers Group's joint arrangement partners' 50% proportionate share of sales to entities outside De Beers Group from Diamond Trading Company Botswana and Namibia Diamond Trading Company.

[16] Pricing for the mining businesses is based on 100% selling value post-aggregation of goods. Realised price includes the price impact of the sale of non-equity product and, as a result, is not directly comparable to the unit cost.

[17] Unit cost is based on consolidated production and operating costs, excluding depreciation and operating special items, divided by carats recovered.

[18] Includes rough diamond sales of $3.6 billion (2022: $6.0 billion).

[19] Other includes Element Six, brands and consumer markets, and corporate.

[20] Sales volumes are reported as wet metric tonnes. Product is shipped with c.1.6% moisture from Kumba and c.9% moisture from Minas-Rio.

[21] Prices for Kumba Iron Ore are the average realised export basket price (FOB Saldanha) (wet basis). Prices for Minas-Rio are the average realised export basket price (FOB Brazil) (wet basis). Prices for total iron ore are a blended average.

[22] Unit costs are reported on an FOB wet basis. Unit costs for total iron ore are a blended average.

[23] Sales volumes and realised price could differ to Kumba's stand-alone reported results due to sales to other Group companies.

[24] Sales volumes exclude thermal coal sales of 1.7 Mt (2022: 1.7 Mt). Includes sales relating to third-party product purchased and processed by Anglo American.

[25] Realised price is the weighted average hard coking coal and PCI export sales price achieved at managed operations.

[26] FOB unit cost comprises managed operations and excludes royalties.

[27] Other comprises projects and corporate costs as well as the share in associate results from The Cibra Group, a fertiliser distributor based in Brazil.

[28] Revenue within Corporate activities and unallocated costs primarily relates to third-party shipping activities, as well as the Marketing business's energy solutions activities.

Key financial data

This section includes certain Alternative Performance Measures (APMs). For more information on the APMs used by the Group, including definitions, please refer to page 84.

US$ million (unless otherwise stated)	2023	2022 (restated)	2021	2020 (restated)	2019	2018	2017	2016	2015	2014
Income statement measures										
Group revenue[1]	**32,502**	37,391	43,258	26,883	31,825	30,196	28,650	23,142	23,003	30,988
Underlying EBIT	**7,168**	11,963	17,790	7,050	7,010	6,377	6,247	3,766	2,223	4,933
Underlying EBITDA	**9,958**	14,495	20,634	9,802	10,006	9,161	8,823	6,075	4,854	7,832
Revenue[1]	**30,652**	35,118	41,554	25,447	29,870	27,610	26,243	21,378	20,455	27,073
Net finance costs (before special items and remeasurements)	**(556)**	(342)	(277)	(775)	(420)	(380)	(473)	(209)	(458)	(256)
Profit/(loss) before tax	**3,595**	9,480	17,629	5,464	6,146	6,189	5,505	2,624	(5,454)	(259)
Profit/(loss) for the financial year	**1,344**	6,024	11,699	3,328	4,582	4,373	4,059	1,926	(5,842)	(1,524)
Non-controlling interests	**(1,061)**	(1,510)	(3,137)	(1,239)	(1,035)	(824)	(893)	(332)	218	(989)
Profit/(loss) attributable to equity shareholders of the Company	**283**	4,514	8,562	2,089	3,547	3,549	3,166	1,594	(5,624)	(2,513)
Underlying earnings	**2,932**	6,036	8,925	3,135	3,468	3,237	3,272	2,210	827	2,217
Balance sheet measures										
Capital employed[2]	**42,427**	40,541	38,312	37,970	35,576	32,269	32,813	31,904	32,842	43,782
Net assets[2]	**31,617**	33,953	34,770	32,766	31,385	29,832	28,882	24,325	21,342	32,177
Non-controlling interests[2]	**(6,560)**	(6,635)	(6,945)	(6,942)	(6,590)	(6,234)	(5,910)	(5,309)	(4,773)	(5,760)
Equity attributable to equity shareholders of the Company[2]	**25,057**	27,318	27,825	25,824	24,795	23,598	22,972	19,016	16,569	26,417
Cash flow measures										
Cash flows from operations	**8,115**	11,889	20,588	7,998	9,260	7,782	8,375	5,838	4,240	6,949
Capital expenditure	**(5,734)**	(5,738)	(5,193)	(4,125)	(3,840)	(2,818)	(2,150)	(2,387)	(4,177)	(6,018)
Net debt[3]	**(10,615)**	(6,918)	(3,842)	(5,530)	(4,535)	(2,848)	(4,501)	(8,487)	(12,901)	(12,871)
Metrics and ratios										
Underlying earnings per share (US$)	**2.42**	4.97	7.22	2.53	2.75	2.55	2.57	1.72	0.64	1.73
Earnings per share (US$)	**0.23**	3.72	6.93	1.69	2.81	2.80	2.48	1.24	(4.36)	(1.96)
Ordinary dividend per share (US cents)	**96**	198	289	100	109	100	102	—	32	85
Ordinary dividend cover (based on underlying earnings per share)	**2.5**	2.5	2.5	2.5	2.5	2.6	2.5	—	2.0	2.0
Underlying EBIT margin	**22.1%**	32.0%	41.1%	26.2%	22.0%	21.1%	21.8%	16.3%	9.7%	15.9%
Underlying EBIT interest cover[4]	**15.5**	31.8	45.2	11.2	18.0	19.9	16.5	16.7	10.1	30.1
Underlying effective tax rate	**38.5%**	34.0%	31.4%	31.2%	30.8%	31.3%	29.7%	24.6%	31.0%	29.8%
Gearing (net debt to total capital)[5]	**25%**	17%	10%	14%	13%	9%	13%	26%	38%	29%

[1] Third-party trading amounts restated from a gross to a net presentation in 2020. Amounts prior to 2020 have not been restated.

[2] Comparative figures are restated for the adoption of the amendment to IAS 12, see note 2.

[3] The Group amended the definition of net debt in 2021 to exclude variable vessel leases. The amounts for 2020 and 2019 were therefore restated from $5,575 million to $5,530 million in 2020 and from $4,626 million to $4,535 million in 2019. Amounts prior to 2019 have not been restated.

[4] Underlying EBIT interest cover is underlying EBIT divided by net finance costs, excluding net foreign exchange gains and losses, unwinding of discount relating to provisions and other liabilities, financing special items and remeasurements, and including the Group's attributable share of associates' and joint ventures' net finance costs.

[5] Net debt to total capital is calculated as net debt divided by total capital (being 'Net assets' as shown in the Consolidated balance sheet excluding net debt and variable vessel leases). 2020 restated to exclude variable vessel leases. Amounts prior to 2020 have not been restated.

Alternative performance measures

Introduction

When assessing and discussing the Group's reported financial performance, financial position and cash flows, management makes reference to Alternative Performance Measures (APMs) of historical or future financial performance, financial position or cash flows that are not defined or specified under International Financial Reporting Standards (IFRS).

The APMs used by the Group fall into two categories:

- Financial APMs: These financial measures are usually derived from the financial statements, prepared in accordance with IFRS. Certain financial measures cannot be directly derived from the financial statements as they contain additional information, such as financial information from earlier periods or profit estimates or projections. The accounting policies applied when calculating APMs are, where relevant and unless otherwise stated, substantially the same as those disclosed in the Group's Consolidated financial statements for the year ended 31 December 2022.
- Non-financial APMs: These measures incorporate certain non-financial information that management believes is useful when assessing the performance of the Group.

APMs are not uniformly defined by all companies, including those in the Group's industry. Accordingly, the APMs used by the Group may not be comparable with similarly titled measures and disclosures made by other companies.

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. Measures used by the Group exclude the impact of certain items, which impact the financial performance and cash flows, in order to aid comparability of financial information reported. The adjustments performed to defined IFRS measures and rationale for adjustment are detailed on pages 85 to 86.

Purpose

The Group uses APMs to improve the comparability of information between reporting periods and businesses, either by adjusting for uncontrollable factors or special items which impact upon IFRS measures or, by aggregating measures, to aid the user of the Annual Report in understanding the activity taking place across the Group's portfolio.

Their use is driven by characteristics particularly visible in the mining sector:

1. Earnings volatility: The Group mines and markets commodities and precious metals and minerals. The sector is characterised by significant volatility in earnings driven by movements in macro-economic factors, primarily price and foreign exchange. This volatility is outside the control of management and can mask underlying changes in performance. As such, when comparing year-on-year performance, management excludes certain items (such as those classed as 'special items') to aid comparability and then quantifies and isolates uncontrollable factors in order to improve understanding of the controllable portion of variances.

2. Nature of investment: Investments in the sector typically occur over several years and are large, requiring significant funding before generating cash. These investments are often made with partners and the nature of the Group's ownership interest affects how the financial results of these operations are reflected in the Group's results e.g. whether full consolidation (subsidiaries), consolidation of the Group's attributable assets and liabilities (joint operations) or equity accounted (associates and joint ventures). Attributable metrics are therefore presented to help demonstrate the financial performance and returns available to the Group, for investment and financing activities, excluding the effect of different accounting treatments for different ownership interests.

3. Portfolio complexity: The Group operates in a number of different, but complementary commodities, precious metals and minerals. The cost, value of and return from each saleable unit (e.g. tonne, pound, carat, ounce) can differ materially between each business. This makes understanding both the overall portfolio performance, and the relative performance of its constituent parts on a like-for-like basis, more challenging. The Group therefore uses composite APMs to provide a consistent metric to assess performance at the portfolio level.

Consequently, APMs are used by the Board and management for planning and reporting. A subset is also used by management in setting director and management remuneration, such as attributable free cash flow prior to growth capital expenditure. The measures are also used in discussions with the investment analyst community and credit rating agencies.

Financial APMs

Group APM	Closest equivalent IFRS measure	Adjustments to reconcile to primary statements	Rationale for adjustments
Income statement			
Group revenue	Revenue	– Revenue from associates and joint ventures – Revenue special items and remeasurements	– Exclude the impact of certain items due to their size and nature to aid comparability – Exclude the effect of different basis of consolidation to aid comparability
Underlying EBIT	Profit/(loss) before net finance income/(costs) and tax	– Revenue, operating and non-operating special items and remeasurements – Underlying EBIT from associates and joint ventures	– Exclude the impact of certain items due to their size and nature to aid comparability – Exclude the effect of different basis of consolidation to aid comparability
Underlying EBITDA	Profit/(loss) before net finance income/(costs) and tax	– Revenue, operating and non-operating special items and remeasurements – Depreciation and amortisation – Underlying EBITDA from associates and joint ventures	– Exclude the impact of certain items due to their size and nature to aid comparability – Exclude the effect of different basis of consolidation to aid comparability
Underlying earnings	Profit/(loss) for the financial year attributable to equity shareholders of the Company	– Special items and remeasurements	– Exclude the impact of certain items due to their size and nature to aid comparability
Underlying effective tax rate	Income tax expense	– Tax related to special items and remeasurements – The Group's share of associates' and joint ventures' profit before tax, before special items and remeasurements, and tax expense, before special items and remeasurements	– Exclude the impact of certain items due to their size and nature to aid comparability – Exclude the effect of different basis of consolidation to aid comparability
Basic underlying earnings per share	Earnings per share	– Special items and remeasurements	– Exclude the impact of certain items due to their size and nature to aid comparability

Group APM	Closest equivalent IFRS measure	Adjustments to reconcile to primary statements	Rationale for adjustments
Mining EBITDA margin	Operating profit margin, defined by IFRS	– Revenue from associates and joint ventures – Revenue, operating and non-operating special items and remeasurements – Underlying EBIT from associates and joint ventures – Adjustment to Debswana to reflect as a 50/50 joint operation – Exclusion of third-party sales, purchases and trading activity	– Exclude non-mining revenue and EBITDA to show a margin for mining operations only which provides a relevant comparison to peers
Balance sheet			
Net debt	Borrowings less cash and related hedges	– Debit valuation adjustment – Borrowings are adjusted to exclude vessel lease contracts that are priced with reference to a freight index – Borrowings do not include the royalty liability on the basis that obligations to make cash payments against this liability only arise when the Woodsmith project generates revenues, and that otherwise the Group is not currently contractually liable to make any payments under this arrangement (other than in the event of the Anglo American Crop Nutrients Limited's insolvency)	– Exclude the impact of accounting adjustments from the net debt obligation of the Group – Exclude the volatility arising from vessel lease contracts that are priced with reference to a freight index. These liabilities are required to be remeasured at each reporting date to the latest spot freight rate, which means that the carrying value of the lease liability is not necessarily consistent with the average lease payments which are expected to be made over the lease term
Attributable ROCE	No direct equivalent	– Non-controlling interests' share of capital employed and underlying EBIT – Average of opening and closing attributable capital employed	– Exclude the effect of different basis of consolidation to aid comparability
Cash flow			
Capital expenditure (capex)	Expenditure on property, plant and equipment	– Cash flows from derivatives related to capital expenditure – Proceeds from disposal of property, plant and equipment – Direct funding for capital expenditure from non-controlling interests	– To reflect the net attributable cost of capital expenditure taking into account economic hedges
Attributable free cash flow	Cash flows from operations	– Capital expenditure – Cash tax paid – Dividends from associates, joint ventures and financial asset investments – Net interest paid – Dividends to non-controlling interests – Capital repayment of lease obligations – Expenditure on non-current intangible assets (excluding goodwill)	– To measure the amount of cash available to finance returns to shareholders or growth after servicing debt, providing a return to minority shareholders and meeting existing capex commitments
Sustaining attributable free cash flow	Cash flows from operations	– Cash tax paid – Dividends from associates, joint ventures and financial asset investments – Net interest paid – Dividends to non-controlling interests – Capital repayment of lease obligations – Sustaining capital expenditure – Capitalised operating cash flows relating to life-extension projects	– To measure the amount of cash available to finance returns to shareholders or growth after servicing debt, providing a return to minority shareholders and meeting the capex commitments needed to sustain the current production base of existing assets. It is calculated as attributable free cash flow prior to growth capex and expenditure on non-current intangible assets (excluding goodwill)

Group revenue

Group revenue includes the Group's attributable share of associates' and joint ventures' revenue and excludes revenue special items and remeasurements. A reconciliation to 'Revenue', the closest equivalent IFRS measure to Group revenue, is provided within note 3 to the Condensed financial statements.

Underlying EBIT

Underlying EBIT is 'Operating profit/(loss)' presented before special items and remeasurements[1] and includes the Group's attributable share of associates' and joint ventures' underlying EBIT. Underlying EBIT of associates and joint ventures is the Group's attributable share of associates' and joint ventures' revenue less operating costs before special items and remeasurements[1] of associates and joint ventures.

A reconciliation to 'Profit/(loss) before net finance income/(costs) and tax', the closest equivalent IFRS measure to underlying EBIT, is provided within note 3 to the Condensed financial statements.

Underlying EBITDA

Underlying EBITDA is underlying EBIT before depreciation and amortisation and includes the Group's attributable share of associates' and joint ventures' underlying EBIT before depreciation and amortisation.

A reconciliation to 'Profit/(loss) before net finance income/(costs) and tax', the closest equivalent IFRS measure to underlying EBITDA, is provided within note 3 to the Condensed financial statements.

Underlying earnings

Underlying earnings is 'Profit/(loss) for the financial year attributable to equity shareholders of the Company' before special items and remeasurements[1] and is therefore presented after net finance costs, income tax expense and non-controlling interests.

A reconciliation to 'Profit/(loss) for the financial year attributable to equity shareholders of the Company', the closest equivalent IFRS measure to underlying earnings, is provided within note 3 to the Condensed financial statements.

Underlying effective tax rate

The underlying effective tax rate equates to the income tax expense, before special items and remeasurements[1] and including the Group's share of associates' and joint ventures' tax before special items and remeasurements[1], divided by profit before tax before special items and remeasurements[1] and including the Group's share of associates' and joint ventures' profit before tax before special items and remeasurements[1].

A reconciliation to 'Income tax expense', the closest equivalent IFRS measure to underlying effective tax rate, is provided within note 6 to the Condensed financial statements.

[1] Special items and remeasurements are defined in note 9 to the Consolidated financial statements.

Underlying earnings per share

Basic and diluted underlying earnings per share are calculated as underlying earnings divided by the basic or diluted shares in issue. The calculation of underlying earnings per share is disclosed within note 4 to the Condensed financial statements.

Mining EBITDA margin

The mining EBITDA margin is derived from the Group's underlying EBITDA as a percentage of Group revenue, adjusted to exclude certain items to better reflect the performance of the Group's mining business. The mining EBITDA margin reflects Debswana accounting treatment as a 50/50 joint operation, excludes third-party sales, purchases and trading and excludes Platinum Group Metals' purchase of concentrate.

US$ million (unless otherwise stated)	2023	2022
Underlying EBITDA	9,958	14,495
Group revenue	32,502	37,391
EBITDA margin	**31%**	39%
Adjustments for:		
Debswana adjustment to reflect as a 50/50 joint operation	2%	3%
Exclude third-party purchases, trading activity and processing[1]	6%	5%
Mining EBITDA margin	**39%**	47%

[1] Third-party purchases, trading activity and processing consists of Platinum Group Metals' purchase of concentrate, third-party sales and purchases and the impact of third-party trading activity.

Net debt

Net debt is calculated as total borrowings less variable vessel lease contracts that are priced with reference to a freight index, and cash and cash equivalents (including derivatives that provide an economic hedge of net debt, but excluding the impact of the debit valuation adjustment on these derivatives, explained in note 14). A reconciliation to the Consolidated balance sheet is provided within note 14 to the Condensed financial statements.

Capital expenditure (capex)

Capital expenditure is defined as cash expenditure on property, plant and equipment, including related derivatives, and is presented net of proceeds from disposal of property, plant and equipment and includes direct funding for capital expenditure from non-controlling interests in order to match more closely the way in which it is managed. A reconciliation to 'Expenditure on property, plant and equipment', the closest equivalent IFRS measure to capital expenditure, is provided within note 12 to the Condensed financial statements.

Following the adoption of the amendment to IAS 16 *Proceeds before intended use* in 2022, operating cash flows generated by operations that have not yet reached commercial production are presented in Cash flows from operating activities in the Consolidated cash flow statement and no longer included in capital expenditure.

Sustaining capital

Sustaining capital is calculated as capital expenditure excluding growth projects. Expenditure on growth projects in 2023 and 2022 principally related to Quellaveco and the Woodsmith project. The Group uses sustaining capital as a measure to provide additional information to understand the capital needed to sustain the current production base of existing assets.

Attributable return on capital employed (ROCE)

ROCE is a ratio that measures the efficiency and profitability of a company's capital investments. Attributable ROCE displays how effectively assets are generating profit on invested capital for the equity shareholders of the Company. It is calculated as attributable underlying EBIT divided by average attributable capital employed.

Attributable underlying EBIT excludes the underlying EBIT of non-controlling interests.

Capital employed is defined as net assets excluding net debt, vessel lease contracts that are priced with reference to a freight index, the debit valuation adjustment attributable to derivatives hedging net debt and financial asset investments. Attributable capital employed excludes capital employed of non-controlling interests. Average attributable capital employed is calculated by adding the opening and closing attributable capital employed for the relevant period and dividing by two.

Attributable ROCE is also used as an incentive measure in executives' remuneration and is predicated upon the achievement of ROCE targets in the final year of a three year performance period.

A reconciliation to 'Profit/(loss) before net finance income/(costs) and tax', the closest equivalent IFRS measure to underlying EBIT, is provided within note 3 to the Condensed financial statements. A reconciliation to 'Net assets', the closest equivalent IFRS measure to capital employed, is provided within note 11 to the Condensed financial statements. The table below reconciles underlying EBIT and capital employed to attributable underlying EBIT and average attributable capital employed by segment.

	Attributable ROCE %	
	2023	2022
Copper	20	16
Nickel	6	24
Platinum Group Metals	15	86
De Beers	(3)	11
Iron Ore	34	28
Steelmaking Coal	27	85
Manganese	81	138
Crop Nutrients	n/a	n/a
Corporate and other	n/a	n/a
	16	30

								2023
US$ million	Underlying EBIT	Less: Non-controlling interests' share of underlying EBIT	Attributable underlying EBIT	Opening attributable capital employed	Closing capital employed	Less: Non-controlling interests' share of closing capital employed	Closing attributable capital employed	Average attributable capital employed
Copper	2,451	(608)	1,843	8,909	14,309	(5,016)	9,293	9,101
Nickel	62	—	62	1,393	588	—	588	991
Platinum Group Metals	855	(227)	628	3,915	5,175	(960)	4,215	4,065
De Beers	(252)	29	(223)	7,089	7,257	(1,181)	6,076	6,583
Iron Ore	3,549	(1,044)	2,505	7,245	9,044	(1,391)	7,653	7,449
Steelmaking Coal	822	—	822	2,837	3,364	—	3,364	3,101
Manganese	145	(2)	143	210	141	—	141	176
Crop Nutrients	(61)	—	(61)	489	1,309	—	1,309	899
Corporate and other	(403)	34	(369)	492	1,240	(16)	1,224	858
	7,168	(1,818)	5,350	32,579	42,427	(8,564)	33,863	33,223

								2022
US$ million	Underlying EBIT	Less: Non-controlling interests' share of underlying EBIT	Attributable underlying EBIT	Opening attributable capital employed (restated)[1]	Closing capital employed (restated)[1]	Less: Non-controlling interests' share of closing capital employed (restated)[1]	Closing attributable capital employed (restated)[1]	Average attributable capital employed (restated)[1]
Copper	1,595	(286)	1,309	7,307	13,661	(4,752)	8,909	8,108
Nickel	317	—	317	1,285	1,393	—	1,393	1,339
Platinum Group Metals	4,052	(896)	3,156	3,411	4,753	(838)	3,915	3,663
De Beers	994	(171)	823	7,256	8,218	(1,129)	7,089	7,173
Iron Ore	2,962	(952)	2,010	7,169	8,488	(1,243)	7,245	7,207
Steelmaking Coal	2,369	—	2,369	2,712	2,837	—	2,837	2,775
Manganese	312	(3)	309	238	210	—	210	224
Crop Nutrients	(45)	—	(45)	1,563	489	—	489	1,026
Corporate and other	(593)	14	(579)	406	492	—	492	448
	11,963	(2,294)	9,669	31,347	40,541	(7,962)	32,579	31,963

[1] Comparative figures are restated for the adoption of the amendment to IAS 12, see note 2.

Attributable free cash flow

Attributable free cash flow is calculated as ‘Cash flows from operations’ plus dividends received from associates, joint ventures and financial asset investments, less capital expenditure, less expenditure on non-current intangible assets (excluding goodwill), less tax cash payments excluding tax payments relating to disposals, less net interest paid including interest on derivatives hedging net debt, less dividends paid to non-controlling interests.

A reconciliation of ‘Cash flows from operations’, the closest equivalent IFRS measure, is provided on page 9 of the Group financial review.

Sustaining attributable free cash flow

Sustaining attributable free cash flow is used to measure the amount of cash available to finance returns to shareholders or growth after servicing debt, providing a return to minority shareholders and meeting the capex commitments needed to sustain the current production base of existing assets. Sustaining attributable free cash flow is also used as an incentive measure in executives’ remuneration. It is calculated as attributable free cash flow prior to growth capex and expenditure on non-current intangible assets (excluding goodwill). A reconciliation of ‘Cash flows from operations’, the closest equivalent IFRS measure, is provided on page 9 of the Group financial review. Growth capital expenditure in 2023 and 2022 principally related to Quellaveco and Woodsmith.

Exchange rates and commodity prices

US$ exchange rates	2023	2022
Year end spot rates		
South African rand	18.52	16.94
Brazilian real	4.86	5.28
Sterling	0.79	0.83
Australian dollar	1.47	1.47
Euro	0.90	0.93
Chilean peso	885	859
Botswana pula	13.43	12.76
Peruvian sol	3.70	3.82
Average rates for the year		
South African rand	18.46	16.37
Brazilian real	4.99	5.16
Sterling	0.80	0.81
Australian dollar	1.51	1.44
Euro	0.92	0.95
Chilean peso	840	874
Botswana pula	13.35	12.34
Peruvian sol	3.74	3.83

Commodity prices		2023	2022
Year end spot prices			
Copper[1]	US cents/lb	384	380
Nickel[1]	US$/lb	7.39	13.80
Platinum[2]	US$/oz	1,006	1,065
Palladium[2]	US$/oz	1,119	1,788
Rhodium[3]	US$/oz	4,425	12,250
Iron ore (62% Fe CFR)[4]	US$/tonne	141	117
Iron ore (65% Fe Fines CFR)[5]	US$/tonne	152	132
Hard coking coal (FOB Australia)[4]	US$/tonne	324	295
PCI (FOB Australia)[4]	US$/tonne	176	285
Manganese ore (44% CIF China)[5]	US$/dmtu	4.17	5.13
Average market prices for the year			
Copper[1]	US cents/lb	385	399
Nickel[1]	US$/lb	9.74	11.61
Platinum[2]	US$/oz	965	961
Palladium[2]	US$/oz	1,336	2,111
Rhodium[3]	US$/oz	6,611	15,465
Iron ore (62% Fe CFR)[4]	US$/tonne	120	120
Iron ore (65% Fe Fines CFR)[5]	US$/tonne	132	139
Hard coking coal (FOB Australia)[4]	US$/tonne	296	364
PCI (FOB Australia)[4]	US$/tonne	219	331
Manganese ore (44% CIF China)[5]	US$/dmtu	4.75	6.06

[1] Source: London Metal Exchange (LME).
[2] Source: London Platinum and Palladium Market (LPPM).
[3] Source: Johnson Matthey.
[4] Source: Platts.
[5] Source: Metal Bulletin.

ANGLO AMERICAN plc

(Incorporated in England and Wales – Registered number 03564138)
(the Company)

Notice of Dividend

(Dividend No. 44)

Notice is hereby given that a final dividend on the Company's ordinary share capital in respect of the year to 31 December 2023 will be paid as follows:

Amount (United States currency) (note 1)	41 cents per ordinary share
Amount (South Africa currency) (note 2)	775.11730 cents per ordinary share
Amount (Botswana currency) (note 3)	559.34660 thebes per ordinary share
Last day to effect transfer of shares between the United Kingdom (UK) and branch share registers	Monday, 11 March 2024
Last day to trade on the JSE Limited (JSE) to qualify for dividend	Tuesday, 12 March 2024
Ex-dividend on the JSE from the commencement of trading (note 4)	Wednesday, 13 March 2024
Ex-dividend on the Botswana Stock Exchange (BSE) from the commencement of trading	Wednesday, 13 March 2024
Ex-dividend on the London Stock Exchange from the commencement of trading	Thursday, 14 March 2024
Record date (applicable to both the principal register and branch registers)	Friday, 15 March 2024
Movement of shares between the principal and branch registers permissible from	Monday, 18 March 2024
Last day for receipt of Dividend Reinvestment Plan (DRIP) mandate forms by Central Securities Depository Participants (CSDPs) (notes 5, 6 and 7)	Friday, 12 April 2024
Last day for receipt of US$:£/€ currency elections by the UK Registrars (note 1)	Friday, 12 April 2024
Last day for receipt of DRIP mandate forms by the UK Registrars (notes 5, 6 and 7)	Friday, 12 April 2024
Last day for receipt of DRIP mandate forms by the South African Transfer Secretaries (notes 5, 6 and 7)	Tuesday, 16 April 2024
Currency conversion US$:£/€ rates announced on (note 8)	Friday, 19 April 2024
Payment date of dividend	Friday, 3 May 2024

Notes

1. Shareholders on the UK register of members with an address in the UK will be paid in Sterling and those with an address in a country in the European Union which has adopted the Euro will be paid in Euros. Such shareholders may, however, elect to be paid their dividends in US dollars provided the UK Registrars receive such election by Friday, 12 April 2024. Shareholders with an address elsewhere will be paid in US dollars except those registered on the South African branch register who will be paid in South African rand and those registered on the Botswanan branch register who will be paid in Botswanan Pula.
2. Dividend Tax will be withheld from the amount of the gross dividend of 775.11730 Rand cents per ordinary share paid to South African shareholders at the rate of 20% unless a shareholder qualifies for exemption. After the Dividend Tax has been withheld, the net dividend will be 620.09384 Rand cents per ordinary share. Anglo American plc had a total of 1,337,577,913 ordinary shares in issue as at Wednesday, 21 February 2024. In South Africa the dividend will be distributed by Anglo American South Africa Proprietary Limited, a South African company with tax registration number 9030010608, or one of its South African subsidiaries, in accordance with the Company's dividend access share arrangements. The dividend in South African rand is based on an exchange rate of USD1:ZAR18.90530 taken on Wednesday, 21 February 2024, being the currency conversion date.
3. The dividend in Botswanan Pula is based on an exchange rate of USD1:BWP13.64260 taken on Wednesday, 21 February 2024, being the currency conversion date.
4. Dematerialisation and rematerialisation of registered share certificates in South Africa will not be effected by CSDPs during the period from the JSE ex-dividend date to the record date (both days inclusive).
5. Those shareholders who already participate in the DRIP need not complete a DRIP mandate form for each dividend as such forms provide an ongoing authority to participate in the DRIP until cancelled in writing. Shareholders who wish to participate in the DRIP should obtain a mandate form from the UK Registrars, the South African Transfer Secretaries or, in the case of those who hold their shares through the STRATE system, their CSDP.
6. In terms of the DRIP, and subject to the purchase of shares in the open market, share certificates/CREST notifications are expected to be mailed and CSDP investor accounts credited/updated on or around Friday, 17 May 2024. CREST accounts will be credited on Thursday, 9 May 2024.
7. Copies of the terms and conditions of the DRIP are available from the UK Registrars or the South African Transfer Secretaries.
8. The US$:£/€ conversion rates will be determined by the actual rates achieved by Anglo American buying forward contracts for those currencies, during the two days preceding the announcement of the conversion rates, for delivery on the dividend payment date.

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