

OFFERING MEMORANDUM DATED MAY 2, 2023



US\$900,000,000

Anglo American Capital plc

US\$900,000,000 5.500% Senior Notes due 2033

Guaranteed by Anglo American plc

Anglo American Capital plc (the “**Issuer**” or “**Anglo American Capital**”) is offering US\$900,000,000 of its 5.500% Senior Notes due 2033 (the “**Notes**”) with such Notes to be guaranteed (the “**Guarantees**”) by Anglo American plc (the “**Company**”, “**Guarantor**” or “**Anglo American**” and, together with the Company’s subsidiaries and managed joint ventures, “**Anglo American Group**”, the “**Group**”, or “**we**”). Interest will be paid on the Notes semi-annually and in arrear on May 2 and November 2 of each year, commencing on November 2, 2023. The Notes will mature on May 2, 2033.

The Issuer has the option to redeem all or a portion of the Notes at any time at the redemption prices set forth in this offering memorandum (the “**Offering Memorandum**”) and as described under “*Description of the Notes and the Guarantees—Optional Redemption*”, or in the event of certain changes in tax laws as described under “*Description of the Notes and the Guarantees —Redemption for Tax Reasons*”.

The Notes will be unsecured senior obligations of the Issuer and will rank equally with all of its other existing and future unsubordinated indebtedness.

The Notes will be issued in fully registered form and only in denominations of US\$200,000 and integral multiples of US\$1,000 in excess thereof.

*For a more detailed description of the Notes, see “Description of the Notes and the Guarantees” beginning on page 135.*

**An investment in the Notes involves risks. See “Risk Factors” beginning on page 38.**

---

**Offering Price for the Notes: 99.476% plus accrued interest, if any, from May 2, 2023**

---

Application has been made to the Financial Conduct Authority in its capacity as competent authority pursuant to Part VI of the Financial Services and Markets Act 2000 (the “**FCA**”) for the Notes to be admitted to the official list of the FCA (the “**Official List**”) and to the London Stock Exchange plc (the “**London Stock Exchange**”) for the Notes to be admitted to trading on the London Stock Exchange’s Main Market (“**Admission**”). References in this Offering Memorandum to the Notes being listed (and all related references) shall mean that the Notes have been admitted to trading on the London Stock Exchange’s Main Market and have been admitted to the Official List. The London Stock

Exchange's Main Market is a regulated market for purposes of Article 2(1)(13) of Regulation 600/2014 as it forms part of domestic law by virtue of the EUWA (as defined herein) ("**UK MiFIR**"). **The securities to which this Offering Memorandum relates have not been recommended by the United States Securities and Exchange Commission or any other US federal or state securities commission or regulatory authority nor have such authorities confirmed the accuracy or adequacy of this Offering Memorandum. Any representation to the contrary is a criminal offense in the United States.**

The Notes and the Guarantees have not been registered, and we do not intend to register the Notes or the Guarantees, under the US Securities Act of 1933 (the "**Securities Act**"), or any securities laws of any other jurisdiction. Accordingly, the Notes are being offered and sold in the United States only to qualified institutional buyers in accordance with Rule 144A under the Securities Act ("**Rule 144A**") and outside the United States to certain non-US persons in accordance with Regulation S under the Securities Act ("**Regulation S**"). **Prospective purchasers that are qualified institutional buyers are hereby notified that the seller of the Notes and the related Guarantees may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.** For further details about eligible offerees and transfer restrictions, see "*Plan of Distribution*" and "*Transfer Restrictions*".

The Company's credit ratings have been issued by Fitch Ratings Ltd. ("**Fitch**"), Moody's Investors Service Ltd. ("**Moody's**") and S&P Global Ratings UK Limited ("**S&P**") and are BBB+ (stable outlook), Baa2 (stable outlook) and BBB+ (stable outlook), respectively. In general, United Kingdom regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the United Kingdom and registered under The Credit Rating Agencies (Amendment etc.) (EU Exit) Regulations 2019 (the "**CRA Regulations**"). Fitch, S&P and Moody's have each been registered under the CRA Regulations by the FCA as of January 1, 2021.

In connection with the offering, the Initial Purchasers are not acting for anyone other than the Company and will not be responsible to anyone other than the Company for providing the protections afforded to their clients nor for providing advice in relation to the offering.

---

BMO Capital Markets Corp., Goldman Sachs & Co. LLC, HSBC Securities (USA) Inc., Scotia Capital (USA) Inc., Bank of China Limited, London Branch, and CIBC World Markets Corp. (collectively, the "**Joint Bookrunners**" or "**Initial Purchasers**") expect to deliver the Notes to purchasers on or about May 2, 2023 through the facilities of The Depository Trust Company including its participants Euroclear Bank SA/NV and Clearstream Banking, S.A..

---

*Joint Bookrunners*

<b>BMO Capital Markets</b>	<b>Goldman Sachs &amp; Co. LLC</b>	<b>HSBC</b>	<b>Scotiabank</b>
<b>Bank of China</b>		<b>CIBC Capital Markets</b>	

Offering Memorandum dated May 2, 2023

## STABILIZATION

In connection with the issue of the Notes, any one of BMO Capital Markets Corp., Goldman Sachs & Co. LLC, HSBC Securities (USA) Inc. and Scotia Capital (USA) Inc. (the “**Stabilization Managers**”) or any person acting on behalf of a Stabilization Manager may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilization may not necessarily occur. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the date on which the Issuer received the proceeds of the offering, or no later than 60 days after the date of the allotment of the Notes, whichever is the earlier. Any such stabilization or over-allotment must be conducted by the Stabilization Managers (or persons acting on behalf of any Stabilization Manager) in accordance with all applicable laws, regulations and rules and on the London Stock Exchange or over-the-counter (“**OTC**”) market.

## NOTICE TO INVESTORS

This Offering Memorandum is provided only to prospective purchasers of the Notes. You should read this Offering Memorandum before making a decision whether to purchase any Notes. You must not use this Offering Memorandum for any other purpose, make copies of any part of this Offering Memorandum or give a copy of it to any other person, or disclose any information in this Offering Memorandum to any other person.

The Issuer and the Company accept responsibility for the information contained in this Offering Memorandum. To the best of the knowledge of the Issuer and the Company the information contained in this Offering Memorandum is in accordance with the facts and this Offering Memorandum makes no omission likely to affect the import of such information. Where the information in this Offering Memorandum has been sourced from a third party, such information has been accurately reproduced and so far as the Issuer and the Company are aware and are able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

This Offering Memorandum contains and incorporates by reference information that you should consider when making your investment decision. You are responsible for making your own examination of us and your own assessment of the merits and risks of investing in the Notes. We have not authorized anyone to provide you with information, whether orally or in writing, either different from that contained in this Offering Memorandum or not set forth in this Offering Memorandum, and if you believe that there is any other information upon which you wish to rely that is either different from or not set forth in this Offering Memorandum you should not rely on it at all. We are offering to sell the Notes only where offers and sales are permitted. The information contained in this Offering Memorandum is accurate only as of the date of this Offering Memorandum, regardless of the time of delivery of this Offering Memorandum or any resale of the Notes and, except as required by the FCA or applicable law and regulation, will not be updated.

By purchasing any Notes, you will be deemed to have acknowledged that: (1) you have reviewed this Offering Memorandum; (2) you have had an opportunity to review all information considered by you to be necessary to make your investment decision and to verify the accuracy of, or to supplement, the information contained in this Offering Memorandum; (3) you have not relied on the Initial Purchasers or any person affiliated with the Initial Purchasers in connection with your investigation of the accuracy of such information or your investment decision; (4) the Initial Purchasers are not responsible for, and are not making any representation to you concerning, our future performance or the accuracy or completeness of this Offering Memorandum; and (5) no person has been authorized to give any information or to make any representation concerning us or the Notes, other than as contained in this Offering Memorandum. If given or made, any such other information or representation should not be relied upon as having been authorized by us or the Initial Purchasers.

You should read this Offering Memorandum before making a decision whether to purchase any Notes. In making any investment decision, you must rely on your own examination of the Issuer and the Company and the terms of this offering, including the merits and risks involved. You should not construe anything in this Offering

Memorandum as investment, financial, legal, business, tax or other advice. You should consult with your own advisors as needed to assist you in making your investment decision and to advise you whether you are legally permitted to purchase the Notes.

You must comply with all applicable laws and regulations in force in any jurisdiction in connection with the possession or distribution of this Offering Memorandum and the purchase, offer or sale of the Notes, and you must obtain any required consent, approval or permission for the purchase, offer or sale by you of the Notes under the laws and regulations applicable to you in force in any jurisdiction to which you are subject or in which you make such purchases, offers or sales. Neither we nor the Initial Purchasers are responsible for your compliance with these legal requirements.

We are offering the Notes and the Guarantees in reliance on exemptions from the registration requirements of the Securities Act. These exemptions apply to offers and sales of securities that do not involve a public offering.

The Notes are subject to restrictions on resale and transfer as described under “*Transfer Restrictions*”. By purchasing any Notes, you will be deemed to have made certain acknowledgments, representations and agreements as described in that section of this Offering Memorandum. You may be required to bear the financial risks of investing in the Notes for an indefinite period of time.

The Initial Purchasers make no representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this Offering Memorandum. Nothing contained in this Offering Memorandum is, or should be relied upon as, a promise or representation by the Initial Purchasers as to the past or future. The Initial Purchasers have not independently verified any of the information contained herein (financial, legal or otherwise) and assume no responsibility for the accuracy or completeness of any such information.

#### **NOTICE TO INVESTORS IN THE UNITED KINGDOM**

This Offering Memorandum constitutes a prospectus that has been prepared solely for use in connection with the Admission of the Notes, and it has been approved by the FCA, as competent authority under the UK Prospectus Regulation. The FCA only approves this prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or the Company of the quality of the Notes that are subject of this prospectus. Purchasers of Notes are notified that this document does not constitute an offer for sale of the Notes and has not been approved by the FCA in connection with any such offer. The expression “UK Prospectus Regulation” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“EUWA”).

#### **UK PRIIPS REGULATION/PROHIBITION OF SALES TO UNITED KINGDOM RETAIL INVESTORS**

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of the following: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) 2017/565 as it forms part of domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPS Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPS Regulation.

#### **UK MIFIR PRODUCT GOVERNANCE/ PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET**

Solely for the purposes of the manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties as

defined in the FCA Handbook Conduct of Business Sourcebook and professional clients as defined in Regulation (EU) 600/2014 as it forms part of domestic law by virtue of the EUWA (“**UK MiFIR**”) only; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer’s target market assessment; however, a distributor subject to UK MiFIR and the FCA Handbook Product Intervention and Product Governance Sourcebook (together, the “**UK MiFIR Product Governance Requirements**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer’s target market assessment) and determining appropriate distribution channels.

## **NOTICE TO INVESTORS IN THE EUROPEAN ECONOMIC AREA**

This Offering Memorandum has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area (“**EEA**”) will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of the Notes. The expression “**Prospectus Regulation**” means Regulation (EU) 2017/1129 (as amended or superseded).

## **PRIIPS REGULATION/PROHIBITION OF SALES TO EEA RETAIL INVESTORS**

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

## **MIFID II PRODUCT GOVERNANCE**

Any distributor subject to MiFID II (for the purposes of this paragraph, a “**distributor**”) subsequently offering, selling or recommending the Notes is responsible for undertaking its own target market assessment in respect of the Notes and determining the appropriate distribution channels for the purposes of the MiFID II product governance rules under Commission Delegated Directive (EU) 2017/593 (“**Delegated Directive**”). Neither we nor any of the Initial Purchasers make any representations or warranties as to a Distributor’s compliance with the Delegated Directive.

## **NOTICE TO INVESTORS IN CANADA**

The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Offering Memorandum (including any supplements or amendments thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (“**NI 33-105**”), the Dealers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

### MISCELLANEOUS INFORMATION

This Offering Memorandum comprises a prospectus for the purposes of Article 6 of the UK Prospectus Regulation and has been filed with the FCA.

This Offering Memorandum has been approved by the FCA, as competent authority under the UK Prospectus Regulation. The FCA only approves this Offering Memorandum as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or the Company of the quality of the Notes that are the subject of this Offering Memorandum. Investors should make their own assessment as to the suitability of any investment in the Notes.

This Offering Memorandum is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the “**Financial Promotion Order**”), (ii) are persons falling within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations etc.”) of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “**relevant persons**”). This Offering Memorandum is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this Offering Memorandum relates is available only to relevant persons and will be engaged in only with relevant persons.

The distribution of this Offering Memorandum and the offering and sale of the Notes in certain jurisdictions may be restricted by law. The Issuer, the Company and the Initial Purchasers require persons in possession of this Offering Memorandum to inform themselves about and to observe any such restrictions. This Offering Memorandum does not constitute an offer of, or an invitation to purchase, any of the Notes in any jurisdiction in which such offer or invitation would be unlawful.

Notwithstanding anything herein to the contrary, investors may disclose to any and all persons, without limitation of any kind, the US federal, state or local income tax treatment and tax structure of the offering and all materials of any kind (including opinions or other tax analyses) that are provided to the investors relating to such tax treatment and tax structure. However, any information relating to the US federal, state or local income tax treatment or tax structure shall remain confidential (and the foregoing sentence shall not apply) to the extent reasonably necessary to enable any person to comply with applicable securities laws. For this purpose, “tax structure” means any facts relevant to the US federal, state or local income tax treatment of the offering but does not include information relating to the identity of the issuer of the securities, the issuer of any assets underlying the securities, or any of their respective affiliates that are offering the securities.

In this Offering Memorandum, references to “**Anglo American**”, the “**Anglo American Group**”, the “**Group**”, “**we**”, “**us**”, and “**our**” are to refer to Anglo American plc and its subsidiaries and managed joint ventures. The use of these generic terms herein is for convenience only, and is in no way indicative of how the Anglo American Group or any entity within it is structured, managed or controlled. Anglo American subsidiaries, and their management, are responsible for their own day-to-day operations, including but not limited to securing and maintaining all relevant licenses and permits, operational adaptation and implementation of Group policies, management, training and any applicable local grievance mechanisms. Anglo American produces group-wide policies and procedures to ensure best uniform practices and standardization across the Anglo American Group but is not responsible for the day to day implementation of such policies. Such policies and procedures constitute prescribed minimum standards

only. Group operating subsidiaries are responsible for adapting those policies and procedures to reflect local conditions where appropriate, and for implementation, oversight and monitoring within their specific businesses.

## FORWARD-LOOKING STATEMENTS

This Offering Memorandum includes “forward-looking information” within the meaning of Section 27A of the Securities Act and Section 21E of the United States Securities Exchange Act of 1934 (the “**Exchange Act**”). All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements, including without limitation those concerning levels of actual production during any period, levels of global demand and commodity market prices, unanticipated downturns in business relationships with customers or their purchase from Anglo American, mineral resource exploration and project development capabilities and delivery, recovery rates and other operational capabilities, safety, health or environmental incidents, the effects of global pandemics and outbreaks of infectious diseases, the impact of attacks from third parties on our information systems, natural catastrophes or adverse geological conditions, climate change and extreme weather events, the outcome of litigation or regulatory proceedings, sustainability performance-related (including environmental, social and governance) goals, ambitions, targets, visions, milestones and aspirations, the availability of mining and processing equipment, the ability to obtain key inputs in a timely manner, the ability to produce and transport products profitably, the availability of necessary infrastructure (including transportation) services, the development, efficacy and adoption of new or competing technology, challenges in realizing resource estimates or discovering new economic mineralization, the impact of foreign currency exchange rates on market prices and operating costs, levels of capital expenditure, rating and leverage targets, the availability of sufficient credit, liquidity and counterparty risks, the effects of inflation, terrorism, war, conflict, political or civil unrest, uncertainty, tensions and disputes and economic and financial conditions around the world, evolving societal and stakeholder requirements and expectations, shortages of skilled employees, unexpected difficulties relating to investments, acquisitions or divestitures, competitive pressures and the actions of competitors, activities by courts, regulators and governmental authorities such as in relation to permitting or forcing closure of mines and ceasing of operations or maintenance of Anglo American’s assets and changes in taxation or safety, health, environmental or other types of regulation in the countries where Anglo American operates, conflicts over land and resource ownership rights and such other risk factors identified in this Offering Memorandum (see “*Risk Factors*”). These forward-looking statements are not based on historical facts, but rather reflect our current expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as “believe”, “aim”, “expect”, “anticipate”, “intend”, “foresee”, “forecast”, “likely”, “should”, “could”, “would”, “planned”, “may”, “estimated”, “potential”, “predict”, “seek”, “projected”, “will”, “continue”, “ongoing” or other similar words and phrases. Similarly, statements that describe our objectives, plans, ambitions, targets, visions, milestones or goals are or may be forward-looking statements.

These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied by these forward-looking statements. Although we believe that the expectations reflected in these forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct.

The risk factors described in this Offering Memorandum could affect our future results, causing these results to differ materially from those expressed in any forward-looking statements. These factors are not necessarily all the important factors that could cause our actual results to differ materially from those expressed in any forward-looking statements. Other unknown or unpredictable factors could also have material adverse effects on future results.

You should review carefully all information, including the financial statements and the notes to the financial statements, which are incorporated by reference into this Offering Memorandum. The forward-looking statements included in this Offering Memorandum are made only as of the last practicable date prior to the date hereof. Neither we nor the Initial Purchasers undertake any obligation to update publicly or release any revisions to these

forward-looking statements to reflect events or circumstances after the date of this Offering Memorandum or to reflect the occurrence of unanticipated events. All subsequent written and oral forward-looking statements attributable to us or any person acting on our behalf are qualified by the cautionary statements in this section.

## **MARKET AND INDUSTRY DATA**

Where cited in this Offering Memorandum, market data and industry data and forecasts were obtained and reproduced from reports prepared by Platts, the London Metal Exchange, Johnson Matthey, the London Platinum and Palladium Market, IMF, OECD, World Steel Association, Wood Mackenzie and CRU. Industry surveys, publications, consultant surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. We have not independently verified any of the data from third party sources, nor have we ascertained the underlying economic assumptions relied upon therein. Similarly, industry forecasts and market research, which we believe to be reliable based upon the Group management's knowledge of the industry, have not been independently verified. Forecasts are particularly likely to be inaccurate, especially over long periods of time. In addition, we do not necessarily know what assumptions regarding general economic growth were used in preparing the forecasts we cite. We do not make any representation as to the accuracy of data from third party sources, industry forecasts and market research and we expressly disclaim any responsibility for, or liability in respect of, such third party information. Statements as to the Group's market position are based on the most currently available data. While we are not aware of any misstatements regarding the Group's industry data presented herein, our estimates involve risks and uncertainties and are subject to change based on various factors, including those discussed under the heading "Risk Factors" in this Offering Memorandum. Neither we nor the Initial Purchasers can guarantee the accuracy or completeness of any such industry data contained in this Offering Memorandum. Where the information in this Offering Memorandum has been sourced from a third party, such information has been accurately reproduced and so far as the Issuer and the Company are aware and are able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Further, where the information in this Offering Memorandum has been sourced from a third party, reference is made to the third party source where such information appears in the document.

## **CAUTIONARY NOTE TO US INVESTORS CONCERNING ESTIMATES OF MEASURED, INDICATED AND INFERRED MINERAL RESOURCES AND ORE RESERVES FOR MINING OPERATIONS**

For United States public company reporting purposes, the US Securities and Exchange Commission (the "SEC") has adopted amendments to its disclosure rules to modernize the mineral property disclosure requirements for issuers with material mining operations whose securities are registered with the SEC under the Exchange Act. These amendments became effective February 25, 2019 (the "SEC Modernization Rules") with compliance required for the first fiscal year beginning on or after January 1, 2021. While the SEC Modernization Rules are more closely aligned with current industry and global regulatory practices and standards than past SEC reporting requirements, there may be some differences in reporting regimes for Ore Reserve and Mineral Resource estimates between Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 edition and the South African Code for Reporting of Exploration Results, Mineral Resources and Mineral Reserves (2016 Edition) on the one hand, each of which are used by the Group, and the SEC Modernization Rules on the other hand.



## DEFINED TERMS

Defined Term	Definition
“AA Sur”	Anglo American Sur SA
“AASA”	Anglo American South Africa Proprietary Limited
“Agent”	Citibank, N.A.
“Anglo American”, “Company” and “Guarantor”	Anglo American plc
“Anglo American Capital” and “Issuer”	Anglo American Capital plc
“Anglo American Group”, “Group”, “us”, “we” and “our”	Anglo American, together with its subsidiaries and managed joint ventures
“Anglo American Platinum”	Anglo American Platinum Limited
“ANM”	National Mining Agency
“Aurubis”	Aurubis AG
“Australian dollar” and “AUD”	The lawful currency of Australia
“Brazilian real” and “BRL”	The lawful currency of Brazil
“British pound” and “GBP”	The lawful currency of the United Kingdom
“Canadian dollars” and “CAD”	The lawful currency of Canada
“Cerrejón”	Carbones del Cerrejón Limited, Cerrejón Zona Norte SA and CMC - Coal Marketing Company DAC
“Chilean peso” and “CLP”	The lawful currency of Chile
“CRA Regulation”	Regulation (EC) No. 1060/2009
“c/lb”	US cents per pound
“DBCM”	De Beers Consolidated Mines Limited
“De Beers”	DB Investments Plc and De Beers Plc together with their subsidiaries and managed joint ventures
“Debswana”	Debswana Diamond Company, a 50:50 joint venture with the GRB
“DMRE”	South African Department of Mineral Resources and Energy
“dmtu”	Dry metric tonne units
“DTC”	The Depository Trust Company
“Euro” and “EUR”	The lawful common currency of the EU member states who have adopted the Euro as their sole national currency
“EUWA”	European Union (Withdrawal) Act 2018
“Exchange Act”	The United States Securities Exchange Act of 1934, and the rules and regulations promulgated thereunder
“FATF”	Financial Action Task Force
“FCA”	The Financial Conduct Authority acting under Part VI of the Financial Services and Markets Act 2000
“Ferroport”	Ferroport Logística Comercial Exportadora SA (formerly referred to as LLX Minas-Rio Logística Comercial Exportadora SA or LLX Minas-Rio Logística SA)
“FIEL”	Financial Exchange Law of Japan (Law No. 25 of 1998, as amended)
“First Mode”	First Mode Holding Inc

**Defined Term****“FSMA”****“GEMCO”****“GHG”****“GMC”****“GRB”****“GRN”****“Group 2020 Annual Report”****“Group 2020 Consolidated Financial Statements”****“Group 2021 Annual Report”****“Group 2021 Consolidated Financial Statements”****“Group 2022 Annual Report”****“Group 2022 Consolidated Financial Statements”****“HCC”****“IFC”****“IFRS 11”****Definition**

The Financial Services and Markets Act 2000

Groote Eylandt Mining Company Pty Limited

Greenhouse gases

Group Management Committee

The Government of the Republic of Botswana

The Government of the Republic of Namibia

The annual report of the Group for the year-ended December 31, 2020

The audited consolidated financial statements of the Anglo American Group and notes thereto prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006 and Company financial statements prepared in accordance with UK GAAP, together with the related independent auditor’s audit report, as at and for the year-ended December 31, 2020

The annual report of the Group for the year-ended December 31, 2021

The audited consolidated financial statements of the Anglo American Group and notes thereto prepared in accordance with UK-adopted International Accounting Standards and Company financial statements prepared in accordance with UK GAAP, together with the related independent auditor’s audit report, as at and for the year-ended December 31, 2021

The annual report of the Group for the year-ended December 31, 2022

The audited consolidated financial statements of the Anglo American Group and notes thereto prepared in accordance with UK-adopted International Accounting Standards and Company financial statements prepared in accordance with UK GAAP, together with the related independent auditor’s audit report, as at and for the year-ended December 31, 2022

Hard Coking Coal

International Finance Corporation

International Financial Reporting Standard 11 Joint Arrangements

**Defined Term****Definition****“IFRS”**

Means with respect to the period of January 1, 2020 to December 31, 2020 the International Accounting Standards in conformity with the requirements of the Companies Act 2006 and for the period of January 1, 2021 to December 31, 2021 and January 1, 2022 to December 31, 2022 means the UK-adopted International Accounting Standards

**“IMF”**

International Monetary Fund

**“Indenture”**

The Indenture, dated April 8, 2009, as supplemented by first supplemental indenture dated as of April 2, 2012 and the second supplemental indenture dated as of May 14, 2015, under which the Notes will be issued, among the Issuer, Anglo American and Citibank, N.A.

**“Indicated Mineral Resource”**

An Indicated Mineral Resource is that part of a Mineral Resource for which quantity, grade (or quality), densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes, and is sufficient to assume geological and grade (or quality) continuity between points of observation where data and samples are gathered

**“Inferred Mineral Resource”**

An Inferred Mineral Resource is that part of a Mineral Resource for which quantity and grade (or quality) are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade (or quality) continuity. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to an Ore Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration

**“Initial Purchasers” or “Joint Bookrunners”**

BMO Capital Markets Corp., Goldman Sachs & Co. LLC, HSBC Securities (USA) Inc., Scotia Capital (USA) Inc., Bank of China Limited, London Branch, and CIBC World Markets Corp.

**“Iron Ore Brazil”**

The business unit containing the Minas-Rio Operation

**“Issuer 2020 Annual Report”**

The annual report of the Issuer for the year-ended December 31, 2020

**Defined Term****“Issuer 2020 Financial Statements”****“Issuer 2021 Annual Report”****“Issuer 2021 Financial Statements”****“Issuer 2022 Annual Report”****“Issuer 2022 Financial Statements”****“kt”****“Kumba”****“lb”****“LBIP”****“LNG”****“Measured Mineral Resource”****“Midstream”****“MiFID II”****“Minas-Rio”****“Minas-Rio Operation”****Definition**

The audited financial statements of Anglo American Capital and notes thereto prepared in accordance with UK GAAP, together with the related independent auditor’s audit report, as at and for the year-ended December 31, 2020

The annual report of the Issuer for the year-ended December 31, 2021

The audited financial statements of Anglo American Capital and notes thereto prepared in accordance with UK GAAP, together with the related independent auditor’s audit report, as at and for the year-ended December 31, 2021

The annual report of the Issuer for the year-ended December 31, 2022

The audited financial statements of Anglo American Capital and notes thereto prepared in accordance with UK GAAP, together with the related independent auditor’s audit report, as at and for the year-ended December 31, 2022

Denotes kilotonnes

Kumba Iron Ore Limited

Denotes pounds

Los Bronces Integrated Project

Liquefied Natural Gas

A Measured Mineral Resource is that part of a Mineral Resource for which quantity, grade (or quality), densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes, and is sufficient to confirm geological and grade (or quality) continuity between points of observation where data and samples are gathered

In relation to diamonds, Midstream is the point in the process that falls between mining (upstream) and retailers (downstream). In particular, Midstream activities involve cutting and polishing rough diamonds and setting the resultant polished into jewelry

Directive 2014/65/EU

Anglo American Minério de Ferro Brasil SA (previously Anglo Ferrous Minas-Rio Mineração SA)

Minas-Rio together with Ferroport

## **Defined Term**

### **“Mineral Resource”**

## **Definition**

A Mineral Resource is a concentration or occurrence of solid material of economic interest in or on the Earth’s crust in such form, grade (or quality) and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade (or quality), continuity or other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories. References to “**Diamond Resources**” shall be construed accordingly

### **“Mining Right”**

The Mining Right granted by the South African Department of Mineral Resources and Energy in accordance with the provision of MPRDA to undertake or conduct mining activities for a defined period in relation to the area and the mineral to which the Mining Right relates and in accordance with the terms and conditions imposed by the Mining Right and the MPRDA

### **“Minorco”**

Minorco Overseas Holdings Limited

### **“Modifying Factors”**

Modifying Factors are considerations used to convert Mineral Resources to Ore Reserves. These include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors

### **“Mondi”**

Mondi Group

### **“MPRDA”**

The South African Mineral and Petroleum Resources Development Act, 2002

### **“Mt”**

Denotes million tonnes

### **“Namdeb Holdings”**

Namdeb Holdings (Proprietary) Limited

### **“Notes”**

5.500% Senior Notes due 2033

### **“Official List”**

The official list of the FCA

### **“old order mining” or “prospecting rights”**

Prospecting, mining and mineral rights formerly regulated under the South African Minerals Act 50 of 1991 of the RSA and South African common law

### **“Operating Model”**

A model for how we set targets, plan, manage, execute and improve our work, bringing consistency of approach to everything we do

**Defined Term****“Ore Reserves”****“oz”****“PCI”****“PGM(s)”****“Probable Ore Reserves”****“Proved Ore Reserves”****“PwC”****“RSA”****“Samancor”****“Samancor Holdings”****“Samancor Marketing”****“SARB”****“SARS”****“Scaw Metals”****“Scope 1”****“Scope 2”****“Sirius Minerals plc”****“South African rand”, “ZAR”****Definition**

An Ore Reserve is the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at pre-feasibility or feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified. Ore Reserves are sub-divided in order of increasing confidence into Probable Ore Reserves and Proved Ore Reserves

Denotes ounces or, in the case of PGMs, troy ounces

Pulverized coal injection

Platinum group metal(s)

A Probable Ore Reserve is the economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. The confidence in the Modifying Factors applying to a Probable Ore Reserve is lower than that applying to a Proved Ore Reserve

A Proved Ore Reserve is the economically mineable part of a Measured Mineral Resource. A Proved Ore Reserve implies a high degree of confidence in the Modifying Factors

PricewaterhouseCoopers LLP

The Republic of South Africa

Samancor Holdings together with GEMCO and Samancor Marketing

Samancor Holdings Proprietary Limited

Samancor Marketing Pte. Ltd

South African Reserve Bank

South African Revenue Service

Scaw South Africa (Proprietary) Limited together with, in respect of periods prior to 2011, the Scaw Metals International business

Scope 1 emissions include CO<sub>2</sub>e emissions from fossil fuels, coal seam gas fugitive emissions, renewable fuels and operational processes. Process emissions include those associated with on-site and managed sewerage facilities, on-site water-treatment facilities, the use of carbonates in acid leaching processes at copper-processing facilities, fugitive emissions during the production of phosphates

Scope 2 emissions include CO<sub>2</sub> from electricity purchased and reported in millions of tonnes of CO<sub>2</sub>e

Sirius Minerals plc (renamed Anglo American Woodsmith Limited)

The lawful currency of the Republic of South Africa

<b>Defined Term</b>	<b>Definition</b>
<b>“TEMCO”</b>	Tasmanian Electro Metallurgical Company Pty Limited
<b>“Thungela”</b>	Thungela Resources Limited
<b>“tonnes”</b>	Denotes metric tonnes (1,000 kilograms)
<b>“Trustee”</b>	Citibank, N.A.
<b>“Trust Indenture Act”</b>	The US Trust Indenture Act of 1939, as amended
<b>“UK GAAP”</b>	Generally Accepted Accounting Practice in the United Kingdom
<b>“UK MiFIR”</b>	Regulation 600/2014 as it forms part of domestic law by virtue of the EUWA
<b>“US GAAP”</b>	Generally Accepted Accounting Principles in the United States
<b>“US\$” and “US dollar”</b>	The lawful currency of the United States of America
<b>“ZEHS”</b>	Zero Emissions Haulage Solution

## TABLE OF CONTENTS

	Page
DEFINED TERMS	7
PRESENTATION OF FINANCIAL INFORMATION	15
SERVICE OF PROCESS AND ENFORCEMENT OF CIVIL LIABILITIES	23
AVAILABLE INFORMATION	24
INCORPORATION OF CERTAIN INFORMATION BY REFERENCE	25
OVERVIEW	27
SUMMARY FINANCIAL INFORMATION	36
RISK FACTORS	38
CAPITALIZATION	55
RECENT DEVELOPMENTS	56
USE OF PROCEEDS	57
BUSINESS DESCRIPTION	58
MINERAL PRODUCTION	77
INDUSTRY OVERVIEW	80
SELECTED FINANCIAL INFORMATION	83
OPERATING AND FINANCIAL REVIEW	85
REGULATION	115
SUSTAINABILITY (INCLUDING SAFETY, HEALTH, ENVIRONMENT AND SOCIAL)	119
BOARD OF DIRECTORS AND MANAGEMENT OF ANGLO AMERICAN PLC	125
RELATED PARTY TRANSACTIONS	134
DESCRIPTION OF THE NOTES AND THE GUARANTEES	135
BOOK-ENTRY SETTLEMENT AND CLEARANCE	155
TAXATION	157
PLAN OF DISTRIBUTION	162
TRANSFER RESTRICTIONS	167
LEGAL MATTERS	170
INDEPENDENT AUDITORS	171
DESCRIPTION OF ANGLO AMERICAN CAPITAL PLC	172
GENERAL INFORMATION	174



## PRESENTATION OF FINANCIAL INFORMATION

The financial information of the Group for 2022, 2021 and 2020 has been prepared on the basis of applicable law and IFRS. The change in accounting framework set out in the IFRS definition had no impact on recognition, measurement or disclosure in the financial information for the periods presented herein. The financial information of the Issuer has been prepared on the basis of applicable law and UK GAAP, including FRS 101 “**Reduced Disclosure Framework**”.

The Group 2022 Consolidated Financial Statements, the Group 2021 Consolidated Financial Statements, the Group 2020 Consolidated Financial Statements, the Issuer 2022 Financial Statements, the Issuer 2021 Financial Statements and the Issuer 2020 Financial Statements incorporated by reference into this Offering Memorandum have been audited by PricewaterhouseCoopers LLP (“**PwC**”), independent accountants registered to carry out audit work by the Institute of Chartered Accountants in England and Wales, with an address at 1 Embankment Place, London WC2N 6RH.

Our business unit structure focuses our portfolio around principal products which are located in areas of key geographic focus for each product. These business units are:

- De Beers (Botswana, Canada, Namibia and South Africa);
- Base Metals (Chile, Finland, Brazil and Peru);
- Platinum Group Metals (“**PGMs**”) (South Africa and Zimbabwe);
- Bulk Commodities (Brazil, South Africa, Australia, Canada);
- Crop Nutrients (United Kingdom); and
- Corporate and Other (Worldwide).

Our Group results are reported on a reportable segment basis in accordance with IFRS. Reportable segments are:

- De Beers;
- Copper;
- Nickel;
- PGMs;
- Iron Ore;
- Steelmaking Coal;
- Manganese;
- Crop Nutrients; and
- Corporate and Other

The Group’s operating segments are aligned to those business units 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.

### **Change in reportable segments**

During 2021, the Group reassessed its reportable segments following the demerger of Thungela Resources Limited. The Thermal Coal (South Africa and Cerrejón) operating segment, which was previously aggregated with Steelmaking Coal within the ‘Coal’ reportable segment, has been presented within the ‘Corporate and other’ reportable segment as it is no longer part of the Group’s core business due to our exit from thermal coal operations (see “Business Description - Business Segments - Corporate and Other - Significant Transactions and Restructuring

- Exit from thermal coal operations”). The results of the Group’s steelmaking coal businesses are now disclosed separately as the ‘Steelmaking Coal’ reportable segment. Additionally, the ‘Nickel and Manganese’ reportable segment has been amended to disaggregate the Nickel and Manganese businesses. Comparative information for 2020 has been restated in the Group 2021 Consolidated Financial Statements for purposes of each of the “Corporate and other” and “Steelmaking Coal” reportable segments as well as the disaggregation of the “Nickel and Manganese” reportable segment.

Segments predominantly derive revenue as follows – De Beers: rough and polished diamonds; Copper: copper; 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 the margin from the Group’s marketing and trading activity in energy solutions and shipping within the Marketing business, inclusive of shipping services provided to third parties. In the year ended December 31, 2021, “Corporate and other” segment also included thermal coal revenue from the South African thermal coal operations prior to their demerger and the Group’s share of thermal coal revenue from its associate Cerrejón prior to June 28, 2021, after which, revenue was reported within special items.

During 2022, the Metallurgical Coal reportable segment was renamed to Steelmaking Coal to more accurately reflect the end-use of our product as an essential ingredient in the production of steel.

Some financial and other information in this Offering Memorandum has been rounded and, as a result, the figures shown as totals in this Offering Memorandum may vary slightly from the exact arithmetic aggregation of the figures that precede them.

The financial results of the PGMs segment and Kumba’s contribution to the Iron Ore segment, reconcile to the financial results of Anglo American Platinum and Kumba, respectively, when taking into account certain adjustments, principally consolidation adjustments and corporate cost allocations.

### **Changes in accounting policy**

The accounting policies applied in the Group 2022 Consolidated Financial Statements are consistent with those adopted and disclosed in the Group 2021 Consolidated Financial Statements with the exception of the adoption of an amendment to IAS 16 *Proceeds before intended use*, which became effective from January 1, 2022. The amendment prohibits an entity from deducting from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use. The proceeds from selling these items, and the associated costs will be recognized in the income statement. IAS 2 Inventories should be applied in identifying and measuring the cost of these items. The impact of this transition difference for the year ended December 31, 2021 is not considered material to the Group and hence comparative values have not been restated.

The Group’s Quellaveco copper project is the most significant project impacted by the amendment to IAS 16 during 2022. All production and sales from Quellaveco in 2022 arose before commercial production was achieved, and as a result revenues of US\$608 million and associated costs of \$289 million that would previously have been capitalized against project assets were recognized in the consolidated income statement. The impact of adopting the amendment did not have a material impact on any other operation.

Changes in Group accounting policy in 2021 relating to revenue resulted in the restatement of financial results for the year ended December 31, 2020 as published in the Group 2021 Consolidated Financial Statements. The impact of the restatements is shown in the Group 2021 Consolidated Financial Statements, which are incorporated by reference into this document.

During 2021, the Group amended its accounting policy in respect of certain physically-settled contracts relating to the purchase and sale of material produced by third parties (third-party sales) and now presents the margin on these transactions on a net basis within revenue from other sources where the contracts form part of the Group's commodity trading activities. Revenue and operating costs for the year ended December 31, 2021 are both US\$8.0 billion lower than would have been reported under the Group's previous accounting policy (US\$4.1 billion of which relates to copper, US\$1.8 billion relates to platinum group metals and US\$1.8 billion relates to thermal coal), with no impact on operating profit or reported cash flows. Revenue and operating costs for the year ended December 31, 2020 as presented in the Group 2021 Consolidated Financial Statements have been restated for this change in accounting policy. Revenue and operating costs for the year ended December 31, 2020 have both reduced by US\$5.5 billion (US\$3 billion of which relates to copper, US\$1.9 billion relates to platinum group metals and US\$530 million relates to thermal coal) from US\$30,902 million and US\$25,271 million (respectively, and prior to the restatement) to US\$25,447 million and US\$19,816 million (respectively, and after the restatement), with no impact on operating profit or reported cash flows. The impact of the restatements is shown in Note 7 of the Group 2021 Consolidated Financial Statements.

### **Amendment of net debt definition**

The Group amended its definition of net debt in 2021, to exclude all variable vessel lease contracts that are priced with reference to a freight index. These liabilities have been excluded as they are required to be remeasured at each reporting date to the latest spot freight rate, which generates significant short-term volatility in reported values and 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. The change in definition resulted in the restatement of financial results for the year ended December 31, 2020 as published in the Group 2021 Consolidated Financial Statements. See Note 20 to the Group 2021 Consolidated Financial Statements for more detail. Net debt for the year ended December 31, 2021 is US\$74 million lower than would have been reported under the Group's previous definition. Net debt for the year ended December 31, 2020 has been reduced by US\$45 million compared to the previously reported values.

### **Non-IFRS Financial 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").

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 2022 Consolidated Financial Statements.
- 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.

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

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

- **Earnings volatility:** The Group mines and markets commodities and precious metals and minerals. The sector is characterized by significant volatility in earnings driven by movements in macro-economic factors, primarily price and foreign exchange rates. 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.
- **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.
- **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 portion of the Group 2022 Annual Report incorporated by reference herein contains an Alternative Performance Measures section that sets out the Financial APMs used by the Group along with the closest equivalent IFRS measure and the rationale for adjustments. The Group 2022 Consolidated Financial Statements, the Group 2021 Consolidated Financial Statements and the Group 2020 Consolidated Financial Statements, incorporated by reference in this Offering Memorandum, include the adjustments to reconcile the APMs to the primary financial statements. In addition, the Group 2022 Annual Report, the Group 2021 Annual Report and the Group 2020 Annual Report also contain the Non-Financial APMs used by the Group along with the purpose for the Group using these measures. The APMs used by the Group are defined below.

***Group Revenue (including attributable share of associates' and joint ventures' revenue)***

Group Revenue includes the Group's attributable share of associates' and joint ventures' revenue and excludes revenue special items and remeasurements. Revenue from Cerrejón arising after the signing of the agreement for the disposal in June 2021 was classified as a special item. A reconciliation to "Revenue", the closest equivalent IFRS measure to Group Revenue is disclosed in Note 2 of the Group 2022 Consolidated Financial Statements, Note 2 of the Group 2021 Consolidated Financial Statements and Note 2 of the Group 2020 Consolidated Financial Statements, incorporated by reference herein.

### ***Underlying EBIT***

Underlying EBIT is ‘Operating profit/(loss)’ presented before special items and remeasurements 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 of associates and joint ventures. Underlying EBIT from Cerrejón arising after the signing of the agreement for the disposal in June 2021 has been classified as a special item. A reconciliation to “profit/(loss) before net finance income/(costs) and tax”, the closest equivalent IFRS measure to underlying EBIT is provided within Note 2 of the Group 2022 Consolidated Financial Statements, Note 2 of the Group 2021 Consolidated Financial Statements and Note 2 of the Group 2020 Consolidated Financial Statements, incorporated by reference herein. Further, “profit/(loss) before net finance (costs)/income and tax”, is reconciled to “profit/(loss) for the financial year” in the consolidated income statement on page 214 of the Group 2022 Consolidated Financial Statements, consolidated income statement on page 173 of the Group 2021 Consolidated Financial Statements and consolidated income statement on page 158 of the Group 2020 Consolidated Financial Statements, as included in the respective Group 2022 Annual Report, the Group 2021 Annual Report and the Group 2020 Annual Report, incorporated by reference herein.

### ***Underlying EBITDA***

Underlying EBITDA is underlying EBIT before depreciation and amortization and includes the Group’s attributable share of associates’ and joint ventures’ underlying EBIT before depreciation and amortization. Underlying EBITDA from Cerrejón arising after the signing of the agreement for the disposal in June 2021 has been classified as a special item. A reconciliation to ‘Profit/(loss) before net finance income/(costs) and tax’, the closest equivalent IFRS measure to underlying EBITDA, is provided within Note 2 of the Group 2022 Consolidated Financial Statements, Note 2 of the Group 2021 Consolidated Financial Statements and Note 2 of the Group 2020 Consolidated Financial Statements, incorporated by reference herein. Further, “profit/(loss) before net finance (costs)/income and tax”, is reconciled to “profit/(loss) for the financial year” in the consolidated income statement on page 214 of the Group 2022 Consolidated Financial Statements, page 173 of the Group 2021 Consolidated Financial Statements and page 158 of the Group 2020 Consolidated Financial Statements, as included in the respective Group 2022 Half Year Financial Report, the Group 2021 Annual Report and the Group 2020 Annual Report, incorporated by reference herein.

### ***Underlying earnings***

Underlying earnings is ‘Profit/(loss) for the financial year attributable to equity shareholders of the Company’ before special items and remeasurements 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 2 of the Group 2022 Consolidated Financial Statements, Note 2 of the Group 2021 Consolidated Financial Statements and Note 2 of the Group 2020 Consolidated Financial Statements, incorporated by reference herein.

### ***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. A reconciliation to the IFRS measure operating profit margin is disclosed in Other Information, Alternative Performance Measures, as included in the Group 2022 Annual Report, the Group 2021 Annual Report and the Group 2020 Annual Report, incorporated by reference herein.

### ***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 which provide an economic hedge of net debt). Borrowings do not include the Hancock royalty liabilities which arose as of H1 2020, 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). A reconciliation of cash and cash equivalents, short-term borrowings and medium and long-term borrowings to the consolidated balance sheet is disclosed in Note 20 of the Group 2022 Consolidated Financial Statements, Note 20 of the Group 2021 Consolidated Financial Statements and Note 20 of the Group 2020 Consolidated Financial Statements, incorporated by reference herein.

### ***Capital expenditure***

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 of the Group 2022 Consolidated Financial Statements, Note 12 of the Group 2021 Consolidated Financial Statements and Note 12 of the Group 2020 Consolidated Financial Statements, incorporated by reference herein.

Following the adoption of the amendment to IAS 16 *Proceeds before intended use*, operating cashflows 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 are no longer included in capital expenditure. As noted above, results for 2021 have not been restated for this change in accounting policy.

### ***Capital employed***

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 adjustments 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. A reconciliation to the closest IFRS measure, net assets, is disclosed in Note 9 of the Group 2022 Consolidated Financial Statements, Note 9 of the Group 2021 Consolidated Financial Statements and Note 9 of the Group 2020 Consolidated Financial Statements, incorporated by reference herein.

### ***Underlying effective tax rate***

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

The calculation of underlying effective tax rate for the years 2022, 2021 and 2020 is set forth on page 94 of this Offering Memorandum as part of the Operating and Financial Review.

### ***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 to "cash flows from operations", the closest equivalent IFRS measure, is provided on page 82 of the Group Financial Review in the Group 2022 Annual Report, on page 74 of the Group Financial Review in the Group 2021 Annual Report and on page 64 of the Group Financial Review in the Group 2020 Annual Report, incorporated by reference herein.

### ***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 capital expenditure commitments needed to sustain the current production base of existing assets. It is calculated as attributable free cash flow prior to growth capital expenditure and expenditure on non-current intangible assets (excluding goodwill). A reconciliation to “cash flows from operations”, the closest equivalent IFRS measure, is provided on page 82 of the Group 2022 Annual Report and page 74 of the Group 2021 Annual Report.

### ***Copper equivalent production***

Copper equivalent production, expressed as copper equivalent tonnes, shows changes in underlying production volume. It is calculated by expressing each commodity’s volume as revenue, subsequently converting the revenue into copper equivalent units by dividing by the copper price (per tonne). Long term forecast prices (and foreign exchange rates where appropriate) are used, such that period-on-period comparisons exclude any impact for movements in price.

When calculating copper equivalent production, sales from non-mining activities are excluded. Volume from projects in pre-commercial production are included.

### ***Unit cost***

Unit cost is the direct cash cost including direct cash support costs incurred in producing one unit of saleable production. Unit cost relates to equity production only.

For bulk products (iron ore, coal), unit costs shown are FOB i.e. cost on board at port. For base metals (copper, nickel), they are shown at C1 i.e. after inclusion of by-product credits and logistics costs. For PGMs and diamonds, unit costs include all direct expensed cash costs incurred i.e. excluding, among other things, market development activity, corporate overhead etc. PGM unit costs exclude by-product credits. Royalties are excluded from all unit cost calculations.

### ***Copper equivalent unit cost***

Copper equivalent unit cost is the cost incurred to produce one tonne of copper equivalent. Only the cost incurred in mined output from subsidiaries and joint operations is included, representing direct costs in the consolidated income statement controllable by the Group. Costs and volumes from associates and joint ventures are excluded, as are those from operations that are not yet in commercial production, that deliver domestic production, and those associated with third party volume purchases of diamonds and PGMs concentrate.

When calculating copper equivalent unit cost, unit costs for each commodity are multiplied by relevant production, combined and then divided by the total copper equivalent production, to get a copper equivalent unit cost i.e. the cost of mining one tonne of copper equivalent. The metric is in US dollars and, where appropriate, long term foreign exchange rates are used to convert from local currency to US dollars.

### ***Productivity***

The Group’s productivity measure calculates the copper equivalent production generated per employee. It is a measure that represents how well headcount is driving revenue. It is calculated by dividing copper equivalent production by the average direct headcount from consolidated mining operations in a given year.

### ***Volume and cash cost improvements***

The Group uses an underlying EBITDA waterfall to understand its year-on-year underlying EBITDA performance. The waterfall isolates the impact of uncontrollable factors in order that the real year-on-year improvement in performance can be seen by the user.

The following variables are normalized in the results of subsidiaries and joint operations, for:

- Price: The movement in price between comparative periods is removed by multiplying current year sales volume by the movement in realized price for each product group.

- Foreign Exchange: The year-on-year movement in exchange is removed from the current year non-US dollar cost base i.e. costs are restated at prior year foreign exchange rates. The non-US dollar cash cost base excludes costs which are price linked (e.g. purchase of concentrate from third party PGMs providers, third party diamond purchases).
- Inflation: consumer price index (CPI) is removed from cash costs, restating these costs at the pricing level of the base year.

The remaining variances are in real US dollar terms for the base year i.e. comparing 2022 with 2021, the sales volume and cash cost variances exclude the impact of price, foreign exchange rates and CPI and are hence in real 2021 terms. This allows the user of the waterfall to understand the underlying real movement in sales volumes and cash costs on a consistent basis.

#### **Issuer 2022 Financial Statements - Restatement of comparative balance sheet**

In the Issuer 2022 Financial Statements, derivative financial assets which were previously presented as non-current assets as at December 31, 2021 have been reclassified to current assets in the balance sheet comparatives, in order to align to the presentation of the balance sheet in respect of the year ended December 31, 2022 in accordance with the Companies Act 2006. There is no impact on the income statement or statement of changes in equity in the Issuer 2022 Financial Statements as a result of this restatement. In accordance with FRS 101, Anglo American Capital has taken advantage of the disclosure exemption available under that standard and has not disclosed a restated balance sheet as at January 1, 2021. See Note 1 to the Issuer 2022 Financial Statements incorporated by reference into this Offering Memorandum.



## **SERVICE OF PROCESS AND ENFORCEMENT OF CIVIL LIABILITIES**

The Company and the Issuer are incorporated under the laws of England and Wales. Most of the directors and executive officers of the Company and all the directors of the Issuer live outside the United States. Most of the assets of the Company's and the Issuer's directors and executive officers and substantially all the Company's and the Issuer's assets are located outside the United States. As a result, it may be difficult for you to serve process on those persons or the Company or the Issuer in the United States or to enforce judgments obtained in US courts against them based on civil liability provisions of the securities laws of the United States.

There is doubt as to enforceability in the English courts, in original actions or in actions for enforcement of judgments of US courts, of liabilities predicated solely upon the federal securities laws of the United States. In addition, awards of punitive damages in actions brought in the United States or elsewhere may not be enforceable in the United Kingdom. The enforceability of any judgment in the United Kingdom will depend on the particular facts of the case in effect at the time.

## **AVAILABLE INFORMATION**

For so long as the Company is neither subject to Section 13 or 15(d) of the Exchange Act, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, the Issuer and the Company, respectively, will furnish to the holder of any Notes and to each prospective purchaser designated by any such holder, upon the request of such holder or prospective purchaser, the information required to be delivered pursuant to Rule 144A (d)(4) under the Securities Act. Any such request may be made to us at 17 Charterhouse Street, London, EC1N 6RA, England. As of the date hereof, the Company is exempt from such reporting obligations under Rule 12g3-2(b) under the Exchange Act.

## INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

We are incorporating by reference certain information into this Offering Memorandum, which means we are disclosing important information to you by referring you to such information. The information being incorporated by reference is an important part of this Offering Memorandum and should be reviewed before deciding whether or not to purchase the Notes described herein. Subject to the limitations and exclusions described in the paragraphs below, the following documents, which have previously been published and have been filed with the FCA, shall be incorporated by reference into this Offering Memorandum:

- The independent auditor's report and audited consolidated annual financial statements and notes thereto for the financial year-ended December 31, 2022 of Anglo American plc (<https://www.angloamerican.com/investors/fixed-income-investors/issuer-document-downloads>) (such information, the "Group 2022 Consolidated Financial Statements") as included in the Group 2022 Annual Report, on pages 205 to 302 thereof;
- Alternative Performance Measures as included in the Group 2022 Annual Report, on pages 310 to 315 thereof;
- The independent auditor's report and audited consolidated annual financial statements and notes thereto for the financial year-ended December 31, 2021 of Anglo American plc (<https://www.angloamerican.com/investors/fixed-income-investors/issuer-document-downloads>) (such information, the "Group 2021 Consolidated Financial Statements") as included in the Group 2021 Annual Report, on pages 163 to 262 thereof;
- Alternative Performance Measures as included in the Group 2021 Annual Report, on pages 270 to 275 thereof;
- The independent auditor's report and audited consolidated annual financial statements and notes thereto for the financial year-ended December 31, 2020 of Anglo American plc (<https://www.angloamerican.com/investors/fixed-income-investors/issuer-document-downloads>) (such information, the "Group 2020 Consolidated Financial Statements") as included in the Group 2020 Annual Report, on pages 150 to 234 thereof;
- Alternative Performance Measures as included in the Group 2020 Annual Report, on pages 246 to 250 thereof;
- The independent auditor's report and audited non-consolidated annual financial statements and notes thereto for the year-ended December 31, 2022 of Anglo American Capital plc (<https://www.angloamerican.com/investors/fixed-income-investors/issuer-document-downloads>) (such information, the "Issuer 2022 Financial Statements") as included in the Issuer 2022 Annual Report, on pages 7 to 36 thereof;
- The independent auditor's report and audited non-consolidated annual financial statements and notes thereto for the year-ended December 31, 2021 of Anglo American Capital plc (<https://www.angloamerican.com/investors/fixed-income-investors/issuer-document-downloads>) (such information, the "Issuer 2021 Financial Statements") as included in the Issuer 2021 Annual Report, on pages 7 to 32 thereof;
- The independent auditor's report and audited non-consolidated annual financial statements and notes thereto for the year-ended December 31, 2020 of Anglo American Capital plc (<https://www.angloamerican.com/investors/fixed-income-investors/issuer-document-downloads>) (such information, the "Issuer 2020 Financial Statements") as included in the Issuer 2020 Annual Report, on pages 6 to 33 thereof;
- Summary of estimated Ore Reserves and estimated Mineral Resources as at December 31, 2022 of Anglo American plc as included in the Group 2022 Annual Report, on pages 303 to 307 thereof.

Except as expressly stated above, no part of the Group 2022 Annual Report, the Group 2021 Annual Report, the Group 2020 Annual Report, the Issuer 2022 Annual Report, the Issuer 2021 Annual Report or the Issuer 2020 Annual Report or any other document referred to in the documents listed above is incorporated by reference herein and does not form any part of this Offering Memorandum. Non-incorporated parts or other documents referred to in the documents listed above are either not relevant for the investor or are covered elsewhere in the document.

The documents which have been incorporated by reference into this Offering Memorandum may also be accessed at <https://www.angloamerican.com/investors/fixed-income-investors> (the “**special purpose website**”). The special purpose website contains only the foregoing information and is not part of our website. The content of our website does not form any part of this Offering Memorandum. You may also obtain copies of this information by telephoning +44 (0) 20 7968 8888.

## OVERVIEW

*This overview highlights certain information contained in this Offering Memorandum. This overview does not contain all the information you should consider before purchasing the Notes. You should read this entire Offering Memorandum carefully, including the sections entitled “Forward-Looking Statements”, “Risk Factors”, “Business Description” and “Operating and Financial Review” included elsewhere in this Offering Memorandum and the financial information and the notes thereto incorporated by reference as outlined in the section entitled “Incorporation of Certain Information by Reference”. Other than under “Description of the Notes and the Guarantees” or where the context indicates otherwise, references herein to “us”, “we”, “our” and similar terms are to the Group.*

### The Anglo American Group

Anglo American is a leading global mining company, with a world class portfolio of mining and processing operations and undeveloped resources, with approximately 105,000 people working for us around the world. We provide many of the essential metals and minerals that are fundamental to the transition to a low carbon economy and enabling a cleaner, greener, more sustainable world, as well as meeting the growing consumer-driven demands of the world’s developed and maturing economies.

Anglo American plc is the holding company of the Group. It is a public limited company incorporated under the laws of England and Wales and registered in England and Wales.

### Underlying EBIT By Segment

Our businesses’ contribution to underlying EBIT (underlying EBIT is “operating profit/(loss)” presented before special items and remeasurements and includes the Group’s attributable share of associates’ and joint ventures’ underlying EBIT) in 2022, 2021 and 2020 is summarized in the table below, reflecting the total of subsidiaries and equity accounted entities:

	Year ended December 31,		
	2020	2021	2022
	<i>Restated<sup>(1)</sup></i>		
	(US\$m)		
De Beers	—	620	994
Copper	1,227	3,428	1,595
Nickel	79	261	317
Platinum Group Metals	2,270	6,753	4,052
Iron Ore	4,091	6,359	2,962
Steelmaking Coal	(468)	450	2,369
Manganese	245	250	312
Crop Nutrients	1	(42)	(45)
Corporate and Other	(395)	(289)	(593)
	7,050	17,790	11,963

- (1) The Group reassessed its reportable segments following the demerger of Thungela. The Thermal Coal (South Africa and Cerrejón) operating segment, which was previously aggregated with Steelmaking Coal within the ‘Coal’ reportable segment, has been presented within the ‘Corporate and other’ reportable segment as it is no longer part of the Group’s core business due to the commitment to exit from the production of thermal coal. The results of the Group’s steelmaking coal businesses are now disclosed separately as the ‘Steelmaking Coal’ reportable segment. Additionally, the ‘Nickel and Manganese’ reportable segment has been amended to disaggregate the Nickel and Manganese businesses. Comparative information for 2020 has been restated in the Group 2021 Consolidated Financial Statements for purposes of each of the “Corporate and Other” and “Steelmaking Coal” reportable segments as well as the disaggregation of the “Nickel and Manganese” reportable segment.

## ***Business Overview***

We believe we are a responsible producer of diamonds (through De Beers), copper and nickel, platinum group metals (“PGMs”), and the steel ingredients of iron ore and steelmaking coal. The exit from the last of our managed thermal coal operations in 2021 and from Cerrejón in January 2022, the delivery of the Quellaveco copper mine in Peru in 2022, and the ongoing development of our Woodsmith project (Crop Nutrients business) represent the latest phase of our portfolio trajectory towards future-enabling products. The Anglo American business segments are outlined below. For a more detailed description of the business segments, see “*Business Description—Business Segments*”.

The scale and diversity of our portfolio allow us to optimize our financial resources, technical expertise and supplier relationships to deliver on our potential for the benefit of our stakeholders. The portfolio’s depth and breadth create what we believe to be a measured risk profile and support sustainable returns through spreading our investments across diverse asset geographies and end markets.

The primary source of competitive advantage in the mining industry is to own high quality, high margin, long life mineral assets of scale, with positions that can be further enhanced if those assets deliver products into structurally attractive markets. In assessing our asset portfolio, we consider:

- The stand-alone quality of individual assets, including their relative cost position and growth potential;
- Our global competitive position within the individual product groups; and
- The additional value potential generated through leveraging our internal capabilities.

As we actively manage and evolve our asset portfolio, we expect to continue to assess opportunities and enter into discussions regarding potential strategic acquisitions and similar transactions to further expand our business. From time to time, we may consider a number of pending or potential acquisitions, investments, disposals or other transactions that are subject to due diligence processes, negotiation, transaction related ad hoc agreements such as non-disclosure and standstill agreements and further related binding and non-binding understandings with potential sellers, buyers or other transaction participants. Such pending and potential transactions may have a material impact on our business if consummated, see “*Risk Factors — Risks Relating to Our Business and Industry — Identifying, consummating and integrating pending or potential acquisitions, investments, disposals or other transactions, and any difficulties faced in doing so, may expose us to potential risks and have an adverse effect on our reputation, results of operations or financial condition.*”

For a more detailed description of the Group’s strategy and strategic growth projects, see “*Business Description—Strategy*”.

### ***De Beers***

De Beers plc (“**De Beers**”) has a global leadership position in diamonds, producing around a third of the world’s rough diamonds, by value, across four countries: Botswana, Canada, Namibia and South Africa. Within its portfolio, De Beers (in which Anglo American holds an 85% interest), in partnership with the Government of the Republic of Botswana, known as Debswana, has one of the richest diamond mines in the world at Jwaneng, and one of the largest resources, in terms of total carats, at Orapa. De Beers’ major diamond mining assets have large, long life and scalable resources and we are continuing to invest in the existing operations to extend mining activities. Through its differentiated rough diamond distribution model, De Beers has a range of insights into its customers’ demand patterns. The company seeks to stimulate consumer demand for diamonds through its De Beers Forevermark and De Beers Jewellers brands and through its participation in the Natural Diamond Council.

### ***Copper***

Anglo American has a world class asset position in copper, built around its interests in two of the world’s largest copper mines – Los Bronces (a 50.1% owned and managed operation) and Collahuasi (44% interest in the independently managed joint operation). The Quellaveco copper mine in Peru started production in mid-2022. It has one of the world’s largest untapped copper orebodies. The resource base of these assets underpins our future

near-asset growth opportunities, in addition to the polymetallic Sakatti deposit, which is being evaluated extensively by our Discovery and Base Metals teams in Finland.

### ***Nickel***

Our Nickel business has the capacity to produce around 45,000 tonnes per year of nickel, the majority of which is used in the production of high quality stainless and heat resistant steels. Our assets are in Brazil, with two ferronickel production sites: Barro Alto and Codemin (both 100% owned). Our PGMs operations in South Africa produce nickel sulphate as a co-product, amounting to 21,300 tonnes in 2022 and 22,300 tonnes in 2021. Nickel sulphate is a critical input in lithium ion batteries used in multiple carbon abatement technologies, including battery electric vehicles.

### ***Platinum***

Our PGMs business (held through an effective 79.2% interest in Anglo American Platinum Limited) is a leading producer of PGMs — platinum, palladium, rhodium, iridium and ruthenium. It mines, processes and refines the PGM basket of these five precious metals from its high quality resource base, located in the biggest known PGM deposit – the Bushveld Complex in South Africa. It also owns and operates the Unki mine – one of the world’s largest PGM deposits outside of South Africa, on the Great Dyke in Zimbabwe.

### ***Iron Ore***

Anglo American’s iron ore operations provide customers with high iron content ore, a large percentage of which is direct-charge product for steelmaking blast furnaces. In South Africa, we have a 70% shareholding in Kumba Iron Ore, whose Sishen and Kolomela mines produce high grade and high quality lump ore and also a fine ore. In Brazil, our Minas-Rio operation (100% owned), consisting of an open pit mine and beneficiation plant, produces a high grade pellet feed product, with low levels of contaminants. The iron ore is transported through a 529 kilometer pipeline to the iron ore handling and shipping facilities (50% owned) at the port of Açú.

### ***Steelmaking Coal***

Our steelmaking coal assets include the Moranbah and Grosvenor steelmaking coal mines (both of which we own 88%), located in Queensland. Our coal operations in Australia serve customers throughout Asia, Europe and South America. Moranbah and Grosvenor are underground longwall operations and produce premium quality hard coking coal.

### ***Manganese***

We have a 40% interest in the Samancor joint venture (managed by South32, which holds a 60% interest), with operations based in South Africa and Australia, and marketing operations in Singapore.

### ***Crop Nutrients***

We are progressing the development of the Woodsmith project (100% owned) in the north east of England to access a large deposit of polyhalite, a natural mineral fertilizer containing potassium, sulphur, magnesium and calcium. As we develop the mine and associated infrastructure, we are also developing demand for its product - known as POLY4 - by developing and implementing detailed sales and marketing strategies for each region and supporting customers with their own market development activities in order to further promote POLY4 to the end users of the product who are farmers. We are accelerating the number of commercial scale on-farm demonstrations, with more than 1,500 now complete and hundreds more in progress.

### ***Corporate and Other***

This business segment includes shipping revenue relating to third party carriage services, marketing and trading activities in energy solutions, corporate activities and exploration expenditure. This segment previously also included the thermal coal operations that were divested in 2021.

## ***Strategy***

Our strategy is to secure, develop and operate a portfolio of high quality and long life mineral assets, to seek to deliver sustainable value for all our stakeholders. We aim to achieve this through innovative practices and technologies in the hands of our world-class people.

## ***Portfolio***

The quality and long life of our mineral assets are the foundations of our global business. We actively manage our asset portfolio to improve its overall competitive position focused on metals and minerals that are essential to decarbonize energy and transport and that support a growing global consumer population.

## ***Innovation***

Across every aspect of our business, we are thinking innovatively about how we work to ensure the safety of our people, enhance the sustainability of our business, and deliver enduring value in its many forms for all our stakeholders.

## ***People***

Our people are critical to all that we do. We strive to create safe, inclusive and diverse working environments that encourage and support high performance and innovative thinking. The partnerships we build, both within Anglo American and with our stakeholders, locally and globally, are central to maintaining our regulatory and social licenses to operate and our commercial success.

## ***Key Strategic Growth Projects***

### ***Portfolio update***

During 2022, the Group's focus was on continuing to improve our competitive position, completing the construction of the Quellaveco copper mine in Peru and progressing the technical review of the Woodsmith polyhalite project.

We continue to evolve our portfolio of competitive, world class assets towards those future-enabling products that we believe are fundamental to enabling a low carbon economy and that cater to global consumer demand trends. Aligned to this strategy, the Group announced that it had entered into a number of agreements since January 1, 2022. See "*Business Description - Portfolio - Portfolio Update*" for further details.

### ***Exit from Thermal Coal Operations***

On June 4, 2021, Anglo American demerged its thermal coal operations in South Africa into a newly incorporated company, Thungela Resources Limited, that was subsequently admitted to trading on both the Johannesburg and London stock exchanges on June 7, 2021. On March 25, 2022, Anglo American announced the sale of the Group's remaining 8.0% shareholding in Thungela through an accelerated book build placing to a number of major financial institutions, and therefore Anglo American no longer holds any shares in Thungela. On January 11, 2022, Anglo American completed the sale of its 33.3% interest in Cerrejón to Glencore plc. The completion of this transaction represented the final stage of Anglo American's previously announced transition from thermal coal operations. See "*Business Description - Business Segments - Corporate and Other - Significant Transactions and Restructuring - Exit from thermal coal operations*" for further details.

### ***Woodsmith***

Since completion of the acquisition, detailed technical reviews of Anglo American's Woodsmith polyhalite project have taken place to bring the project in line with Anglo American's safety and operational integrity standards. Further, significant changes have been made to the scope, design and approach to execution of the project. These changes will allow future optionality for a larger operating footprint, to be delivered in a phased approach in step with market development and to optimize the value of the asset for the long term. Anglo American expects these changes to result in an extended project and ramp-up schedule, with first product to market expected to be available in 2027, and higher capital expenditure overall. The critical path construction activities of shaft



sinking and tunnel boring continue to progress well and, as we continue to develop the revised plan, additional studies will focus on optimization of the mine development, materials transport and handling facilities, to support the phased approach.

See “*Business Description - Business Segments - Crop Nutrients - Recent Developments*” for further details.

#### *Quellaveco*

Further to its announcement on July 12, 2022 that production of copper concentrate from Quellaveco was achieved on time and on budget, Anglo American announced the start of commercial copper operations at Quellaveco on September 26, 2022, following the successful testing of operations and receipt of regulatory clearances.

The delivery of the project has taken place against an extremely challenging backdrop through two years of pandemic-related disruption. Despite this, the project is producing copper in line with the original construction schedule and less than four years after project approval.

With the mine operational, focus is now on safely ramping up the processing plant to nameplate capacity, receiving the required regulatory clearances for the molybdenum plant and completing the construction and commissioning of the coarse particle floatation (CPR) plant. We are also working closely with government and local communities on the safe and responsible demobilization of the project workforce.

Capital expenditure in 2022 was US\$0.8 billion, US\$0.6 billion relates to the Group’s share of project capex (US\$1.1 billion on a 100% basis); the remainder primarily relates to development and stripping capex (100% basis). Capital expenditure guidance for 2023 is approximately US\$0.2 billion (100% basis), of which the Group’s share is approximately US\$0.1 billion. Total project costs, which were shared with Mitsubishi, are estimated at US\$5.5 billion (100% basis), in line with the 2020 budget to accommodate Covid-19 requirements. The Group’s share of total estimated capex was US\$2.8 billion. See “*Business Description - Business Segments - Copper - Significant Transactions and Restructuring - Quellaveco update*” for further details.

#### *Future project options*

Strict value criteria are applied to the assessment of Anglo American’s future growth options and, for major greenfield projects, we expect to sequence their development and consider including partners where appropriate. The Group will continue to maintain optionality to progress with holistic, value-accretive projects, should market conditions and capital availability permit.

Longer term, the Group has a number of future organic growth options under consideration, including expansions at the Mogalakwena PGMs complex in South Africa, the Los Bronces copper mine and the Collahuasi copper joint operation, both in Chile and the Sakatti polymetallic project in Finland.

#### *Sustainability-Linked Financing*

On June 9, 2022, Anglo American announced that it had signed a US\$100 million 10-year loan agreement with the International Finance Corporation (“**IFC**”) linked to the delivery of sustainability goals that are integral to Anglo American’s Sustainable Mining Plan. This sustainability-linked loan is the IFC’s first in the mining sector and is understood to be the first in the mining sector globally that focuses exclusively on social development indicators.

On September 21, 2022, Anglo American issued its first sustainability-linked bond, linking our ESG performance to debt securities through non-financial KPIs and science-based targets. The €745 million, 10-year bond, issued by Anglo American Capital under its U.S.\$15,000,000,000 Euro Medium Term Note Programme (the “**EMTN Programme**”) and guaranteed by Anglo American, is the first instrument to be issued after the publication of our sustainability financing framework, with bond investors entitled to a higher final coupon payment should our targets not be met. The 2030 performance targets are linked to our Sustainable Mining Plan and include a 30% reduction in absolute greenhouse gas emissions (Scopes 1 and 2); a 50% reduction in the abstraction of fresh water in water-scarce areas; and the creation/support of five jobs off-site for every job on-site.

For a more detailed description of the Group’s strategy and portfolio, see “*Business Description—Strategy*”.

## Overview of the Notes

*Certain of the terms and conditions described below are subject to important limitations and exceptions. The “Description of the Notes and the Guarantees” section of this Offering Memorandum contains a more detailed description of the terms and conditions of the Notes and the Guarantees. Capitalized terms used but not defined in this section have the meanings set forth in “Description of the Notes and the Guarantees”.*

<b>The Issuer</b>	Anglo American Capital plc, a public limited company organized under the laws of England and Wales. The Issuer is a wholly owned subsidiary of Anglo American plc that serves as a financing vehicle through which the Anglo American Group raises funds to support its operations.
<b>The Guarantor of the Notes</b>	Anglo American plc, a public limited company organized under the laws of England and Wales. The Company is the ultimate holding company for the Anglo American Group.
<b>The Notes</b>	<p>US\$900,000,000 aggregate principal amount of 5.500% Senior Notes due 2033 (the “Notes”).</p> <p>The Notes will be issued under the Indenture among the Issuer, the Company and the Trustee. The Notes will be treated as a separate class of securities under the Indenture.</p>
<b>The Guarantees</b>	The obligations of the Issuer under the Notes will be unconditionally and irrevocably guaranteed on a senior and unsecured basis by the Company (the “Guarantees”) pursuant to the Indenture.
<b>Offering Format</b>	The Notes are being offered in the United States to qualified institutional buyers in reliance on Rule 144A and outside the United States to persons other than US persons in reliance upon Regulation S.
<b>Issue Price</b>	99.476%.
<b>Issue Date</b>	May 2, 2023.
<b>Maturity Date</b>	May 2, 2033.
<b>Interest</b>	The Notes will bear interest from the Issue Date at the rate of 5.500% per annum, payable semi-annually in arrear.
<b>Interest Payment Dates</b>	May 2 and November 2 of each year, commencing November 2, 2023, until the Maturity Date.
<b>Regular Record Dates</b>	April 15 and October 15 of each year (whether or not a business day) immediately preceding each interest payment date.
<b>Status of the Notes and the Guarantees</b>	The Notes and the Guarantees will be direct, unsecured and unsubordinated obligations of each of the Issuer and the Company, respectively, ranking <i>pari passu</i> among themselves and with all other direct, unsecured and unsubordinated obligations (except those obligations preferred by statute or operation of law) of the Issuer and the Company, respectively. The Notes and the Guarantees will be effectively subordinated to any debt or other obligations of any other subsidiary of the Company with respect to the earnings and assets of that subsidiary.
<b>Use of Proceeds</b>	The net proceeds of the offering will be used for general corporate purposes.

**Covenants**

The Issuer and the Company have agreed to certain covenants with respect to the Notes and the Guarantees, including limitations on:

- liens;
- sale and leaseback transactions; and
- mergers and consolidations.

**Events of Default**

The occurrence or existence of certain conditions or events, including the acceleration of certain other indebtedness of the Issuer or the Guarantor, may accelerate the Issuer and the Guarantor's obligations under the Notes.

**Optional Redemption**

The Issuer may redeem the Notes, in whole or in part, at its option, at any time and from time to time, prior to February 2, 2033 (three months prior to the maturity date of the Notes (the "**Notes Par Call Date**")), at a redemption price equal to the greater of (i) (a) the sum of the present values of the remaining scheduled payments of principal and interest thereon discounted to the redemption date (assuming the Notes matured on the Notes Par Call Date) on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 35 basis points, less (b) interest accrued to the date of redemption, and (ii) 100% of the principal amount of the Notes to be redeemed, plus, in each case, accrued and unpaid interest thereon to the redemption date and any Additional Amounts payable with respect thereto.

On or after the Notes Par Call Date, the Notes will be redeemable, in whole or in part, at any time and from time to time, at the option of the Issuer, at a redemption price equal to 100% of the principal amount of the Notes to be redeemed, plus accrued but unpaid interest to (but excluding) the redemption date and any Additional Amounts payable with respect thereto.

The Issuer may at any time and from time to time purchase the Notes in the open market or otherwise. Any Notes purchased in the open market or otherwise may be cancelled or remain outstanding as determined by the Issuer. See "*Description of the Notes and the Guarantees—Optional Redemption*".

**Optional Tax Redemption**

The Notes are subject to redemption prior to maturity, at the option of the Issuer, in whole but not in part, at their principal amount, plus accrued interest to, but not including, the redemption date and any Additional Amounts, in the event of certain Changes in Tax Laws that would require the Issuer or the Company to pay Additional Amounts on the Notes.

**Additional Amounts**

Subject to certain exceptions and limitations provided for in the Indenture, the Issuer and the Company will pay such Additional Amounts on the Notes (or under the Guarantees in respect thereof) as may be necessary to ensure that the net amounts received by each holder of a Note after all withholding or deductions shall equal the amount of principal, any premium and interest which such holder would have received in respect of such Note (or payments under the Guarantees in respect thereof) in the absence of such withholding or deduction.

<b>Change of Control</b>	If a Change of Control Repurchase Event occurs (as defined under “ <i>Description of the Notes and the Guarantees</i> ”), the Issuer or the Company may be required to repurchase the Notes at a purchase price equal to 101% of their principal amount, plus any accrued and unpaid interest. See “ <i>Description of the Notes and the Guarantees—Change of Control Repurchase Event</i> ”.
<b>Denomination, Form and Registration of Notes</b>	The Notes will be issued in fully registered form and only in denominations of US\$200,000 and integral multiples of US\$1,000 in excess thereof. The Notes will be issued initially as Global Notes. The Depository Trust Company (“ <b>DTC</b> ”) will act as depository for the Notes. Except in limited circumstances, Global Notes will not be exchangeable for certificated notes.
<b>Further Issues</b>	The Issuer may from time to time without the consent of the holders of the Notes issue as many distinct series of debt securities under the Indenture as it wishes. Subject to certain conditions, it may also from time to time without the consent of the holders of the Notes issue additional notes having the same terms and conditions as the Notes issued hereunder. The period of resale restrictions applicable to any Notes previously offered and sold in reliance on Rule 144A shall automatically be extended to the last day of the period of any resale restrictions imposed on any such additional notes.
<b>Trustee, Paying Agent, Registrar and Transfer Agent</b>	Citibank, N.A., whose address is Citigroup Centre, Canada Square, Canary Wharf, London, E14 5LB, United Kingdom.
<b>Settlement</b>	The Issuer expects to deliver the Notes on or about May 2, 2023 (the “ <b>Settlement Date</b> ”) which will be the third business day following the pricing date of the offering (this settlement cycle being referred to as “ <b>T+3</b> ”).
<b>Transfer Restrictions</b>	Neither the Notes nor the Guarantees have been or will be registered under the Securities Act and each is subject to certain restrictions on resale and transfer.
<b>Ratings</b>	It is expected that the Notes will be rated Baa2 by Moody’s, BBB+ by S&P and BBB+ by Fitch, subject to confirmation on the Settlement Date. A credit rating is not a recommendation to buy or hold securities and may be subject to revisions, suspension or withdrawal at any time by the assigning rating agency.
<b>Governing Law</b>	The Indenture, the Notes and the Guarantees will be governed by and construed in accordance with the laws of the State of New York.
<b>Listing</b>	The Company expects to make an application for Admission of the Notes to listing on the Official List and to trading on the London Stock Exchange’s Main Market, a regulated market for purposes of UK MiFIR.
<b>Risk Factors</b>	We urge you to consider carefully the risks described in “ <i>Risk Factors</i> ” beginning on page 38 of this Offering Memorandum before making an investment decision.

## SUMMARY FINANCIAL INFORMATION

The summary financial information of the Group set forth below for the years ended December 31, 2022, 2021 and 2020 has been extracted from, and should be read in conjunction with, the Group 2022 Consolidated Financial Statements and notes thereto, the Group 2021 Consolidated Financial Statements and notes thereto and the Group 2020 Consolidated Financial Statements and notes thereto, each prepared in accordance with IFRS, all of which are incorporated by reference in this Offering Memorandum. See “*Presentation of Financial Information*”.

You should regard the financial data below only as an introduction and should base your investment decision on a review of this entire Offering Memorandum and the information incorporated by reference herein. The disclosures in this section include certain Alternative Performance Measures (“APMs”). For more information on the APMs please see “*Presentation of Financial Information*”.

	Year ended December 31,		
	2020	2021	2022
	<i>Restated<sup>(1)</sup></i>		
	<i>(US\$m unless otherwise stated)</i>		
Revenue <sup>(2)</sup>	25,447	41,554	35,118
Group Revenue <sup>(2)(3)</sup>	26,883	43,258	37,391
Underlying EBIT <sup>(3)</sup>	7,050	17,790	11,963
Operating profit	5,631	17,592	9,243
Profit before tax	5,464	17,629	9,480
Profit for the financial period	3,328	11,699	6,024
Profit for the financial period attributable to equity shareholders of the Company	2,089	8,562	4,514
Underlying earnings <sup>(3)</sup>	3,135	8,925	6,036
Dividend per share (US cents) <sup>(4)</sup>			
Ordinary	100	289	198
Interim Special	—	80	—
Final Special	—	50	—
Net assets	32,766	34,770	34,024
Net debt <sup>(1)(3)</sup>	(5,530)	(3,842)	(6,918)
Net cash inflows from operating activities	6,618	16,723	9,765
Capital expenditure <sup>(3)</sup>	4,125	5,193	5,738
Proposed Interim Ordinary Dividend	347	2,140	1,497

(1) The Group has amended the definition of net debt during 2021 to exclude variable vessel leases. This change resulted in the restatement of financial results for the year ended December 31, 2020. See “Presentation of Financial Information—Amendment of net debt definition” for more detail.

(2) In 2021, the Group updated the revenue accounting policy to present the revenue and costs for third party sales on a net basis. This resulted in the restatement of financial results for the year ended December 31, 2020. See “Presentation of Financial Information—Changes in Accounting Policy” for more detail. See “Operating and Financial Review—Factors Impacting Comparability” for more detail.

(3) Definitions are set out in the “Non-IFRS financial measures” section.

(4) Interim and year-end dividends proposed in respect of the applicable period.

### The Company

Anglo American plc is a public limited company organized under the laws of England and Wales. Anglo American has its primary listing on the London Stock Exchange and is one of the FTSE 100 companies, which comprises the 100 largest UK listed companies by market capitalization. As of December 31, 2022, Anglo American’s market capitalization was approximately US\$52.2 billion (GB£43.3 billion).

Anglo American is a publicly traded company with no single controlling shareholder. The principal offices of Anglo American plc are located at 17 Charterhouse Street, London, EC1N 6RA, England and its telephone number is +44 (0) 20 7968 8888.

### **The Issuer**

Anglo American Capital plc is a public limited company organized under the laws of England and Wales. It was formed for the purpose of securing and providing financing for the Anglo American Group.

The principal offices of Anglo American Capital plc are located at 17 Charterhouse Street, London, EC1N 6RA, England. For further information on the Issuer, see “*Description of Anglo American Capital plc*”.

## RISK FACTORS

*Prospective investors should read and carefully consider the following risk factors and other information in this Offering Memorandum before deciding to purchase the Notes. We believe that the risk factors identified below represent the principal risks inherent in purchasing the Notes, but they are not the only risk factors we face. Additional risk factors not presently known to us or that we currently believe to be immaterial also may adversely affect our business, financial condition and results of operations. Should any known or unknown risk factors develop into actual events, these developments could have material adverse effects on our business, financial condition and results of operations.*

*Unless otherwise specified by reference to Anglo American or Anglo American Capital, the risks apply in the context of the Group and are also applicable to each of Anglo American plc and Anglo American Capital plc.*

*In this context, the following specific risks have been identified:*

### **Risks Relating to Our Business and Industry**

***Damage to or breakdown of a physical asset, including due to fire, explosion, natural catastrophe, theft or terrorism may adversely affect our operating results and result in loss of revenue, loss of cash flow or other losses.***

Damage to or breakdown or loss of a physical asset, including as a result of fire, explosion, natural catastrophe and adverse geological conditions, theft of high value products, terrorism, inadequate design or construction, shortcomings in operational performance or other factors which restrict the ability to undertake maintenance including mandatory, regulatory, or court-ordered measures, can result in a loss of assets and subsequent financial losses. Our operations and development projects are exposed to natural risks, such as earthquakes or other seismic activity, flooding and extreme weather conditions. Other catastrophic risks faced by our business include failure of mine pit slopes and other geotechnical failures, breaches of tailings dam walls, fire and explosion or mechanical failures in underground mines or in buildings, plant and equipment and sudden and unexpected failure of mineshafts. The occurrence of one or more of these events could also potentially lead to multiple fatalities and injuries, environmental damage, significant reputational and community relations damage, production loss, greater regulatory scrutiny and loss of or delays in obtaining licenses to operate. In particular, in response to previous tailings dam breaches, there may be greater scrutiny and regulation of tailings dams which could result in additional permitting requirements, delays in obtaining permits and higher costs, particularly in Brazil. Our Group Technical Standard (“GTS”) sets out our requirements for the design, monitoring, inspection and surveillance of tailings facilities, which we follow as a minimum practice in each jurisdiction where we operate. As standards for tailings facilities become more stringent over time, our GTS will continue to evolve, including to reflect the requirements of the Global Industry Standard on Tailings Management, and further work will be required to conform fully to such standards (see “Sustainability (Including Safety, Health, Environment and Social) – Mineral Residue Facilities Management”). Leaks from pipelines (such as the two leaks at the Minas-Rio pipeline in 2018) or other storage vessels can cause production delays, possible environmental damage or create safety implications. The financial impact associated with clean-up and recovery costs and legal liability claims could be substantial. Our insurance with respect to any catastrophic or other significant event risk may not be sufficient to cover our financial loss flowing from an event and insurance is not available or is unavailable on economically viable terms for many risks we may face. The occurrence of events for which we are not insured, or for which our insurance is insufficient, may materially and adversely affect our revenues, operating results, cash flows, financial condition or reputation.

***Our business, results of operations, cash flows and financial condition have been and may continue to be adversely affected by commodity and diamond price fluctuations and adverse economic conditions.***

Commodity and diamond prices are determined principally by international markets and global supply and demand dynamics. Global macro-economic conditions and fluctuations in commodity and diamond prices have given rise, and may continue to give rise, to commodity price risk across the Group. Historically, such prices have been subject to substantial variation. See “—As has been witnessed by the COVID-19 pandemic, global pandemics could have a negative impact on worldwide economic activity and may adversely affect our business” and “Industry Overview”.



Volatility or falls in commodity and diamond prices may have an adverse effect on our operating results, cash flows and financial condition and could prevent us from completing certain transactions that are important to our business or reduce our capacity to invest in growth projects, each of which may have an adverse effect on our financial position. For example, we may not be able to sell assets at the values or within the timelines expected, complete planned acquisitions or create joint ventures.

Human population growth, urbanization, changes in land use, loss of biodiversity, exploitation of the natural environment, viral disease transmitted by animals and increased global travel and integration are all contributory causes of health pandemics. Pandemics, epidemics, outbreaks of infectious diseases or any other serious public health concerns (such as Ebola, avian flu, H1N1, SARS and COVID-19) whether on a regional or global scale, can have widespread consequences including increased morbidity and mortality, restrictions on travel, imposition of quarantines, prolonged closures of workplaces, economic shocks and disruption and a disrupted recovery as a result of new virus variants being resistant to vaccines, social unrest, increased political stresses and tensions, a rise in criminal acts and potential for increased resource nationalism, all of which are likely to have a material adverse effect on the global economy in general, as well as on demand for our products and on commodity and diamond prices.

In addition, factors such as a deep and protracted slowdown in economic growth, financial and political crises, trade wars between major economies, elevated energy prices, terrorist attacks, armed conflict involving major world powers (such as Russia's ongoing invasion of Ukraine which commenced in February 2022 and its broader consequences, including as a result of the related sanctions), civil unrest or other unexpected events can also cause market disruption and volatility in the prices of our products as well as adverse impacts on global economic growth. Russia's invasion of Ukraine, the resulting trade sanctions on Russia, and associated logistical challenges, have restricted the supply of certain key commodities to global markets, and have caused further disruption to already stretched global supply chains. This has resulted in higher prices for energy, agricultural and other commodities, exacerbating broader inflationary pressures across the global economy. This inflationary scenario has prompted more aggressive interest rate rises by central banks compared to their policies of recent years, especially in the US, and an associated strengthening of the US dollar. These factors have contributed and may continue to contribute to upward pressures on the Group's operating costs. Also, deteriorating macro-economic conditions are contributing to a weaker near-term outlook for demand, due to weaker investment and slower real income growth. The continuation of Russia's invasion of Ukraine may prompt further industry supply disruptions and continued elevated energy and other input prices or a change in consumer sentiment towards Russian origin third party diamond production. For example, on March 11, 2022, President Biden announced an Executive Order prohibiting the import into the US of goods from several sectors of the Russian economy, including non-industrial diamonds of Russian origin. As of April 2023, the sanctions remain in place, with G7 countries also looking to introduce additional measures that will oblige importers of rough diamonds, polished diamonds and diamond jewelry to demonstrate that the diamonds were not mined in Russia. However, the specific measures have yet to be defined, communicated and implemented. In addition to government sanctions, some US retailers have imposed self-sanctions that require their suppliers to commit not to supply them with Russian-mined diamonds. While De Beers does not recover diamonds from Russia, Russia's invasion of Ukraine could present a significant challenge to the diamond industry, including the potential to disrupt the Midstream, or result in consumers moving away from the natural diamond category if they are unable to receive reassurance about the origin of their purchases.

Adverse and volatile economic conditions, coupled with a negative price environment, can also limit our visibility in terms of anticipated revenues and costs and can affect our ability to approve, finance or implement planned projects, repay debt or invest in growth projects. In addition, rating agencies and industry analysts are likely to take such conditions into account when assessing our business and creditworthiness and any adverse determinations, including ratings downgrades, may make it more difficult or expensive for us to raise capital in the future and may adversely affect the market price of the Notes. Furthermore, certain of our financings contain financial and operational covenants. Our ability to comply with such covenants may come under greater pressure in a volatile economic environment and may therefore restrict our financial flexibility.

If global economic growth continues to weaken in the medium to long-term, our ability to grow or maintain revenues in future years may be adversely affected, we may not be able to compete for new, complex projects that

require significant capital investment and, at certain long-term price levels for a given commodity, certain of our extractive operations with respect to that commodity may not be economic. We may have to suspend certain operations in order to reduce or stop production for a period of time. Such developments could have a materially adverse effect on our business, operational results, cash flows, financial condition or reputation.

***As has been witnessed by the COVID-19 pandemic, global pandemics could have a negative impact on worldwide economic activity and may adversely affect our business.***

The spread of COVID-19 and related societal restrictions have had a significant negative impact on the global economy since early 2020. Financial markets were and continue to be volatile and the prices of our products were affected. Future pandemics and related countermeasures could have a similar negative impact on the global economy and financial markets and negatively affect our business.

Government measures taken in response to the COVID-19 outbreak, including containment and lockdown restrictions, and other indirect effects of COVID-19 on economic activity, have resulted in economic downturns in the markets in which we sell our products and has led to periods of reduced or no demand in key jurisdictions for certain of our products in such markets, for example where our customers shut down their operations, and have required us, and measures taken in response to future pandemics may further require us, to curtail, reschedule or suspend operations, construction or development at our facilities and projects. The extension or intensification of such measures, the implementation of similar measures in other countries or in respect of future pandemics, or any other mandatory, regulatory or court-ordered measures relating to COVID-19 or future pandemics would increase the impact on Anglo American's operations, projects and production. In addition, our customers or suppliers may seek to excuse their performance under their existing contracts with us by claiming that the relevant pandemic, and government measures, constitute a force majeure event. This, together with the impact of COVID-19 or other future pandemics more generally on the Group's suppliers, may lead to further disruptions in critical supplies to Anglo American. Future pandemics, any future spread of COVID-19, and any new variants, including in areas where our mining operations and our material facilities are located, may result in greater risk of exposure to our employees, and we may respond by curtailing, rescheduling or suspending our operations, construction or development at our facilities and projects or be required to do so. In addition, pandemics such as COVID-19 could represent a threat to maintaining a skilled workforce in the mining industry and could be a health-care challenge for the operations of Anglo American. The Group and the Group's personnel have been, and may continue to be, impacted by COVID-19 and may be impacted by future pandemics, including by increased levels of absenteeism, and the Group may ultimately see its workforce productivity reduced or incur increased medical costs/insurance premiums as a result of these health risks.

As has been witnessed by the COVID-19 outbreak, future pandemics could lead to extreme disruption and volatility in the global capital markets, which could increase our cost of capital and adversely affect our ability to access the capital markets. In addition, the magnitude of the impact of COVID-19 or any future pandemic may cause certain financial institutions to reduce the amount of, or impose more unfavorable terms on, new credit lines they extend to companies. Therefore our ability to raise future financing required for our operations may be severely restricted at a time when we would like, or need, to do so, which could have an adverse effect on our ability to meet our current and future funding requirements and on our flexibility to react to changing economic and business conditions. Furthermore, our customers' ability to pay may be impacted by a pandemic such as the COVID-19 pandemic as such customers may have to curtail or shutdown their operations, potentially leading to increased credit risks if any economic downturn and measures to curb the spread of the relevant pandemic continue for an extended period of time. See "*Our business may be adversely affected by liquidity and counterparty risk*".

In addition, we review our goodwill and assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. If there are indications that impairment may have occurred, we prepare estimates of expected future cash flows for each group of assets. Volatility of the prices for the Group's products, a significant reduction or absence of demand for diamonds, as well as operational developments due to a pandemic, may have an adverse impact on the Group's assessment of the recoverable amount of operating assets and could result in significant impairments, which could materially and adversely affect our results of operations or financial condition. See "*Certain factors may affect our ability to support the carrying value of our property, plant and*

*equipment, acquired properties, investments and goodwill on our balance sheet” and “—Inaccurate assumptions in respect of critical accounting judgments could adversely affect financial results”.*

The COVID-19 outbreak has adversely affected, and it, and future pandemics, could adversely affect the global economy and could result in a significant negative impact on the Group’s business, financial condition, results of operations and prospects. The full effects of the COVID-19 outbreak remain uncertain, including the duration of the outbreak, new information that may emerge concerning the severity and long-term impact of the infection and new strains of the virus (including strains that are resistant to vaccines), the scope, duration and economic impact of actions taken to contain the spread of the virus or treat its impact, the availability, efficacy and uptake of vaccines, social unrest, an increase in political stresses and tensions, a rise in criminal acts that could impact Anglo American, the potential for increased resource nationalism and the impact of each of these items on macroeconomic conditions and financial markets globally. Any of these factors in the context of the COVID-19 pandemic or any future pandemic could have a material adverse effect on our business, financial condition, results of operations and prospects.

To the extent pandemics such as the COVID-19 pandemic adversely affects our business, financial condition results of operations and prospects, such pandemics may also have the effect of heightening many of the other risks described in this “*Risk Factors*” section.

***Slower levels of growth in Chinese demand for commodities may negatively impact pricing.***

China is an important driver of global demand and pricing for commodities worldwide. Commodity prices may be adversely affected by slower than expected levels of GDP growth in China, as well as by trade tensions between China and other major economies, and such factors could continue to have a negative impact on commodity prices generally, which would have a negative impact on our business and revenues. Factors contributing to slower levels of growth in Chinese demand for commodities may include slower or flattened economic growth, the COVID-19 outbreak, unsuccessful economic reforms, government policies that affect commodities markets, challenges in its real estate sector, reduced urbanization or industrialization and a slowing expansion of the middle class. Slowing demand for commodities from China and a sustained slowdown in China’s growth, whether caused by these factors or otherwise, could have a material adverse effect on our business, operational results, cash flows, financial condition and competitive position. See also “—*Our business, results of operations, cash flows and financial condition have been and may continue to be adversely affected by commodity and diamond price fluctuations and adverse economic conditions.*”

***Our business may be adversely affected by attacks from third parties on our information systems.***

We maintain and rely on information technology systems, consisting of digital infrastructure, applications and communications networks to support our business activities. These systems may be harmed or subject to security breaches or other incidents, whether from malicious or unintentional sources, that may result in the theft, loss, disclosure or corruption of personal (in breach of applicable data protection legislation), sensitive or proprietary information including information relating to acquisitions and divestments, strategic decision-making, investment market communications or commercially sensitive information relating to major contracts. Security breaches may also result in misappropriation of funds, fraud, disruptions to our business operations, financial losses, increased costs, environmental damage, increased health and safety risks to people, poor product quality, theft or loss of intellectual property, legal or regulatory breaches and liability or reputational damage. Damage is also possible to equipment that is critical to mining or processing of ore, resulting in interruption to production and possible financial loss.

These risks are exacerbated by cyber-crime or activist activity aimed at causing disruption or attempts by third parties to access sensitive information. The pace of technological development makes it challenging to prevent the increasingly frequent and sophisticated attacks on information technology systems.

***Unplanned and unexpected operational issues may affect our ability to achieve our delivery of the Group’s earnings before interest, tax, depreciation and amortization (“underlying EBITDA”) improvement targets.***

In order to support our continuous financial performance enhancement goal, net cost and volume improvements are targeted. Risks to delivery include unplanned or unexpected operational issues and stoppages,

failure of third party suppliers of power, port, rail and other critical infrastructure, failure to implement, comply with and embed the Group's operating model and technical standards or to maintain critical plant, machinery and infrastructure, lack of joint venture partner support, limited and or stretched resources to manage complex and multi-disciplinary projects and inability to deliver savings through implementation of new technology and innovation. Failure to deliver our underlying EBITDA improvement targets could adversely affect our cash flow levels, reduce investor confidence and adversely affect our business or reputation.

***Our operations and development projects could be adversely affected by shortages of, as well as lead times to deliver, certain key inputs.***

The inability to obtain, in a timely manner, strategic consumables, raw materials and mining and processing equipment could lead to lower output volumes and could have an adverse impact on our results of operations, development projects and financial condition. During periods of strong demand for commodities, increased demand for such supplies may result in periods when supplies are not always available or cause costs to increase above normal inflation rates, including as a result of the COVID-19 pandemic and Russia's ongoing invasion of Ukraine. See also "—Inflation may have an adverse effect on our results of operations and cash flows". Any interruption to our supplies or increase in our costs would adversely affect our operating results, cash flows or reputation and such effects could be material.

***Identifying, consummating and integrating pending or potential acquisitions, investments, disposals or other transactions, and any difficulties faced in doing so, may expose us to potential risks and have an adverse effect on our reputation, results of operations or financial condition.***

As we actively manage and evolve our asset portfolio, we expect to continue to assess opportunities and enter into discussions regarding potential strategic acquisitions, disposals and similar transactions to further expand or scale back our business. From time to time, we may consider a number of pending or potential acquisitions, investments, disposals or other transactions that are subject to due diligence processes, negotiation, transaction related ad hoc agreements such as non-disclosure and standstill agreements and further related binding and non-binding understandings with potential sellers, buyers or other transaction participants. Such pending and potential transactions may have a material impact on our business if consummated. However, such pending and potential transactions are also subject to uncertainties and may not be completed due to, among other reasons, failure to agree terms or failure to satisfy all closing conditions, for example as a result of inaccuracy or breach of representations and warranties of, or non-compliance with covenants by, either party or other reasons.

Our integration of acquired entities or assets into our business may not be successful and may not enable us to generate the expected revenues or expand into new products, markets or operating locations as well as we expect. This would significantly affect the expected benefits of these acquisitions. Moreover, the integration of any acquired entities or assets into our operations could require significant attention from our management, which would be subject to potential diversion of its time and focus from operating our business. Such diversion of our management's attention and any difficulties encountered in any integration process of potentially incompatible corporate cultures could have an adverse effect on our ability to manage our business. In addition, we may face challenges trying to integrate new businesses, assets, operations and personnel with our existing operations. Our possible future acquisitions may also expose us to other potential risks, including risks associated with unforeseen or hidden liabilities, litigation, corrupt practices of prior owners or other issues not discovered in the due diligence process or addressed through acquisition agreements, the diversion of resources from our existing businesses, our inability to generate sufficient revenue to offset the costs and expenses of acquisitions and potential loss of, or harm to, relationships with employees and customers as a result of our integration of new businesses.

In addition, a significant portion of the purchase price of companies we acquire may be allocated to acquired goodwill and other intangible assets, which must be assessed for impairment. In the future, if our acquisitions do not yield expected returns or if the valuations supporting our acquisitions or investments change, we may be required to take charges to our operating results based on this impairment assessment process, which could adversely affect our results of operations.

Our failure to address these risks or other problems encountered in connection with past or future acquisitions and investments could cause us to fail to realize the anticipated benefits of these acquisitions, disposals or investments, cause us to incur unanticipated liabilities and harm our business generally. Future acquisitions could

also result in the use of substantial amounts of our cash and cash equivalents, dilutive issuances of our equity securities, the incurrence of additional debt, contingent liabilities, amortization expenses or the write-off of goodwill, any of which could harm our financial condition. The anticipated benefits of any acquisitions may not materialize, may be less beneficial, or may develop more slowly, than we expect. If we do not receive the benefits anticipated from these acquisitions and investments, or if the achievement of these benefits is delayed, our reputation, results of operation or financial condition may be adversely affected which could have an adverse impact on the value of the Notes.

***Our business may be adversely affected by liquidity and counterparty risk.***

We are exposed to liquidity risk arising from the need to finance our ongoing operations and growth, as well as to refinance our debt maturities as they fall due. Global credit markets have been severely constrained in the past and our ability to obtain funding has been, and may in the future be, significantly reduced.

Any future potential credit rating downgrade may have a negative impact on our ability to obtain funding and may further increase the cost of financing or require us to agree to more onerous financing terms and may adversely affect the value of the Notes being offered.

If we are unable to obtain sufficient funding, either due to banking and capital market conditions generally, or due to factors specific to our business, we may not have sufficient cash to meet ongoing financing needs and other requirements, which in turn could materially and adversely affect our financial condition and could result in a loss of all or part of your investment in the Notes. For example, Russia's ongoing invasion of Ukraine has adversely impacted the global banking and capital markets and our operating cash flows and may increase our counterparty risk in light of related market disruption and volatility. See "*—Our business, results of operations, cash flows and financial condition have been and may continue to be adversely affected by commodity and diamond price fluctuations and adverse economic conditions*".

To the extent that our operating cash flows are insufficient to meet our debt service obligations, including payments of interest and principal on the Notes, we may be required to raise funds through disposals of assets or use alternative funding sources such as our Group-level revolving credit bank facility. There can be no assurance, however, that such cash flows or proceeds will be sufficient or that refinancing will be available on commercially viable terms. Any failure to meet our debt service obligations or to obtain refinancing on commercially viable terms would have a material adverse effect on our financial condition, business prospects, results of operations or reputation and could result in a loss of all or part of your investment in the Notes.

In addition, we are exposed to counterparty risk from customers and financial institutions that could result in financial losses should those counterparties become unable to meet their obligations to us. Furthermore, the treasury operations of our joint ventures and associates are independently managed and may expose us to liquidity, counterparty and other financial risks. Should our counterparties be unable to meet their obligations to us, or should the treasury operations of our joint ventures or associates incur losses, our operating results, cash flows, competitive position, financial condition or reputation could be materially and adversely affected.

***Inflation may have an adverse effect on our results of operations and cash flows.***

Because we cannot control the market price at which commodities we produce are sold, we may be unable to pass through increased costs of production to our customers. As a result, it is possible that significantly higher inflation in the countries in which we operate may increase operational costs (including, but not limited to, increased and/or persistently high energy prices) without a corresponding increase in the US dollar price of the commodities we produce, or a concurrent depreciation of the local currency against the US dollar.

Cost inflation in the mining sector is more apparent during periods of high commodity prices because demand for mining-related products and services can tend to exceed supply during such periods. However, such inflation can occur at any point in the commodity cycle, and in the past we have also experienced cost inflation during periods of decreasing commodity prices, and we are experiencing, and may continue to experience, cost inflation, including resulting from the impact and consequences of the COVID-19 pandemic and Russia's invasion of Ukraine and generally high and increasing inflation in many places in which we operate (see also "*—Our business, results of operations, cash flows and financial condition have been and may continue to be adversely affected by commodity and diamond price fluctuations and adverse economic conditions*"). A lag in the reduction of input costs relative to declining commodity prices will have a similar negative effect on our results of operations. Any such

increased costs or delays in cost reductions may adversely affect our profit margins, cash flows and results of operations and such effects could be material.

***The use of mining contractors at certain of our operations may expose those operations to delays or suspensions in mining activities.***

Mining contractors are used at a number of our operations to perform various operational tasks, including carrying out mining activities and delivering ore to processing plants. In periods of high commodity prices, demand for contractors may exceed supply resulting in increased costs or lack of availability of key contractors. Disruptions of operations or increased costs also can occur as a result of disputes with contractors or a shortage of contractors with particular capabilities. Additionally, because we do not have the same control over contractors as we do over employees, there is a risk that contractors will not operate in accordance with our safety standards or other policies. To the extent that any of the foregoing risks materialize, our operating results, cash flows or reputation could be adversely affected.

***Our operations and development projects could be adversely affected by shortages of appropriately skilled employees, for whom we compete with mining and other companies to recruit, develop and retain.***

Our ability to recruit, develop and retain personnel with appropriate skills is affected by global competition for skilled labor, particularly in periods of high commodity prices when demand for such personnel typically increases. Any failure to retain skilled employees or to recruit new staff may lead to increased costs, interruptions to existing operations and delays to new projects.

***Labor disruptions could have an adverse effect on our results of operations, cash flows and financial condition.***

There is a risk that strikes or other types of conflict with unions or employees may occur at any one of our operations, development projects or suppliers of critical goods and services, or in any of the geographic regions in which we operate. In key countries where we operate, the majority of employees are members of trade unions, especially in South Africa and South America. Labor disruptions may be used not only for reasons specific to our business, but also to advocate labor, political or social goals. Any labor disruptions could increase operational costs and decrease revenues, and if such disruptions are material, they could adversely affect, possibly significantly, our results of operations, cash flows, financial condition or reputation.

***Failure to meet production, construction, delivery and cost targets can adversely affect both operational performance and our ability to implement projects in a timely and efficient manner, resulting in increased costs.***

Failure to meet production targets can result in increased unit costs, and such increases may be especially pronounced at operations with higher levels of fixed costs. Unit costs may exceed forecasts, adversely affecting performance and results of operations. Results of operations can be affected by a range of technical and engineering factors. Since the completion of this acquisition, detailed technical reviews of Anglo American's Woodsmith polyhalite project in the United Kingdom have taken place to bring the project up to Anglo American's safety and operational integrity standards. Further, significant changes have been made to the scope, design and approach to execution of the project. These changes will allow future optionality for a larger operating footprint, to be delivered in a phased approach in step with market development, and to optimize the value of the asset for the long term. These changes are expected to result in an extended project and ramp-up schedule, with first product to market currently expected to be available in 2027 and higher capital expenditure overall. For accounting purposes at this early stage of the project's development, we have recognized an impairment of US\$1.7 billion to the carrying value of the asset within special items and remeasurements, reflecting the extension of the development schedule and capital budget. For further details, see "Business Description - Business Segments - Crop Nutrients - Recent Developments". Failure to meet project delivery times and costs could have a negative effect on operational performance and our reputation, and lead to increased costs or reductions in revenue and profitability. Such increases could materially and adversely affect the economics of a project, and consequently our results of operations, cash flows and financial condition.

***Restrictions on our ability to obtain, sustain or secure access to water and necessary infrastructure services, including utilities and transportation, may adversely affect our operations.***

Inadequate supply of the critical infrastructure elements for mining activity could result in reduced production or sales volumes or impact our development projects, which could have a negative effect on our financial performance. Prioritization, restrictions on supply or disruptions in the supply of essential utility services, such as water and electricity, can reduce or halt our production for the duration of the restriction or disruption and, when unexpected, may cause loss of life or damage to our mining equipment or facilities, which may in turn affect our ability to recommence operations on a timely basis. For example, in recent years drought in Chile has resulted in a decline in the country's water reserves. Such a continuous drought and decline in water reserves may increase costs, reduce production levels or impact operational stability and local communities, any of which may have an adverse impact on the Group's reputation, results of operations or financial condition. In addition, poor water resource management or inadequate onsite storage, combined with reduced water supply at some operations as weather patterns change, can affect production. Loss of permits to use water in our operations and damage to stakeholder relationships or reputational damage can result from failure to manage water in a responsible and sustainable manner.

Adequate provision of transportation services, in particular rail services and timely port access, are critical to getting our products to market and disruptions to such services may significantly affect our operations. We are largely dependent on critical third party-owned and -operated providers of utility and transportation services including rail, port and shipping services, and their provision of services, maintenance of networks and expansion and contingency plans are outside our control.

In certain instances, our growth plans are reliant on critical third party-owned and -operated rail providers expanding their carrying capacity.

In South Africa, there is a risk that the electricity supply may not be able to meet the country's demands, leading to unplanned outages and failure of the national grid. We are a significant consumer of power owing to the extent of our operations in South Africa. The risk is created through the lack of investment in generating capacity and a maintenance backlog in some generating facilities leading to unplanned outages and/or potential extraordinary tariff increases. Unplanned and short-notice power supply outages can lead to production shortfalls, with a negative effect on revenue, costs and productivity. There are potential safety implications, particularly for underground mines and process activities.

Loss of critical computing systems can interrupt normal business activities.

Any such events are likely to adversely affect our production volumes and may increase our costs, which would in turn adversely affect our results of operations and cash flows, and such effects could be material.

***Substitution of commodities mined by our business could adversely affect sales volumes and revenue.***

Reduced demand for products mined by our business through substitution due to technological developments, for example alternatives being developed to the use of platinum group metals in catalytic converters and a switch to battery operated vehicles instead of fuel cell electric vehicles, or substitution of supply through recycling and shifts in consumer preferences, could have an adverse effect on our results of operations, cash flows and financial condition.

Technological developments, product substitution and consumer demand are resulting in increased production and sale of manufactured synthetic gem diamonds. These may be fraudulently sold as natural stones (undisclosed) or marketed and sold as synthetics (disclosed). Increased competition from disclosed synthetics may lead to a potential reduction in rough diamond sales, which could have a material adverse effect on our revenue, cash flow, profitability and value.

***We may have fewer Ore Reserves or Mineral Resources than our estimates indicate.***

Our Mineral Resource and Ore Reserve estimates are based on a number of assumptions which are inherently prone to variability. Our Mineral Resources and Ore Reserves estimates are stated as at December 31, 2022 and such estimates are based on a number of assumptions, including the price of commodities, production costs, recovery rates, the availability and quality of geological and technical information, industry practice and subjective judgments made by management and our other competent persons with regard to the presence and grade of

orebodies and the ability to extract and process the ores economically. There are also risks associated with such estimates, including that ore extracted may be different from the Ore Reserve estimates in quality, volume and/or cost. In addition, Ore Reserves may not ultimately be extracted at a profit.

If we encounter mineralization or geological or mining conditions different from those predicted by historical drilling, sampling and similar examinations, we may have to adjust our mining plans in a way that could materially and adversely affect our business, financial condition and results of operations and reduce the estimated Mineral Resources and Ore Reserves available for production and expansion plans.

In addition, our portfolio of Mineral Resources and Ore Reserves includes Inferred Mineral Resources. Inferred Mineral Resources have a great amount of uncertainty as to their continuity and physical properties and their economic and legal feasibility. Furthermore, it cannot be assumed that, and there is no guarantee that, the Mineral Resources estimated are capable of being directly converted to Ore Reserves, nor that all or any part of an Inferred Mineral Resource will ever be upgraded to a Measured or Indicated Mineral Resource category. The inclusion of Mineral Resource estimates should not be regarded as a representation that this material will be exploited economically.

Future fluctuations in the variables underlying our estimates may result in material changes to our Ore Reserve estimates and such changes may have a materially adverse impact on our operating results, cash flows, financial condition and prospects or reputation.

***Failure to discover, or acquire, new economic mineralization, enhance existing Ore Reserves or adequately develop new projects could adversely affect our business.***

Exploration and development are costly, speculative and often unproductive activities, but are necessary for our future growth. Failure to discover, or acquire, new economic mineralization, to maintain our existing mineral rights, to enhance or replenish existing Ore Reserves or to economically extract Ore Reserves in sufficient amounts and in a timely manner could materially and adversely affect our results of operations, cash flows, financial condition and prospects or reputation. In addition, we may not be able to recover the funds we spend identifying new mining opportunities through our exploration program.

Increasingly stringent requirements relating to regulatory, environmental and social approvals can result in significant delays in construction of our facilities and may adversely affect the economics of new mining projects, the expansion of existing operations and, consequently, our results of operations, cash flows and financial condition and such effects could be material.

***Our business may be adversely affected by currency exchange rate fluctuations and interest rate movements.***

Because of the global nature of our business, we are exposed to currency risk principally where transactions are not conducted in US dollars or where assets and liabilities are not US dollar-denominated. The majority of our sales revenue is denominated in US dollars, while the majority of our operating costs are influenced by the currencies of the countries where our operations are located and by the currencies in which the costs of imported equipment and services are denominated. The South African rand, Chilean peso, Brazilian real, Australian dollar, Canadian dollar, Peruvian sol, British pound and US dollar are the most important currencies influencing our operating costs and asset valuations. Because our policy is generally not to hedge such exposures, fluctuations in the exchange rates of these currencies may adversely affect our operating results, cash flows or financial condition to a material extent.

If the Group is subjected to volatile interest rate fluctuations, its operating results, cash flows, competitive position and financial condition could be materially and adversely affected. See “—*Our business, results of operations, cash flows and financial condition have been and may continue to be adversely affected by commodity and diamond price fluctuations and adverse economic conditions*” and “*Operating and Financial Review — Financial Risk Exposure and Management—Interest Rate Risk*”.

***Our non-controlled assets may not comply with our standards.***

Some of our operations are controlled and managed by joint venture partners, associates or by other companies. Management of such non-controlled assets may not comply with our standards, for example, on safety, health, environmental and social performance matters or on financial or other controls and procedures. This may lead to



higher costs and lower production and adversely affect our results of operations, cash flows, financial condition or reputation.

***Certain factors may affect our ability to support the carrying value of our property, plant and equipment, acquired properties, investments and goodwill on our balance sheet.***

We review and test the carrying value of our assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. If there are indications that impairment may have occurred, we prepare estimates of expected future cash flows for each group of assets. Expected future cash flows are inherently uncertain and could materially change over time. They are significantly affected by Ore Reserve and production estimates, together with economic factors such as spot and forward commodity prices, discount rates, currency exchange rates, estimates of costs to produce Ore Reserves and future capital expenditure.

If any of these uncertainties occur, either alone or in combination, it could require management to recognize an impairment, which could materially and adversely affect our results of operations, financial condition or reputation. For example, see “*Business Description - Business Segments - Crop Nutrients - Recent Developments*”.

***Inaccurate assumptions in respect of critical accounting judgments could adversely affect financial results.***

In the course of preparing financial statements, our management necessarily makes judgments and estimates that can have a significant impact on our financial statements. The most critical of these relate to impairment and impairment reversals of assets, taxation, contingent liabilities, joint arrangements, estimation of Ore Reserves, assessment of fair value, restoration, rehabilitation and environmental costs, retirement benefits and deferred stripping. The use of inaccurate assumptions in calculations for any of these estimates could have a significant impact on our results of operations, financial condition or reputation.

#### **Legal, Regulatory, Political and Tax Risks**

***Safety, health and environmental exposures and related regulations may expose us to additional litigation, compliance costs, interruptions to operations, unforeseen environmental remediation expenses and loss of reputation.***

Mining is a potentially hazardous industry and is highly regulated by safety, health and environmental laws and regulations. Working conditions, including aspects such as weather, altitude and temperature, can add to the inherent dangers of mining, whether underground or in open pit mines. Failure to provide a safe and healthy working environment or an environmentally acceptable one in accordance with the relevant applicable legislation or regulations may result in government authorities, regulators or courts forcing closure of mines and ceasing of operations or maintenance of our assets, in each case on a temporary or permanent basis, or refusing mining right applications, among other measures.

Inability to eliminate fatalities and deliver a sustained improvement in safety performance or occupational health may result from management interventions and training initiatives failing to translate into behavioral change by all operational leaders, employees and contractors. Non-compliance with safety rules and critical controls and poor hazard identification and control are common failures in safety incidents which can lead to loss of life, workplace injuries and safety-related stoppages, all of which immediately impact production and in the long term, threaten our license to operate. As a consequence of safety, health or environmental incidents, we could face civil or criminal fines and penalties, liability to employees and third parties for injury, illness or death, statutory liability for environmental remediation, mandatory operational changes and other financial consequences, which may be significant. We are currently subject to ongoing litigation relating to some of these areas of risk and may face additional litigation or prosecution in the future. In the last few years, local claimants in countries outside Europe and the US have increasingly sought to raise claims arising from local environmental and/or human rights incidents in European (including U.K.) and US courts, with some success in the U.K. and Dutch courts. We could face similar claims - see for example “*General Information – Litigation – Kabwe*”.

The mining process, including blasting and processing orebodies, can generate environmental impacts including dust and noise and may require the storage of waste materials (including in liquid form). Risk in the form of dust, noise or leakage of product or polluting substances from pipelines or site operations or uncontrolled breaches of mine residue facilities such as tailings dams have the potential of generating harm to our employees, communities and the environment near our operations. Potential impacts include fines and penalties, statutory

liability for environmental remediation, mandatory operational changes and other financial consequences that may be significant. Governments, courts or regulators may force closure of mines on a temporary or permanent basis or refuse future mining right applications.

We could also suffer impairment to our reputation, industrial action, difficulty in recruiting and retaining skilled employees or a change in buying behavior away from the products offered by the Group. Any future changes in laws, regulations or community expectations governing our operations could result in increased compliance and remediation costs.

Any of the foregoing developments could have a materially adverse effect on our results of operations, cash flows or financial condition.

***Legal and regulatory uncertainty, political and economic instability and social conditions in the countries in which our business operates could adversely affect our business.***

Our business is affected by legal and regulatory uncertainty, by global, regional and national political and economic tensions, disputes, conflicts and instability and by social conditions in the countries and jurisdictions in which we operate. We are exposed to various risks resulting from developments and changes (due to elections or other means) to political or fiscal regimes or other legal or regulatory regimes that may result in restrictions on the export of currency, expropriation of assets, nationalization, political instability, corruption, terrorism, the imposition of royalties or new taxes, changes in regulations or the imposition of additional requirements that may impact or increase the costs associated with our mining operations, failure to effect or renew agreements with host governments and requirements for local ownership or beneficiation. The effectiveness of national governance in countries in which we operate may be compromised by corruption, weak policy framework and ineffective enforcement of the law.

Political instability can also result in civil unrest (including social conflict and protests) or nullification or non-renewal of existing agreements, mining permits, sales agreements or leases, any of which may adversely affect our operations or results of operations. Uncertainty over future business conditions can lead to a lack of confidence in making investment decisions, which can influence future financial performance. We may in the future incur significant costs as a result of changes in the interpretation of existing laws and guidelines or the imposition of new taxes or conditions on our mining rights.

For example, in recent years, Chile has experienced significant social unrest resulting in calls for social reform and a new constitution. After an unsuccessful attempt to approve a new proposed constitution through a national referendum in 2022, a new process is under way to submit a new draft to a second national referendum in December 2023. The process to draft this second proposal has been approved by Congress and will consist of a committee of subject matter experts and an elected body of constituents. It is highly likely that the next proposal will be more moderate than the version rejected in 2022, but that the industry will have stricter environmental controls, including a limitation on mining in glaciers. In addition, in September and October 2022, the Chilean Executive proposed a set of amendments to the original tax and royalty reform bills that, if implemented, could have materially increased the overall tax taken from the mining sector through a range of initiatives including a new royalties system and other additional changes. In January 2023, both bills moved to the next stage of the legislative process (the royalty bill was approved by the Senate Mining and Energy Committee and the tax reform was approved by the Finance Committee of the Lower House). Subsequently, the tax bill was rejected in March 2023 by the Lower House of Congress, which increased the pressure to approve the royalty bill. Next steps for the royalty bill are obtaining approval at the Finance Committee and later at the Senate floor, where further amendments can be introduced. In December 2022, Peru faced political unrest due to the attempted coup d'état of former President Castillo and the subsequent constitutional succession of President Dina Boluarte. This led to social protests in Lima and other regions, with some turning violent. However, since March 2023, protests have subsided, and the political agenda has shifted from early elections, a new constitution, and calls for President Boluarte's resignation to economic growth and domestic insecurity. In Australia, in June 2022, the Queensland Government announced significantly higher royalty rates for coal, based on three new progressive tiers, which became effective from July 1, 2022. The adoption of such measures and related regulatory or policy changes in Chile, Peru, Australia or elsewhere where the Group has operations may result in the incurrence of additional costs associated with our mining operations as well as operating challenges linked to compliance with such newly introduced measures, regulations

or policy changes, all of which could have a materially negative impact on our results of operations, cash flows and financial condition.

In addition, in certain jurisdictions in which we operate, from time to time local authorities may, or may seek to, unilaterally impose additional requirements such as backfilling or other remediation requirements on the operations of our mines which could increase the costs associated with our mines and result in us having to make unanticipated provisions for such costs. We may from time to time challenge such additional requirements if we believe that these are not lawfully imposed and may incur costs in connection with such legal challenges and they may take time to conclude.

Global supply chains may be impacted by the threat of or actual disputes between major economies. Regional and national political tensions may result in social unrest affecting our operations and employees. Uncertainty over future business conditions or actual or potential social, political or economic developments and changes may restrict the ability to execute strategic initiatives that are designed to reduce costs or divest assets and may undermine investor confidence, which may hamper investment and thereby reduce economic growth, and otherwise may adversely affect the economic or other conditions under which we operate in ways that could have a materially negative effect on our business. See “—*Our business, results of operations, cash flows and financial condition have been and may continue to be adversely affected by commodity and diamond price fluctuations and adverse economic conditions*”. Increased costs can also be incurred as a result of additional regulations or resource taxes. Any of these risks may materially and adversely affect our results of operations, cash flows and financial condition or deprive us of the economic benefits of ownership of our assets.

***We may be unable to obtain, renew, amend or extend key contracts, required licenses, permits and other authorizations and/or such key contracts, licenses, permits and other authorizations may be suspended, terminated or revoked prior to their expiration.***

We currently conduct, and will in the future be required to conduct, our operations (including prospecting and exploration activities) pursuant to licenses, permits, mining regulations and other authorizations. Regulations impacting the mining industry are evolving as a result of political developments, changes in societal expectations and the public perception of mining activities. Any delay and/or refusal by relevant government authorities in the granting, amending or renewing of a license, permit or other authorization may impact our future production, our investment or development of a mineral deposit or project or our implementation of new technology and innovation which may adversely affect our sustainability objectives, production output and revenues and may have a material adverse effect on our reputation, results of operations, cash flows and financial condition.

Failure to comply with management processes may threaten our ability to adhere to regulations and permits. Our existing licenses, permits and other authorizations may be suspended, terminated or revoked if we fail to comply with applicable mining regulations or the relevant requirements of such licenses, permits or authorizations, and in certain cases additional requirements may be imposed on us unilaterally or in connection with amending, extending or renewing a license, permit or other authorization that may result in additional costs to us. For example, the operations at, and expansion of, Minas-Rio are dependent on the Group acquiring and maintaining environmental licenses. The Step 3 environmental license for the mine was granted in December 2018 and the Step 3 operational licenses for the heightening of the tailings dam to level 700 was obtained in April 2021. In light of new rules being implemented in Brazil in response to recent tailings dam breaches, we may encounter difficulties and consequential delays in obtaining new licenses for further heightening of the tailings dam.

In all of the jurisdictions in which we operate mines, should we fail to fulfill the specific terms of any of our licenses, permits and other authorizations or if we operate our business in a manner that violates applicable law or regulation, regulators may impose fines or suspend or terminate the license, permit or other authorization, any of which could have a material adverse effect on our results of operations, cash flows, financial condition or reputation.

A further extension to the existing contract for the sale of the majority of Debswana’s rough diamond production was previously agreed until the end of June 2023 by the Government of the Republic of Botswana and De Beers Group. The terms of the existing agreement, which was originally due to expire at the end of 2020, were extended, providing further time for contract renewal discussions. Failure to renew the sales agreement, or

renewing the sales agreement on less favorable terms, could materially and adversely affect the Group's operations, cash flows, financial condition and prospects, although De Beers' interests in Debswana's financial returns would continue pursuant to the Debswana joint venture arrangements.

***Failure to prevent acts of fraud, bribery, corruption or anti-competitive behavior could adversely affect our business.***

Potential impacts of violations of laws governing fraud, bribery, corruption, money laundering and trade sanctions or anti-competitive behavior include criminal investigations, prosecution, fines, penalties, adverse media attention, reputational damage and a negative impact on licensing processes and valuation. We may suffer financial loss if we are the victim of a fraudulent act. As indicated by indices prepared by independent non-governmental organizations, we operate in certain countries where the risk of corruption is high, and certain industries in which we operate have in the past faced prosecution for anti-competitive behavior. For example, on February 24, 2023, the Financial Action Task Force placed South Africa on its list of jurisdictions subject to increased monitoring in respect of anti-money laundering and terrorist financing deficiencies. Practically this means enhanced scrutiny and processes for cross border trade with South African businesses, including by international financial institutions and banking systems requiring additional information on the customer, obtaining information on the source of funds and source of wealth of the customer, and enhanced monitoring of the business relationships. See "*Recent Developments—Placement of South Africa on FATF "grey list"*".

***We are subject to risks associated with litigation and regulatory proceedings.***

As with most large corporations, we are involved from time to time as a party to various lawsuits, arbitrations, regulatory proceedings, investigations or other disputes. Litigation, arbitration and other such legal proceedings or investigations involve inherent uncertainties and, as a result, we face risks associated with adverse judgments or outcomes in these matters. Among other matters, regulatory proceedings, investigations or litigation could occur in relation to a wide variety of matters such as contractual disputes, regulatory compliance, license to operate challenges, environmental, social, governance and human rights related matters, data breaches (including personal or sensitive data under relevant data protection legislation) or allegations of discrimination or harassment. Even in cases where we may ultimately prevail on the merits of any dispute, we may face significant costs defending our rights, lose certain rights or benefits during the pendency of any proceeding or suffer reputational damage as a result of our involvement. We are currently engaged in a number of legal and regulatory investigations, proceedings and arbitrations in various jurisdictions. See "*General Information—Litigation*" and "*Recent Developments—Announcement of market inquiry into the South African steel industry by the South African Competition Commission*".

There can be no assurance as to the outcome of any litigation, arbitration or other legal proceeding or investigation, and the adverse determination of material litigation or proceeding could have a materially adverse effect on our business, operational results, cash flows, and financial condition or reputation.

***Our business is exposed to certain tax risks***

We are subject to corporate and other tax laws, rules and regulations in the jurisdictions in which we operate. Changes in tax rates, tax relief and tax laws, rules and regulations, changes in practice or interpretation or inconsistent enforcement of the law by the relevant tax authorities, increasing challenges by relevant tax authorities, or any failure to manage tax risks adequately could result in increased charges, financial loss, penalties and reputational damage, which may have a negative impact on the Group's results or financial condition. In particular, revenue needs mean that increased levels of tax enforcement have become a higher priority for many governments and tax authorities in jurisdictions in which we operate, which has led to an increase in tax audits, enquiries and challenges, or the testing through litigation of the boundaries of the correct interpretation of legislation. Tax authorities may also actively pursue additional taxes based on retroactive changes to tax laws (or seek to interpret prospective tax laws and guidance retrospectively) and we may disagree with tax authorities' legal interpretations which could result in a material restatement to the tax position.

In line with our tax strategy we are committed to complying with relevant tax laws, paying the right tax at the right time, and recognizing the importance of respecting both the spirit and the letter of the laws of each country in which we operate. Nevertheless, as a complex business, we have been and will continue to be subject to the risk of adverse or aggressive interpretations of tax laws or regulations or the imposition of arbitrary or onerous taxes,

interest charges and penalties. The Organization for Economic Co-operation and Development and other government agencies in jurisdictions in which we operate have increasingly focused on issues related to the taxation of multinational corporations, including base erosion and profit shifting and the impact of digitalization and globalization on value chains and tax bases – the outcomes of multilateral and unilateral reforms in these areas are inherently uncertain. As a complex business we could also be exposed to significant fines and penalties and to enforcement measures, including, but not limited to, tax assessments, despite our best efforts at compliance. In response to tax assessments or similar tax deficiency notices in particular jurisdictions, we may be required to pay the full amount of the tax assessed (including stated penalties and interest charges) or post security for such amounts notwithstanding that we may contest the assessment and related amounts.

## **Environmental, Social and Governance Risks**

***Failure to manage relationships with local communities, society at large, government and non-governmental organizations or to identify, understand, respond and align to evolving stakeholder and societal requirements and expectations could adversely affect our future growth potential.***

We operate in several countries where ownership of rights in respect of land and resources is uncertain and where disputes in relation to ownership or other community matters may arise. These disputes are not always predictable and may cause disruption to projects or operations. Our operations can also have an impact on local communities, including the need, from time to time, to relocate communities or infrastructure networks such as railways and utility services. Implementation of new technologies may have implications for employment or prospects for future employment in local communities. Failure to manage and maintain healthy relationships or a breakdown in trust with local communities, society at large, government and non-governmental organizations may negatively affect our reputation, as well as our license to operate and our ability to bring projects into production, which could in turn adversely affect our future growth opportunities, revenues, results of operations and cash flows, potentially in a material manner. Moreover, industrial companies such as ours are being targeted increasingly by lawsuits across jurisdictions alleging a failure of duty of care on environmental, social or governance grounds, regardless of whether the targeted companies are complying with applicable regulations. There can be no certainty that we will not face similar claims or lawsuits. The Group may incur substantial costs in investigating and defending these claims, even if any such proceedings are ultimately found in its favor.

Failure to identify, understand, respond and align to changing rules, regulations, binding or non-binding legal or industry standards (whether by any present or future applicable law or regulations or by other governing rules or industry-level guidelines or any other guidance issued by non-governmental organizations, associations, trade forums and investment advisory bodies) and stakeholder and societal expectations and requirements regarding issues such as environment, social and governance (ESG) matters, particularly linked to climate change, fossil fuels and carbon emissions, as well as racial, cultural and gender matters, could affect our growth opportunities and our future revenues and cash flows. Long term demand for metals and minerals produced and marketed by Anglo American may deviate from assumptions based on societal demands for climate change abatement. Stakeholder requirements and expectations continue to evolve, and different stakeholder groups can have opposing requirements and expectations of us. For example, an increasing number of financial stakeholders are adopting stricter investment or financing criteria with regards to fossil fuels and carbon emissions. This is having a growing impact on industries that are major producers, and users, of fossil fuels and which are major emitters of CO<sub>2</sub> and other greenhouse gases. Yet such industries, particularly in poor and developing countries, are often a significant development player, contributing to such countries' economic progress, providing employment, along with earnings and foreign exchange. Failure to balance opposing stakeholder expectations adequately could lead to potential loss of stakeholder confidence in the Group and adverse effects to our reputation.

***Climate change as well as existing and proposed legislation and regulations on greenhouse gas emissions may adversely affect certain of our operations.***

Anglo American is a significant user of energy and is also a steelmaking coal producer and exporter. Our operations are exposed to changes in climate and the need to comply with changes in the regulatory environment aimed at reducing the effect of climate change. Climate change is a key challenge in our era and our commitment to being part of the global response presents certain risks. Various measures aimed at reducing greenhouse gas emissions and improving energy efficiency may affect our operations and customer demand for our products over time and are partly reliant on new technologies that are at various stages of adoption and development and may not

prove effective. We may fail to achieve carbon reduction targets in the event that new technologies are not effective or embedded in our operations. Policy developments at an international, regional, national and sub-national level and emissions trading systems, such as the Emissions Trading System of the European Union, have implications on the profitability of our business where our greenhouse gas-intensive and energy-intensive assets are concerned. We may be under increasing stakeholder scrutiny to manage and mitigate the climate change impacts of our operations regardless of legal, regulatory or policy developments, including on whether we are able to meet our own sustainability targets. Failure to meet our own sustainability targets, commitments or ambitions may lead to potential loss of stakeholder confidence or have an adverse impact on the Group's reputation, results of operations or financial condition.

Potential impacts from climate change for our assets depend on the circumstances at individual sites, but changing weather patterns and an increase in extreme weather events, including increased rainfall, flooding, droughts and water shortages, fires and higher average temperatures, may increase costs, reduce production levels or impact operational stability and local communities, any of which may lead to a loss of stakeholder confidence or have an adverse impact on the Group's reputation, results of operations or financial condition.

***We face certain risks from the high infection rates of HIV/AIDS that may adversely affect our business and the communities in which we operate.***

We recognize that the HIV/AIDS epidemic in sub-Saharan Africa is a significant threat to economic growth and development in that region and affects our business. In addition to the costs associated with the provision of anti-retroviral therapy to employees and their dependents and occupational health services (both of which will increase if the incidence of HIV/AIDS spreads), there is a risk that the recruitment and retention of the skilled personnel needed to maintain and grow our business in southern Africa (and other regions where HIV/AIDS is a major social issue) will be impacted. If this occurs, our business would be adversely affected.

***Investor activism may result in an inability to execute our strategy should investors seek to influence management to take an alternative direction.***

Any larger, influential shareholder, or shareholders, may exert pressure on management to take a direction they assert is more conducive to realizing higher returns. This pressure may include the Group's portfolio composition, commodity choices or geographical locations in which the Group operates or plans to operate in, any of which may have an adverse impact on the Group's results, financial condition or reputation.

## **Risks Relating to the Notes**

***There is no established trading market for the Notes and one may not develop.***

The Notes will be new securities for which there currently is no established trading market. The Notes have not been and will not be registered under the Securities Act and will be subject to significant restrictions on resale. See "Transfer Restrictions". There can be no assurance regarding the future development of a market for the Notes or the ability of holders of the Notes to sell their Notes or the price at which such holders may be able to sell their Notes. If such a market were to develop, the Notes could trade at prices that may be lower than the initial offering prices depending on many factors, including prevailing interest rates, our operating results and the market for similar securities. Therefore, there can be no assurance as to the liquidity of any trading market for the Notes or that active markets for the Notes will develop. We have made an application for listing the Notes on the Official List and for Admission to trading on the London Stock Exchange's Main Market. However, our listing and Admission may not be approved or, if approved, may not be maintained. In addition, the ability of the Initial Purchasers to make a market in the Notes may be impacted by changes in any regulatory requirements (including as a result of regulatory developments such as the SEC's interpretation of Rule 15c2-11 under the Exchange Act and its application to debt securities) applicable to the marketing, holding and trading of, and issuing quotations with respect to, the Notes.

***Changes in our credit ratings could adversely affect the value of the Notes.***

Any of the rating agencies that rate the debt of the Company has the ability to lower the ratings currently assigned to that debt as a result of its views about the Group's current or future business, financial condition, results of operations or other matters including, but not limited to, the sovereign credit ratings of the jurisdictions in which we operate (and in particular of South Africa). Any ratings decline could adversely affect the value of the Notes. In

addition, the credit ratings ascribed to the Group and the Notes are intended to reflect our ability to meet our repayment obligations in respect of the Notes and the Guarantees, and may not reflect the potential impact of all risks related to the structure, the market, the Group and other factors on the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the assigning rating organization. Each rating should be evaluated independently of any other rating.

***We may elect to redeem the Notes prior to their maturity.***

The optional redemption feature of the Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of the Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem the Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Prospective investors should consider reinvestment risk in light of other investments available at that time.

***Our holding company structure means that the claims of creditors of subsidiaries of the Company will generally have priority over claims on the guarantee obligations.***

Anglo American plc is a holding company and derives the majority of its operating income and cash flow from its subsidiaries. It must rely upon distributions from its subsidiaries to generate funds necessary to meet its obligations, including any payments under the Guarantees. These subsidiaries may not be able to make distributions to Anglo American plc. Any payment of interest, dividends, distributions, loans or advances by the Company's subsidiaries could be subject to restrictions on dividends or repatriation of earnings under applicable local law, monetary transfer restrictions and foreign currency exchange regulations in the jurisdictions in which the subsidiaries operate or are incorporated. The obligations of the Issuer under the Notes are unsecured and rank equally in right of payment with all unsecured, unsubordinated obligations of the Issuer. The obligations of Anglo American under the Guarantees are unsecured and rank equally with all unsecured, unsubordinated obligations of Anglo American. These obligations will also be structurally subordinated to the holders of secured and unsecured debt and other creditors of subsidiaries of Anglo American. The Indenture does not place any limitation on the amount of unsecured debt that may be incurred by us or any of our subsidiaries (including the Issuer). From time to time, the Group opportunistically accesses the debt capital markets, including through issuances under its EMTN program. The Group may seek to raise additional debt financing in the future, including various forms of green, social, sustainable and sustainability-linked financing, or to buy back or redeem its existing debt or to cancel existing finance facilities prior to its or their stated maturity, in each case subject to market conditions. Such additional debt financing may carry a higher rate of interest or an earlier maturity date than existing indebtedness and if such indebtedness will be sustainability-linked, there may be circumstances where additional interest will be payable. As of December 31, 2022, 28% of our debt was outstanding at our subsidiaries and joint operations (on a proportional basis), to which the notes would be structurally subordinated.

***The Issuer is a finance vehicle, with no independent business operations.***

Anglo American Capital plc is a finance vehicle, the primary business of which is the raising of money for the purpose of on-lending to other members of the Group. Accordingly, substantially all of the assets of the Issuer are loans and advances made to other members of the Group. The ability of the Issuer to satisfy its obligations in respect of the Notes depends upon payments being made to it by other members of the Group in respect of loans and advances made by the Issuer.

***Investors in the Notes may have limited recourse against the independent auditors.***

The auditors' reports include language limiting the independent auditors' scope of duty in relation to such reports and the various financial statements to which they relate. In particular, the report of PwC, with respect to the Group 2022 Consolidated Financial Statements, the Group 2021 Consolidated Financial Statements and the Group 2020 Consolidated Financial Statements, in accordance with guidance issued by The Institute of Chartered Accountants in England and Wales, includes the following limitations: "This report, including the opinions, has been prepared for and only for the parent company's members as a body in accordance with Chapter 3 of Part 16 of

the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing”.

The SEC would not permit such limiting language to be included in a registration statement or a prospectus used in connection with an offering of securities registered under the Securities Act or in a report filed under the Exchange Act. If a US court (or any other court) were to give effect to the language quoted above, the recourse that investors in the Notes may have against the independent accountants based on their reports or the consolidated financial statements to which they relate could be limited.

***Enforcement of US judgments may be difficult.***

The Issuer and the Company are companies organized under the laws of England and Wales, and substantially all their respective assets are, or may be, located in jurisdictions outside the US. Accordingly, it could be difficult for holders of Notes to recover against the Issuer and the Company on judgments of US courts predicated upon civil liabilities under the US federal securities laws. See “*Service of Process and Enforcement of Civil Liabilities*”.



## CAPITALIZATION

The following table sets forth the consolidated capitalization of the Group as of December 31, 2022, on an actual basis. You should read the following table together with “*Use of Proceeds*”, “*Operating and Financial Review*”, “*Description of the Notes and the Guarantees*” and the Group 2022 Consolidated Financial Statements and the notes thereto incorporated by reference in this Offering Memorandum:

	As at December 31, 2022  (US\$m)
Total debt <sup>(1)</sup>	14,365
Equity:	
Called-up share capital	734
Share premium account	2,558
Other reserves	(12,070)
Retained earnings and own shares held	36,139
Equity attributable to equity shareholders of the Company	27,361
Total capitalization <sup>(2)</sup>	41,726

(1) Including short-term, medium-term and long-term borrowings. As at December 31, 2022, secured and unsecured debt totaled US\$994 million and US\$13,371 million, respectively. For more information regarding our secured and unsecured debt, see “Operating and Financial Review”.

(2) Capitalization comprises of total debt and equity attributable to equity shareholders of the Company.

Anglo American considers and assesses opportunities to access the debt markets from time to time (including various forms of green, social, sustainable and sustainability-linked financing) as part of the ongoing management of its liquidity and capital resources. In addition to the Notes offered hereby, Anglo American issued EUR 500,000,000 4.500% Guaranteed Notes due 2028 and EUR 500,000,000 5.000% Guaranteed Notes due 2031 under the EMTN Programme on March 15, 2023.

## RECENT DEVELOPMENTS

### ***Quellaveco production***

The Group announced delivery of its first production of copper concentrate at its Quellaveco project in Peru on July 12, 2022, with concentrate shipments commencing and the second processing line starting up in September 2022, followed by regulatory clearances being received in early December 2022. See “*Business Description - Business Segments - Copper - Significant Transactions and Restructuring - Quellaveco update*” for further details.

### ***Combination of nuGen™ ZEHS and First Mode***

On December 7, 2022, Anglo American announced that it had signed a binding agreement with First Mode Holding Inc (“**First Mode**”) to combine Anglo American’s nuGen™ Zero Emissions Haulage Solution (“**ZEHS**”) with First Mode, the specialist engineering technology company that partnered with Anglo American to develop the nuGen™ ZEHS. This transaction, first announced on June 30, 2022 and which completed on January 5, 2023, is intended to accelerate the development and commercialization of Anglo American’s nuGen™ ZEHS. See “*Business Description - Portfolio - Portfolio Update*” for further details.

### ***Placement of South Africa on FATF “grey list”***

On February 24, 2023, the Financial Action Task Force (“**FATF**”) placed South Africa on its list of jurisdictions subject to increased monitoring (the “**grey list**”). The FATF published a Mutual Evaluation Report on South Africa in October 2021 identifying issues to be addressed and giving South Africa 18 months to do so. Whilst South Africa has enacted various pieces of legislation to address some of the FATF’s findings, deficiencies still exist in its regimes to counter money laundering, terrorist financing and proliferation financing. Practically this means enhanced scrutiny and processes for cross border trade with South African businesses, including by international financial institutions and banking systems requiring additional information on the customer, obtaining information on the source of funds and source of wealth of the customer, and enhanced monitoring of the business relationships. However, in relation to Anglo American’s business in South Africa, early indications are that the grey listing will have little direct impact due to the existing enhanced due diligence processes already followed.

In response to its grey listing, South Africa has committed to continue work with the FATF and the Eastern and Southern-African Anti-Money Laundering Group to address the remaining issues and strengthen the effectiveness of its anti-money laundering and combating financing of terrorism regimes.

### ***Announcement of market inquiry into the South African steel industry by the South African Competition Commission***

On April 7, 2023, the Competition Commission of South Africa published the draft terms of reference for a new market inquiry into the South African steel industry, which will examine whether or not there are any features or combination of features in its value chain that impede, distort or restrict competition in the domestic steel industry. With respect to iron-ore, we understand from the draft terms of reference that the inquiry will investigate effective competition and the elimination of barriers to entry and expansion. The draft terms of reference are open to public comment until May 5, 2023. We are still assessing the draft terms of reference and our options related thereto.

## **USE OF PROCEEDS**

The net proceeds of the offering will be used for general corporate purposes.

## BUSINESS DESCRIPTION

Anglo American plc is the holding company of the Group, a leading global mining company with a world class portfolio of mining and processing operations and undeveloped resources. The Group is geographically diverse, with operations across the world.

### Strategy

Our strategy is to secure, develop and operate a portfolio of high quality and long life mineral assets, to seek to deliver sustainable value for all our stakeholders. We aim to achieve this through innovative practices and technologies in the hands of our world-class people.

### Portfolio

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 operations, development projects and undeveloped resources provides many of the metals and minerals that enable a cleaner, greener, more sustainable world through a lower carbon global economy and that meet the fast growing consumer-driven demands of developed and maturing economies. We believe we are a responsible producer of diamonds (through De Beers), copper and nickel, PGMs, and the steel ingredients of iron ore and steelmaking coal. The exit from the last of our managed thermal coal operations in 2021 and from Cerrejón in January 2022, the delivery of the Quellaveco copper mine in Peru in 2022, and the ongoing development of our Woodsmith project (Crop Nutrients business) represent the latest phase of our portfolio trajectory towards future-enabling products.

The scale and diversity of our portfolio allow us to optimize our financial resources, technical expertise and supplier relationships towards delivery on our potential, and to the benefit of our stakeholders. The portfolio's depth and breadth create what we believe to be a measured risk profile and support sustainable returns through spreading our investments across diverse asset geographies and end markets.

As we actively manage and evolve our asset portfolio, we expect to continue to assess opportunities and enter into discussions regarding potential strategic acquisitions and similar transactions to further expand our business. From time to time, we may consider a number of pending or potential acquisitions, investments, disposals or other transactions that are subject to due diligence processes, negotiation, transaction related ad hoc agreements such as non-disclosure and standstill agreements and further related binding and non-binding understandings with potential sellers, buyers or other transaction participants. Such pending and potential transactions may have a material impact on our business if consummated, see *"Risk Factors — Risks Relating to Our Business and Industry — Identifying, consummating and integrating pending or potential acquisitions, investments, disposals or other transactions, and any difficulties faced in doing so, may expose us to potential risks and have an adverse effect on our reputation, results of operations or financial condition."*

### Portfolio Update

During 2022, the Group's focus was on continuing to improve our competitive position, completing the construction of the Quellaveco copper mine in Peru and progressing the technical review of the Woodsmith polyhalite project.

We continue to evolve our portfolio of competitive, world class assets towards those future-enabling products that we believe are fundamental to enabling a low carbon economy and that cater to global consumer demand trends. Aligned to this strategy, the Group announced that it had entered into the below agreements since January 1, 2022.

On July 14, 2022, Anglo American announced that it had signed a memorandum of understanding with Nippon Steel Corporation to work together to accelerate the transition to lower carbon steelmaking, building on the premium physical qualities of Anglo American's iron ore to help drive emissions reduction. As part of this agreement, the two companies will research ways to optimize premium lump ore produced by Anglo American's mines to decrease emissions via the traditional blast furnace steelmaking process. The project will also focus on

studying the use of Anglo American's iron ore in the more carbon-efficient direct reduction iron steelmaking method.

On March 18, 2022, Anglo American announced the signing of a memorandum of understanding with EDF Renewables, a global leader in renewable energy, to work together towards developing a regional renewable ecosystem ("RREE") in South Africa, designed to meet Anglo American's operational power requirements in South Africa and support the resilience of the local electricity supply systems and the wider decarbonization of energy in the country. The RREE is also expected to catalyze economic activity in South Africa's renewable energy sector, supporting the country's broader just transition. On October 4, 2022, Anglo American announced in partnership with EDF Renewables their agreement to form a new jointly owned company, Envusa Energy, to develop the RREE in South Africa. As part of the agreement, Envusa Energy is launching a mature pipeline of more than 600 MW of wind and solar projects in South Africa, a major first step towards the development of an ecosystem that is currently expected to generate 3-5 GW of renewable energy by 2030. This first phase of Envusa Energy's renewables projects is currently expected to be fully funded and ready for construction to begin in 2023. Envusa Energy is expected to supply Anglo American with a blend of renewable energy generated on Anglo American's sites and renewable energy transmitted via the national grid. This energy portfolio approach will aggregate energy from geographically dispersed renewable generating assets and allocate this energy optimally to meet the load demand for Anglo American's sites.

On October 20, 2022, Anglo American announced that it had signed a memorandum of understanding with longstanding customer Thyssenkrupp Steel Europe AG to collaborate on developing new pathways for the decarbonization of steelmaking. The collaboration will focus on joint research to accelerate the development of high-quality feedstock for lower carbon steel production, using both conventional blast furnace and direct reduction iron (DRI) steelmaking – the latter being a less carbon intensive method which requires iron ore of a particularly high quality.

On November 16, 2022, Anglo American announced that it has sourced the supply of 100% renewable electricity for its operations in Australia from 2025, agreeing terms for a 10-year partnership with Stanwell Corporation, the Queensland Government-owned provider of electricity and energy solutions. This agreement is expected to effectively remove all Scope 2 emissions from Anglo American's steelmaking coal business in Australia from 2025, supporting Anglo American's progress towards carbon neutral operations by 2040.

On November 23, 2022, Anglo American announced that it had signed an agreement with Aguas Pacifico, a Chilean water desalination and solutions provider, to secure desalinated water for its Los Bronces copper mine in Chile from 2025. In the first phase, the desalination plant is expected to supply more than 45% of Los Bronces' water requirements, whilst also providing clean water to approximately 20,000 people in communities local to the operation.

On November 24, 2022, Anglo American announced that it had signed a memorandum of understanding with Aurubis AG ("Aurubis"), a global provider of non-ferrous metals and one of the world's largest copper recyclers, to develop a copper product offering that responds to increasing expectations for future-enabling metals that are sustainably sourced and supplied. The objective of the collaboration is to provide assurance around the way copper is mined, processed, transported and brought to market. Applying their combined expertise, Anglo American and Aurubis will also explore the opportunity for technology-driven traceability solutions to bring greater transparency to the entire production cycle, as well as areas of common interest in technology development.

On December 7, 2022, Anglo American announced that it had signed a binding agreement with First Mode Holding Inc ("First Mode") to combine Anglo American's nuGen™ Zero Emissions Haulage Solution ("ZEHS") with First Mode, the specialist engineering technology company that partnered with Anglo American to develop the nuGen™ ZEHS (the "First Mode Transaction"). The First Mode Transaction, first announced on June 30, 2022, is intended to accelerate the development and commercialization of Anglo American's nuGen™ ZEHS. Anglo American acquired a 10% strategic equity interest in First Mode in 2021. The First Mode Transaction, which completed on January 5, 2023, includes Anglo American making an additional capital investment of US\$200 million in the combined business to help fund the ongoing development of ZEHS which, upon completion of the

First Mode Transaction, resulted in Anglo American owning a majority shareholding in First Mode. Upon completion of the First Mode Transaction, Anglo American entered into a supply agreement with First Mode that sets out a pathway to decarbonize its global fleet of mine haul trucks, of which approximately 400 are currently in operation, in support of Anglo American achieving its 2040 target for carbon neutral operations. The roll-out across Anglo American's haul truck fleet over approximately 15 years is subject to the completion of agreed and committed studies across seven mine sites, certain performance and cost criteria, and relevant regulatory, corporate and shareholder approvals. The supply agreement also includes the appropriate provision of critical supporting infrastructure such as refueling, recharging, and facilitation of hydrogen production.

#### *Exit from Thermal Coal Operations*

On June 4, 2021, Anglo American demerged its thermal coal operations in South Africa into a newly incorporated company, Thungela Resources Limited, that was subsequently admitted to trading on both the Johannesburg and London stock exchanges on June 7, 2021. On March 25, 2022, Anglo American announced the sale of the Group's remaining 8.0% shareholding in Thungela through an accelerated book build placing to a number of major financial institutions, and therefore Anglo American no longer holds any shares in Thungela. On January 11, 2022, Anglo American completed the sale of its 33.3% interest in Cerrejón to Glencore plc. The completion of this transaction represented the final stage of Anglo American's previously announced transition from thermal coal operations. See "*Business Description - Business Segments - Corporate and Other - Significant Transactions and Restructuring - Exit from thermal coal operations*" for further details.

#### *Woodsmith*

Since completion of the acquisition, detailed technical reviews of Anglo American's Woodsmith polyhalite project have taken place to bring the project in line with Anglo American's safety and operational integrity standards. Further, significant changes have been made to the scope, design and approach to execution of the project. These changes will allow future optionality for a larger operating footprint, to be delivered in a phased approach in step with market development and to optimize the value of the asset for the long term. Anglo American expects these changes to result in an extended project and ramp-up schedule, with first product to market expected to be available in 2027, and higher capital expenditure overall. The critical path construction activities of shaft sinking and tunnel boring continue to progress well and, as we continue to develop the revised plan, additional studies will focus on optimization of the mine development, materials transport and handling facilities, to support the phased approach.

See "*Business Description - Business Segments - Crop Nutrients - Recent Developments*" for further details.

#### *Quellaveco*

Further to its announcement on July 12, 2022 that production of copper concentrate from Quellaveco was achieved on time and on budget, Anglo American announced the start of commercial copper operations at Quellaveco on September 26, 2022, following the successful testing of operations and receipt of regulatory clearances. See "*Business Description - Business Segments - Copper - Significant Transactions and Restructuring - Quellaveco update*" for further details.

#### *Future project options*

Strict value criteria are applied to the assessment of Anglo American's portfolio of future growth options and, for major greenfield projects, we expect to sequence their development and consider including partners where appropriate. The Group will continue to maintain optionality to progress with holistic, value accretive projects, should market conditions and capital availability permit.

Longer term, the Group has a number of future organic growth options under consideration, including expansions at the Mogalakwena PGMs complex in South Africa, the Los Bronces copper mine and the Collahuasi copper joint operation, both in Chile and the Sakatti polymetallic project in Finland.

### *Sustainability-Linked Financing*

On June 9, 2022, Anglo American announced that it had signed a US\$100 million 10-year loan agreement with the International Finance Corporation (“**IFC**”) linked to the delivery of sustainability goals that are integral to Anglo American’s Sustainable Mining Plan. This sustainability-linked loan is the IFC’s first in the mining sector and is understood to be the first in the mining sector globally that focuses exclusively on social development indicators.

On September 21, 2022, Anglo American issued its first sustainability-linked bond, linking our ESG performance to debt securities through non-financial KPIs and science-based targets. The €745 million, 10-year bond, issued by Anglo American Capital under its EMTN Programme and guaranteed by Anglo American, is the first instrument to be issued after the publication of our sustainability financing framework, with bond investors entitled to a higher final coupon payment should our targets not be met. The 2030 performance targets are linked to our Sustainable Mining Plan and include a 30% reduction in absolute greenhouse gas emissions (Scopes 1 and 2); a 50% reduction in the abstraction of fresh water in water-scarce areas; and the creation/support of five jobs off-site for every job on-site.

### *Discovery*

Discovery and Geosciences, including our exploration activities, is consolidated and centrally coordinated, covering near-asset and greenfield discovery activities, projects, and operations. The integrated team represents a strategic differentiator, enabling the detailed understanding of our world class assets to inform our pursuit of discoveries. Building on the Group’s strategy and long track record of discovery success, our strategy continues to shape a global, diversified, risk-balanced portfolio focused on new discovery search spaces and mineral system thinking. This effort is enhancing our position as a discoverer of superior-value deposits that have the potential to improve our production profile, over time.

### *Innovation*

Across every aspect of our business, we are thinking innovatively about how we work to ensure the safety of our people, to enhance the sustainability of our business, and to deliver enduring value in its many forms for all our stakeholders.

### *Operating Model*

Our Operating Model provides structure, stability and predictability in the way that we plan and execute every task. Planned work is inherently safer and more cost effective than unplanned work.

### *Marketing Model*

Our Marketing business aims to optimize the value from our mineral assets and product offerings. We do this by seeking to fully understand and address our customers’ specific needs and optimizing our capabilities in the financial and physical markets to drive the right commercial decisions across the value chain—from mine to market.

### *P101*

P101 is our transformational asset productivity program that builds on the stability provided by our Operating Model. It improves the performance of the most value-accretive processes in our value chain to achieve best-in-class benchmarks, then pushes the capability boundary further, seeking to establish new industry benchmarks in terms of effectiveness, efficiency and sustainability. Adopting a P101 mindset has resulted in a number of productivity improvements across the Group, including: El Soldado in Chile reduced water consumption for road dust suppression by 75% in 2022; at Minas-Rio in Brazil, a new fibre optic system is helping to safely manage the 529 km of pipeline running from the iron ore operation in Minas Gerais to Açu port, on the Atlantic coast in the state of Rio de Janeiro; and at our PGM’s Amandelbult mine in South Africa, a three-month trial was conducted to

assess the long term operational impact of a low-mass pull strategy that is expected to deliver a substantial reduction in electricity consumption for downstream processes.

*FutureSmart Mining™: a blueprint for the future of our business*

FutureSmart Mining™ is our blueprint for the future of our business, bringing together innovations in technology and digitalization to drive targeted safety and sustainability outcomes set out in our Sustainable Mining Plan and providing the foundations for ongoing business improvements. The intrinsic links between technology, digitalization and many of our sustainability outcomes are driving the innovations that will transform the nature of mining and how our stakeholders experience our business. A future in which broad, innovative thinking, enabling technologies, and collaborative partnerships are helping to shape an industry that is safer, more sustainable and efficient, and better harmonized with the needs of host communities and society. This is about transforming our physical and societal footprint.

***People***

Our people are critical to all that we do. The partnerships we build, both within Anglo American and with our stakeholders, locally and globally, are central to maintaining our regulatory and social licenses to operate and our commercial success. We strive to create safe, inclusive and diverse working environments that encourage and support high performance and innovative thinking. Our Organization Model ensures we have the right people in the right roles doing the right work, with clear accountabilities and minimal duplication of work. This increases our overall organizational effectiveness.

***Safety***

Safety comes foremost in everything we do; we train, equip and empower our people to work safely every day. We believe, too, that creating an inclusive and diverse working environment and culture that encourages and supports high performance and innovative thinking gives our business a competitive advantage. Our main priority is to protect the health and safety of our people, the communities around our operations and the environment, and we have shown consistent improvement across the business. Our approach to safety is governed by our safety, health and environment (“SHE”) policy and the management framework that we use to implement the policy is called the SHE Way V2. In 2022, a refreshed SHE policy was published which includes additional external SHE expectations and provides clarity on Group deliverables.

***Capital allocation***

Underpinning our strategy, we have a value-focused approach to capital allocation with clear prioritization of firstly sustaining our operations and maintaining asset integrity (including reserve life) and secondly paying the base dividend to our shareholders (determined on a 40% underlying earnings-based payout ratio). All remaining capital is then allocated to discretionary capital options which include organic and inorganic growth options, as well as additional shareholder returns. In all cases, discretionary projects are robustly assessed against financial and non-financial metrics including their delivery of net positive benefit to our shareholders and the communities in which we operate, and the projects’ ability to improve and upgrade our portfolio in line with the transition to a low carbon economy and global consumer demand trends.

Capital allocation is prioritized to ensure we maintain balance sheet flexibility, with our near-term objective to seek to ensure that the Group’s net debt to underlying EBITDA ratio does not exceed 1.5x, using bottom of the commodity cycle pricing, without there being a clear plan to recover.



## History

Anglo American was incorporated on May 14, 1998 and became a public listed company in May 1999 following the completion of a combination with Anglo American Corporation of South Africa Limited, a public limited company incorporated in South Africa, now known as Anglo American South Africa Proprietary Limited (“AASA”), and an exchange offer for the shares of Minorco Société Anonyme, now known as Minorco Overseas Holdings Limited (“**Minorco**”). AASA was founded in South Africa in 1917 to exploit gold mining opportunities in the country. In the succeeding decades, AASA became increasingly involved in a wide range of mining and other industries. The successful simultaneous development in the 1950s of five gold mines in South Africa brought AASA to the forefront of the mining industry internationally.

Beginning in the mid-1960s, AASA developed a range of investments in Europe, North America, Australia and South East Asia. We entered into new markets, including the steel industry through the acquisition of Scaw Metals, the timber, pulp and paper industry with the founding of the Mondi Group (“**Mondi**”), and increased investment in the South African coal industry through the development of a portfolio of nine coal mines and a stake in the Richards Bay Coal Terminal.

By the 1990s, AASA had a wide range of mining, financial and industrial interests both in sub-Saharan Africa and internationally, with the latter largely held through Minorco, which was originally incorporated in the UK in 1928 as Rhodesian Anglo American Limited. The structures of AASA and Minorco had arisen as a result of South Africa’s period of political and financial isolation from the international community and had proven increasingly complicated as we sought to develop a focused strategy for the Group. As a result, in 1999, the newly formed Anglo American acquired all the shares of both companies, a combination designed to create focused divisions, to achieve simplicity and transparency of structure and, in the process, to enhance shareholder value.

## Business Segments

This section provides background information, an industry overview and information related to strategy and business development for each segment.

### Underlying EBIT by Segment

The following table sets forth the Group’s underlying EBIT for the periods presented on a segment basis. The table below summarizes the split by subsidiaries, equity accounted entities and total Group underlying EBIT:

	Year ended December 31, 2020		Year ended December 31, 2021		Year ended December 31, 2022	
		%		%		%
	(US\$m unless otherwise stated)					
	Restated <sup>(1)</sup>					
<b>Subsidiaries</b>						
De Beers	—	0.0	618	3.5	995	8.3
Copper	1,227	17.4	3,428	19.3	1,595	13.3
Nickel	79	1.1	261	1.5	316	2.6
Platinum Group Metals	2,247	31.9	6,686	37.6	4,065	34.0
Iron Ore <sup>(2)</sup>	3,997	56.7	6,297	35.4	2,893	24.2
Steelmaking Coal	(548)	(7.8)	185	1.0	1,706	14.3
Manganese <sup>(2)</sup>	—	0.0	—	0.0	—	0.0
Crop Nutrients <sup>(3)</sup>	(10)	(0.1)	(50)	(0.3)	(51)	(0.4)
Corporate and Other <sup>(2)</sup>	(305)	(4.3)	(331)	(1.9)	(595)	(5.0)
Total	6,687		17,093		10,924	
<b>Equity accounted entities</b>						
De Beers	—	0.0	2	0.0	(1)	0.0
Nickel	—	0.0	—	0.0	1	0.0
Platinum Group Metals	23	0.3	67	0.4	(13)	(0.1)
Iron Ore	94	1.3	62	0.3	69	0.6
Steelmaking Coal	83	1.2	265	1.5	663	5.5
Manganese	245	3.5	250	1.4	312	2.6
Crop Nutrients <sup>(3)</sup>	11	0.2	8	0.0	6	0.1
Corporate and Other <sup>(2)</sup>	(93)	(1.3)	42	0.2	2	0.0
<b>Total Group operations including equity accounted entities</b>	7,050	100	17,790	100	11,963	100
Less: associates and joint ventures	(363)		(697)		(1,039)	
<b>Total Group operations excluding equity accounted entities</b>						
.....	6,687		17,093		10,924	
Reconciliation:						
Net income from associates and joint ventures	103		634		641	
Special items and remeasurements	(543)		292		(1,758)	
Net finance costs	(783)		(390)		(327)	
Income tax expense	(2,136)		(5,930)		(3,456)	
Profit for the financial year	3,328	100	11,699	100	6,024	100
<b>Subsidiaries and attributable share of equity accounted entities</b>						
De Beers	—	0.0	620	3.5	994	8.3
Copper	1,227	17.4	3,428	19.3	1,595	13.3
Nickel	79	1.1	261	1.5	317	2.6
Platinum Group Metals	2,270	32.2	6,753	38.0	4,052	33.9
Iron Ore	4,091	58.0	6,359	35.7	2,962	24.8
Steelmaking Coal	(468)	(6.6)	450	2.5	2,369	19.8
Manganese	245	3.5	250	1.4	312	2.6
Crop Nutrients <sup>(3)</sup>	1	0.0	(42)	(0.2)	(45)	(0.4)
Corporate and Other <sup>(2)</sup>	(395)	(5.6)	(289)	(1.6)	(593)	(5.0)
<b>Total Group operations including equity accounted entities</b>	7,050	100	17,790	100	11,963	100

(1) In 2021, the Group reassessed its reportable segments following the demerger of Thungela. The Thermal Coal (South Africa and Cerrejón) operating segment, which was previously aggregated with Steelmaking Coal within the 'Coal' reportable segment, has been presented within the 'Corporate and Other' reportable segment as it was no longer part of the Group's core business due to the commitment to exit from the production of thermal coal. The results of the Group's steelmaking coal businesses have been disclosed separately as the 'Steelmaking Coal' reportable segment. Additionally, the 'Nickel and Manganese' reportable

- segment has been amended to disaggregate the Nickel and Manganese businesses. Comparative information for 2020 has been restated in the Group 2021 Consolidated Financial Statements, for purposes of each of the “Corporate and Other” and “Steelmaking Coal” reportable segments as well as the disaggregation of the “Nickel and Manganese” reportable segment.
- (2) The ‘Corporate and Other’ segment includes revenue from other shipping arrangements, primarily relating to third-party shipping services, thermal coal marketing activities, unallocated corporate costs and exploration costs. For the year ended December 31, 2021, it also includes the results of the Group’s Thermal Coal (South Africa) and Cerrejón operations prior to their disposal. Exploration costs represent the cost of the Group’s exploration activities across all segments.
  - (3) On March 17, 2020, the Group acquired a 100% interest in Sirius Minerals Plc, and since that date it has been accounted for as a subsidiary of the Group and reported as the Crop Nutrients segment.

The above tables present equity accounted entities (associates and joint ventures) separately from subsidiaries.

- Associates are investments over which the Group is in a position to exercise significant influence, but not control or joint control, through participation in the financial and operating policy decisions of the investee. Typically, the Group owns between 20% and 50% of the voting equity of associates. The financial results of associates are accounted for in the consolidated financial statements of the Group using the equity method of accounting.
- Under IFRS 11, a joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

The following table sets forth the Group’s geographical analysis of Group Revenue allocated based on the country in which the customer is located:

	Year ended December 31,		
	2020	2021	2022
	<i>Restated<sup>(1)</sup></i>		
	<i>(US\$m)</i>		
South Africa	539	1,428	1,312
Other Africa	890	1,664	2,080
Brazil	432	728	986
Chile	502	712	811
Other South America	21	65	10
North America	790	1,872	1,160
Australia	12	44	309
China	9,191	11,248	8,965
India	1,805	2,274	2,798
Japan	3,937	6,169	5,542
Other Asia	4,354	7,539	6,944
United Kingdom (Anglo American plc’s country of domicile)	1,229	3,144	1,502
Other Europe	3,181	6,371	4,972
<b>Group Revenue (including attributable share of associates’ and joint ventures’ revenue)</b>	<b>26,883</b>	<b>43,258</b>	<b>37,391</b>
Less: associates and joint ventures	(1,436)	(1,711)	(2,264)
<b>Revenue before special items and remeasurements</b>	<b>25,447</b>	<b>41,547</b>	<b>35,127</b>

- (1) Changes in the Group accounting policy relating to revenue, resulted in the restatement of financial results for the year ended December 31, 2020. See “Presentation of Financial Information—Changes in Accounting Policy” for more detail. See “Operating and Financial Review—Factors Impacting Comparability” for more detail.

## Business Segments

This section provides background information, a business overview, information related to strategy and business development and any significant growth or restructuring projects for each segment.

### *De Beers*

#### *Business Overview*

De Beers is a world leading diamond company, accounting for approximately one third of the world's rough diamond supply by value. De Beers recovers diamonds from four countries: Botswana, Canada, Namibia and South Africa.

De Beers sells the majority of its rough diamonds through 10 Sight sales each year to Sightholders, with the balance being sold via its auctions business to registered buyers. It licenses its diamond brand De Beers Forevermark and markets and sells polished diamonds and diamond jewelry via its De Beers Forevermark and De Beers Jewellers businesses.

In Botswana, via a 50:50 joint venture with the Government of the Republic of Botswana (“**GRB**”) known as Debswana Diamond Company (Proprietary) Limited (“**Debswana**”), diamonds are recovered from three mines including Jwaneng, one of the world's richest diamond mines by value. The mine's high-grade ore contributes around 75% of Debswana's revenue. The US\$2 billion ‘Cut-9’ expansion of Jwaneng is expected to extend the life of the mine to 2036 by increasing its depth to 800 meters and is expected to yield an estimated 59 million carats of rough diamonds from approximately 49 million tonnes of material.

A further extension to the existing contract for the sale of the majority of Debswana's rough diamond production was previously agreed until the end of June 2023 by the Government of the Republic of Botswana and De Beers Group. The terms of the existing agreement, which was originally due to expire at the end of 2020, were extended, providing further time for contract renewal discussions.

In Namibia, De Beers has a 50:50 joint venture with the Government of the Republic of Namibia (“**GRN**”) through Namdeb Holdings, where they recover both land-based diamonds (Namdeb) and offshore diamonds (Debmarmine Namibia). Namibia has the richest known marine diamond deposits in the world, with Diamond Resources estimated at approximately 76 million carats in approximately 1.1 million km<sup>2</sup> of sea-bed. Marine diamond deposits represent around 78% of Namdeb Holdings' total diamond production and 94% of its Diamond Resources.

In South Africa, De Beers Consolidated Mines (in which the Group has a 74% interest) recovers diamonds from Venetia mine in Limpopo Province. Venetia is the country's largest producer of diamonds, contributing about half of the country's annual diamond production by volume. Open-pit mining at Venetia was completed, as scheduled, in 2022 and the transition is already well underway to convert to underground mining. The US\$2.1 billion Venetia Underground project is currently expected to extend the life of the mine to 2047.

In Canada, De Beers has a 51% interest in, and is the operator of, Gahcho Kué open-pit mine in the Northwest Territories. It began commercial production in 2017 and has a 8-year remaining life, producing an average of 5 million carats a year, yielding an estimated total of 39 million carats (100% basis).

De Beers also develops industrial supermaterials through Element Six, which includes the production of laboratory grown diamonds for Lightbox Jewelry. De Beers offers diamond grading and testing services through the De Beers Institute of Diamonds.

De Beers sells rough diamonds through two distribution channels: most are sold via term contract sales to customers (known as Sightholders) with the majority through De Beers Global Sightholder Sales (Proprietary) Limited, based in Botswana, with further term contract sales made through Namibia Diamond Trading Company (Proprietary) Limited, based in Namibia, and De Beers Consolidated Mines (Proprietary) Limited, based in South Africa, and with the remainder being sold via regular auctions via De Beers Auction Sales Singapore PTE Limited, based in Singapore. De Beers concluded its selection process for the current contract cycle with Sightholders and

new contracts commenced in April 2021. De Beers is also an equal joint venture partner in Diamond Trading Company Botswana (Proprietary) Limited and in Namibia Diamond Trading Company (Proprietary) Limited (“**NDTC**”) with the GRB and GRN, respectively; these local companies are engaged in sorting and valuing diamonds and also support De Beers’ global selling function. NDTC also sells diamonds to local Namibian based Sightholders. In South Africa, De Beers Sightholder Sales South Africa (“**DBSSA**”) is a trading division of DBCM. DBCM through its holding company is held 74% by De Beers, with the remaining 26% held by Ponahalo Investments (RF) Proprietary Limited. DBSSA is engaged in sorting and valuing South African production and also supports De Beers in the global selling function. It also sells diamonds locally to South African based Sightholders.

The first half of 2022 saw largely positive trading conditions throughout the diamond pipeline; the year started with retailers restocking following strong consumer demand for diamond jewelry sales over the 2021 holiday season. While the start of Russia’s invasion of Ukraine and imposition of related formal sanctions, as well as self-sanctioning by committed counterparties, on Russian diamonds created uncertainty in the sector, healthy consumer demand, particularly in the US, led to polished price growth and robust demand for rough diamonds in the first half of the year. De Beers’ focus on enhanced provenance assurance for its rough diamonds helped underpin solid demand.

By June 2022, the global economic picture was more uncertain, owing to interest rate increases by advanced economies’ central banks to combat accelerating inflation. With a weaker economic outlook, consumer demand for diamond jewelry in the US softened in the second half of 2022, though it remained above pre-Covid-19 levels. Amid this economic uncertainty, retailers restocked more cautiously, causing midstream polished diamond inventories to build up through the second half of the year, putting downward pressure on polished prices and softening demand for rough diamonds. In China, the heightened Covid-19 restrictions from the second quarter onwards impacted diamond jewelry retail sales, resulting in negative demand growth for the year.

In 2022, the average realized price of rough diamonds increased by 35% to US\$197/ct compared to the prior year (December 31, 2021: US\$146/ct), driven by growth in the De Beers rough diamond price index, as well as a larger proportion of higher value rough diamonds sold in the first half of the year. The average rough price index increased by 23%, reflecting overall positive consumer demand for diamond jewelry, particularly in the first half of the year.

The longer term evolution of the diamond value chain continues, including a sustained focus on inventory balance, the efficient distribution of diamonds throughout the pipeline, increased online purchasing, and a greater focus on the provenance and sustainability credentials of companies and their products.

### ***Significant Transactions and Restructuring***

#### ***Debmare joint venture***

On March 18, 2022, Anglo American announced the commissioning of the Benguela Gem diamond recovery vessel. The Benguela Gem forms part of the fleet operated by the 50:50 joint venture between De Beers and the Government of Namibia. The Benguela Gem is anticipated to add an additional 500,000 carats of high value diamonds to annual marine production, an increase of around 45%, following an investment of approximately US\$420 million (approximately US\$210 million attributable to Anglo American).

### ***Copper***

#### ***Business Overview***

In Chile, we have interests in two major copper operations: a 50.1% interest in the Los Bronces mine, which we manage and operate, and a 44% interest in the independently managed Collahuasi joint operation; we also manage and operate the El Soldado mine and Chagres smelter (50.1% interest in both). Approximately US\$1.0 billion (which represents 44% of the total cost in proportion to our interest) is being allocated by the Group to the Collahuasi desalination project across 2023-2025 to secure water supply to the operations. In Peru, we have a 60%

interest in the Quellaveco mine, which was successfully delivered on time and on budget during 2022. The Group also has a future potential project, the polymetallic Sakatti deposit in Finland.

The average LME copper price decreased by 5% in 2022, as a result of fears of global recession, manufacturing supply chain disruptions, rising energy costs and weaker investor sentiment. Russia's continuing invasion of Ukraine, central bank interest rate rises and the effects of China's zero-Covid policy contributed to growing concerns around economic growth prospects. Copper's underlying fundamentals, however, remained attractive, as continued global decarbonization efforts benefited the use of copper in applications and infrastructure associated with the energy transition. Reported stocks fell to historically low levels and supply disruptions continued to be a feature of the sector.

### ***Significant Transactions and Restructuring***

#### ***Quellaveco update***

Anglo American announced on July 26, 2018, that its Board had approved the development of the Quellaveco copper project in Peru. This follows the completion of the transaction announced in June 2018, whereby Mitsubishi increased its interest in AAQSA, which owns the Quellaveco project, to 40% via the issuance of new shares.

The Group announced the delivery of first copper concentrate from Quellaveco on July 12, 2022, with concentrate shipments commencing at the end of September 2022. The second processing line started up in September, with regulatory clearances received in early December 2022.

The delivery of the project has taken place against an extremely challenging backdrop through two years of pandemic-related disruption. Despite this, the project is producing copper in line with the original construction schedule and less than four years after project approval.

With the mine operational, focus is now on safely ramping up the processing plant to nameplate capacity, receiving the required regulatory clearances for the molybdenum plant and completing the construction and commissioning of the coarse particle floatation (CPR) plant. We are also working closely with government and local communities on the safe and responsible demobilization of the project workforce.

Capital expenditure in 2022 was US\$0.8 billion, US\$0.6 billion relates to the Group's share of project capex (US\$1.1 billion on a 100% basis); the remainder primarily relates to development and stripping capex (100% basis). Capital expenditure guidance for 2023 is approximately US\$0.2 billion (100% basis), of which the Group's share is approximately US\$0.1 billion. Total project costs, which were shared with our partners, Mitsubishi, are estimated at US\$5.5 billion (100% basis), in line with the 2020 budget to accommodate Covid-19 requirements. The Group's share of total estimated capex was US\$2.8 billion.

### ***Los Bronces Integrated Project Permitting Process***

On April 17, 2023, the Chilean Committee of Ministers approved the environmental permit application for the Los Bronces Integrated Project ("LBIP") which was previously rejected by the Environmental Assessment Service of Chile in May 2022. LBIP is an operation continuity project which expands the current open pit within Los Bronces' operating site and replaces future lower grade ore by accessing higher grade ore from a new underground section of the mine. Following receipt of the environmental permit, Anglo American will continue processing other sectoral and specific permits, which would be required before construction began, and will continue to progress the LBIP through its pre-feasibility study.

#### ***Nickel***

##### ***Business Overview***

The Nickel operations provide ingredients for stainless and alloy steels.

Our nickel assets are wholly owned, consisting of two ferronickel production sites in Brazil: Barro Alto and Codemin. Our Nickel business has the capacity to produce around 45,000 tonnes per annum of ferronickel, the primary end use for which is in the global stainless steel industry.

In 2022, the average LME nickel price of US\$11.61/lb was 38% higher (December 31, 2021: US\$8.39/lb). Global nickel consumption grew year on year, with the fourth quarter seeing the highest level of consumption as China began to recover from earlier Covid-19 related industrial stoppages. Batteries were the main driver of demand growth, as the production of electric vehicles continued to accelerate. Global refined nickel production also increased in 2022; however the nickel price was further supported by the decision of some purchasers to avoid Russian-sourced metal, following the invasion of Ukraine.

### ***Platinum Group Metals***

#### ***Business Overview***

Our Platinum Group Metals (“PGMs”) business (held through an effective 79.2% interest in Anglo American Platinum Limited) is a leading producer of PGMs, essential metals for cleaning vehicle exhaust emissions and as the catalyst in electric fuel cell technology. We wholly own and operate three mining operations in South Africa’s Bushveld complex: Mogalakwena, which is the world’s largest open pit PGMs mine, Amandelbult and Mototolo, as well as Modikwa and Kroondal which are two jointly owned non-managed platinum mines. We also own and operate the Unki mine, which is one of the world’s largest PGM deposits outside of South Africa, on the Great Dyke in Zimbabwe. We own smelting and refining operations, located in South Africa, which treat concentrates from our wholly owned mines, joint operations and third parties. See “*Significant Transactions and Restructuring*” below for updates in relation to Mototolo, Bokoni and Kroondal.

In 2022, the average realized PGM basket price decreased by 8% to US\$2,551 per PGM ounce (December 31, 2021: US\$2,761 per PGM ounce), reflecting lower market prices. PGM prices surged in early 2022 owing to supply concerns following Russia’s invasion of Ukraine, but soon fell back to the levels observed when no trade sanctions were levied on Russian metal. The price decline was exacerbated by growing fears of another poor year for automotive production due to renewed Chinese Covid-19 lockdowns. Sentiment improved in the second half of 2022 as restrictions eased in China, leading to a sharp recovery in global automotive production, underpinned by an improvement in manufacturing supply chains. The recovery in automotive production resulted in a rally in palladium and rhodium prices; however, platinum prices continued to struggle as tighter US monetary policy pushed the US dollar to multi-decade highs. By the end of the year, the situation had reversed, with palladium and rhodium prices decreasing on fears of a global slowdown, while platinum prices rallied as the US dollar retreated. The palladium price was particularly volatile, reaching a new all-time high of almost US\$3,340 per ounce in March 2022, reflecting the importance of Russian supply, albeit the metal started and ended the year below US\$2,000 per ounce. Platinum prices also peaked in March but the late rally meant it increased by 11% over the year. Strong by-product prices and differences in the timing and mix of metals sold cushioned the impact of lower PGM prices on the realized basket price.

### ***Significant Transactions and Restructuring***

#### ***Disposal of Rustenburg***

On November 1, 2016, Anglo American Platinum completed the sale of the Rustenburg mining and concentration operations (the “**Rustenburg Operations**”) by its wholly owned subsidiary Rustenburg Platinum Mines Limited to Sibanye Rustenburg Platinum Mines Proprietary Limited (“**Sibanye**”), at that time, a subsidiary of Sibanye Gold Limited (“**Sibanye Gold**”).

The upfront cash proceeds of ZAR1.5 billion (US\$110 million) were used to reduce net debt and further strengthen Anglo American Platinum’s balance sheet. Sibanye will also pay minimum deferred proceeds of ZAR3.0 billion (in nominal terms) (US\$220 million), to be earned through a 35% share of the distributable free cash flows generated by the Rustenburg Operations on an annual basis for a period of six full years commencing from January 1, 2017.

Sibanye has not exercised its option to extend the deferred payment period (potentially up to December 31, 2024) and accordingly the final deferred payment will be calculated to the end of the original deferred consideration period of six years ending 2022. Final payment was received on March 30, 2023. In February 2020, with Anglo American Platinum consent, Sibanye completed a Scheme of Arrangement in order to effect an internal restructuring of the Sibanye group. As a result of the restructuring should Sibanye elect to settle any outstanding balance in shares, the shares issued will be ordinary listed shares in Sibanye-Stillwater Limited rather than in Sibanye Gold.

#### *Approval of the Mototolo / Der Brochen life extension project*

On December 10, 2021, Anglo American Platinum announced that its Board had approved the Mototolo / Der Brochen life extension project, at an expected capital cost of R3.9 billion (approximately US\$245 million). The development of the project leverages the existing Mototolo infrastructure, enabling mining to extend into the adjacent Der Brochen Mineral Resource, which is anticipated to extend the life of the mine beyond 30 years. The execution of the project commenced at the beginning of 2022.

#### *Sale of Bokoni mine*

On December 20, 2021, Anglo American Platinum announced that Bokoni Platinum Holdings had entered into a sales and purchase agreement to dispose of its 100% interest in Bokoni Mine to a wholly owned subsidiary of African Rainbow Minerals Limited (“ARM”). Anglo American Platinum holds a 49% interest and its joint venture partner, Atlatza Resources Corporation, holds a 51% interest in Bokoni Platinum Holdings. Employees and local communities will also ultimately be minority shareholders in the new ownership structure through special purpose vehicles, alongside ARM. Bokoni Mine has been on care and maintenance since 2017. The transaction closed on September 1, 2022, from which date ARM took ownership, management and control of Bokoni Mine.

#### *Disposal of interest in Kroondal and Marikana pool-and-share agreements*

On January 31, 2022, Anglo American Platinum announced that it had agreed to dispose 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. Under the terms of the transaction, Sibanye-Stillwater will acquire Anglo American Platinum’s interest in both the Kroondal PSA and Marikana PSA for a purchase price of R1. In exchange, Sibanye-Stillwater will take the burden of all closure costs and rehabilitation liabilities. In addition, should the remaining unmined Merensky mineralization (which is not declared as a Mineral Resource) be mined in future, Anglo American Platinum will earn a deferred compensation amount on a rand per tonne mined basis (the rate of which is dependent on metal prices at that time). The transaction is subject to certain conditions precedent, including mandatory regulatory approvals, and as at the date of this Offering Memorandum, is expected to complete in 2024.

#### *Anglo American Platinum ACP plant shutdown*

On March 6, 2020, Anglo American Platinum announced the temporary shutdown of the entire Anglo Converter Plant (the “**ACP**”), part of the chain of processing facilities, and the need to declare force majeure.

Anglo American Platinum’s ACP phase A converter plant, at Waterval smelter in Rustenburg, was damaged following an explosion within the converter on February 10, 2020. Nobody was injured in the incident. As per normal business procedure, the phase B unit was commissioned to take over from the phase A plant and was in the process of ramping up to steady state when water was detected in the furnace. Notwithstanding extensive testing being conducted to determine the source of the water, and a number of circuits being isolated, water continued to be observed in the furnace. This posed a high risk of explosion and Anglo American Platinum determined that it had no other option but to temporarily shut down the phase B unit to ensure the safety of all employees, and avoid a catastrophic event.

ACP phase B returned to full operation on May 12, 2020, and was subject to additional inspections and controls, which led to intermittent stoppages during the remainder of the year. On November 5, 2020, Anglo



American Platinum announced that it had made the pre-emptive decision to close the ACP phase B unit for a full rebuild, following a series of water leaks, to ensure an ongoing safe operating environment, protect employees and protect the integrity of the plant and surrounding processing assets.

The rebuild of the ACP phase A unit was successfully completed ahead of schedule on November 24, 2020, with first converter matte dispatched to the Base Metal Refinery for further processing on December 7, 2020. ACP phase A was operational throughout 2021 and the build-up in work-in-progress inventory following the temporary closure has largely been processed and refined. The ACP phase B unit rebuild was completed in January 2022 and recommissioning was completed in March 2022.

#### *Polokwane smelter rebuild*

On September 8, 2022, Anglo American Platinum announced that it had revised its 2022 refined production guidance as its quality assurance processes had detected the delivery of sub-standard materials for the Polokwane smelter rebuild. Delivery of replacement materials is expected to result in a two-month delay to the completion of the project. The delay in the rebuild of the Polokwane smelter contributed to a build-up in work-in-progress inventory in 2022 and a short-term timing impact to refined PGM production.

### ***Iron Ore***

#### ***Business Overview***

Anglo American's iron ore operations provide customers with high-grade iron ore products, which help our steel customers meet ever-tightening emissions standards. In South Africa, we have a 70% shareholding in Kumba Iron Ore, whose Sishen and Kolomela mines produce high grade and high quality lump ore and also a fine ore. In Brazil, we have developed the Minas-Rio operation (100% owned), consisting of an open pit mine and beneficiation plant, which produces a high grade pellet feed product, with low levels of contaminants.

#### *Kumba*

Kumba, which is listed on the Johannesburg Stock Exchange, operates two open-pit mines – Sishen and Kolomela—both located in the Northern Cape province of South Africa, producing high-grade (63%-65% average Fe content) and high-quality lump ore and a fine ore. Around 67% of Kumba's production is lump, which commands a premium price, owing to its physical strength and high iron content. Kumba is serviced by an 861-kilometer rail line to the Atlantic coast at Saldanha Bay, managed by Transnet, a third-party rail and port operator. Our marketing teams work closely with our customers to blend and match our products with their needs—before shipment from Saldanha Bay to China, Japan, Europe, the Middle East and the Americas.

#### *Iron Ore Brazil*

Our integrated iron ore operation in Brazil, Minas-Rio, consists of an open pit mine and beneficiation plant, which produces a high-grade (approximately 67% Fe content) pellet feed product, with low levels of contaminants. The iron ore is then transported through a 529-kilometer pipeline to the iron ore handling and shipping facilities at the port of Açú.

Between 2018 and 2021, Minas-Rio received regulatory approvals relating to the Step 3 environmental license for the mine area of Minas-Rio and the heightening of the tailings dam to level 700 meters. Access to the Step 3 areas provides greater operational flexibility and access to higher grade iron ore to support the increase of production of operation towards its full design capacity of 26.5 Mt (wet basis).

During 2019, operations at Minas-Rio achieved a successful ramp-up and the operating license for the first tailings dam extension to level 689 was awarded in December 2019. Construction work for level 700 has completed and the operating license for the increase to level 700 was granted in April 2021.

In March 2020, the Public Prosecutor of Conceição do Mato Dentro filed a public civil claim against Anglo American and the State of Minas Gerais seeking the suspension of the operating license for the heightening the tailings dam up to level 689. An injunction ordering Anglo American to present a project for the collective resettlement of communities downstream from the tailings dam was granted by the local judge. This has not

affected the operating license, which remains valid. The case is now in the evidence gathering phase and it is not possible, at this stage, to state when a decision may be delivered.

In 2022, Kumba's FOB realized price of US\$113/wet metric tonne was 13% higher than the equivalent Platts 62% Fe FOB Saldanha market price (adjusted for moisture) of US\$100/wet metric tonne. This reflects the premium for the higher iron content at 63.8% and relatively high proportion (approximately 67%) of lump that the product portfolio attracts (which helps steel mills reduce emissions).

Minas-Rio's pellet feed product is also higher grade (with iron content of 67% and lower impurities) than the reference product used for the Platts 62% Fe CFR China index. The Metal Bulletin (MB) 66 index, therefore, is used when referring to Minas-Rio product. In 2022, the Minas-Rio realized price of US\$108/wet metric tonne was in line with the equivalent MB 66 FOB Brazil index, (adjusted for moisture, of US\$108/wet metric tonne), reflecting that the premium quality of the product was offset by the impact of provisionally priced volumes.

### ***Significant Transactions and Restructuring***

#### ***Kapstevel South Project at Kolomela approved***

On July 28, 2020 Kumba announced the approval of its Kapstevel South project at its Kolomela mine by the boards of Kumba and Anglo American at an expected capital cost of approximately R7 billion, including pre-stripping. The project entails the development of a new pit, Kapstevel South, and associated infrastructure at Kolomela. The pit is a conventional truck and shovel operation producing high quality direct shipping ore.

### ***Other Recent Developments***

#### ***Changes in regulations related to tailings disposal in Brazil***

On February 15, 2019, the ANM issued new regulations on tailings storage facilities and banning upstream construction and heightening of tailings storage facilities. Since the Group's tailings storage facility is to be heightened using the downstream method, the banning of upstream heightening of tailings storage facilities is not currently expected to directly impact the Group, however other aspects of the rules, including the reporting requirements and licensing rules, apply. These regulations were updated in 2022 to reflect changes in the Brazilian National Policy for Tailings Dams. There were no material changes to the regulations made pursuant to such update that affect Minas-Rio, however the Group will need to demonstrate that construction work is sufficient to ensure the tailings storage facilities' safety.

On February 25, 2019, the State of Minas Gerais issued State Law nr. 23.291/2019 providing for a new policy for tailings disposal in the State. The rules include stricter procedures for tailings storage facilities and eliminate the possibility of upstream heightening of tailings storage facilities. The main concerns regarding the Minas Gerais State Law nr. 23.291/2019 are the requirements for resettling communities downstream from the tailings dams in response to new dam construction work or heightening, and a financial guarantee for reclamation and damages should an incident occur. The former requirement would be applicable were Anglo American to apply for a new license in order to heighten the tailings dam, whilst the latter requirement would only be expected to be enforceable when the government promulgates the rules for the calculation of the amount of, and the format of, the guarantee.

The Municipality of Conceição do Mato Dentro also issued a new Law nr. 2.284/2020 for the granting of location permits, focusing on tailings storage facilities, on August 28, 2020. On September 21, 2021 and October 28, 2022, respectively, the municipality of Alvorada de Minas issued Laws 56/2022 and 1.053/2022, with a similar scope. The aforementioned legislation states that companies operating tailings dams within the relevant municipalities should, upon application for the renewal of permits, present projects for alternative uses of tailings, aiming at reducing the disposal into dams and to demonstrate that they are using the best tailings storage solution available. The law also requires the resettlement of communities downstream from tailings dams on the occurrence of new dam construction work or dam heightening. Companies have three years to comply with the new rules and a resettlement would only be required in case of a new heightening of the tailings dam.

On January 15, 2021, the state of Minas Gerais published Law 23.795/21, establishing the “state police for communities affected by dams”. Relevant provisions of Law 23.795/21 are, amongst others, a wide obligation to compensate all damages caused to communities by the dams, an obligation to provide assistance to communities when negotiating compensation and resettlement programs and the provision of full access to installation, operation and decommissioning information through public hearings, which may increase costs and timing of licensing. The implementation of Law 23.795/21 is subject to further regulation by the government.

Federal laws, Minas Gerais state laws and the Municipality of Conceição do Mato Dentro laws are under continued scrutiny and additional regulations are expected to be issued and may impose restrictions and/or create additional challenges in relation to mining operations.

#### *Loading of first LNG dual-fueled vessel*

On January 26, 2023, Anglo American announced that its newly launched liquefied natural gas (“LNG”) dual-fueled Capesize+ vessel, the Ubuntu Harmony, had loaded its first cargo of iron ore from its Kumba operations in South Africa. The vessel is the first of ten LNG dual-fueled new-build ships that Anglo American will introduce to its chartered fleet during the course of 2023 and 2024, expected to deliver an estimated 35% reduction in CO<sub>2</sub> emissions compared to ships fueled by conventional marine oil fuel. Anglo American also expects the use of LNG to lead to a significant reduction of nitrogen oxides and particulate matter from vessel exhausts, while new technology also eliminates the release of unburnt methane. The Ubuntu fleet is a key component of Anglo American’s ambition to achieve carbon-neutrality for its controlled ocean freight by 2040.

### ***Steelmaking Coal***

#### ***Business Overview***

Our steelmaking coal operations, located in Australia, serve customers throughout Asia, Europe and South America. Our assets include the Moranbah and Grosvenor (for each of which we hold an 88% ownership interest) steelmaking coal mines, both located in Queensland, Australia. In 2020, Anglo American completed a transaction to provide for the equalization of ownership across our integrated steelmaking coal operations at Moranbah and Grosvenor through the sale of a 12% interest in Grosvenor mine to the minority joint operation participants in Moranbah.

Steelmaking coal is used principally in blast-furnace steelmaking production; around 70% of global steel output is produced using this method. Emerging markets, particularly in the Asia-Pacific region, continue to drive demand for steelmaking coal – helping to generate the steel needed for infrastructure, housing, transport and machinery.

Average realized prices differ from the average market prices due to differences in material grade and timing of shipments. In 2022, hard coking coal (“HCC”) price realization decreased to 85% of the average benchmark price (December 31, 2021: 93%), driven by a higher volume of premium hard coking coal being produced and sold in the second half of 2022 when the benchmark price was lower.

The average benchmark price for Australian HCC increased to a record high of US\$364/tonne in 2022 (December 31, 2021: US\$226/tonne). In the first half of 2022, HCC prices rose on Queensland supply challenges and buyers’ anxiety around the effects of sanctions on Russian supply. The daily spot index rallied to record multiple highs and eventually peaked at US\$671/tonne in March 2022. In the second half of 2022, HCC prices remained at elevated levels due to ongoing supply challenges in Australia and Canada, despite a significant decline in demand from global steelmakers and coke merchants.

#### *Grosvenor and Moranbah*

At the Grosvenor steelmaking coal mine in Australia, operations were suspended in early May 2020 following the gas ignition incident underground. On February 21, 2022, Anglo American announced the safe restart of mining operations following receipt of confirmation from the regulator, Resources Safety and Health Queensland on February 16, 2022, that longwall mining operations could recommence.

Longwall mining restarted at Moranbah in the next planned longwall panel in May 2022, following a fatal incident in March 2022, and an extended longwall move. A longwall move is where the longwall mining equipment, which is used for cutting an underground panel of coal, is moved from one longwall panel to the next panel in the series. Both these longwall operations have continued to ramp up during the second half of the year under the new operating protocols and regulatory environment – a learning process that will continue through 2023.

### ***Significant Transactions and Restructuring***

#### ***Aquila life extending project***

On February 9, 2022, Anglo American announced that its new Aquila mine had achieved its first longwall shear of steelmaking coal on schedule and within budget, marking the project's final stages of construction and commissioning. The Aquila mine, located near Middlemount in Central Queensland in Australia, extends the life of Anglo American's existing Capcoal underground operations by seven years, after the company's nearby Grasstree mine reached its end of life and is currently in the mine closure and execution phase.

The Aquila mine has been developed as one of Australia's most technologically advanced underground mines, leveraging Anglo American's advancements in underground automation technology, remote operations and data analytics. The mine features two longwalls, allowing operations to continue without the downtime that is usually required for longwall moves. Both longwalls are fully remote-capable and will be sequentially operated from a site-based remote operations center on the surface of the mine. Aquila is owned 70% by Anglo American and 30% by Mitsui & Co. Ltd.

#### ***Moranbah-Grosvenor ownership equalization***

On November 27, 2019, the Group announced the entry into an agreement providing for equalization of ownership across its integrated steelmaking coal operations at Moranbah and Grosvenor, in Queensland, Australia. The long-established Moranbah mine and processing operation is 88% owned by Anglo American, with 12% owned by a consortium of Japanese companies (Nippon Steel Corporation, Mitsui & Co., Ltd, Nippon Steel Trading Corporation, Shinsho Corporation and JFE Mineral Co., Ltd). The neighboring Grosvenor mine was wholly owned by Anglo American and came onstream in 2016. The Grosvenor mine uses Moranbah's coal processing infrastructure, therefore the Group sought to replicate the ownership structure of Moranbah at Grosvenor, through the agreed sale of a 12% interest in the Grosvenor mine to the same consortium partners, in order to align the interests of all of the owners. The transaction completed on December 18, 2020.

### ***Manganese***

#### ***Business Overview***

The Manganese operations provide ingredients for stainless and alloy steels. They are located in South Africa and Australia.

In Manganese, we have a 40% interest in Samancor (managed by South32, which holds a 60% interest) with operations based in South Africa and Australia, and marketing operations based in Singapore.

In 2022, the average benchmark price for manganese ore (Metal Bulletin 44% manganese ore CIF China) increased by 16% to US\$6.06/dmtu (December 31, 2021: US\$5.21/dmtu). Prices increased strongly in the first half of 2022, but were on a declining trend through much of the second half of 2022. Prices regained some ground during December 2022, ending the year at US\$5.13/dmtu.

#### ***Other Recent Developments***

##### ***Disposal of TEMCO***

On August 13, 2020, South32 announced that GEMCO, owned by Samancor, had entered into a binding agreement for the sale of its shareholding in TEMCO to an entity within GFG Alliance ("GFG"). Completion of the transaction was announced on January 4, 2021, with GFG making a nominal payment to GEMCO to acquire

100% of the shares in TEMCO. As a condition to the completion of the transaction, the parties entered into an ore supply agreement from GEMCO to TEMCO.

#### *Metalloys Manganese Alloy Smelter*

On November 29, 2021, South32 announced that Samancor had entered into a binding conditional agreement for the sale of the Metalloys manganese alloy smelter (“**Metalloys**”) to Satka Investments Proprietary Limited. On March 7, 2022, South32 announced that the sale will not proceed. This follows a failure to satisfy certain commercial conditions to the agreement. Production at Metalloys ceased in March 2020 and the site is expected to remain on care and maintenance as future options for the smelter are assessed.

#### *Crop Nutrients*

##### *Business Overview*

Anglo American is developing the Woodsmith project in the north east of England to access polyhalite, a natural mineral fertilizer product containing potassium, sulphur, magnesium and calcium. The Woodsmith project is located approximately eight kilometers south of Whitby where polyhalite ore will be extracted via 1.6 kilometer deep mine shafts and transported to the port at Teesside on an underground conveyor belt in a 37 kilometer tunnel, thereby minimizing impact on the surface. It will then be granulated at a materials handling facility to produce a low carbon fertilizer product—known as POLY4—expected to be exported from our port facilities to a network of customers overseas.

##### *Recent Developments*

Since completion of the acquisition, detailed technical reviews of Anglo American’s Woodsmith polyhalite project have taken place to bring the project in line with Anglo American’s safety and operational integrity standards. Further, significant changes have been made to the scope, design and approach to execution of the project. These changes will allow future optionality for a larger operating footprint, to be delivered in a phased approach in step with market development and to optimize the value of the asset for the long term. Anglo American expects these changes to result in an extended project and ramp-up schedule, with first product to market expected to be available in 2027, and higher capital expenditure overall. The critical path construction activities of shaft sinking and tunnel boring continue to progress well and, as we continue to develop the revised plan, additional studies will focus on optimization of the mine development, materials transport and handling facilities, to support the phased approach.

Progress on the core project infrastructure has continued according to Anglo American’s updated plan during 2022, with capital expenditure in relation to the Crop Nutrients business segment of US\$522 million for the year (2021: US\$530 million). During 2022, as part of the construction review, contracts were awarded for the shaft sinking operations, programme management services and construction management to ensure the project can be executed in line with Anglo American’s stringent requirements. With the award of these contracts and other infrastructure improvements, activities at the deep shafts have progressed during 2022. The service shaft is now more than 360 meters deep, while shaft sinking began 120 meters below the surface for the production shaft in January 2023, as planned.

We are optimizing the project’s configuration - including the capacity of the shafts and other infrastructure to accommodate higher production volumes and more efficient and scalable mining methods over time. These changes indicate an extension of the development schedule and the capital budget, compared to what was previously anticipated. Any changes to forecast capital expenditure have a direct impact on the recoverable amount of the asset (assuming all other inputs remain the same) given the nearer term nature of the expenditure. For accounting purposes at this early stage of the project’s development, we have recognized an impairment of US\$1.7 billion to the carrying value of the asset within special items and remeasurements, reflecting the extension of the development schedule and capital budget.

## ***Corporate and Other***

### ***Business Overview***

This business segment includes shipping revenue relating to third party carriage services, thermal coal marketing and trading activities, corporate activities and exploration expenditure. This segment previously also included the thermal coal operations that were divested in 2021.

### ***Significant Transactions and Restructuring***

#### ***Exit from thermal coal operations***

On June 7, 2021, Anglo American announced the completion of the demerger of its thermal coal operations in South Africa. The demerger took place after a restructuring of the legal entities in South Africa such that a single legal entity, incorporated as Thungela Resources Limited (“**Thungela**”), held the assets and liabilities to be demerged with a fair market value at US\$719 million as of the demerger date. See Note 33 to the Group 2021 Consolidated Financial Statements for more detail.

Thungela commenced trading on June 7, 2021, through a primary listing on the Johannesburg Stock Exchange and a standard listing on the London Stock Exchange. The admission to trading of Thungela on the Johannesburg and London stock exchanges followed the completion of the demerger of Anglo American’s thermal coal operations in South Africa that was announced on April 8, 2021, and approved by shareholders on May 5, 2021. The scheme of arrangement to implement the demerger was sanctioned by the UK High Court of Justice on May 26, 2021. On March 25, 2022, Anglo American announced the sale of the Group’s remaining 8.0% shareholding in Thungela through an accelerated book build placing to a number of major financial institutions, realizing gross proceeds of R1,672 million (approximately US\$115 million). At the time of the demerger, Anglo American stated its intention to dispose of its remaining interest in Thungela over time and in a responsible manner, subject to market conditions and not within the first six months following the demerger. Following the end of that six-month period in December 2021 and the end of Thungela’s closed period following the announcement of its 2021 results on March 22, 2022, Anglo American launched and completed the sale of its remaining shares and no longer holds any shares in Thungela.

Anglo American’s Marketing business continues to support Thungela in the sale and marketing of its products, and sales and purchases under the offtake agreement will continue to be reported on a net basis, together with the Group’s other third-party trading activities. For 2022, thermal coal represented 2% of Group revenue and comprised sales volumes of 17.4Mt arising from transitional marketing support provided to Thungela, purchases from other third parties and secondary product sales from the Steelmaking Coal business.

On January 11, 2022, Anglo American announced the completion of the sale of its 33.3% shareholding in Cerrejón to Glencore plc (“**Glencore**”) for a total cash consideration of approximately US\$294 million, based on an economic effective date of December 31, 2020. Glencore had been a longstanding 33.3% shareholder in Cerrejón alongside Anglo American and BHP and has concurrently acquired BHP’s 33.3% interest in Cerrejón. Glencore therefore now has 100% ownership and operating control of Cerrejón. The completion of this transaction marked the final stage of Anglo American’s exit from thermal coal operations.

## MINERAL PRODUCTION

This section provides the entire output of consolidated entities and the Group's attributable share of joint operations, associates and joint ventures where applicable, except for De Beers' joint operations which are presented on a 100% basis.

	Year ended December 31,		
	2020	2021	2022
	(thousands of carats)		
<b><i>De Beers segment<sup>(1)</sup></i></b>			
Botswana	16,559	22,326	24,142
Namibia	1,448	1,467	2,137
South Africa	3,771	5,306	5,515
Canada	3,324	3,177	2,815
	25,102	32,276	34,609

(1) De Beers production is on a 100% basis, except for the Gahcho Kué joint operation in Canada, which is on an attributable 51% basis.

	Year ended December 31,		
	2020	2021	2022
	(tonnes)		
<b><i>Copper segment<sup>(1)(2)</sup></i></b>			
Collahuasi (44% share)	276,900	277,200	251,100
AA Sur — Los Bronces mine	324,700	327,700	270,900
AA Sur — El Soldado mine	45,800	42,300	40,200
Quellaveco mine	—	—	102,300
<b>Total attributable copper production</b>	647,400	647,200	664,500

(1) Production is presented on a contained metal basis.

(2) Excludes Anglo American Platinum's copper production.

	Year ended December 31,		
	2020	2021	2022
	(tonnes)		
<b><i>Nickel segment<sup>(1)</sup></i></b>			
Nickel	43,500	41,700	39,800

(1) Excludes Anglo American Platinum's nickel production.

	Year ended December 31,		
	2020	2021	2022
	<i>(thousands of ounces, except where noted otherwise)</i>		
<b><i>Platinum Group Metals segment</i></b>			
<i>Produced ounces<sup>(1)</sup></i>			
PGMs (5e plus gold)	3,809	4,299	4,024
<i>Refined<sup>(2)</sup></i>			
Platinum	1,201	2,400	1,783
Palladium	905	1,628	1,199
Rhodium	174	347	249
Copper – Refined (tonnes)	10,300	14,600	15,000
Nickel – Refined (tonnes)	13,800	22,300	21,300
Gold	77	102	94

(1) Reflects own mine production and purchase of metal in concentrate.

(2) Excludes toll treated volumes.

	Year ended December 31,		
	2020	2021	2022
	<i>(thousands of tonnes)</i>		
<b><i>Iron Ore segment<sup>(1)</sup></i></b>			
Iron ore – Kumba	37,621	40,862	37,700
Iron ore – Minas-Rio	24,082	22,945	21,582

(1) Wet basis.

	Year ended December 31,		
	2020	2021	2022
	<i>(thousands of tonnes)</i>		
<b><i>Steelmaking Coal segment<sup>(1)</sup></i></b>			
Steelmaking – Export	16,822	14,908	15,007
Thermal – Export	2,021	1,677	1,645

(1) Anglo American's attributable share of production.

	Year ended December 31,		
	2020	2021	2022
	<i>(thousands of tonnes)</i>		
<b><i>Manganese segment</i></b>			
Manganese ore <sup>(1)</sup>	3,520	3,683	3,741
Manganese alloys <sup>(1)(2)</sup>	81	—	—

(1) Saleable production.

(2) Production includes medium carbon ferro-manganese. There was no manganese alloy production in 2021 and 2022 as the South African smelter has been on care and maintenance since the COVID-19 lockdown in 2020. The divestment of the Metalloys business did not proceed as certain commercial conditions were not satisfied. See “Business Description - Business Segments - Manganese - Other Recent Developments - Metalloys Manganese Alloy Smelter”.



	Year ended December 31,		
	2020	2021	2022
	(thousands of tonnes)		
<b>Corporate and Other segment</b>			
<i>South Africa <sup>(1)</sup></i>			
Thermal coal – Export <sup>(2)</sup>	16,463	5,682	—
Thermal coal – Domestic <sup>(3)</sup>	14,015	5,562	—
<i>Colombia<sup>(4)</sup></i>			
Thermal coal – Export	4,130	3,579	—

(1) 2021 production included until the demerger of our South African thermal coal operations on June 4, 2021.

(2) Thermal coal export – All product produced and sold into the export market, and production sold domestically at export parity pricing and pre-commercial production volumes from Navigation section of Khwezela.

(3) Thermal - Domestic includes Isibonelo and Rietvlei.

(4) Thermal Coal - Colombia represents the Group's attributable share from its 33.3% shareholding in Cerrejón. 2021 production reflects volumes from the first half of the year only, before the sale agreement was entered into.

## INDUSTRY OVERVIEW

### Global Markets

The global macro-economic environment has been marked by the interaction of trade dislocations arising from Russia's invasion of Ukraine, surging inflation in the West, and curtailed demand activity in China due to its zero-Covid policy. Despite these challenges, global economic growth was 3.4% in 2022, according to the IMF's last estimate, which compares to 6.2% in 2021, as the effects of re-opening following COVID-19 restrictions faded and monetary policy in all major advanced economies shifted from easing to tightening.

In the US, the Federal Reserve pivoted sharply in 2022 – increasing interest rates by 425 basis points during the year – in response to sharply rising consumer price inflation, which hit a high of 9.1% in June 2022. Europe has been particularly exposed to the inflationary effects of trade disruptions as a result of Russia's invasion of Ukraine, with oil and gas prices rising sharply higher year on year. In China, economic growth in 2022 has been hindered by recurring COVID-19 lockdowns, as well as financing issues in the real estate sector. COVID-19 restrictions have weighed particularly heavily on consumption and service sectors.

Demand for many mined commodities held up well in 2022, buoyed by the positive effects of pent-up post-pandemic consumer demand, strong labour markets (and accompanying wage growth), as well as easing supply chain conditions. These trends have contributed, for example, to robust production and consumer demand for automotives, benefiting PGMs.

Progress in the global energy transition continues to drive growth in related sectors, providing support to copper and nickel demand in particular. Renewables' share of global primary energy demand rose to an estimated 3.3% in 2022 from 2.7% in 2021, while vehicle production continued to become more electrified: the pure electric share of global light duty vehicle production increased from 6% in 2021 to 10% in 2022, while share of PGMs containing hybrids rose from 13% in 2021 to 16% in 2022.

2022 saw a strengthening of the dollar against a number of major currencies on the back of high US interest rates, and weaker global risk appetite. In particular, the US dollar firmed against the South African rand and Australian dollar by 7% and 6%, respectively, over the course of 2022, countering to a degree the effects of local currency cost inflation and moderating commodity prices since the second quarter of 2022. Our operations in South America, however, most notably in Brazil and Peru, have been adversely affected by stronger local currencies in 2022, arising in part from earlier interest rate rises by their central banks.

Please also see *“Risk Factors - Our business, results of operations, cash flows and financial condition have been and may continue to be adversely affected by commodity and diamond price fluctuations and adverse economic conditions”* and *“Risk Factors—As has been witnessed by the COVID-19 pandemic, global pandemics could have a negative impact on worldwide economic activity and may adversely affect our business”*.

### Commodity Review

#### ***Diamonds***

The year 2022 started well for the diamond industry, with strong restocking demand following the 2021 holiday season. While the start of Russia's invasion of Ukraine and imposition of related sanctions on Russian diamonds created uncertainty, healthy consumer demand, tightness in supply and De Beers' focus on provenance assurance all translated into robust demand for both rough diamonds and diamond jewelry in the first half.

In the second half of 2022, with a wavering economic outlook, US consumer demand for diamond jewelry softened, though remained above pre-pandemic levels. In China, COVID-19 restrictions from the second quarter of 2022 onwards impacted diamond jewelry sales, resulting in negative demand growth for 2022.

Amidst the economic uncertainty in the second half of 2022, retailers restocked cautiously, leading to increased cutting centre polished diamond inventories, which, in turn, led to a softening in polished prices and rough demand towards the end of 2022.

A deterioration in the macro-economic outlook for 2023 could impact consumer spending and, hence, demand for diamond jewelry in the near term; however, longer term, the outlook for demand continues to be positive and supply is expected to remain below pre-pandemic levels, supporting value growth for natural diamonds.

### ***PGMs***

The year 2022 was another strong year for PGMs pricing, underpinned by robust trends in global vehicle production (light duty vehicles rose by 7% year on year) and constraints in supply – albeit averaging below the record price levels of 2021, with platinum, palladium and rhodium prices softening in 2022 by 12%, 12% and 23%, respectively, compared to 2021.

Positive trends in vehicles in 2022 (platinum consumption rose 16% year on year, as estimated by Johnson Matthey, for example) more than offset generally softer demand developments elsewhere. Industrial consumption of palladium fell by 9% in 2022, as capacity expansion in the chemical industry slowed and the ongoing shift from dental alloys continued, while platinum offtake reduced by 7% in 2022, largely due to a particularly strong previous year. Rhodium, in contrast, saw a 21% uplift in industrial consumption in 2022, benefiting from its preferential qualities in glass and chemicals applications. Global demand for platinum in jewelry contracted by around 4% in 2022, despite uplifts in key Western markets and India.

Mined supply of platinum, palladium and rhodium declined in 2022. Platinum and rhodium decreased by 10% and 9% respectively, as estimated by Johnson Matthey, as South African output fell from a high base and was further hit by several operational factors. North American production came under pressure due to flooding, while Russian supplies, despite the impact of Russia's invasion of Ukraine, were largely steady, providing support to palladium volumes, which overall eased by 6% on the prior year. Zimbabwe was the only key PGMs production region to register meaningful growth in primary mined volumes in 2022.

Key structural shifts in PGMs consumption patterns that have emerged over recent years were reinforced in 2022: substitution of palladium for more affordable platinum persisted in light-duty petrol vehicles; share of PGM-loaded internal combustion engine (ICE) vehicles fell back, albeit finding some support from continued growth in hybrids; and platinum containing fuel cell electric vehicles (FCEVs) continued to gather pace, with production growth in the heavy-duty sector. Due to their superior catalytic properties and stability in high temperature processes, PGMs will continue to serve a diverse set of industrial and chemical applications that are needed to support future economic and technological development.

### ***Base metals***

#### ***Copper***

The central role of base metals in the energy transition resulted in strong copper and nickel markets in 2022, despite extended COVID-19 lockdowns in China and inflation-driven economic slowdowns in Europe and North America. After rising to record levels in 2021, copper prices continued to fluctuate around the 450 c/lb mark for the majority of the first half of 2022, before weaker macroeconomic conditions caused prices to ease in the second half of 2022. The average copper price for 2022 was 400 c/lb (2021: 423 c/lb).

Despite the significant economic headwinds, global refined copper demand is estimated by Wood Mackenzie to have increased by 0.8% in 2022 and exchange inventories remained very low throughout 2022. Mined supply continued to be constrained by difficult operating conditions – most notably in South America. Furthermore, the lack of large, high-quality mines coming online continued to limit supply growth.

#### ***Nickel***

Nickel is a key beneficiary of the global shift towards battery electric vehicles (BEVs), with most battery technology remaining nickel based. Global primary nickel demand increased by 4.8% in 2022, with a 39% surge in nickel consumed in battery precursors for BEVs and energy storage systems more than offsetting a slight decrease in stainless steel production. This helped to drive nickel prices to average US\$11.61/lb in 2022 (2021: US\$8.39/lb), the highest level in 15 years.

## ***Bulk commodities***

### ***Iron ore***

Despite falling demand, substantial inflationary pressures and geopolitical tensions, bulk commodity pricing has been resilient in 2022. At 1,879 million tonnes in 2022, global crude steel production dipped below the record level of 2021 (down 4.2% year on year), as estimated by World Steel Association, as strong growth in India and the Middle East partially offset production declines elsewhere.

The economic uncertainty in China resulting from the ongoing and often widespread local COVID-19 lockdowns weighed on iron ore demand in 2022. However, with supply constrained as many miners faced operational issues, the benchmark iron ore price (CFR China 62% Fe) averaged US\$120/tonne in 2022 – the third consecutive year of iron ore prices averaging above the US\$100/tonne mark (2021: US\$160/tonne).

### ***Steelmaking coal***

Russia's invasion of Ukraine contributed to record natural gas and thermal coal prices, in turn supporting steelmaking coal prices at historically high levels. The benchmark premium hard coking coal price (FOB Australia) peaked at US\$671/tonne in March 2022, a record high, and averaged US\$364/tonne for 2022, a 61% increase on 2021.

Steel is a critical enabler of economic development and is an essential material for the build out of renewables energy infrastructure, such as wind turbines. Efforts to reduce carbon emissions are leading to the gradual transformation of the steel industry, where numerous producers are shifting towards direct reduced iron production (requiring high quality lump and pellet products) and increasing use of less carbon-intensive scrap. This evolution of the steel industry will impact the total demand for iron ore and steelmaking coal, as well as increase the relative demand and pricing for the higher-grade, lower-emitting products, such as lump and high-grade concentrate, that Anglo American produces.

### ***Fertilizers***

Fertilizer prices saw significant increases during 2022, as Russia's invasion of Ukraine and very low global stocks drove crop prices higher. Notably, phosphate and potash prices rose 49% and 60% respectively in 2022. Like many commodity price increases, this impacted affordability, leading to a subsequent softening in fertilizer demand in the second half of 2022.

## SELECTED FINANCIAL INFORMATION

The selected financial information for the Group set forth below as at or for each of the years ended December 31, 2022, 2021 and 2020 has been derived from, and should be read in conjunction with, the Group 2022 Consolidated Financial Statements, the Group 2021 Consolidated Financial Statements and the Group 2020 Consolidated Financial Statements and notes thereto, and incorporated by reference herein.

You should regard the selected financial data below only as an introduction and should base your investment decision on a review of this entire Offering Memorandum, including the sections entitled “*Operating and Financial Review*” and “*Non-IFRS Financial Measures*”. The disclosures in this section include certain Alternative Performance Measures (“**APMs**”). For more information on the APMs please see “*Presentation of Financial Information*”.

	Year ended December 31,		
	2020	2021	2022
	<i>restated<sup>(1)(2)</sup></i>		
	<i>(US\$m unless otherwise stated)</i>		
<b>Income statement measures</b>			
Revenue <sup>(2)</sup>	25,447	41,554	35,118
Group Revenue <sup>(2)(3)</sup>	26,883	43,258	37,391
Operating profit before special items and remeasurement	6,687	17,093	10,924
Underlying EBIT <sup>(3)(4)</sup>	7,050	17,790	11,963
Underlying EBITDA <sup>(3)(4)</sup>	9,802	20,634	14,495
Profit for the financial period	3,328	11,699	6,024
Underlying earnings <sup>(3)</sup>	3,135	8,925	6,036
<b>Earnings/(loss) per share (US\$)</b>			
Basic	1.69	6.93	3.72
Diluted	1.67	6.84	3.68
<b>Dividends per share (US cents)<sup>(5)</sup></b>			
Ordinary	100	289	198
Interim Special	—	80	—
Final Special	—	50	—
<b>Balance sheet measures</b>			
Total assets	62,534	65,985	67,407
Medium and long-term borrowings	(12,317)	(11,621)	(12,945)
Net debt <sup>(1)(3)</sup>	(5,530)	(3,842)	(6,918)
<b>Cash flow measures</b>			
Net cash inflows from operating activities	6,618	16,723	9,765
Net cash used in investing activities	(4,740)	(5,558)	(5,817)
Net cash used in financing activities	(716)	(9,356)	(4,368)

(1) During 2021, the Group has amended the definition of net debt during the year to exclude variable vessel leases. This change resulted in the restatement of financial results for the year ended December 31, 2020. See “Presentation of Financial Information—Amendment of net debt definition” for more detail.

(2) In 2021, changes in the Group accounting policy relating to revenue, resulted in the restatement of financial results for the year ended December 31, 2020. See “Presentation of Financial Information—Changes in Accounting Policy” for more detail. See “Operating and Financial Review—Factors Impacting Comparability” for more detail.

(3) Definitions are set out in “Non-IFRS Financial Measures”

(4) The reconciliation from underlying EBIT to underlying EBITDA is as follows:

	Year ended December 31,		
	2020	2021	2022
	<i>(US\$m unless otherwise stated)</i>		
<b>Income statement measures</b>			
Underlying EBIT	7,050	17,790	11,963
Depreciation and amortization (including associates and joint ventures) <sup>(6)</sup>	2,752	2,844	2,532
Underlying EBITDA	9,802	20,634	14,495

(5) Interim and year-end dividends proposed in respect of the applicable year-ended December 31.

(6) Non-IFRS measure: depreciation and amortization, including associates and joint ventures. Reconciliation to the closest IFRS measure, consolidated depreciation and amortization, is disclosed in Note 2 of the 2022 Group Consolidated Financial Statements.

## OPERATING AND FINANCIAL REVIEW

*This “Operating and Financial Review” section is intended to convey management’s perspective on the Group’s operational performance and its financial performance as measured in accordance with IFRS. We intend this disclosure to assist investors in understanding and interpreting the financial statements incorporated by reference in this Offering Memorandum. This section is based on and should be read in conjunction with the Group 2022 Consolidated Financial Statements, the Group 2021 Consolidated Financial Statements and the Group 2020 Consolidated Financial Statements, which are incorporated by reference into this Offering Memorandum, as well as the “Presentation of Financial Information” section. In this analysis, all references to “2022” are to the year ended December 31, 2022, all references to “2021” or the “prior year” are to the year ended December 31, 2021 and all references to “2020” are to the year ended December 31, 2020.*

*The following discussion also contains trend information and forward-looking statements. Actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed below and elsewhere in this Offering Memorandum, particularly under “Forward-Looking Statements” and “Risk Factors”.*

*We make reference herein to certain non-IFRS financial information that is explained in “Non-IFRS Financial Measures”.*

### Overview

The Group’s underlying earnings in 2022, 2021 and 2020 were US\$6,036 million, US\$8,925 million and US\$3,135 million, respectively.

2022 underlying earnings were 32% below 2021 driven by the lower underlying EBITDA, partly offset by a corresponding decrease in income tax expense and earnings attributable to non-controlling interests.

2021 underlying earnings were 185% above 2020 reflecting a 111% increase in underlying EBITDA, partly offset by a corresponding increase in income tax expense and earnings attributable to non-controlling interests.

The reconciliation of profit for the financial period to underlying earnings is set out below:

	Year ended December 31,		
	2020	2021	2022
	(US\$m)		
Profit/(loss) for the financial period	3,328	11,699	6,024
Non-controlling interests	(1,239)	(3,137)	(1,510)
Profit/(loss) for the financial period attributable to equity shareholders of the Company	2,089	8,562	4,514
Revenue remeasurements	—	(7)	9
Operating special items <sup>(1)</sup>	1,000	(598)	1,592
Operating remeasurements <sup>(1)</sup>	56	106	80
Non-operating special items <sup>(1)</sup>	(513)	207	77
Financing special items and remeasurements <sup>(1)</sup>	8	113	(15)
Special items and remeasurements tax	346	659	(114)
Non-controlling interests on special items and remeasurements	72	57	(107)
Share of associates’ and joint ventures’ special items and remeasurements	77	(174)	—
Underlying earnings	3,135	8,925	6,036

(1) Before tax and non-controlling interests

The Group's profit attributable to equity shareholders for 2022, 2021 and 2020 was US\$4,514 million, US\$8,562 million and US\$2,089 million respectively.

The US\$4,048 million decrease in profit attributable to equity shareholders from 2021 to 2022 was driven by a decrease in the average market prices for the Group's basket of products, lower sales volumes and higher input costs across the Group in 2022 compared to 2021, as well as an operating special items loss in 2022 of US\$1,592 million principally consisting of US\$2,020 million (US\$1,829 million after tax and non-controlling interests) of impairments at Woodsmith and Kolomela, partially offset by impairment reversals of US\$428 million (US\$299 million after tax) within Steelmaking Coal.

The US\$6,473 million increase in profit attributable to equity shareholders from 2020 to 2021 was driven by an operating special items gain in 2021 of US\$598 million, principally consisting of US\$1,482 million (US\$959 million after tax and non-controlling interests) impairment reversal at Minas-Rio and El Soldado together with a strong price environment. This has been offset by impairments of US\$795 million (US\$557 million after tax) principally comprising of impairments within Steelmaking Coal.

### Factors Impacting Comparability

There are no factors impacting comparability of financial information included in this Offering Memorandum.

### Factors Affecting Results of Operations

The Group's results of operations and year-to-year comparability of its financial results are affected by a number of factors, including changes in commodity prices and exchange rates, production levels, cost pressures, acquisitions, divestments, extreme weather events and accounting standards. In addition, 2021 and 2020 results were affected by the Covid-19 pandemic, predominantly related to national lockdowns in southern Africa. Subsequent disruption includes enhanced preventative safety measures and supply chain interruptions.

#### *Commodity Prices*

The table below sets forth the average market prices for certain of our key commodities for the periods presented:

	Year ended December 31,		
	2020	2021	2022
<b>Average prices for the period</b>			
Copper (US cents/lb) <sup>(1)</sup>	280	423	400
Platinum (US\$/oz) <sup>(2)</sup>	885	1,086	961
Palladium (US\$/oz) <sup>(2)</sup>	2,197	2,388	2,111
Rhodium (US\$/oz) <sup>(3)</sup>	11,220	20,109	15,465
Iron ore (62% Fe CFR) (US\$/tonne) <sup>(4)</sup>	109	160	120
Iron ore (66% Fe Concentrate CFR) (US\$/tonne) <sup>(5)</sup>	120	185	145
Hard coking coal (FOB Australia) (US\$/tonne) <sup>(4)</sup>	124	226	364
PCI (FOB Australia)(US\$/tonne) <sup>(4)</sup>	78	164	331
Nickel (US\$/lb) <sup>(1)</sup>	6.25	8.39	11.61
Manganese ore (44% CIF China) (US\$/dmtu) <sup>(5)</sup>	4.67	5.21	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.



For further discussion on contributing factors to changes in commodity prices, see “*Industry Overview—Commodity Review*”.

Set forth below is the impact on 2022 underlying earnings of a 10% fluctuation in the prices for certain of the Group’s key commodities. These sensitivities reflect movement of an individual commodity price in isolation and are offered for illustrative purposes. In reality the combination of movements in commodity prices, exchange rates and interest rates will result in a different outcome.

	Year ended December 31, 2022
	10% sensitivity
	(US\$m) <sup>(3)</sup>
Iron ore <sup>(1)</sup>	+/-308
Hard coking coal	+/-242
Copper <sup>(2)</sup>	+/-280
Nickel	+/-84
Platinum	+/-63
Palladium	+/-111
Rhodium	+/-158

(1) Sensitivity reflects the impact of a 10% change in the average price across lump and fine.

(2) Sensitivity excludes the impact of provisionally priced copper.

(3) Stated after tax at marginal rate. Sensitivities are the average of the positive and negative and reflect the impact of a 10% change in the average prices achieved during 2022. Increases in commodity prices increase underlying earnings and vice versa.

Average market prices for the Group’s basket of commodities and products decreased from 2021 to 2022 by 6%, reducing underlying EBITDA by US\$2.2 billion. Realized prices decreased for iron ore (29%), copper (15%) and the PGMs basket (8%) – primarily driven by rhodium, which decreased by 20%. This was partly offset by steelmaking coal prices where the weighted average price increased by 52%, and De Beers, where the realized price increased by 35%.

Average market prices for the Group’s basket of commodities and products increased from 2020 to 2021 by 43%, contributing US\$10.20 billion of improvement to underlying EBITDA. Higher realized prices were achieved across all of our products, with the dollar PGMs basket increasing by 36%, primarily driven by rhodium price which increased by 85% in the year, as well as iron ore and copper prices which increased by 41% and 52% respectively.

The table below sets forth the spot market prices for certain of our key commodities at period end:

Period end prices	As at December 31,		
	2020	2021	2022
Copper (US cents/lb) <sup>(1)</sup>	351	440	380
Platinum (US\$/oz) <sup>(2)</sup>	1,075	962	1,065
Palladium (US\$/oz) <sup>(2)</sup>	2,370	1,928	1,788
Rhodium (US\$/oz) <sup>(3)</sup>	17,000	14,150	12,250
Iron ore (62% Fe CFR) (US\$/tonne) <sup>(4)</sup>	159	119	117
Iron ore (66% Fe Concentrate CFR) (US\$/tonne) <sup>(5)</sup>	177	147	131
Hard coking coal (FOB Australia) (US\$/tonne) <sup>(4)</sup>	103	357	295
PCI (FOB Australia) <sup>(4)</sup>	92	244	285
Nickel (US\$/lb) <sup>(1)</sup>	7.50	9.49	13.80
Manganese ore (44% CIF China) (US\$/dmu) <sup>(5)</sup>	4.27	5.60	5.13

(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.

The Group's policy is generally not to hedge exposure to commodity prices. This is discussed further under "*Financial Risk Exposure and Management*". Please also see "*Risk Factors—As has been witnessed by the Covid-19 pandemic, global pandemics could have a negative impact on worldwide economic activity and may adversely affect our business*".

### **Exchange Rates**

The Group's results are influenced by a variety of currencies (the most important of which are listed in the table below) owing to its geographical diversity and because we sell our products principally in US dollars but incur most of our costs in local currencies.

The table below sets forth the average exchange rates for certain of our key currencies with respect to the US dollar for the periods presented. The average exchange rate has been determined using the end of day Bloomberg rates averaged for the period.

	Year ended December 31,		
	2020	2021	2022
<b>Average spot prices for the period</b>	<i>(per U.S. dollar)</i>		
South African rand	16.46	14.79	16.37
Brazilian real	5.16	5.40	5.16
British pound	0.78	0.73	0.81
Australian dollar	1.45	1.33	1.44
Euro	0.88	0.85	0.95
Chilean peso	792	761	874
Peruvian Sol	3.50	3.88	3.83
Botswanan pula	11.42	11.08	12.34
<b>Closing spot prices</b>			
South African rand	14.69	15.96	16.94
Brazilian real	5.19	5.57	5.28
British pound	0.73	0.74	0.83
Australian dollar	1.30	1.38	1.47
Euro	0.81	0.88	0.93
Chilean peso	712	852	859
Peruvian Sol	3.62	3.99	3.82
Botswanan pula	10.80	11.75	12.76

Set forth below is the impact for 2022 underlying earnings of the Group of a 10% fluctuation in certain exchange rates. These sensitivities reflect movement of an individual exchange rate in isolation and are offered for illustrative purposes. In reality, the combination of movements in commodity prices, exchange rates and interest rates will result in a different outcome.

	Year ended December 31, 2022
	10% sensitivity
	<i>(US\$m)<sup>(1)</sup></i>
South African rand/US dollar <sup>(2)</sup>	+/-364
Australian dollar/US dollar <sup>(2)</sup>	+/-105
Chilean peso/US dollar <sup>(2)</sup>	+/-56
Brazilian real/US dollar <sup>(2)</sup>	+/-64

(1) Excludes the effect of any hedging activities. Stated after tax at marginal rate.

(2) A strengthening of the South African rand, Australian dollar, Chilean peso and Brazilian real relative to the US dollar reduces underlying earnings and vice versa.

In 2022, the impact of foreign exchange increased underlying EBITDA by US\$1.1 billion due to weaker local currencies in many of our countries of operation, principally the South African rand.

In 2021, the unfavorable impact of foreign exchange on Underlying EBITDA of US\$1.0 billion was largely due to stronger local currencies in our countries of operation, principally the South African rand. In 2020, the favorable impact of foreign exchange on Underlying EBITDA of US\$0.9 billion was largely due to weaker South African rand, Brazilian real and Chilean peso.

### ***Input Costs and Effects of Inflation***

The mining industry continues to experience price inflation for costs of inputs used in production, which leads to higher production costs reported by many mining companies, including the Group, which has experienced generally higher production costs across its operations.

Commodity prices are determined principally by international markets and global supply and demand and the Group is unable to control the prices at which it sells the commodities it produces. Accordingly, in the event of significant inflation in input costs, particularly labor and power costs, without a concurrent devaluation of the local currency or an increase in commodity prices, there could be a material adverse effect on the Company's results of operations and financial condition.

In 2022, the Group's weighted average CPI was 8.0%, compared with 5.0% in 2021, as inflation increased in all regions. The impact of CPI inflation on costs reduced underlying EBITDA by US\$0.9 billion.

### ***Divestments***

We have undertaken a number of significant transactions since the beginning of 2015, including several that were entered into for the purpose of actively restructuring the Group in order to improve our portfolio and strengthen our financial position.

The transformation of our portfolio is well advanced, moving from 68 assets in 2013 to 28 at the end of December 2022. We will continue to refine and upgrade our asset portfolio on an ongoing basis in order to ensure that our capital is deployed effectively. We had no key divestments since January 1, 2020 other than the Thungela demerger which completed on June 7, 2021 and the sale of our 33.3% shareholding in Cerrejón which completed on January 11, 2022. See "*Business Description - Business Segments - Corporate and Other - Significant Transactions and Restructuring - Exit from thermal coal operations*".

## Results Of Operations for the Years Ended December 31, 2022, 2021 and 2020

The table below summarizes the Group's income statement and certain other measures for the periods indicated and should be read in conjunction with, and is qualified in its entirety by reference to, the Group 2022 Consolidated Financial Statements, the Group 2021 Consolidated Financial Statements and the Group 2020 Consolidated Financial Statements and notes thereto, which are incorporated by reference into this Offering Memorandum.

	Year ended December 31,		
	2020	2021	2022
	<i>Restated<sup>(1)(2)</sup></i>		
	<i>(US\$m)</i>		
<b>Income statement</b>			
Revenue <sup>(2)(3)</sup>	25,447	41,554	35,118
Total operating costs before special items <sup>(2)</sup>	(18,760)	(24,454)	(24,203)
Operating profit before operating special items and remeasurements	6,687	17,100	10,915
Operating special items	(1,000)	598	(1,592)
Operating remeasurements	(56)	(106)	(80)
Operating profit	5,631	17,592	9,243
Non-operating special items	513	(207)	(77)
Share of net income from associates and joint ventures <sup>(4)</sup>	103	634	641
Total profit from operations and associates	6,247	18,019	9,807
Net finance costs before financing special items and remeasurements	(775)	(277)	(342)
Financing special items and remeasurements	(8)	(113)	15
Profit before tax	5,464	17,629	9,480
Income tax expense	(2,136)	(5,930)	(3,456)
Profit for the financial year	3,328	11,699	6,024
Underlying EBIT	7,050	17,790	11,963
Underlying earnings	3,135	8,925	6,036
<b>Dividends per share (US cents)<sup>(5)</sup></b>			
Ordinary	100.00	289.00	198.00
Interim Special	—	80.00	—
Final Special	—	50.00	—
<b>Balance sheet</b>			
Total assets	62,534	65,985	67,407
Net assets	32,766	34,770	34,024
Total share capital	5,107	3,295	3,292
Net debt <sup>(1)</sup>	(5,530)	(3,842)	(6,918)

(1) The Group amended the definition of net debt during 2021 to exclude variable vessel leases. This change resulted in the restatement of financial results for the year ended December 31, 2020. See "Presentation of Financial Information—Amendment of net debt definition" for more detail.

(2) In 2021, changes in the Group accounting policy relating to revenue, resulted in the restatement of financial results for the year ended December 31, 2020. See "Presentation of Financial Information—Changes in Accounting Policy" for more detail. See "Operating and Financial Review—Factors Impacting Comparability" for more detail.

(3) Revenue includes loss of US\$9 million (2021: gain of US\$7 million, 2020: US\$0 million) which relates to remeasurements on derivatives.

(4) Associates' EBIT is reconciled to "Share of net income from associates and joint ventures" as follows:

Group Revenue	1,436	1,711	2,264
Operating costs (before special items and remeasurements)	(1,073)	(1,014)	(1,225)
<b>Associates' and joint ventures' underlying EBIT</b>	<b>363</b>	<b>697</b>	<b>1,039</b>
Net finance costs	(22)	(13)	(16)
Income tax expense	(158)	(222)	(379)
Non-controlling interests	(3)	(2)	(3)
<b>Share of net income from associates and joint ventures (before special items and remeasurements)</b>	<b>180</b>	<b>460</b>	<b>641</b>
Special items and remeasurements	(79)	184	—
Special items and remeasurements tax	2	(10)	—
<b>Share of net income from associates and joint ventures</b>	<b>103</b>	<b>634</b>	<b>641</b>

(5) Interim and year-end dividends proposed in respect of the applicable year-ended December 31.

### **Revenue**

Revenue for 2022, 2021 and 2020 was US\$35,118 million, US\$41,554 million and US\$25,447 million respectively. The 15% decrease from 2021 to 2022 was principally driven by a decrease in the average market prices for the Group's basket of products and lower sales volumes. The 63% increase from 2020 to 2021 was principally driven by increased prices across the Group, particularly in PGMs, iron ore and copper.

### **Revenue remeasurements**

The loss of US\$9 million for 2022 relates to remeasurements on derivatives presented in revenue from other sources.

### **Total Operating Costs**

Total operating costs before operating special items and remeasurements for 2022, 2021 and 2020 were US\$24,203 million, US\$24,454 million and US\$18,760 million, respectively. There was no significant change in operating costs from 2021 to 2022. The 30% increase in operating costs from 2020 to 2021 was principally driven by an increase in third party commodity purchases and consumables, maintenance and other production input as the Group returned to normalized levels of operations post Covid.

### **Operating Special Items and Remeasurements**

Operating special items (before tax and non-controlling interest) in 2022, 2021 and 2020 amounted to a US\$1,592 million loss, US\$598 million gain and a US\$1,000 million loss, respectively, and operating remeasurements were losses of US\$80 million, US\$106 million and US\$56 million, respectively.

The operating special items loss in 2022 of US\$1,592 million principally consists of US\$2,020 million (US\$1,829 million after tax and non-controlling interests) impairments at Woodsmith and Kolomela slightly offset by impairment reversal of US\$428 million (US\$299 million after tax) within Steelmaking Coal.

The operating special items gain in 2021 of US\$598 million principally consists of US\$1,482 million (US\$959 million after tax and non-controlling interests) impairment reversal at Minas-Rio and El Soldado, offset by impairments of US\$795 million (US\$557 million after tax) within Steelmaking Coal.

The operating special items loss in 2020 of US\$1,000 million principally consists of impairment charges of US\$589 million (US\$589 million after tax) to operations at Barro Alto and the impairment charges of South African thermal coal of US\$119 million (US\$119 million after tax and non-controlling interests).

### **Non-Operating Special Items**

Non-operating special items (before tax and non-controlling interest) in 2022, 2021 and 2020 amounted to a US\$77 million loss, US\$207 million loss, and a US\$513 million gain, respectively.

The 2022 non-operating special items include a US\$77 million loss principally relating to adjustments relating to former operations of US\$83 million, a US\$24 million loss relating to adjustments in respect of business combinations in prior years, partially offset by US\$40 million profit in relation to the disposal of Bokoni (Platinum Group Metals). The net loss of US\$83 million primarily relates to contingent consideration adjustments in respect of disposals of the Group's interests in Rustenburg and Union (Platinum Group Metals) completed in 2016 and 2018 respectively.

The 2021 non-operating special items include a US\$207 million loss principally relating to a US\$393 million loss in connection with the demerger of the South African thermal coal operations and an impairment of US\$283 million relating to the disposal of our shareholding in Cerrejón, recognized on agreement of the sale with Glencore plc. This has been offset by a net gain of US\$507 million principally relating to contingent consideration adjustments in respect of disposals of the Group's interests in Rustenburg and Union (Platinum Group Metals) completed in 2016 and 2018 respectively, and contingent consideration received in respect of disposal of Anglo American Norte (Copper) completed in 2015.

The 2020 non-operating special items include a US\$532 million gain principally relating to contingent consideration adjustments in respect of disposals of the Group's interests in Rustenburg and Union (Platinum Group Metals) completed in 2016 and 2018 respectively.

#### ***Share of Net Income from Associates and Joint Ventures***

Our share of net income from associates and joint ventures in 2022, 2021 and 2020 was US\$641 million, US\$634 million and US\$103 million, respectively.

The US\$7 million increase from 2021 to 2022 was principally due to an increase of US\$271 million within Jellinbah (see “—Steelmaking Coal”), an increase of US\$16 million within Samancor Holdings (see “—Manganese”), partially offset by a decrease of US\$203 million within Cerrejón (see “—Corporate and other”).

The US\$531 million increase from 2020 to 2021 was principally due to an increase of US\$93 million, US\$278 million and US\$127 million within Samancor Holdings (see “—Manganese”), Cerrejón (see “—Corporate and other”) and Jellinbah (see “—Steelmaking Coal”), respectively.

#### ***Net Finance Costs before Financing Special Items and Remeasurements***

Net finance costs before financing special items and remeasurements in 2022, 2021 and 2020 were US\$342 million, US\$277 million and US\$775 million, respectively.

Net finance costs before financing special items and remeasurements in 2022 were materially in line with 2021.

The decrease from 2020 to 2021 of US\$498 million was principally driven by foreign exchange gains resulting from ZAR depreciation on USD cash and cash equivalents balance.

#### ***Financing Special Items and Remeasurements***

Financing special items and remeasurements in 2022, 2021 and 2020 were gains of US\$15 million, losses of US\$113 million and losses of US\$8 million, respectively.

Financing special items and remeasurements in 2022 principally comprised a net fair value gain of US\$15 million in respect of fair value adjustments in relation to cross currency and interest rate swap derivatives and the related bonds.

Financing special items and remeasurements in 2021 principally comprised a net fair value loss of US\$113 million in respect of bond buybacks completed in the year.

Financing special items and remeasurements in 2020 principally comprised a net fair value loss of US\$31 million in respect of bond buybacks completed in the year, offset by net gains on derivatives hedging net debt and fair value and currency movements on the related borrowings of US\$23 million.

### ***Income Tax Expense before Special Items and Remeasurements***

Income tax expense before special items and remeasurements in 2022, 2021 and 2020 was US\$3,570 million, US\$5,271 million and US\$1,790 million, respectively. Income tax expense is a function of profit before tax and the tax rates applicable in the various geographic locations in which the Group operates.

The effective rate of tax, before special items and remeasurements (including share of associates' tax before special items and remeasurements) – i.e. the underlying effective tax rate, in 2022, 2021 and 2020 was 34.0%, 31.4% and 31.2%, respectively.

The increase in the underlying effective tax rate from 2021 to 2022 and from 2020 to 2021 was principally driven by the relative levels of profits arising in the Group's operating jurisdictions.

Associates' and joint ventures' tax included within net income from associates and joint ventures for the year ended December 31, 2022 is a charge of US\$379 million (2021: charge of US\$232 million). Excluding special items and remeasurements, this remains a charge of US\$379 million (2021: charge of US\$222 million).

Associates' and joint ventures' tax included within net income from associates and joint ventures for the year ended December 31, 2021 is a charge of US\$232 million (2020: charge of US\$156 million). Excluding special items and remeasurements, this becomes a charge of US\$222 million (2020: charge of US\$158 million).

The table below summarizes the Group's tax expense before special items and remeasurements for the periods indicated.

	Year ended December 31, 2020			Year ended December 31, 2021			Year ended December 31, 2022		
	Before special items and remeasurements	Associates' and joint ventures' tax and non-controlling interests <sup>(1)</sup>	Calculation of underlying effective tax rate	Before special items and remeasurements	Associates' and joint ventures' tax and non-controlling interests <sup>(1)</sup>	Calculation of underlying effective tax rate	Before special items and remeasurements	Associates' and joint ventures' tax and non-controlling interests <sup>(1)</sup>	Calculation of underlying effective tax rate
	<i>(US\$m)</i>								
Profit before tax	6,092	161	6,253	17,276	224	17,500	11,223	382	11,605
Tax	(1,790)	(158)	(1,948)	(5,271)	(222)	(5,493)	(3,570)	(379)	(3,949)
Profit for the financial year	4,302	3	4,305	12,005	2	12,007	7,653	3	7,656
Effective tax rate including associates			31.2 %			31.4 %			34.0 %

(1) This corresponds to the share of associates and joint ventures tax and non-controlling interests, presented net but not disclosed separately on the income statement.

### ***Income Tax Expense – Special Items and Remeasurements***

For 2022, of the total tax credit of US\$114 million, there is a net current tax charge of US\$41 million (2021: charge of US\$24 million) and a net deferred tax credit of US\$155 million (2021: charge of US\$635 million).

Tax on special items and remeasurements includes a tax remeasurement credit of US\$72 million principally arising on Brazilian deferred tax, a tax on special items and remeasurement charge of US\$14 million and tax special items credit of US\$56 million.

For 2021, of the total tax charge of US\$659 million, there is a net current tax charge of US\$24 million (2020: credit of US\$32 million) and a net deferred tax charge of US\$635 million (2020: charge of US\$378 million).



Tax on special items and remeasurements includes a tax remeasurements charge of US\$349 million principally arising on Brazilian deferred tax, a tax on special items and remeasurements charge of US\$339 million and a tax special items credit of US\$29 million (2020: tax remeasurements credit of US\$418 million principally arising on Brazilian deferred tax and tax on special items credit of US\$72 million).

***Profit for the Financial Year***

Profit for the financial years 2022, 2021 and 2020 was US\$6,024 million, US\$11,699 million and US\$3,328 million, respectively. The year on year movements are explained by reference to the movements of the component parts which are discussed above.

## Business Segment Discussion — Full-Year Ended December 31, 2022, 2021 and 2020,

In this section, Group Revenue and underlying EBIT include the Group's share of revenue and EBIT from associates and joint ventures and excludes special items and remeasurements, unless otherwise stated. Capital expenditure relates to cash expenditure on property, plant and equipment in the year presented.

The table below sets forth the Group's underlying EBIT by business segment for the years presented:

	Year ended December 31, 2020		Year ended December 31, 2021		Year ended December 31, 2022	
		%		%		%
<i>(US\$m unless otherwise stated)</i>						
De Beers	0	—	620	3.5	994	8.3
Copper	1,227	17.4	3,428	19.3	1,595	13.3
Nickel	79	1.1	261	1.5	317	2.6
Platinum	2,270	32.2	6,753	38.0	4,052	33.9
Iron Ore	4,091	58.0	6,359	35.7	2,962	24.8
Steelmaking Coal	(468)	(6.6)	450	2.5	2,369	19.8
Manganese	245	3.5	250	1.4	312	2.6
Crop Nutrients	1	—	(42)	—	(45)	(0.4)
Corporate and Other	(395)	(5.6)	(289)	(1.6)	(593)	(5.0)

### De Beers

The following table summarizes the results of operations of De Beers for the years indicated:

	Year ended December 31,		
	2020	2021	2022
<i>(US\$m unless otherwise stated)</i>			
Group Revenue (including attributable share of associates' and joint ventures' revenue)	3,378	5,602	6,622
Underlying EBIT	—	620	994
Underlying EBITDA	417	1,100	1,417
Capital employed	8,967	8,415	8,218
Capital expenditure <sup>(1)</sup>	381	565	593
Share of Group EBIT	— %	3 %	8 %
Share of Group capital employed	24 %	22 %	20 %
Total production (thousand carats) – 100% basis <sup>(2)</sup>	25,102	32,276	34,609

(1) 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.

(2) Except for Gahcho Kué, from which the Group's 51% attributable share is included.

The Group's share of underlying EBIT from De Beers in 2022, 2021 and 2020 was US\$994 million, US\$620 million and US\$0 million, respectively.

De Beers' underlying EBIT in 2022 was US\$994 million, which was principally driven by higher prices reflecting positive market sentiment. This in turn caused an increase in the rough price index, increasing margins in the mining business throughout the year.

De Beers' underlying EBIT in 2021 was US\$620 million, which was principally driven by the improvement in sales due to the recovery in demand, as well as higher prices reflecting positive market sentiment. This in turn caused an increase in the rough price index, increasing margins in both the mining and trading business throughout the year. This was partly offset by unfavorable foreign exchange rate movements and inflation.

The Group's share of De Beers' revenue was US\$6,622 million, US\$5,602 million and US\$3,378 million for 2022, 2021 and 2020 respectively. The 18% increase from 2021 to 2022 was principally driven by positive sentiment and strong demand for diamonds in key consumer markets, with rough diamond sales increasing by 22% to US\$6.0 billion (2021: US\$4.9 billion). During the year, the average rough price index increased by 23%, in response to the positive market sentiment. The 11% increase from 2020 to 2021 was principally driven by positive sentiment and strong demand for diamonds in key consumer markets, with rough diamond sales increasing by 75% to US\$4.9 billion (2020: US\$2.8 billion).

Total De Beers rough diamond production on a 100% basis (with the exception of the Gahcho Kué joint venture, which is on an attributable 51% basis) was 34.6 million carats in 2022, 32.3 million carats in 2021 and 25.1 million carats in 2020. The 7% increase from 2021 to 2022 was principally driven by strong operational performance and higher planned levels of production to meet continued strong demand for rough diamonds, particularly in the first half of the year. The 29% increase from 2020 to 2021 was principally driven by the lower levels of production in 2021 as a result of the impact of Covid-19 related lockdowns and lower demand due to the pandemic, as well as the need to meet stronger demand for rough diamonds in 2021.

In 2022, Botswana (Debswana) total production from Orapa and Jwaneng increased by 8% to 24.1 million carats (2021: 22.3 million carats). In 2022, production at Jwaneng increased by 4% to 13.4 million carats (2021: 12.9 million carats). At Orapa, production increased by 13% to 10.7 million carats (2021: 9.4 million carats). This was due to strong plant performance at both Jwaneng and Orapa, as well as planned treatment of higher ore grade at Orapa. In Namibia (Namdeb Holdings), production increased by 46% to 2.1 million carats in 2022 (2021: 1.5 million carats). Production from the marine operation was 52% higher, driven by the commissioning of the Benguela Gem diamond recovery vessel. Production at the land operation marginally increased by 25% to 0.4 million carats in 2022 (2021: 0.3 million carats) driven by the treatment of higher grade ore. In South Africa (DBCM), production increased by 4% to 5.5 million carats (2021: 5.3 million carats) primarily due to the treatment of higher grade ore from the final cut of the open pit at Venetia. In Canada, production decreased by 11% to 2.8 million carats in 2022 (2021: 3.2 million carats) due to the treatment of lower grade ore and the impact of tight labour markets.

In 2021, Botswana (Debswana) total production from Orapa and Jwaneng increased by 35% to 22.3 million carats (2020: 16.6 million carats). In 2021, production at Jwaneng increased by 71% to 12.9 million carats (2020: 7.5 million carats). At Orapa, production increased by 5% to 9.4 million carats (2020: 9.0 million carats). This was largely due to the planned treatment of higher grade ore at Jwaneng, while production increased at Orapa despite the impact of heavy rainfall at the beginning of the year and the planned closure of Plant 1 in late 2020. In Namibia (Namdeb Holdings), production increased by 1% to 1.5 million carats in 2021 (2020: 1.4 million carats). Production from the marine operation was 1% higher, driven by the remobilization of most vessels in late 2020, partly offset by planned maintenance. Production at the land operation marginally increased by 2% to 0.3 million carats in 2021 (2020: 0.3 million carats). In South Africa (DBCM), production increased by 41% to 5.3 million carats (2020: 5.3 million carats) primarily due to the impact of Covid-19 lockdowns in the first half of 2020 and the planned processing of higher grade ore from the final cut of the Venetia open pit. In Canada, production decreased by 4% to 3.2 million carats in 2021 (2020: 3.3 million carats) principally reflecting the temporary Covid-19 related shutdown in the first quarter of 2021.

## Copper

The following table summarizes the results of operations of the Copper business segment and average market price for copper for the years indicated:

	Year ended December 31,		
	2020	2021	2022
	<i>Restated<sup>(1)</sup></i>		
	<i>(US\$m unless otherwise stated)</i>		
Group Revenue (including attributable share of associates' and joint ventures' revenue) <sup>(1)</sup>	4,199	6,433	5,599
Underlying EBIT	1,227	3,428	1,595
Copper Chile	1,227	3,428	1,387
Copper Peru	—	—	208
Underlying EBITDA	1,864	4,011	2,182
Capital employed	9,128	11,232	13,732
Capital expenditure <sup>(2)</sup>	1,443	1,773	2,031
Share of Group underlying EBIT	17 %	19 %	13 %
Share of Group capital employed	24 %	29 %	34 %
Copper Chile Production (kilotonnes) <sup>(3)</sup>	647.4	647.2	562.2
Copper Peru Production (kilotonnes) <sup>(3)</sup>	—	—	102.3
Copper (US cents/lb) <sup>(4)</sup>	280	423	400

- (1) In 2021, the Group updated the revenue accounting policy to present the revenue and costs for third-party sales on a net basis, so only the margin is reflected within revenue. See “Presentation of Financial Information—Changes in Accounting Policy” for more detail. 2020 revenue has been restated accordingly and was previously US\$7,176 million. See “Operating and Financial Review—Factors Impacting Comparability” for more detail.
- (2) Of the total capital expenditure in FY2022 of US\$2,031 million, US\$633 million (2021: US\$777 million), relates to the Quellaveco project and is presented on an attributable basis after deducting direct funding from non-controlling interests. FY2022 capital expenditure in relation to the Quellaveco project on a 100% basis was US\$1,055 million, of which the Group's 60% share is US\$633 million. FY2021 capex on a 100% basis was US\$1,295 million, of which the Group's 60% share is US\$777 million. FY2020 capital expenditure on a 100% basis was US\$1,314 million, of which the Group's 60% share is US\$788 million.
- (3) Total Copper segment production represents 100% of production for all operations except Collahuasi which represents 44%.
- (4) Average LME price.

Copper business segment underlying EBIT in 2022, 2021 and 2020 was US\$1,595 million, US\$3,428 million and US\$1,227 million, respectively. Underlying EBIT in 2022 decreased by 53% from 2021 primarily as a result of a 28% increase in unit costs and a 15% decrease in the average realized copper price. Underlying EBIT in 2021 increased by 179% from 2020 primarily as a result of a 52% increase in the average realized copper price and record low unit costs.

Group Revenue (including attributable share of associates' and joint ventures' revenue) in 2022, 2021 and 2020 was US\$5,599 million, US\$6,433 million and US\$4,199 million, respectively. Revenue decreased by 13% from 2021 to 2022, principally driven by decreased copper prices. Revenue increased from 2020 to 2021 principally driven by increased copper prices.

Sales of certain commodities are “provisionally priced” such that the price is not settled until a predetermined future date usually based on the average market price over a period defined in the contract. Revenue on these sales is initially recognized at the current market price and then marked to market until final settlement using the forward price for the period equivalent to that outlined in the contract (mark to market adjustments are recorded in revenue). A loss to revenue of US\$211 million was recorded in 2022 (2021: gain to revenue of US\$337 million, 2020: gain to revenue of US\$298 million) reflecting the unfavorable impact of provisionally priced sales.

## Copper Chile

Underlying EBIT in 2022, 2021 and 2020 was US\$1,387 million, US\$3,428 million and US\$1,227 million respectively. Underlying EBIT was 60% lower in 2022 than in 2021 principally due to a 15% decrease in the

realized price, lower production and the impact of inflation. Underlying EBIT in 2021 increased by 179% from 2020 primarily as a result of a 52% increase in the average realized copper price and record low unit costs.

At Los Bronces, production in 2022 decreased by 17% to 270,900 tonnes principally due to planned lower grades (2022: 0.62% versus 2021: 0.70%) and lower ore processed (2022: 45.9 Mt versus 2021: 50.7 Mt) as a result of expected lower water availability coupled with the impact of increased ore hardness and unplanned stoppages. Production in 2021 increased by 1% to 327,700 tonnes principally due to higher water availability partially offset by planned lower grades (2021: 0.70% versus 2020: 0.81%).

At Collahuasi, Anglo American's attributable share of copper production in 2022 decreased by 9% to 251,100 tonnes due to planned lower grades (2022: 1.11% versus 2021: 1.25%). In 2021 Anglo American's attributable share of copper production was 277,200 tonnes in 2021, slightly above the prior year.

At El Soldado, production in 2022 decreased by 5% to 40,200 tonnes due to planned lower grades (2022: 0.65% versus 2021: 0.73%). Production in 2021 decreased by 8% to 42,300 tonnes due to planned lower grades (2021: 0.73% versus 2020: 0.84%).

### ***Copper Peru***

Underlying EBIT in 2022 was US\$208 million and production in 2022 was 102,300 tonnes. This is the first year of operation at Copper Peru and as such no comparatives are presented.

### ***Nickel***

The Group has reassessed its reportable segments and the 'Nickel and Manganese' reportable segment has been amended to disaggregate the Nickel and Manganese businesses. Comparative information for 2020 has been restated in the Group 2021 Consolidated Financial Statements.

The following table summarizes the results of operations of the Nickel business segment and the average market price for nickel for the years indicated:

	Year ended December 31,		
	2020	2021	2022
	<i>Restated<sup>(1)</sup></i>		
	<i>(US\$m unless otherwise stated)</i>		
Group Revenue (including attributable share of associates' and joint ventures' revenue) <sup>(1)</sup>	534	710	858
Underlying EBIT	79	261	317
Underlying EBITDA	206	320	381
Capital employed	1,157	1,285	1,393
Capital expenditure <sup>(2)</sup>	33	29	79
Share of Group underlying EBIT	1 %	1 %	3 %
Share of Group capital employed	3 %	3 %	3 %
Nickel production (tonnes)	43,500	41,700	39,800
Nickel price (US\$/lb) <sup>(3)</sup>	6.25	8.39	11.61

(1) In 2021, the Group updated the revenue accounting policy to present the revenue and costs for third-party sales on a net basis, so only the margin is reflected within revenue. See "Presentation of Financial Information—Changes in Accounting Policy" for more detail. 2020 revenue has been restated accordingly and was previously US\$572 million. See "Operating and Financial Review—Factors Impacting Comparability" for more detail.

(2) 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.

(3) Average LME price.

Nickel business segment underlying EBIT in 2022, 2021 and 2020 was US\$317 million, US\$261 million and US\$79 million, respectively. The 21% increase from 2021 to 2022 was principally due to higher realized nickel prices. The 230% increase from 2020 to 2021 was principally due to higher realized nickel prices.

Group Revenue (including attributable share of associates' and joint ventures' revenue) in 2022, 2021 and 2020 was US\$858 million, US\$710 million and US\$534 million, respectively. The 21% increase in revenue from 2021 to 2022 was primarily driven by higher average realized nickel prices. The 33% increase in revenue from 2020 to 2021 was primarily driven by higher average realized nickel prices.

Nickel production in 2022 of 39,800 tonnes was 5% below 2021, primarily due to licensing delays in the second half of the year and planned lower ore grades. Nickel production in 2021 of 41,700 tonnes was 4% below 2020, primarily due to licensing delays in the second half of the year and planned lower ore grades.

### ***Platinum Group Metals***

The following table summarizes the results of operations of the Platinum business segment and the average basket price of metal sold for the years indicated:

	Year ended December 31,		
	2020	2021	2022
	<i>Restated<sup>(1)</sup></i>		
	<i>(US\$m unless otherwise stated)</i>		
Group Revenue (including attributable share of associates' and joint ventures' revenue) <sup>(1)</sup>	6,604	14,502	10,096
Underlying EBIT	2,270	6,753	4,052
Underlying EBITDA	2,555	7,099	4,417
Capital employed	4,967	4,082	4,753
Capital expenditure <sup>(2)</sup>	571	894	1,017
Share of Group EBIT	32 %	38 %	34 %
Share of Group capital employed	13 %	11 %	12 %
PGM M&C production (thousands of ounces) <sup>(3)</sup>	3,809	4,299	4,024
PGM refined production (thousands of ounces) <sup>(3)</sup>	2,713	5,138	3,831
Average realized basket price (US\$/ PGM ounce)	2,035	2,761	2,551

(1) In 2021, the Group updated the revenue accounting policy to present the revenue and costs for third-party sales on a net basis, so only the margin is reflected within revenue. See "Presentation of Financial Information—Changes in Accounting Policy" for more detail. 2020 revenue has been restated accordingly and was previously US\$8,465 million. See "Operating and Financial Review—Factors Impacting Comparability" for more detail.

(2) 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.

(3) Ounces refer to troy ounces. PGMs is 5E+Au (platinum, palladium, rhodium, ruthenium and iridium plus gold).

PGMs' business segment underlying EBIT in 2022, 2021 and 2020 was US\$4,052 million, US\$6,753 million and US\$2,270 million, respectively. The 40% decrease from 2021 to 2022 was due to an 8% decrease in the PGM basket price as well as a 26% decrease in sales volumes. The 197% increase from 2020 to 2021 was due to a 36% increase in the PGM basket price, driven mainly by the higher average rhodium price, as well as an 82% increase in sales volumes. The PGMs cash operating unit cost increased by 8% in 2022 to US\$937 per PGM ounce (2021: US\$868 per PGM ounce) impacted by high input cost inflation and lower production, partly offset by the weaker South African rand.

Group Revenue (including attributable share of associates' and joint ventures' revenue) in 2022, 2021 and 2020 was US\$10,096 million, US\$14,502 million and US\$6,604 million, respectively. The 30% decrease from 2021 to 2022 was principally due to the lower PGM basket price as well as the decrease in sales volumes. Revenue increased from 2020 to 2021 was principally due to the higher PGM basket price as well as the increase in sales volumes.

The average dollar price realized for the basket of metals sold by PGMs in 2022, 2021 and 2020 was US\$2,551, US\$2,761 and US\$2,035, per PGM ounce, respectively. The decrease of 8% from 2021 to 2022 reflected lower market prices. The 36% increase from 2020 to 2021 was mainly due to the 85% increase in the average market rhodium price.

Total PGMs production (metal in concentrate), including both own-mined production and purchase of concentrate, decreased by 6% to 4,024,000 ounces in 2022 (2021: 4,298,700 ounces) principally due to lower grade at Mogalakwena and the impact of planned infrastructure closures at Amandelbult, partially offset by increased production from Mototolo and Unki. In 2021, total PGM production (metal in concentrate), including both own-mined production and purchase of concentrate, increased by 13% to 4,298,700 ounces (2020: 3,808,900) due primarily to recovery from the impacts of Covid-19 in 2020.

Refined PGM production decreased by 25% to 3,831,100 ounces in 2022 (2021: 5,138,400 ounces), as the first half of 2021 benefited from the processing of higher than normal work-in-progress inventory following the ACP Phase A rebuild in the fourth quarter of 2020, and in addition, the second half of 2022 was impacted by the planned structural rebuild of the Polokwane smelter - a process which was extended by approximately two months following the receipt of sub-standard materials. Refined PGM production increased by 89% to 5,138,400 ounces in 2021 (2020: 2,713,100 ounces), primarily attributable to recovery in ACP phase A, following the rebuild in 2020 and solid performance across all processing assets.

### ***Iron Ore***

The following table summarizes the results of operations of the Iron Ore business segment and average market price for iron ore for the years indicated:

	Year ended December 31,		
	2020	2021	2022
	<i>Restated<sup>(1)</sup></i>		
	<i>(US\$m unless otherwise stated)</i>		
Group Revenue (including attributable share of associates' and joint ventures' revenue) <sup>(1)</sup>	7,905	11,104	7,534
Underlying EBIT	4,091	6,359	2,962
Kumba	2,386	3,960	1,894
Iron Ore Brazil	1,705	2,399	1,068
Underlying EBITDA	4,565	6,871	3,455
Capital employed	8,472	8,379	8,488
Capital expenditure <sup>(2)</sup>	517	628	834
Share of Group underlying EBIT	58 %	36 %	25 %
Share of Group capital employed	22 %	22 %	21 %
Iron Ore Kumba production (Mt) <sup>(3)</sup>	37.6	40.9	37.7
Iron Ore Brazil production (Mt) <sup>(3)</sup>	24.1	22.9	21.6
Iron Ore (US\$/t) <sup>(4)</sup>	109	160	120

(1) In 2021, the Group updated the revenue accounting policy to present the revenue and costs for third-party sales on a net basis, so only the margin is reflected within revenue. See "Presentation of Financial Information—Changes in Accounting Policy" for more detail. 2020 revenue has been restated accordingly and was previously US\$7,954 million. See "Operating and Financial Review—Factors Impacting Comparability" for more detail.

(2) 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.

(3) Production is Mt (wet basis).

(4) Average iron ore market price for the year. Source: Platts (62% Fe, CFR). The Platts 62 Index is used for comparison purposes. Differing grades of iron ore product are priced using other indices.

Iron Ore business segment's underlying EBIT in 2022, 2021 and 2020 was US\$2,962 million, US\$6,359 million and US\$4,091 million, respectively. The 53% decrease from 2021 to 2022 was principally driven by a

lower average realized iron ore price. The 55% increase from 2020 to 2021 was principally driven by a higher average realized iron ore price.

Group Revenue (including attributable share of associates' and joint ventures' revenue) in 2022, 2021 and 2020 was US\$7,534 million, US\$11,104 million and US\$7,905 million, respectively. The 32% decrease in revenue from 2021 to 2022 was due to lower iron ore prices than the previous year, as well as lower sales volumes. The 40% increase in revenue from 2020 to 2021 was due to higher iron ore prices than the previous year, as well as due to the change in revenue accounting policy (see "*Operating and Financial Review—Factors Impacting Comparability*", "*Presentation of Financial Information—Changes in Accounting Policy*"). Before the change, 2020 revenue was US\$7,954 million.

### ***Kumba***

Underlying EBIT in 2022, 2021 and 2020 was US\$1,894 million, US\$3,960 million and US\$2,386 million, respectively. Underlying EBIT was 52% lower in 2022 than in 2021 principally due to the 25% lower Platts 62% Fe iron ore market price and a 9% decrease in sales volumes. Underlying EBIT was 66% higher in 2021 than in 2020 principally due to 47% higher Platts 62% Fe iron ore market price, partly offset by a 26% increase in unit costs to US\$39/tonne (2020: US\$31/tonne) and a stronger South African rand.

Kumba's iron ore production for 2022, 2021 and 2020 was 37.7 Mt, 40.9 Mt and 37.6 Mt, respectively. The 8% decrease from 2021 to 2022 was primarily due to the impact of high rainfall, a safety intervention at Kolomela as well as equipment reliability and the impact of third-party logistics constraints at both mines. The 9% increase from 2020 to 2021 was primarily due to Covid-19 related disruptions in 2020, as well as improved plant availability and reliability.

At December 31, 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 US\$0.3 billion (\$0.1 billion after tax and non-controlling interest) was recognized against property, plant and equipment to bring the carrying value in line with the recoverable amount of US\$0.7 billion.

### ***Iron Ore Brazil***

Underlying EBIT in 2022, 2021 and 2020 was US\$1,068 million, US\$2,399 million and US\$1,705 million, respectively. Underlying EBIT was 55% lower in 2022 than in 2021, principally due to the lower Metal Bulletin 66% iron ore market price, the 7% decrease in sales volumes and the 46% increase in unit costs to US\$35/tonne (2021: US\$24/tonne) due to higher input and maintenance costs and the impact of the stronger Brazilian real. Underlying EBIT in 2021 was 41% higher than 2020, principally due to the higher Metal Bulletin 66% iron ore market price, and the benefit of the weaker Brazilian real, partly offset by a 3% decrease in sales volumes and a 14% increase in unit costs to US\$24/tonne (2020: US\$21/tonne) due to higher input and maintenance costs.

IOB production for 2022, 2021 and 2020 was 21.6 Mt, 22.9 Mt and 24.1 Mt respectively. The 6% decrease from 2021 to 2022 was principally driven by more challenging ore characteristics, lower mining equipment availability and heavy rainfall. The 5% decrease from 2020 to 2021 was principally driven by lower plant availability from unplanned maintenance at the beneficiation plant.

Minas-Rio project capital expenditure is estimated at US\$8.2 billion, which has largely been spent.

The Minas-Rio iron ore project in Brazil was acquired in two separate transactions in 2007 and 2008. Prior to 2016, impairment charges totaling US\$11.3 billion (before tax) were recorded against the carrying value of Minas-Rio. In 2019, the valuation was assessed and the previous impairment was partially reversed, resulting in a gain of US\$1.0 billion (before and after tax). The valuation was reassessed in 2021 and the previous impairment was partially reversed, resulting in a gain of US\$1.4 billion (US\$0.9 billion after tax and non-controlling interests). There were no indicators of impairment or impairment reversal identified at December 31, 2022. Significant operating assets which have amounts potentially eligible for future reversal as at December 31, 2022 include Minas-Rio assets with a carrying value of US\$6.7 billion.



### ***Steelmaking Coal***

The Group has reassessed its reportable segments following the demerger of Thungela. The Thermal Coal (South Africa and Cerrejón) operating segment, which was previously aggregated with Steelmaking Coal within the ‘Coal’ reportable segment, has been presented within the ‘Corporate and other’ reportable segment and the results of the Group’s Steelmaking Coal businesses are now disclosed separately as the “Steelmaking Coal” reportable segment. Comparative information for 2020 has been restated in the Group 2021 Consolidated Financial Statements.

The following table summarizes the results of operations of the Steelmaking Coal business segments and average benchmark price for steelmaking coal for the years indicated:

	Year ended December 31,		
	2020	2021	2022
	<i>(US\$m unless otherwise stated)</i>		
Group Revenue (including attributable share of associates’ and joint ventures’ revenue) <sup>(1)</sup>	1,909	2,899	5,034
Underlying EBIT	(468)	450	2,369
Underlying EBITDA	50	962	2,749
Capital employed	3,196	2,712	2,837
Capital expenditure <sup>(2)</sup>	683	649	648
Share of underlying Group EBIT	(7)%	3 %	20 %
Share of Group capital employed	8 %	7 %	7 %
Export steelmaking coal production (Mt)	16.8	14.9	15.0
Thermal coal production (Mt)	2.0	1.7	1.6
Hard coking coal (FOB Australia) (US\$/tonne) <sup>(3)</sup>	124	226	364
PCI (FOB Australia) (US\$/tonne) <sup>(3)</sup>	78	164	331

(1) Group Revenue includes revenue relating to thermal coal of US\$511 million (2021: US\$246 million, 2020: US\$132 million)

(2) 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.

(3) Average steelmaking coal market price for the year. Source: Platts.

Steelmaking Coal's underlying EBIT in 2022, 2021 and 2020 was US\$2,369 million, US\$450 million and US\$(468) million, respectively.

In 2022, underlying EBIT increased by 426% to US\$2,369 million, largely due to a 52% increase in the weighted average realized price for steelmaking coal and higher sales volumes. This was partially offset by a 2% increase in unit costs to US\$107/tonne (2021: US\$105/tonne) reflecting higher inflation and the impact of tight labour markets.

Group Revenue (including attributable share of associates' and joint ventures' revenue) in 2022, 2021 and 2020 was US\$5,034 million, US\$2,899 million and US\$1,909 million, respectively.

The 74% increase in revenue from 2021 to 2022 is due to higher hard coking coal market price in the first half of the year. The 52% increase from 2020 to 2021 is due to higher hard coking coal market price which increased substantially in the second half of the year.

Total steelmaking coal production in 2022 was broadly flat, with all three underground longwalls operating in the second half of 2022. The planned end of mining at the Grasree operation in January 2022 was partially offset by the ramp-up of the replacement Aquila longwall, which began operations in February 2022 and fully ramped up in June 2022.

The Moranbah-Grosvenor, Capcoal and Dawson CGUs within the Steelmaking Coal segment have previously been impaired by US\$0.4 billion, US\$0.2 billion and US\$0.2 billion (pre-tax) respectively. Improvements in the economic environment and the current market conditions were considered to be triggers for impairment reversal and valuation models were therefore completed for these CGUs resulting in a partial impairment reversal at Moranbah-Grosvenor of US\$0.2 billion (US\$0.1 billion after tax) against property, plant and equipment to bring the carrying value to US\$2.4 billion. No change to the carrying value of US\$0.7 billion has resulted at Capcoal. For the Dawson CGU, an impairment reversal of US\$0.2 billion (US\$0.2 billion after tax) has been recognized against property, plant and equipment bringing the carrying value to US\$0.3 billion.

### ***Manganese***

The Group has reassessed its reportable segments and the 'Nickel and Manganese' reportable segment has been amended to disaggregate the Nickel and Manganese businesses. Comparative information for 2020 has been restated in the Group 2021 Consolidated Financial Statements.

The following table summarizes the results of operations of the Manganese business segment and the average market price for manganese ore for the years indicated:

	Year ended December 31,		
	2020	2021	2022
	<i>(US\$m unless otherwise stated)</i>		
Group Revenue (including attributable share of associates' and joint ventures' revenue)	697	768	840
Underlying EBIT	245	250	312
Underlying EBITDA	304	315	378
Capital employed	238	238	210
Share of Group underlying EBIT	3 %	1 %	3 %
Share of Group capital employed	1 %	1 %	1 %
Manganese ore production (Mt) <sup>(1)</sup>	3.5	3.7	3.7
Manganese ore price (US \$/dmtu) <sup>(2)</sup>	4.67	5.21	6.06

(1) Attributable share.

(2) Average Metal Bulletin 44% CIF China price.

Manganese business segment underlying EBIT in 2022, 2021 and 2020 was US\$312 million, US\$250 million and US\$245 million, respectively. The 25% increase from 2021 to 2022 was principally due to a stronger average

realized manganese ore price partially offset by a 4% decrease in manganese ore sales volumes and by increased freight and operating costs.

Group Revenue (including attributable share of associates' and joint ventures' revenue) in 2022, 2021 and 2020 was US\$840 million, US\$768 million and US\$697 million, respectively. The 9% increase in revenue from 2021 to 2022 was principally due to a stronger average realized manganese ore price.

Manganese ore production remained unchanged at 3.7 Mt (2021: 3.7 Mt).

### ***Crop Nutrients***

The following table summarizes the results of operations of the Crop Nutrients business segment for the years indicated:

	Year ended December 31,		
	2020	2021	2022
	<i>(US\$m unless otherwise stated)</i>		
Group Revenue (including attributable share of associates' and joint ventures' revenue)	107	114	254
Underlying EBIT	1	(42)	(45)
Underlying EBITDA	1	(41)	(44)
Capital employed	988	1,563	489
Capital expenditure <sup>(1)</sup>	292	530	522
Share of Group underlying EBIT	— %	— %	— %
Share of Group capital employed	3 %	4 %	1 %

(1) 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.

During the first half of 2020, the Group completed the acquisition of Sirius Minerals Plc. Revenue, EBIT and EBITDA are generated from a minority interest in the Cibra Group, a fertilizer distributor based in Brazil. In 2022, Crop Nutrients underlying EBIT was US\$(45) million (2021: US\$(42) million) and Group Revenue was US\$254 million (2021: US\$114 million). For accounting purposes at this early stage of the project's development, an impairment of US\$1.7 billion (US\$1.7 billion after tax) was recognized to the carrying value of the asset within special items and remeasurements, reflecting the extension of the development schedule and capital budget.

### ***Corporate and Other***

The Group has reassessed its reportable segments following the demerger of Thungela. The Thermal Coal (South Africa and Cerrejón) operating segment, which was previously aggregated with Steelmaking Coal within the ‘Coal’ reportable segment, has been presented within the ‘Corporate and other’ reportable segment as it is no longer part of the Group’s core business due to the commitment to exit from the production of thermal coal. The sale of the Group’s 33.3% shareholding in Cerrejón was agreed on June 28, 2021 and completed in January 2022. Comparative information for 2020 has been restated in the Group 2021 Consolidated Financial Statements.

The following table summarizes the results of operations of the Corporate and Other business segment for the years indicated:

	Year ended December 31,		
	2020	2021	2022
	<i>Restated<sup>(1)</sup></i>		
	<i>(US\$m unless otherwise stated)</i>		
Group Revenue (including attributable share of associates’ and joint ventures’ revenue) <sup>(1)</sup>	1,550	1,126	554
Underlying EBIT	(395)	(289)	(593)
Exploration	(102)	(132)	(162)
Corporate activities and unallocated costs	(129)	(270)	(431)
South Africa	(81)	70	—
Cerrejón	(83)	43	—
Underlying EBITDA	(160)	(3)	(440)
Capital employed	857	406	492
Capital expenditure <sup>(2)</sup>	205	125	14
Share of Group underlying EBIT	(6)%	(2)%	(5)%
Share of Group capital employed	2 %	1 %	1 %
Thermal Coal - South Africa export production (Mt) <sup>(3)</sup>	16.5	5.7	—
Thermal Coal - South Africa domestic production (Mt)	14.0	5.6	—
Thermal Coal - Cerrejón export production (Mt) <sup>(4)</sup>	4.1	3.6	—
South Africa export thermal coal price (US\$/t) <sup>(5)</sup>	57	77	—
South Africa domestic thermal coal price (US\$/t) <sup>(6)</sup>	16	17	—
Colombia export thermal coal price (US\$/t) <sup>(4)</sup>	46	65	—

(1) In 2021, the Group updated the revenue accounting policy to present the revenue and costs for third-party sales on a net basis, so only the margin is reflected within revenue. See “Presentation of Financial Information—Changes in Accounting Policy” for more detail. 2020 revenue has been restated accordingly and was previously US\$2,080 million. See “Operating and Financial Review—Factors Impacting Comparability” for more detail.

(2) 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.

(3) 2021 metrics includes Thermal Coal South Africa mining activity included until the demerger on June 4, 2021.

(4) Thermal Coal – Colombia represents the Group’s attributable share from its 33.3% shareholding in Cerrejón and reflects earnings and volumes from the first half of 2021 only, before the agreement was entered into.

(5) Weighted average realized FOB sales price.

(6) Weighted average realized sales price.

### ***Corporate activities and unallocated costs***

Underlying EBIT in 2022, 2021 and 2020 was US\$(431) million, US\$(270) million and US\$(129) million, respectively. The increase in underlying EBIT loss of US\$161 million in 2022 was primarily driven by the finalization of the Grosvenor gas ignition claim and the Moranbah overpressure event claim by the Group’s self-

insurance entity which resulted in an expense in Corporate activities that was offset within the underlying EBIT of Steelmaking Coal.

### ***Exploration***

Exploration underlying EBIT loss for 2022, 2021 and 2020 was US\$162 million, US\$132 million and US\$102 million, respectively. The increase in underlying EBIT loss of US\$30 million from 2021 to 2022 reflects the recovery from the Covid-19 disruptions in 2021 that affected greenfield base metals exploration and near-mine iron ore exploration.

### ***Thermal Coal - South Africa***

Financial and operational results are no longer reported by Anglo American from June 4, 2021, the date of the demerger of the South Africa thermal coal operations. Anglo American's marketing business continues to support Thungela in the sale and marketing of its products, and sales and purchases under the offtake agreement are reported on a net basis together with the Group's other third-party trading activities within corporate activities and unallocated costs.

Underlying EBIT in 2022, 2021 and 2020 was US\$0 million, US\$70 million and US\$(81) million, respectively. The decrease in underlying EBIT to US\$0 million in 2022 was due to the demerger on June 4, 2021.

Total South Africa Thermal Coal attributable production in 2022 was 0.0 Mt.

### ***Thermal Coal - Cerrejón***

The sale of the Group's 33.3% shareholding in Cerrejón was completed on January 11, 2022, with the sale agreement having an economic effective date of December 31, 2020. After the sale was agreed in June 2021, no further underlying financial or operational contribution was recorded, with an impairment charge being recognized to offset reported earnings in the first half of the year.

Underlying EBIT in 2022, 2021 and 2020 was US\$0 million, US\$43 million and US\$(83) million, respectively. The decrease in underlying EBIT to US\$0 million in 2022 was due to the sale of the Group's 33.3% shareholding in Cerrejón.

## Liquidity and Capital Resources

Anglo American focuses on ensuring that there are sufficient committed loan facilities (including refinancing, where necessary) in order to meet near-term cash requirements, after taking into account cash flows from operations and our holding of cash and cash equivalents, as well as any existing restrictions on distributions. We believe that these facilities (including refinancing, where necessary), such as our Group-level US\$4.7 billion revolving credit bank facility, and cash generation will be sufficient to cover our anticipated near-term cash requirements.

For more information on our borrowing arrangements and liquidity sources, see “—Cash Flow—Funding Sources” below, Notes 20 and 21 to the Group 2022 Consolidated Financial Statements, incorporated by reference herein.

We operate in some countries (principally South Africa) in which the existence of exchange controls may restrict the use of certain cash balances. The restrictions are not expected to have a material effect on our ability to meet our ongoing obligations. See “Regulation - Exchange Controls” for further details. In light of the multinational nature of our business, cash is held in a number of countries and currencies. The majority of our cash is held in US dollars, South African rand, Brazilian real and Australian dollars.

## Cash Flow

The tables below summarize our consolidated cash flow statement for the periods indicated:

	Year ended December 31,		
	2020	2021	2022
	(US\$m)		
Cash flows from operations	7,998	20,588	11,889
Dividends from associates and joint ventures	226	475	602
Dividends from financial asset investments	—	1	—
Income tax paid	(1,606)	(4,341)	(2,726)
Net cash inflows from operating activities	6,618	16,723	9,765
Net cash used in investing activities	(4,740)	(5,558)	(5,817)
Net cash used in financing activities	(716)	(9,356)	(4,368)
Net increase/(decrease) in cash and cash equivalents	1,162	1,809	(420)
Attributable free cash flow <sup>(1)</sup>	1,209	7,803	1,585

(1) Definition is set out in the “Non-IFRS financial measures” section. A reconciliation of attributable free cash flow to “cash flows from operations”, the closest equivalent IFRS measure, is provided in the table below:

	Year ended December 31,		
	2020	2021	2022
	(US\$m)		
<b>Cash flows from operations</b>	7,998	20,588	11,889
Capital expenditure and other	(4,188)	(5,261)	(5,867)
Capital repayment of lease obligations	(195)	(336)	(266)
Cash tax paid	(1,606)	(4,341)	(2,726)
Dividends from associates, joint ventures and financial asset investments <sup>(1)</sup>	226	236	602
Net interest <sup>(2)</sup>	(358)	(245)	(253)
Dividends paid to non-controlling interests	(668)	(2,838)	(1,794)
<b>Attributable free cash flow</b>	<b>1,209</b>	<b>7,803</b>	<b>1,585</b>

(1) 2021 excludes dividends received from Cerrejón of US\$240 million now presented within ‘other net debt movements’.

- (2) Includes cash outflows of US\$14 million for the year ended December 31, 2022 (2021: inflows of US\$101 million) relating to interest receipts on derivatives hedging net debt, which are included in cash flows from derivatives related to financing activities.

Net cash inflows from operating activities in 2022, 2021 and 2020 were US\$9,765 million, US\$16,723 million and US\$6,618 million, respectively. The 42% decrease from 2021 to 2022 reflects an decrease in underlying EBITDA from subsidiaries and joint operations, and a working capital outflow of US\$2.1 billion. The 153% increase from 2020 to 2021 reflects an increase in underlying EBITDA from subsidiaries and joint operations, and a working capital reduction of US\$1.1 billion.

Net cash used in investing activities in 2022, 2021 and 2020 was US\$5,817 million, US\$5,558 million and US\$4,740 million, respectively. The 5% increase from 2021 to 2022 was principally due to increased capital expenditure. The 17% increase from 2020 to 2021 was principally due to increased capital expenditure.

Net cash used in financing activities in 2022, 2021 and 2020 was US\$4,368 million, US\$9,356 million and US\$716 million, respectively. The decrease in cash used between 2021 and 2022 of US\$4,988 million reflects higher proceeds from the issuance of bonds and other borrowings by US\$1,532 million, lower dividends paid by US\$1,542 million, lower repayment of bonds and borrowings by US\$1,456 million and decrease in purchase of shares by group companies by US\$557 million.

The increase in cash used in financing activities between 2020 and 2021 of US\$8,640 million reflects lower proceeds from the issuance of bonds and other borrowings by US\$3,119 million, higher dividends paid by US\$5,313 million and increase in purchase of shares by group companies by US\$699 million. These were partly offset by lower repayment of bonds and borrowings of US\$606 million.

### ***Capital Expenditure***

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.

The following table summarizes capital expenditure by business segment for the periods indicated:

	Year ended December 31,		
	2020	2021	2022
	(US\$m)		
De Beers	381	565	593
Copper	1,443	1,773	2,031
Nickel	33	29	79
Platinum	571	894	1,017
Iron Ore	517	628	834
Steelmaking Coal	683	649	648
Crop Nutrients	292	530	522
Corporate and Other	205	125	14
Capital expenditure on property, plant and equipment	4,125	5,193	5,738

Capital expenditure for 2022, 2021 and 2020 was US\$5,738 million, US\$5,193 million and US\$4,125 million, respectively. Capital expenditure in 2022 increased from 2021 owing to deferred expenditure from 2021 and a planned increase in investment programmes. The increase in sustaining capital was driven by the Collahuasi desalination plant in Chile, deferred expenditure from 2021, and capitalized waste stripping at Quellaveco being classified as sustaining capital expenditure from July 2022 as the project commenced the ramp-up of operations.

Capital expenditure in 2021 increased from 2020 as comprehensive response plans partially mitigated the impact of the COVID-19 pandemic, which affected capital expenditure in 2020, and ensured business continuity. An increase in sustaining capital was driven by the roll-over of deferred expenditure from 2020 owing to COVID-19 related restrictions and the effect of stronger local currencies. There was also increased growth spend, driven by higher expenditure incurred at the Woodsmith polyhalite project, following the acquisition of the project in the first half of 2020.

For a description of the Group's project pipeline, see "*Business Description—Strategy*".

### **Net Debt**

Net debt, including the impact of related hedges, as of December 31, 2022, 2021 and 2020 was US\$6,918 million, US\$3,842 million and US\$5,530 million, respectively. Net debt is calculated as follows (see also "*Presentation of Financial Information—Amendment of net debt definition*"):

	As at December 31,		
	2020	2021	2022
	<i>Restated<sup>(1)</sup></i>		
	<i>(US\$m)</i>		
Cash and cash equivalents	7,508	9,057	8,400
Short-term borrowings	(1,181)	(1,226)	(1,408)
Medium and long-term borrowings	(12,317)	(11,621)	(12,945)
Removal of variable shipping leases <sup>(1)</sup>	45	74	127
Net debt, excluding the impact of hedges <sup>(1)</sup>	(5,945)	(3,716)	(5,826)
Hedges	415	(126)	(1,092)
Net debt, including the impact of related hedges <sup>(1)</sup>	(5,530)	(3,842)	(6,918)

(1) In 2021, the Group amended the definition of net debt to exclude variable vessel leases. This change resulted in the restatement of financial results for the year ended December 31, 2020. See "*Presentation of Financial Information—Amendment of net debt definition*" for more detail.

Net debt movements are principally a function of cash flows from operating, investing and financing activities. In addition, non-cash items including fair value adjustments and exchange rate movements and hedges of debt also influence our net debt level.

Net debt as of December 31, 2022 increased by US\$3,076 million from US\$3,842 million as of December 31, 2021 to US\$6,918 million driven by working capital cash outflows of US\$2,102 million primarily due to inventory builds.

Net debt as of December 31, 2021 decreased by US\$1,688 million, from US\$5,530 million as of December 31, 2020 to US\$3,842 million primarily driven strong operating cash flows of US\$20.6 billion, partly offset by returns to shareholders, cash tax paid and increased capital expenditure.

As part of its routine financing activities, in March 2022, the Group issued US\$500 million 3.875% Senior Notes due 2029 and US\$750 million 4.750% Senior Notes due 2052 and in September 2022, its first €745 million 4.750% sustainability-linked bond due 2032.

In June 2021, the Group bought back US dollar denominated bonds with maturities in 2025. The Group used US\$1.0 billion of cash to retire US\$0.9 billion of contractual repayment obligations (including derivatives hedging the bonds) maturing in 2025 as part of the funding objective of reducing near term debt maturities and increasing the average maturity of the Group's bond portfolio.

In April 2021, following the maturity of the last outstanding notes, the Group discontinued its South African Domestic Medium Term Note (DMTN) programme.



In March 2021, the Group issued US\$500 million 2.250% Senior Notes due 2028 and US\$500 million 2.875% Senior Notes due 2031 as part of its routine financing activities.

In September 2020, the Group issued US\$1,000 million 2.625% senior notes due 2030 and US\$500 million 3.950% senior notes due 2050 through accessing the US bond markets. During September and October 2020, the Group completed a number of bond buy back transactions consisting of Euro and US denominated bonds with maturities from March 2021 to September 2022. The Group retired US\$1,445 million of contractual repayment obligations (including derivatives hedging the bonds).

In April 2020, the Group issued US\$750 million 5.375% senior notes due 2025 and US\$750 million 5.625% senior notes due 2030 through accessing the US bond markets.

In addition, certain projects are financed by means of limited recourse project finance, if appropriate.

### ***Funding Sources***

The maturity profile of our debt obligations as of December 31, 2022 is set forth below:

	Within 1 year or on demand	Between 1 year and 2 years	Between 2 years and 5 years	After 5 years	Total
	<i>(US\$m)</i>				
<b>Secured</b>					
Bank loans and overdrafts	38	28	68	—	134
Leases	184	99	179	398	860
Other loans	—	—	—	—	—
Total secured loans	222	127	247	398	994
<b>Unsecured</b>					
Bank loans and overdrafts	253	2	507	—	762
Bonds issued under EMTN programme	800	—	1,081	1,054	2,935
U.S. Bonds	—	618	1,758	4,790	7,166
Bonds issued under AMTN programme	—	—	—	—	—
Bonds issued under DMTN programme	—	—	—	—	—
Other loans	145	—	120	2,243	2,508
Total unsecured loans	1,198	620	3,466	8,087	13,371
Total borrowings	1,420	747	3,713	8,485	14,365

The Group had available undrawn committed borrowing facilities of US\$7,715 million as at December 31, 2022, US\$8,041 million as at December 31, 2021 and US\$9,977 million as at December 31, 2020.

The maturity profile of our undrawn committed borrowing facilities as of December 31, 2022 is set forth below:

	Within 1 year or on demand	Between 1 year and 2 years	Between 2 years and 5 years	After 5 years	Total
	<i>(US\$m)</i>				
Undrawn committed borrowing facilities	414	1,082	6,219	—	7,715

As of December 31, 2022, our available undrawn committed borrowing facilities are US\$7,715 million.

## **Financial Risk Exposure and Management**

The Group is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors of Anglo American plc (the “**Board**”) approves and monitors the risk management processes, including documented treasury policies, counterparty limits, controlling and reporting structures. The risk management processes of Anglo American’s independently listed subsidiaries (including Anglo American Platinum and Kumba) are in line with Anglo American’s own policies.

### ***Credit Risk***

The Group’s principal financial assets are cash, trade and other receivables, investments and derivative financial instruments. The Group limits credit risk on liquid funds and derivative financial instruments through diversification of exposures with a range of financial institutions. Counterparty limits are set for each financial institution with reference to credit ratings assigned by S&P, Moody’s and Fitch Ratings, shareholder equity (in case of relationship banks) and fund size (in case of asset managers).

Given the diverse nature of the Group’s operations (both in relation to commodity markets and geographically), and the use of payment security instruments (including letters of credit from financial institutions), it does not have significant concentration of credit risk in respect of trade receivables, with exposure spread over a large number of customers.

### ***Liquidity Risk***

The Group ensures that there are sufficient committed loan facilities (including refinancing, where necessary) in order to meet short-term cash requirements, after taking into account cash flows from operations and its holding of cash and cash equivalents, as well as any group distribution restrictions that exist. In addition, certain projects are financed by means of limited recourse project finance, if appropriate.

### ***Foreign Exchange Risk***

As a global business, the Group is exposed to many currencies principally as a result of non-US dollar operating costs incurred by US dollar functional currency companies and, to a lesser extent, from non-US dollar revenues. The Group’s policy is generally not to hedge such exposures given the correlation, over the longer term, with commodity prices and the diversified nature of the Group, although exceptions can be approved by the Group Management Committee.

The Group’s policy is generally not to hedge such exposures given the correlation, over the longer term, with commodity prices and the diversified nature of the Group, although exceptions can be approved by a committee with delegated authority from the Group Management Committee. In addition, currency exposures exist in respect of non-US dollar approved capital expenditure projects and non-US dollar borrowings in US dollar functional currency entities. The Group’s policy is to evaluate whether or not to hedge its non-US dollar capital expenditure on a case-by-case basis, taking into account the estimated foreign exchange exposure, liquidity of foreign exchange markets and the cost of executing a hedging strategy.

### ***Interest Rate Risk***

Interest rate risk arises due to fluctuations in interest rates which impact on the value of short term investments and financing activities. The Group is principally exposed to US and South African interest rates.

The US-dollar London inter-bank offer rate (“**USD LIBOR**”) is expected to be largely replaced by alternative risk-free rates by June 2023, although the FCA has announced its intention that one-month, three-month and six-month USD LIBOR rates will continue to be published on a synthetic basis until the end of September 2024 for use in relation to legacy USD LIBOR-linked contracts. The Group is managing the transition to alternative risk-free rates with respect to its hedging arrangements and any future transactions in the financial market.

The Group’s policy is to borrow funds at fixed rates of interest. The Group uses interest rate contracts to convert the majority of borrowings to floating rates of interest and manage its exposure to interest rate movements on its debt.

In respect of financial assets, the Group's policy is to invest cash at floating rates of interest and to maintain cash reserves in short term investments (less than one year) in order to maintain liquidity.

### ***Commodity Price Risk***

The Group's earnings are exposed to movements in the prices of the commodities it produces. The Group's policy is to sell its products at prevailing market prices and is generally not to hedge commodity price risk, although some hedging may be undertaken for strategic reasons. In such cases, the Group generally uses forward contracts and other derivative instruments to economically hedge the price risk. Certain of the Group's sales and purchases are provisionally priced, meaning that the selling price is determined normally 30 to 180 days after delivery to the customer, based on quoted market prices stipulated in the contract, and as a result are susceptible to future price movements.

### ***Derivatives and Hedging***

The Group utilizes derivative instruments to manage certain market risk exposures as explained above; however it may choose not to designate certain derivatives as hedges for accounting purposes. Such derivatives are classified as 'Held for trading' and fair value movements are recorded in the consolidated income statement. The use of derivative instruments is subject to limits and the positions are regularly monitored and reported to senior management. Derivatives are classified as current or non-current depending on the maturity of the derivative.

### **Off-Balance Sheet Arrangements**

Off balance sheet commitments arise in the normal course of business and primarily relate to future capital and operating expenditure. Information relating to commitments is provided on an annual basis and is included in the 2022 Financial Statements. With respect to information related to commitments, refer to note 30 of the Group 2022 Consolidated Financial Statements. With respect to information related to contingent liabilities, refer to note 31 of the Group 2022 Consolidated Financial Statements.

### **Contractual Obligations and Commercial Commitments**

As of December 31, 2022, the Group had contractual cash obligations arising in the ordinary course of business as follows:

	<b>Total</b>	<b>Less than 1 year</b>	<b>Between 1 year and 2 years</b>	<b>Between 2 years and 5 years</b>	<b>More than 5 years</b>
	<b>(US\$m)</b>				
Debt obligations <sup>(1)</sup>	20,342	2,262	1,415	5,426	11,239
Lease obligations <sup>(2)</sup>	1,147	204	121	243	579
Purchase obligations <sup>(3)</sup>	4,531	2,475	1,154	828	74
Other liabilities <sup>(4)</sup>	6,445	5,963	95	29	358
<b>Total Contractual Obligations</b>	<b>32,465</b>	<b>10,904</b>	<b>2,785</b>	<b>6,526</b>	<b>12,250</b>

(1) Debt obligations include the effect of related currency derivatives and interest rate swaps and the anticipated future interest payments on borrowings.

(2) In addition to the lease commitments above, the Group has lease commitments in relation to leases not yet commenced of US\$324 million.

(3) Purchase obligations reflect the Group's capital commitments at December 31, 2022.

(4) Other liabilities include trade payables and other financial liabilities of the Group.

Information relating to the Group's post-retirement benefit obligations is provided in Note 27 of the Group 2022 Consolidated Financial Statements, incorporated by reference herein. On the basis of the levels of obligations described above, the Group's access to debt and equity capital markets, access to committed and uncommitted bank debt, the level of cash deposits and the level of currently anticipated free cash flow, we believe that the Group has sufficient short and long-term sources of funding available to meet our liquidity requirements.

## **Application of Critical Accounting Policies and Estimates**

In the course of preparing our financial statements, management necessarily makes judgments and estimates that can have a significant impact on the financial statements. The most critical of these relate to estimation of Ore Reserves, assessment of fair value and impairment of assets. The use of inaccurate assumptions in assessments made for any of these estimates could result in a significant impact on financial results.

For a detailed discussion of these critical accounting policies, judgments and estimates please see Note 7 to the Group 2022 Consolidated Financial Statements incorporated by reference in this Offering Memorandum.

The accounting policies applied in the Group 2022 Consolidated Financial Statements are consistent with those adopted and disclosed in the Group financial statements for the year ended December 31, 2021 with the exception of the adoption of an amendment to IAS 16 *Proceeds before intended use*. See “*Presentation of Financial Information*” for further details.

New accounting pronouncements, principally minor amendments to existing standards, also became effective on January 1, 2022 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. The Group has not early adopted any other 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.

## **Differences Between IFRS and US GAAP**

The financial information included in this Offering Memorandum in respect of the years ended December 31, 2022, 2021 and 2020 has been prepared and presented in accordance with IFRS. Certain differences exist between IFRS and US GAAP, which might be material to the financial information herein.

In making an investment decision, investors must rely on their own examination of the Group, the terms of the offering and the financial information. Potential investors should consult their own professional advisers for an understanding of the differences between IFRS and US GAAP, and how these differences might affect the financial information herein.

## REGULATION

We are subject to government regulations that affect all aspects of our operations.

In most jurisdictions in which we operate, we enjoy the use of rights granted to us by the relevant government entity. These rights typically take the form of a lease or license that grants us the right to gain access to the land and to explore for and subsequently extract the minerals. Exploration rights typically include the obligation to spend a predetermined amount of money on the exploration or to undertake specific exploration activities. The terms of the leases or licenses, including the time period for which they are effective, are specific to the laws of the relevant governmental authority. Generally, we own the minerals that we extract and pay royalties or similar taxes to the relevant governmental authority.

We also have a number of joint venture arrangements with governments and private entities (including the Government of the Republic of Botswana and the Government of the Republic of Namibia), which are sometimes necessary in order to operate exploration and mining activities in certain jurisdictions.

In addition to reliance upon government grants of rights to explore for and extract materials, in certain jurisdictions we rely upon the relevant governmental authority to grant the rights necessary to transport and to treat the extracted minerals in order to prepare them for sale, as well as to export the raw or processed material.

Governments generally impose applicable regulations relating to, for example, environmental protection, water use, land rehabilitation, occupational health and safety, indigenous land title and socio-economic commitments, and we must comply with these regulations in order to continue to enjoy the right to conduct our operations within that jurisdiction. These obligations often require us to make substantial expenditure to minimize, to remediate or to rehabilitate the environmental impact of our operations, to ensure the safety of our employees and contractors and to meet defined socio-economic obligations.

### South Africa

Requirements to obtain permits and licenses are imposed by various departments of the South African government. We strive to follow the required procedures in the application for these environmental, water and mineral permits and licenses.

Additionally, the transfer of a share of the ownership, management and benefits of the South African mining industry into the hands of people previously excluded from the economy is a longstanding government policy referred to as Black Economic Empowerment.

#### *The MPRDA and Socio-Economic Transformation*

##### *Context*

The South African Constitution expressly authorizes "...legislative and other measures designed to protect or advance persons ... disadvantaged by unfair discrimination ...". There are many examples of such reparatory initiatives across the South African economy, some of which are statutory/regulatory in nature ("**Legal Instruments**") while others are in the nature of policies or guidelines ("**Policy Instruments**").

In the mining industry, the primary Legal Instrument is the Mineral and Petroleum Resources Development Act, 2003 ("**MPRDA**"), which vests custodianship of South Africa's minerals in the state, which in turn regulates the right to prospect and mine in the form of prospecting rights or mining rights to applicants. The MPRDA contains within its objectives (section 2) the following (collectively referred to as the "**Transformation Objectives**"):

- Promoting equitable access to the nation's mineral and petroleum resources to all the people of South Africa (section 2(c) of the MPRDA);
- Substantially and meaningfully expanding opportunities for historically disadvantaged persons, including women and communities, to enter into and actively participate in the mineral and petroleum

industries and to benefit from the exploitation of the nation's mineral and petroleum resources (section 2(d) of the MPRDA); and

- Promoting employment and advancing the social and economic welfare of all South Africans (section 2(f) of the MPRDA).

Pursuant to the MPRDA, the Minister of Mineral Resources and Energy (“**Minister**”) and the Department of Mineral Resources and Energy (“**DMRE**”) are authorized to exercise the administrative discretion conferred under that Act, inter alia, such that the Transformation Objectives are advanced. Examples of this authority include, but are not limited to, the adjudication of applications for the award of new mining and prospecting rights and requests for consent for the transfer of existing mining and prospecting rights between parties. Under the MPRDA, the exercise of administrative discretion by the Minister and the DMRE must take into account the Transformation Objectives and any such exercise which failed to consider the Transformation Objectives would be unlawful and could be set aside upon review by the courts. The Transformation Objectives must be applied in a manner consistent with the Constitution of South Africa and any overreach by the Minister or the DMRE in applying the MPRDA is similarly subject to review by the courts.

The Policy Instrument supporting the Transformation Objectives is the “mining charter” provided for in section 100(2) of the MPRDA.

Section 100(2) provides that the Minister must develop a “broad-based socio-economic Charter” for the South African mining industry. The first of these mining charters was published in 2004. Although the MPRDA makes no provision for the amendment or substitution of the mining charter, there have been three revisions of the mining charter, the most recent having been gazetted in 2018.

As a Policy Instrument, the mining charter establishes a policy and guideline for the framing, measurement and implementation of each mining company's contributions to the achievement of the Transformation Objectives. Accordingly, the mining charter provides guidance on reparatory initiatives in relation to employment equity (the South African form of workplace affirmative action), human resource development, preferential procurement, corporate ownership, migrant labor, housing and living conditions for employees, beneficiation as well as mine community and rural development. This guidance includes descriptions of what nature of initiatives are preferred, the targeted impact and timeline for implementation as well as the manner of measuring completion. Being a Policy Instrument, this guidance does not constitute a binding legal obligation. That said, the Anglo American Group has always regarded continued performance in accordance with the mining charters as a responsibility arising from our commitment to the socio-economic development of South Africa. Since the promulgation of the MPRDA, we have consistently submitted our statutory annual returns to the DMRE, demonstrating our successful performance against the mining charter targets.

Recent judgments of the Gauteng High Court in 2018 and 2021, clarifying the status of the mining charter as a Policy Instrument, ended a seven year long period of litigation and sustained mining regulatory uncertainty in South Africa. While these judgments in no manner dilute the obligations of mining companies to make ongoing contributions to the attainment of the Transformation Objectives, the judgments have clarified the status of the mining charter as well as our security of tenure as outlined in the MPRDA and the South African Constitution.

#### *Current status of our rights*

The DMRE has to date granted our applications for conversion of our “old order” rights, i.e. mining rights as they existed prior to the promulgation of the MPRDA, and several new mining rights have also been granted. All of the licenses for our operating mines within Kumba, Anglo American Platinum and De Beers Consolidated Mines are in full grant.

New and converted mining rights are granted for a maximum period of 30 years, with renewals of up to 30 years each. The average remaining tenure of our existing mining rights is approximately 16 years. Prospecting rights are valid for a period of five years, with one renewal of up to three years. Furthermore, the MPRDA provides for a retention period after prospecting of up to three years with one renewal of up to two years, subject to certain conditions, such as non-concentration of resources, fair competition and non-exclusion of others.

Mining rights are transferable only with the approval of the Minister and are subject to various terms and conditions, including commencement of operations within specified periods, continuing and active operations and compliance with work programs, social and labor plans and environmental authorizations.

Under section 47 of the MPRDA, mining rights can be suspended or canceled by the Minister if the holder has breached its obligations under the terms of the rights and has failed to remedy such breach after written notice of the breach from the Minister and an opportunity for response.

The MPRDA imposes specific responsibilities on mining companies relating to environmental management and in respect of any environmental damage caused by prospecting, exploration or mining activities.

In accordance with the MPRDA, we are required to report annually to the DMRE on all aspects of our compliance with the MPRDA and on all contributions made to the Transformation Objectives. We have submitted all required reports and these have all been accepted by the DMRE.

### ***Exchange Controls***

The following is a general outline of South African exchange control regulations (“**Exchange Control Regulations**”) and their impact on the Group’s business.

The current set of Exchange Control Regulations was promulgated on December 1, 1961. The administration of the Exchange Control Regulations has been delegated to the Financial Surveillance Department of the South African Reserve Bank (“**SARB**”). The SARB has broad discretion, but it acts within policies set by the South Africa’s Minister of Finance (“**SA Finance Minister**”) and the National Treasury in consultation with the SARB. Certain powers have been delegated to authorized dealers (banks licensed by the SARB to deal in foreign exchange) to approve applications for foreign exchange. Matters that are beyond these powers are referred to the SARB, which adjudicates applications on their merits in accordance with policy and national interests.

Under the current Exchange Control Regulations, most transactions of a revenue nature would not usually require prior SARB approval, although there are administrative and reporting requirements. These transactions would include the import and/or export of trade goods and the remittance of dividends to non-resident shareholders from profits earned in the normal course of business. Generally, non-residents may freely invest in, or disinvest from, South Africa and income due to non-residents may be freely remitted.

All subsidiaries of the Group registered in South Africa are subject to South African Exchange Control Regulations. Any offshore transaction by these companies of a capital nature requires prior authorized dealer or SARB approval, depending on the value and specific circumstances of the transaction.

It is the stated intention of the South African authorities to move away from the current “negative” framework (exchange controls) to a “positive” framework (capital flow management measures) where all cross-border transactions will be allowed except for those that are subject to the capital flow management measures and/or pose a high risk of illegitimate cross-border financial flows. The aim of this shift is to create an enabling environment that makes it easier for foreign investors to invest in South Africa, and support to South Africa’s growth as an investment and financial hub for Africa.

Although a gradual relaxation of exchange controls has taken place over a number of years, and there have been recent announcements relating to the introduction of the capital flow management framework alluded to above and described in greater detail below, until this capital flow management framework is introduced, exchange controls will remain in place to control the flow of capital into and out of the member countries of the Common Monetary Area (comprising South Africa, Lesotho, Namibia and Swaziland) and generally to prevent the unauthorized export of capital by residents.

In his budget speech on February 26, 2020, the SA Finance Minister announced a number of measures to facilitate cross-border financial transactions, in support of trade and investment. The annexures to South Africa’s 2020 budget review provide additional detail, including a shift from the current policy of exchange controls to a risk-based capital flow management system that is in line with international best practice. This new system is

expected to provide companies in South Africa, including Anglo American, with increased flexibility to manage cash resources to optimal effect.

During the 2021 budget speech, the SA Finance Minister also announced that as from March 1, 2021, specific rules for companies with a primary listing offshore, including dual-listed structures, will be automatically aligned to current foreign direct investment rules. On March 1, 2021, the SARB published a circular to confirm this and stated that the SARB will engage with individual companies affected, which the Group has done. Current foreign direct investment rules permit dividend distributions through authorized dealers with no specific monetary threshold.

On February 23, 2022, the budget review documents published together with the 2022 budget speech made reference to the continued modernization of South Africa's capital flows management framework which included specific references to reforms to increase the limit for offshore investments and transfers to domestic treasury management companies.



## SUSTAINABILITY (INCLUDING SAFETY, HEALTH, ENVIRONMENT AND SOCIAL)

Anglo American has long been known as a leader in responsible mining. Sustainability is integrated into how we work and is central to our decision-making. The following section contains forward looking statements and investors should note the considerations outlined in “*Forward Looking Statements*” and “*Risk Factors—Risks Relating to Our Business and Industry*”, “*—Legal, Regulatory, Political and Tax Risks*” and “*—Environmental, Social and Governance Risks*”.

### ***Safety***

The safety of our people is always Anglo American’s priority and drives our policy and actions across our business. We continue to make progress on our long term safety objectives, including further developing our broader safety processes and procedures. Despite our continued progress, unfortunately we reported two work-related loss of life incidents at our managed operations in 2022, at our Steelmaking Coal business in Australia and at a De Beers operation in Canada, as well as the loss of a colleague from a complication following an injury sustained in our PGMs business in South Africa in 2021. We also lost one colleague at a non-managed PGMs joint venture operation in South Africa.

As part of our continuous practice of safety interventions, in 2022, we continued to focus on CEO safety summits with senior leaders from across the business units; observing and continuously monitoring mandatory critical controls for common catastrophic and fatal risks; sharing of lessons learned and actions taken from incidents across the organization; safety stand-downs (voluntary events to pause production and talk with employees and contractors about safety); employee-engagement sessions; and enhanced reporting and progress tracking of safety-improvement initiatives.

In 2022, our total recordable injury frequency rate decreased by 2% to 2.19 (2021: 2.24), reflecting the urgent safety reset and calls to action undertaken across the Group in the second half of 2022, in response to the fatal incidents and the deterioration in overall safety performance in the first half of 2022.

We recorded 564 occupational injuries in 2022, an increase of 2% (2021: 554). We remain absolutely committed to working towards a step-change in the reduction of injuries.

### ***Health***

Supporting the overall health and well-being of our employees, mitigating workplace health risks and promoting community health are critical and longstanding commitments for us, embedded in our Sustainable Mining Plan.

While we continued our comprehensive response to the global pandemic in 2022, we also built on the important lessons learned around enhancing resilience to future health threats.

The total number of new cases of occupational disease fell from 30 in 2020 to 16 in 2021 to 5 in 2022.

#### ***Our Health and Well-being strategy***

In 2022, we commenced the implementation of our Health and Well-being strategy in line with World Health Organization (WHO) principles, covering employee health.

Our Health and Well-being strategy, supported by our WeCare global lives and livelihoods support program, requires us to work together in new ways and across functions to deliver seamless support to all of our people in order to achieve our well-being goals.

While we focus on the individual, we understand that ensuring well-being, with health being the greatest contributor, relies on building strong social and community bonds inside and outside of the workplace.

### *Our Global Mental Health Framework*

Our Global Mental Health Framework is a key part of our Health and Well-being Strategy and outlines our approach to supporting the mental health of our colleagues.

Under the framework, we have focused on making immediate mental health support available to our people when they need it. We have trained 590 employee mental health first aiders globally. We also offer counselling, available through employee assistance programs, while using apps and other platforms to provide additional options for relaxation and mindfulness that aid mental wellness.

### *Our Workplace Health Standard*

Our Workplace Health Standard defines the minimum requirements to effectively manage workplace health and wellness. All of our operations are in the process of closing out identified gaps and are expected to be in full compliance with the Standard.

### *Fighting HIV/AIDS*

We have been a corporate leader in the fight against HIV/AIDS for more than 30 years. From providing free testing and treatment to all our employees, to making a Group-level policy commitment against stigma and HIV/AIDS discrimination, we have made a significant contribution to the elimination of HIV and AIDS.

### *Non-communicable diseases*

In 2022, we launched our non-communicable disease program with the goal of assessing 62.5% of the global workforce for risk factors, including smoking, heart health and obesity.

### *Our ongoing response to Covid-19*

In 2022, we continued to work to prevent the spread of Covid-19 among our employees and in host communities, primarily through testing and providing access to vaccines and boosters as part of WeCare, a global lives and livelihoods support program introduced in 2020. This approach provides three phases of support — Prevention, Response and Recovery – relating to physical health, mental health, living with dignity and community response interventions.

Alongside the continued deployment of testing in 2022, we also focused on vaccine access. Where appropriate to do so, depending on applicable government policies, we worked in close partnership with national and local governments to help deliver vaccinations to our employees, contractors and host communities. In South Africa, we contributed to the national vaccine roll-out.

### ***Responsible Mine Closure and divestment***

The social and environmental impacts of a mine extend far beyond the end of its operational life. To mitigate these impacts, we aim to create self sustaining post-production ecosystems by embedding regenerative solutions into execution planning for our assets. Aligned with our Sustainable Mining Plan, Anglo American strives to leave a positive, healthy and enduring legacy beyond the closure of our mine sites.

### ***Mineral Residue Facilities Management***

Management and storage of waste rock and the processed mineral residue known as tailings is a critical issue for our industry. Mineral residue management presents us with social, safety and environmental challenges throughout the lifecycle of our mining operations. In 2022, we continued to work towards conformance with the Global Industry Standard on Tailings Management (GISTM), whilst also working to develop and implement technological solutions - including enhanced and standardized control systems across our operations.

Our Group Tailings Standard addresses the risks of both tailings and water-management facilities, as well as waste rock dumps. The Standard sets out requirements for design, monitoring, inspection and surveillance, which we follow as a minimum requirement practice in each jurisdiction where we operate.

### *The Global Industry Standard on Tailings Management*

The GISTM represents a vital step forward for the global mining industry. It was the product of the Global Tailings Review, which was co-convened by the United Nations Environment Programme, Principles for Responsible Investment, and the International Council on Mining and Metals (“ICMM”). As one of the largest operators of tailings facilities in the world, Anglo American played an active role in the multi-stakeholder process of developing the GISTM, which covers standards and practices over the entire tailings facility lifecycle and sets a high bar for the mining industry to achieve strong social, environmental and technical outcomes. The GISTM is intended to be applied to existing and future tailings facilities, wherever they are found and to whomever operates them. In 2022, we completed the process of updating our Group Technical Standard to align fully with the technical requirements of the GISTM. The social aspects are encompassed in our Social Way 3.0. We continued to work towards conformance with the GISTM in line with our ICMM membership commitment. This commitment entails that tailings storage facilities (“TSFs”) with ‘Extreme’ or ‘Very high’ potential consequences, as rated under the GISTM, are to be in conformance by August 5, 2023. All other TSFs must be in conformance by August 5, 2025. The Group recognized an additional US\$128 million within closure provisions during the year ended December 31, 2022, based on estimated further costs for conformance for TSFs where technical studies and survey are at an advanced stage and reliable cost estimates are available. Ongoing studies and analysis required to estimate the value of any further incremental costs to achieve conformance at the rest of the in-scope TSFs at managed operations may result in additional site construction work being undertaken. Reliable cost estimates are expected to be finalized by the end of 2023. Additional costs that are not yet estimated and not recognized are not expected to be material, but are subject to completion of rigorous site characterization and risk analysis. 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.

### *Inclusion and Diversity*

We strive to create a workplace that is inclusive and empowers every colleague to bring their whole self to work. In 2022, we continued to build on firm foundations to make a positive difference in key areas, such as supporting those with family or carer responsibilities and standing up to domestic violence. We will further embed and launch initiatives that will allow us to realize our vision of a truly inclusive workplace where each of us can reach our full potential.

### *Sustainable Mining*

We launched our Sustainable Mining Plan in 2018, setting out three sustainability pillars and a number of medium and longer term stretch goals for each, guided by our purpose and supported by six critical foundations that underpin how we do business. The three pillars of Healthy Environment, Thriving Communities, and Trusted Corporate Leader encapsulate the holistic realities of what it means to be a socially responsible and ultimately sustainable business.

Our Sustainable Mining Plan is designed to be a living plan and we will continue to evolve it to ensure 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 that we feel would benefit from being incorporated into the Sustainable Mining Plan and will update the plan when we have developed these options more fully.

### *Environmental management*

We classify incidents on five levels, according to their impact. Our Chief Executive reports all Level 3–5 incidents (from moderate to significant) to the Board, which addresses them through its Sustainability Committee. In 2022, we saw no Level 5 environmental incidents at our managed operations for the tenth consecutive year, and no Level 4 incidents in 2022. One Level 3 incident was reported in 2022, at our Polokwane PGMs smelter, related to water discharge following a period of significant storm water. The discharge did not result in any environmental

toxic impact. A full investigation was carried out and lessons learned across both PGMs and the wider Anglo American Group.

Our ‘Environment 365 No Repeats’ initiative is designed to prevent any repeat of Level 3 or above incidents as well as lower level events that had the potential to be more serious. During 2022 we identified improvements in critical controls, challenged our existing operational approaches and set goals to drive increased vigilance and reporting of potential environmental events.

Our Sustainable Mining Plan includes commitments to be a leader in environmental stewardship. By 2030, we aim to reduce GHG emissions (Scopes 1 and 2) by 30% against a 2016 baseline, with eight of our sites being carbon neutral by that date; improve energy efficiency by 30%; achieve a 50% net reduction in freshwater abstraction in water scarce areas against a 2015 baseline; and deliver net-positive impacts in biodiversity wherever we operate. To these targets, we added a commitment to be carbon neutral (Scopes 1 and 2) across our operations by 2040 and, in 2021, our ambition to reduce our Scope 3 emissions by 50%, also by 2040.

Both energy consumption and GHG emissions decreased in 2022. In 2020, around one third of the electricity Anglo American used globally was drawn from renewables. Having secured 100% renewable electricity supply across our operations in South America, we are currently sourcing 52% of our electricity supply globally from renewable sources.

### ***Biodiversity***

Our Net Positive Impact (NPI) target is our commitment to leaving the biodiversity of an area in a better state than when we arrived.

Our aim is for biodiversity to form part of the long term business plan for every one of our sites. We continue to incorporate site-specific indicators into our safety, health and environment performance management system, the SHE Way. In line with the ICMM’s Position Statement on Mining and Protected Areas, we continue to uphold our 2003 commitment to neither explore nor develop new mines in World Heritage sites.

### ***Climate change***

Our commitment to helping address climate change is underpinned by our work to reduce our operational GHG emissions. We have set ambitious targets, which are subject to periodic review and re-evaluation. By 2030, we aim to reduce GHG emissions (Scopes 1 and 2) by 30% against a 2016 baseline and improve energy efficiency by 30%. In addition to these targets, we added a commitment to be carbon neutral (Scopes 1 and 2) across our operations by 2040 and, in 2021, our ambition to reduce our Scope 3 emissions by 50%, also by 2040.

### ***The role of coal***

At Anglo American we produce steelmaking coal. Our product is high quality, with a high calorific content and low impurities, supporting carbon efficient steelmaking today and through the transition period as steelmaking moves to less carbon-intensive production.

In 2022, we completed our exit from thermal coal operations. See “*Business Description - Business Segments - Corporate and Other - Significant Transactions and Restructuring - Exit from thermal coal operations*”.

### ***Water***

Water is fundamental for our operations and the communities around them.

Our approach to water management is embedded in our business plans and aligned with the Group’s Social Way 3.0, which recognizes that access to water is a priority for our stakeholders. We are guided in our work by our Group Water Policy and the Group Water Management Standard. The standard incorporates water issues into the lifecycle of any project, from site selection and early studies, through design to operation, closure and post-closure.

We put in place a pathway for the achievement of our ambitious Sustainable Mining Plan goal of reducing Group-wide fresh water withdrawals in water scarce areas by 50% by 2030, relative to the 2015 baseline. Using the World Resources Institute's Aqueduct tool, 83% of our sites are in areas with medium to high water stress.

In 2022, our fresh water withdrawals at sites included within our fresh water reduction target decreased by 3%. This relates to a total reduction of 26% against the 2015 baseline that informs the Sustainable Mining Plan target - one that we are well-positioned to achieve.

### ***Circular economy***

The circular economy is about minimizing waste in all its forms and making the most of what we have, natural resources included. It advocates consuming fewer resources in the first place and using them for longer. At its core, the circular economy is about separating economic growth and prosperity from resource use. As we gain a deeper understanding of circularity and how it intersects with our business, we are working to embed circular principles into our processes and build a culture that both thinks and acts circularly.

### ***Waste Management***

We are committed to contributing to the circular economy in our operations and an important component of that means being a leader in materials stewardship – where all materials, including those currently viewed as waste, are managed for the long term benefit of all stakeholders. Our intention is to focus on the hierarchy of waste management, with a special impetus on avoiding the production of waste in the first place and then in finding value where there was none.

### ***Air Quality***

We are committed to the reduction of emissions at-source and the use of digital technologies to advance our goal of making a positive impact on people's lives. In 2022, we continued our holistic approach to ensure alignment with international standards and guidelines and to drive new performance benchmarks in operational emissions through our FutureSmart Mining™ technologies and digital innovation programs.

### ***Securing livelihoods***

In 2022, we rolled out a comprehensive ICT program at our 109 Anglo American South Africa schools and at 110 early childhood development centres around our mining operations in South Africa, to give thousands of learners and community members skills they need enter the digital job market.

The changing nature of work means that we need to take our communities with us as we upskill our employees to avoid creating a greater digital divide in terms of access to technology, that in turn deepens existing social inequalities. Education and skills development are critical for the achievement of our Thriving Communities targets that form part of our Sustainable Mining Plan, while increasing connectivity for schools improves digital access for whole communities.

### ***Thriving communities***

We believe that our role as a global business is to make a positive contribution to society. Through the implementation of our social performance management system – the Social Way 3.0 – and through our Collaborative Regional Development programme, we are working actively to support local and regional economies, as well as the lives and livelihoods of the communities where we operate, where we aim to assist in building thriving communities with better health, education and levels of employment.

### ***Social performance***

Social performance encompasses our interactions, activities and outcomes with respect to host communities and other local stakeholders affected by our activities. We believe that delivering value into the lives of our external stakeholders and managing our impact on host communities are integral to the long term success of our business. In 2022, we continued working to strengthen and broaden our social performance competencies through embedding

the Social Way 3.0 across the organization. As part of the implementation process, each site and function has established cross-functional Social Performance Management Committees.

## BOARD OF DIRECTORS AND MANAGEMENT OF ANGLO AMERICAN PLC

### Board of Directors

The Board provides leadership to the Group and is collectively responsible for promoting and safeguarding the long term success of the business. The Board is supported by a number of committees, to which it has delegated certain powers. Some decisions are sufficiently material that they can only be made by the Board as a whole (including, among other things, approval of business plans, budgets and material expenditure).

The Chairman, Stuart Chambers, leads the Board, and is responsible for ensuring it works constructively as a team. Duncan Wanblad is the chief executive and is responsible for the execution of strategy and the day-to-day management of the Group, supported by the Group Management Committee (“GMC”) which he chairs.

The Company has adopted the Statement of Division of Responsibilities between the Chairman and Chief Executive promulgated by The Chartered Governance Institute. It is the Board’s view that the Company has complied throughout the year with the UK Corporate Governance Code (the “Code”) issued by the Financial Reporting Council in July 2018.

The business is organized to reflect our values of integrity and accountability, helping us to work together while meeting the highest standards of governance. At the date of the annual report, just under two-thirds of the Board were independent non-executive directors. The Board determines all of the non-executive directors (other than the Chairman) to be independent of management and free from any business or other relationship which could materially interfere with their ability to exercise independent judgment. The Code does not consider a chairman to be independent due to the unique position the role holds in corporate governance. Stuart Chambers met the independence criteria contained in the Code when he was appointed as the Group’s chairman in 2017. The Board has a wide range of skills and experience which contribute to the long term sustainable success of Anglo American. The Board is supported by the Group general counsel and company secretary.

### *Conflicts of Interest*

If directors become aware that they have a potential or actual direct or indirect interest in an existing or proposed transaction with Anglo American, they are required to notify the Board at the next Board meeting or by a written declaration. Directors and members of the GMC and its subcommittees have a continuing duty to update any changes in their interests.

No potential conflicts of interest exist between each of the Directors’ duties to Anglo American plc and his or her private interests or other duties other than as reflected above.

### *Composition of the Board of Directors*

There were a number of changes to the Board in 2022 and to date in 2023, as described below.

On January 1, 2022, Ian Tyler joined the Board as a non-executive director.

On April 19, 2022, at the conclusion of the Company’s Annual General Meeting:

- Duncan Wanblad joined the Board as chief executive.
- Mark Cutifani retired as chief executive and stepped down from the Board, after nine years in the role.
- Anne Stevens and Byron Grote stepped down from the Board as non-executive directors, having both served for nine years.
- Ian Tyler succeeded Anne Stevens as chair of the Remuneration Committee, and Hilary Maxson succeeded Byron Grote as chair of the Audit Committee.
- Ian Tyler succeeded Byron Grote as the Board’s senior independent director.
- Marcelo Bastos succeeded Byron Grote as the designated non-executive director to chair the Anglo American Global Workforce Advisory Panel.

On September 23, 2022, Elisabeth Brinton stepped down from the Board as a non-executive director.

On December 31, 2022, Tony O'Neill stepped down from the Board as technical director after more than nine years with Anglo American.

On April 1, 2023, Magali Anderson joined the Board as a non-executive director.

The names and biographical details of the directors are set forth below. The business address of each Director is 17 Charterhouse Street, London EC1N 6RA, England.

### ***Executive Directors***

**Duncan Wanblad**, Chief Executive, BSc (Eng) Mech, GDE (Eng Management) (56). Duncan succeeded Mark Cutifani as the Chief Executive at the April 19, 2022 AGM and is a member of the Sustainability Committee. Duncan brings to the Board 30 years of international mining experience and a deep understanding of the Anglo American Group, its culture and context. Duncan chairs the GMC, having served as a member since 2009. He is chairman of De Beers, and a non-executive director of Anglo American Platinum and Kumba Iron Ore. From 2016 to April 2022, Duncan was Group Director – Strategy and Business Development, also serving as CEO of our Base Metals business as CEO from 2013 to 2019. Until April 2022, he chaired the Anglo American Foundation. Between 2009 and 2013, Duncan held the position of Group Director – Other Mining and Industrial, responsible for a global portfolio of mining and industrial businesses for disposal or turnaround to maximize shareholder value. He was appointed CEO of our Copper operations in 2008, prior to which he served as joint interim CEO of Anglo American Platinum in 2007 (having served on the board since 2004). From 2004 to 2007, Duncan was Executive Director of Projects and Engineering at Anglo American Platinum. Duncan began his career at Johannesburg Consolidated Investment Company Limited in 1990.

**Stephen Pearce**, Finance Director, BBus (Acc), FCA, FGIA FCG, MAICD (59), appointed to the Board as Finance Director on April 24, 2017. Stephen contributes to Anglo American over 20 years of public company director experience and more than 30 years' experience in the mining, oil and gas, and utilities industries. His experience spans finance, capital markets and many of the operational and functional support areas of global mining companies and markets. Stephen became a member of the GMC in January 2017 and joined the Board in April 2017. He is also a non-executive director of De Beers, and until July 2021 was a non-executive director of Anglo American Platinum. Before joining Anglo American, Stephen served as CFO and an executive director of Fortescue Metals Group from 2010 to 2016. Prior to that, he held the positions of managing director and CEO of Southern Cross Electrical Engineering Ltd and was CFO of Alinta Ltd. Stephen previously served as a non-executive director of Cedar Woods Properties Ltd. Stephen is also a non-executive director of BAE Systems plc.

### ***Non-Executive Directors***

**Stuart Chambers**, Chairman, BSc (66), appointed to the Board on September 1, 2017 and as Chairman on November 1, 2017. He is also Chairman of the Nomination Committee and a member of the Sustainability Committee. Stuart contributes to Anglo American significant global executive and boardroom experience across the industrial, logistics and consumer sectors. Until March 31, 2021, Stuart served as chairman of Travis Perkins plc, having joined the board as a non-executive director in 2017. He previously served as chairman of ARM Holdings plc and Rexam plc until 2016; and in his non-executive career on the boards of Tesco PLC, Manchester Airport Group plc, Smiths Group plc and Associated British Ports Holdings plc. Stuart's executive career included 13 years at Pilkington plc and its subsequent parent company Nippon Sheet Glass until 2010, in a number of executive roles and ultimately as chief executive of both companies. Prior to that, he gained 10 years of sales and marketing experience at Mars Corporation, following 10 years at Shell as a chemical engineer. Stuart is a member of the UK Takeover Panel and a Visiting Fellow of Said Business School, Oxford University.

**Ian Ashby**, BEng (Mining) (65), joined the Board on July 25, 2017 and is chair of the Sustainability Committee and a member of the Nomination and the Remuneration Committees. Ian contributes to Anglo American substantial knowledge of the minerals industry across a wide range of commodities, combined with global operating, major projects and capital development experience. Ian served as President of Iron Ore for BHP Billiton between 2006 and 2012, when he retired from the company. During his 25-year tenure with BHP Billiton,



Ian held numerous roles in its iron ore, base metals and gold businesses in Australia, the US and Chile, as well as projects roles in the corporate office. Ian began his nearly 40-year mining career as an underground miner at the Mount Isa Mines base metals operations in Queensland, Australia. Ian has previously served as chairman of Petropavlovsk plc, and a non-executive director of Alderon Iron Ore Corp, Nevsun Resources Ltd, New World Resources PLC and Genco Shipping & Trading, and in an advisory capacity with Apollo Global Management and Temasek. Ian is also an independent director of IAMGOLD Corporation and Suncor Energy Inc.

**Marcelo Bastos**, MBA, BSc (Hons) Mech Eng (60), appointed to the Board on April 1, 2019 and is a member of the Nomination and Sustainability Committees. Marcelo contributes to Anglo American more than 30 years of operational and project experience in the mining industry across numerous commodities and geographies, particularly in South America. From the April 19, 2022 AGM he succeeded Byron Grote as the chair of Anglo American's Global Workforce Advisory Panel. Marcelo served as chief operating officer of MMG between 2011 and 2017, responsible for the group's copper, zinc, silver, lead and gold operations, and sales and marketing. In this role, he also led the planning and development of the Las Bambas copper mine in Peru. Prior to MMG, Marcelo served as president of the BHP Mitsubishi Alliance joint venture (metallurgical coal), president of BHP's Cerro Matoso nickel operation in Colombia, president of nickel Americas, and president of Nickel West in Australia. He had a 19-year career at Vale until 2004 in a range of senior positions in Brazil. Marcelo is a former non-executive director Golder Associates and Oz Minerals Ltd. Marcelo currently holds external appointments as non-executive director of Aurizon Holdings Ltd and Iluka Resources Ltd.

**Hixonia Nyasulu**, BA Hons (68), appointed to the Board on November 1, 2019 and is a member of the Nomination and Remuneration Committees. Hixonia contributes to Anglo American significant global board experience drawn from the natural resources, financial services and consumer industries. Hixonia has previously served as a senior independent director of Vivo Energy plc and as a non-executive director on the boards of Sasol, including five years as chairman, Nedbank, Unilever NV and Unilever PLC. She has also served as a member of the South Africa advisory board of J.P. Morgan and on the board of the Development Bank of Southern Africa. Hixonia founded Ayavuna Women's Investments (Pty) Ltd, a female-controlled investment holding company. Prior to that, she ran T.H. Nyasulu & Associates, a strategy, marketing and research company, after starting her career at Unilever in South Africa. Hixonia was a founder member of the Advisory Group formed by the World Economic Forum to set up a community of global chairs. Hixonia currently holds external appointments as a member of the board of AGRA, and chairs the Africa Economic Challenge Fund, both not-for-profit organizations.

**Nonkululeko Nyembezi**, MSc, BSc, MBA (62), appointed to the Board on January 1, 2020 and is a member of the Audit and Sustainability Committees. Nonkululeko contributes to Anglo American great breadth of technical and strategic insights with a background in engineering and extensive experience spanning mining, steel, financial services and technology in South African and global organizations. Until May 2022, Nonkululeko was chair of the JSE Limited. She was formerly chief executive officer of Ichor Coal. N.V. and has previously served as chair of Alexander Forbes Group and as a non-executive director on the boards of Old Mutual plc, Exxaro Resources, Universal Coal plc and Denel, and as CEO of ArcelorMittal South Africa. In her earlier career, Nonkululeko was chief officer of M&A for the Vodacom group and chief executive officer of Alliance Capital, the then local subsidiary of a New York-based global investment management company. Nonkululeko has external appointments as non-executive director and chair of Standard Bank Group and chair of Macsteel Services Centres SA, a privately held business.

**Hilary Maxson**, MBA, B.S. (Applied Economics & Management) (44), appointed to the Board on June 1, 2021 and is chair of the Audit Committee. Hilary contributes to the Board experience in business, spanning finance, the capital markets, energy transition and technology, gained across her executive career in the US, Europe, Africa and Asia. Hilary is the CFO of Schneider Electric and a member of its executive committee, based in Paris. She previously served as CFO of their largest business unit, Energy Management, having joined the company in 2017 as CFO of the Building and IT business, situated in Hong Kong. Prior to joining Schneider Electric, Hilary spent 12 years with AES in a variety of finance, M&A and business development roles, based across the US, Cameroon and the Philippines, ultimately as CFO for Asia. Hilary began her career at Bank of America and Citigroup, in New York.

**Ian Tyler**, BCom ACA (62) appointed to the Board on January 1, 2022 and as Senior Independent Director on April 19, 2022. Ian is also the chair of Remuneration Committee and member of the Audit and Nomination Committees. Ian contributes to Anglo American significant boardroom and financial experience spanning a number of industrial sectors. Until December 2022, Ian served as chairman of Amey. Ian has also previously served as the chairman of Vistry Group PLC (formerly Bovis Homes Group) and a non-executive director of BAE Systems plc. Ian is the former chairman of Cairn Energy PLC, and a former non-executive director of VT Group plc and Cable & Wireless Communications Plc, amongst other non-executive board roles. Ian's senior executive career was at Balfour Beatty plc, a global infrastructure business, joining as finance director in 1996 and serving as chief executive from 2005 to 2013. Ian is chairman of Affinity Water, a privately-held business and non-executive director of Synthomer plc.

**Magali Anderson**, Mech Eng (55) appointed to the Board on April 1, 2023 and is a member of the Sustainability Committee. Magali Anderson was formerly Chief Sustainability and Innovation Officer of Holcim Group, the Switzerland-based global building materials company, and a member of its executive committee. Magali Anderson serves on the advisory boards of Business for Nature, the MIT Climate and Sustainability Consortium, the World Green Building Council and the 50L Home Coalition on water efficiency.

#### ***Audit Committee***

The Board, in consultation with the Audit Committee chairman, makes appointments to the committee.

The roles and responsibilities of the Audit Committee include monitoring the integrity of annual and interim financial statements, making recommendations to the Board concerning the adoption of the annual and interim financial statements, reviewing the independence, effectiveness and objectivity of the external auditors, reviewing and monitoring the effectiveness of the Group's risk management and internal control mechanisms, approving the terms of reference of the internal audit function and assessing its effectiveness, approving the internal audit plan and reviewing regular reports from the Group head of risk management and business assurance on effectiveness of the internal control system, reviewing the effectiveness of the Group's Code of Conduct and the arrangements to counter the risk of bribery and corruption, overseeing completion of the viability statement, receiving reports from management on the principal risks of the Group and overseeing the Group's relations with external auditors. The Committee's recommendations are submitted to the Board for approval.

The Audit Committee presently consists of: Hilary Maxson (Chair), Nonkululeko Nyembezi and Ian Tyler, all of whom are independent non-executive directors.

#### ***Remuneration Committee***

The Remuneration Committee is responsible for establishing and developing the Group's general policy on executive and senior management remuneration including determining specific remuneration packages for the chairman, executive directors, members of the Group Management Committee and other senior management for review and approval by the Board. The Remuneration Committee also has input and oversight on the reward policy for the broader workforce and engaging with the wider workforce, shareholders and other stakeholder regarding executive remuneration.

The Remuneration Committee presently consists of: Ian Tyler (Chair), Ian Ashby and Hixonia Nyasulu all of whom are independent non-executive directors.

#### ***Nomination Committee***

The role of the Nomination Committee is to assist the Board in regularly reviewing its composition and those of its committees, to lead the process for Board appointments and ensure effective succession planning for the Board and senior management. The Nomination Committee is responsible for agreeing a skills, diversity and experience matrix for all directors (with the approval of the Board) to identify and address any skills gaps when recruiting new directors, making recommendations to the Board as to the composition of the Board and its committees and the balance between executive and non-executive directors in order to maintain a diverse Board with the appropriate mix of skills, experience, independence and knowledge. The Committee ensures full

consideration is given to succession planning, including the development of a diverse pipeline, for director and other senior executives, taking into account the challenges and opportunities facing the Company, and what skills and expertise are therefore needed on the Board in the future.

The Nomination Committee currently consists of: Stuart Chambers (Chair), Ian Tyler, Hilary Maxson (appointed as a member on January 1, 2023), Ian Ashby, Hixonia Nyasulu and Marcelo Bastos.

#### ***Sustainability Committee***

The Sustainability Committee is responsible for overseeing, on behalf of the Board, material management policies, processes, and strategies designed to manage safety, health, environment and socio-political risks, to achieve compliance with sustainable development responsibilities and commitments and strive to be a global leader in sustainable mining. The committee is responsible for reviewing the causes of any fatal or significant sustainability incidents and ensuring learnings are shared across the Group.

At each meeting, the committee reviews detailed reports covering the Group's performance across a range of sustainability areas, including: safety; health and wellness; socio-political trends; human rights; climate change; and environmental and social performance. Significant social, safety, health and environmental incidents are reviewed at each meeting, as are the results from operational risk reviews and operational risk assurance.

The Sustainability Committee presently consists of: Ian Ashby (Chair), Marcelo Bastos, Stuart Chambers, Duncan Wanblad, Nonkululeko Nyembezi and Magali Anderson (appointed on April 1, 2023).

#### **Management**

The GMC is supported by the Corporate Committee, the Operational Committee, Innovation Committee, Marketing Risk Committee and the Investment Committee.

#### ***Composition of the Group Management Committee***

The names and biographical details of the present members of GMC are set forth below. The business address of each such person is 17 Charterhouse Street, London, EC1N 6RA. No potential conflicts of interest exist between the duties of each such person to Anglo American plc and his or her private interests or other duties.

**Duncan Wanblad** is chief executive of Anglo American plc, see “—*Composition of the Board of Directors—Executive Directors*”.

**Stephen Pearce** is finance director of Anglo American plc, see “—*Composition of the Board of Directors—Executive Directors*”.

**Didier Charreton**, MSc Didier joined Anglo American in December 2015. He has held a number of senior HR roles across his 30-year career. From 2007 until 2014, Didier was chief human resources officer for Baker Hughes, the US-based oilfield services company. Prior to 2007, he was HR director at Coats plc in the UK, and before that held a number of HR roles at Schlumberger, based in the US, Argentina, Venezuela and France.

**Al Cook**, M.A. Hons (Natural Sciences) Al joined Anglo American on February 20, 2023 as CEO of De Beers Group. Prior to joining the Group, he was executive vice president of exploration and production international for Equinor ASA, the Norway-based global energy company, with responsibility for operations in 12 countries across Africa, North America, South America and Europe. Al previously held the role of executive vice president for global strategy and business development as Equinor created a net zero strategy and reshaped its portfolio for the energy transition. He joined Equinor after a 20-year career at BP that spanned a number of corporate, commercial, operational and major product development roles. Al is currently a trustee of The Power of Nutrition, an independent charitable foundation.

**Matt Daley**, BEng (Mining) Hons, PgDip (Fin) Matt leads the Safety, Discovery & Geosciences, Mining, Processing, Business Improvement, Asset Strategy & Reliability, Sustainable Development, Information Management, and Supply Chain disciplines. Matt is a mining engineer with more than two decades of underground, open cut, smelting, refining, project and commodity trading experience. He has lived and worked in Australia,

South America, North America, the UK and the Middle East. Prior to joining Anglo American in 2017 as Group Head of Mining, Matt was the executive general manager for Glencore Canada based in Toronto and served as a non-executive director on the board of PolyMet Mining. He has previously worked for Xstrata and Minera Alumbra and started his career with Mount Isa Mines in Queensland, Australia.

**Nolitha Fakude**, BA (Hons) Nolitha was appointed Group Director – South Africa in September 2019, and chairs Anglo American’s South African management board. She is a non-executive director of Anglo American Platinum. From April 2017 to August 2019, she served as a non-executive director on the Board of Anglo American plc. A former executive director and executive vice president of strategy and sustainability at Sasol Limited until 2016, Nolitha has held various other senior executive roles in retail and financial services. She has served on the boards as a non-executive director in the mining, manufacturing and retail sectors. Nolitha is a non-executive director of JSE Limited and is the President of the Minerals Council of South Africa.

**Ruben Fernandes**, MSc (Metallurgical Engineering), MBA Ruben was appointed CEO of Base Metals in 2019 and in 2022 took on accountability for the Group’s Iron Ore and Nickel operations in Brazil. He previously served as CEO of Anglo American Brazil. Prior to joining the Group in 2012, Ruben was head of mining at Votorantim Metals in Brazil, responsible for projects and exploration activities around the world, as well as operations in Peru and Colombia. Between 2009 and 2011, he was COO at Vale Fertilizers, responsible for the fertilizer operations, sales and marketing. Ruben was also CEO of Kaolin Companies – Pará Pigments and Cadam—two subsidiaries of Vale, between 2007 and 2009, and held various analysis, marketing and project roles in Vale’s Base Metals business which he joined in 1999. He began his career in the special alloys industry.

**Tom McCulley**, B.S. (Accounting) Tom was appointed as CEO of Crop Nutrients in January 2022. He joined Anglo American in 2015 and has previously served as CEO of Anglo American in Peru and Group Head of Projects for Anglo American. Tom brings more than 25 years of international experience in major projects across the mining, oil and gas industries, and has led the development of Anglo American’s Quellaveco copper project in Peru. Prior to joining Anglo American, he held several senior global roles at Newmont, including vice president of investment and value management and vice president of discovery and development planning and services. Tom began his career at Fluor Corporation in international oil and gas and mining projects, developing his full project lifecycle expertise.

**Anik Michaud**, LL.L (Law) Anik has served as Group Director – Corporate Relations and Sustainable Impact since June 2015. She is a non-executive director of Anglo American Platinum and chairs the Anglo American Foundation. Her remit includes corporate communication (including brand and employee engagement), international and government relations, social performance and engagement, sustainability integration to drive positive impact from the Group’s Sustainable Mining Plan, and the office of the chief executive. Anik joined Anglo American in 2008 as Group head of corporate communication. Prior to that, she was director of public affairs for Rio Tinto Alcan, following 10 years with the Alcan group. Anik is a Visiting Fellow of Said Business School, Oxford University.

**Themba Mkhwanazi**, BEng (Chemical) Hons Themba was appointed CEO of Bulk Commodities in January 2022. Prior to that he was CEO of Kumba Iron Ore from 2016 to 2021, and CEO for Anglo American’s Thermal Coal business in South Africa, having joined the Group in 2014. He has extensive experience in the resources industry, including 18 years in his native South Africa, as well as in the US and Australia. Before joining Kumba, Themba was managing director for Huntsman Tioxide in South Africa until 2007, when he was appointed COO of Richards Bay Minerals, a joint venture between Rio Tinto and BHP Billiton. In 2011, he was seconded to Rio Tinto’s Australian coal business, before taking up the role of regional general manager for the Americas in 2012. Themba is a Vice President of the Minerals Council of South Africa.

**Helena Nonka**, M.A. Hons, LL.M Helena joined Anglo American in October 2022 as Group Director – Strategy & Business Development. Prior to joining the Group, she was executive vice president corporate development for Norsk Hydro ASA, the Norway-based global aluminium and renewable energy company with operations across 50 countries, with responsibility for group strategy, business development, sustainability and technology. Helena’s global career spans more than 20 years in the natural resources industry, professional services, consulting, and academia across Europe, Asia and North America. She previously worked as the global head of new

business for natural resources at Switzerland-based SGS. From 2007 to 2019, she worked for Rio Tinto, where she held several global senior commercial leadership roles, including leading corporate strategy.

**Richard Price**, LL.B, BA (Hons) Richard joined Anglo American as Group General Counsel in May 2017 and was appointed as Company Secretary in March 2018. Prior to joining Anglo American, he was a partner at Shearman & Sterling, the international law firm, working across EMEA, Asia and North America. In private practice, Richard acted for clients across the metals, mining, energy and financial services sectors, among others, assisting them with complex financing, corporate and compliance matters.

**Natascha Viljoen\***, B Eng (extractive metallurgy) MBA Natascha was appointed CEO of Anglo American Platinum in April 2020. Prior to that, she was Anglo American's Group Head of Processing, having joined the Group in 2014. Before joining Anglo American, Natascha spent six years at Lonmin, where she served on the executive committee as EVP of Processing, also with responsibility for several wider corporate functions including sustainability. Prior to that, Natascha worked for BHP's coal and chrome businesses in South Africa (including as general manager of BHP's Klipspruit Colliery), the Modikwa joint venture between Anglo American Platinum and African Rainbow Minerals, and AngloGold Ashanti Limited. Natascha began her career in 1991 at Iscor as a trainee engineer.

**Peter Whitcutt**, BCom (Hons), CA (SA), MBA Peter has served as CEO of Marketing since January 2016. He is a non-executive director of De Beers. Peter joined the Group in 1990 within the Corporate Finance division. He worked on the merger of Minorco with Anglo American Corporation of South Africa, the listing of Anglo American plc in 1999 and the subsequent unwinding of the cross-holding with De Beers. Peter was appointed Group Head of Finance in 2003, CFO of Base Metals in August 2008 and from 2013 to 2015, he served as Group Director – Strategy, Business Development and Marketing.

On January 17, 2023, Anglo American announced the appointment of Alison Atkinson as Group Director – Projects & Development and as a member of the GMC, to take effect during the second quarter of 2023. Alison is currently the CEO of AWE plc, an arms-length body of the UK Government responsible for developing and maintaining essential elements of the UK's nuclear deterrent, incorporating some of the world's most advanced research and production capabilities. Alison joined AWE in 2005 and has fulfilled a number of senior roles in that time, delivering multi-billion dollar infrastructure projects and technology programmes and developing capabilities and products that support the UK's nuclear defence programme. Alison has served as CEO of AWE since 2020. Prior to AWE, Alison spent 14 years at Halcrow, the global engineering consultancy, managing a wide variety of capital projects in the UK and overseas in both the public and private sectors. Alison is a non-executive director of Kier Group plc and Chair of its Safety, Health and Environment committee.

\*On February 15, 2023, Anglo American announced that Natascha Viljoen had decided to take up her next career opportunity outside the Group. Natascha will join Newmont Corporation, the US-based mining company, as its Chief Operating Officer upon completion of her notice period of up to 12 months. Natascha will continue to serve as CEO of Anglo American Platinum and as a member of the GMC until that time.

### ***Management Committees***

#### ***Group Management Committee***

The GMC is the principal executive committee. It is responsible for formulating strategy, setting targets and budgets and managing the Group's portfolio.

The names and biographical details of the current members are shown above. The business address of each member is 17 Charterhouse Street, London, EC1N 6RA, England.

#### ***Corporate Committee***

The Corporate Committee reviews corporate and ethical policies and processes, and financial performance and budgets at business unit level.

### ***Operational Committee***

The Operational Committee is responsible for driving operational best practices across the Group and the setting of technical standards.

### ***Investment Committee***

The Investment Committee is responsible for making recommendations on capital investment proposals.

### ***Marketing Risk Committee***

The Marketing Risk Committee is responsible for evaluating, monitoring, directing and controlling the management of risk associated with the sales and marketing activities of the Group.

### ***Innovation Committee***

The Innovation Committee is responsible for the governance of technology innovation projects.

### ***Dates of Appointment and Re-election***

#### ***Executive Directors<sup>(1)</sup>***

The following table summarizes the executive directors' date of appointment and the applicable date of re-election or election to the Board:

	<b>Date of appointment</b>	<b>Next AGM re-election or election</b>
Duncan Wanblad (chief executive)	April 19, 2022	April 2024
Stephen Pearce (finance director)	April 24, 2017	April 2024

(1) At each AGM all directors shall retire from office.

#### ***Non-Executive Directors<sup>(1)(2)</sup>***

All non-executive directors have letters of appointment with the Company for an initial period of three years from their date of appointment, subject to reappointment at the AGM.

The following table summarizes the non-executive directors' date of appointment and the applicable date of re-election or election to the Board:

	<b>Date of appointment</b>	<b>Next AGM re-election or election</b>
Magali Anderson	April 1, 2023	April 2024
Ian Tyler	January 1, 2022	April 2024
Hilary Maxson	June 1, 2021	April 2024
Nonkululeko Nyembezi	January 1, 2020	April 2024
Hixonia Nyasulu	November 1, 2019	April 2024
Marcelo Bastos	April 1, 2019	April 2024
Stuart Chambers	September 1, 2017	April 2024
Ian Ashby	July 25, 2017	April 2024

(1) At each AGM, all directors shall retire from office.

(2) There is a one month notice period for removing any director from office; however, the Group may in accordance with, and subject to, the provisions of the 2006 Companies Act, by Ordinary Resolution of which special notice has been given, remove any director from office. The Company's Articles of Association also permit the directors, under certain circumstances, to remove a director from office.

## EMPLOYEES

Our employees are essential to the long-term success of the Group. We continue to invest in the development of our people and strive to ensure that we are positioned to attract and retain the best mining and other talent.

The table below sets forth the average number of employees, excluding contractors and associates' employees and joint ventures' employees and including a proportionate share of employees within joint operations, by segment.

	Year ended December 31,		
	2020	2021	2022
	<i>(thousands)</i>		
De Beers	9	8	9
Copper	4	5	5
Nickel	1	1	1
Platinum Group Metals	32	31	32
Iron Ore	9	9	9
Steelmaking Coal	2	2	2
Manganese	—	—	—
Crop Nutrients	—	1	1
Corporate and Other	7	5	3
Total	64	62	62

The table below sets forth the average number of employees excluding contractors and associates' and joint ventures' employees and including a proportionate share of employees within joint operations, by principal location of employment.

	Year ended December 31,		
	2020	2021	2022
	<i>(thousands)</i>		
South Africa	45	41	41
Other Africa	5	5	5
South America	8	9	9
North America	1	1	1
Australia and Asia	3	3	3
Europe	2	3	3
Total	64	62	62

For detail of the Group's retirement benefits, please see Note 27 to the Group 2022 Consolidated Financial Statements, which are incorporated by reference in this Offering Memorandum.

## **RELATED PARTY TRANSACTIONS**

The Group has related party relationships with its subsidiaries, joint operations, associates and joint ventures.

The Group, in the ordinary course of business, enters into various sale, purchase and service transactions with joint operations, associates and joint ventures and others in which the Group has a material interest. These transactions are under terms that are no less favorable than those arranged with third parties.

Dividends received from associates and joint ventures during the year ended December 31, 2022 totaled US\$608 million. Dividends received from associates and joint ventures during the year ended December 31, 2021 totaled US\$475 million. Dividends received from associates and joint ventures during the year ended December 31, 2020 totaled US\$226 million.

At December 31, 2022, the Group had provided loans to joint ventures in total of US\$147 million and loans to associates in total of US\$2 million. At December 31, 2021, the Group had provided loans to joint ventures in total of US\$76 million and US\$2 million loans to associates. At December 31, 2020, the Group had provided loans to joint ventures of US\$230 million and no loans to associates.

As at the date of this Offering Memorandum, there were no material related party transactions the Issuer entered into in 2022.

### **Related Party Transactions with Key Management**

Remuneration and benefits of key management personnel are given in Note 26 to the 2022 Group Consolidated Financial Statements. Information relating to pension fund arrangements is disclosed in Note 27 to the 2022 Group Consolidated Financial Statements.



## DESCRIPTION OF THE NOTES AND THE GUARANTEES

*The following is a summary of the material provisions of the Indenture, the Notes and the Guarantees. Copies of the Indenture, the Guarantees and the Notes will be available for inspection or collection during normal business hours by a holder of the Notes upon reasonable request at any time after the closing date of the offering of the Notes at the London offices of the Trustee, which are currently located at Citigroup Centre, Canary Wharf, London E14 5LB, or may be provided by email to a holder of the Notes following their prior written request to the Trustee, subject to provision of proof of holding and identity (in a form satisfactory to the Trustee). Any capitalized term used herein but not defined shall have the meaning assigned to such term in the Indenture.*

### General

The US\$900,000,000 5.500% Senior Notes due 2033 (the “**Notes**”) will be issued under a base indenture dated as of April 8, 2009 (the “**Base Indenture**”), as supplemented by the first supplemental indenture dated as of April 2, 2012 and the second supplemental indenture dated as of May 14, 2015 (and taken together with the officer’s certificate dated as of May 2, 2023 issued under sections 2.01 and 7.01 of the Base Indenture, the “**Indenture**”), among Anglo American Capital plc (the “**Issuer**”), Anglo American plc (the “**Company**”) and Citibank, N.A., as trustee (the “**Trustee**”), London paying agent and registrar (the “**Agent**”).

The Indenture is not required to be nor will it be qualified under the US Trust Indenture Act of 1939, as amended (the “**Trust Indenture Act**”), and will not incorporate by reference any of the provisions of the Trust Indenture Act. Consequently, the Holders of Notes generally will not be entitled to the protections provided under such Act to holders of debt securities issued under a qualified indenture, including those requiring the Trustee to resign in the event of certain conflicts of interest and to inform the Holders of Notes of certain relationships between it and the Issuer or the Company. In this “*Description of the Notes and the Guarantees*”, the terms “**Holder**”, “**Noteholder**” and other similar terms refer to a “registered holder” of Notes, and not to a beneficial owner of a book-entry interest in any Notes, unless the context otherwise clearly requires.

BMO Capital Markets Corp., Goldman Sachs & Co. LLC, HSBC Securities (USA) Inc., Scotia Capital (USA) Inc., Bank of China Limited, London Branch, and CIBC World Markets Corp. (together, the “**Initial Purchasers**”) propose to resell the Rule 144A Global Notes in registered form to certain institutions in the United States in reliance upon Rule 144A. The Rule 144A Global Notes may not be sold or otherwise transferred except pursuant to registration under the Securities Act or in accordance with Rule 144A or pursuant to Rule 904 of Regulation S thereunder or in a resale transaction that is otherwise exempt from such registration requirements, and will bear a legend to this effect. In light of current US securities laws, subject to certain exceptions, an exemption should be available for a sale or transfer of a Rule 144A Global Note after its Specified Date. The “**Specified Date**” means, with respect to any Rule 144A Global Note, the date following the expiration of the applicable required holding period determined pursuant to Rule 144 under the Securities Act (such period, the “**applicable holding period**”) after the later of the date of acquisition of such Rule 144A Global Note from the Issuer, or an affiliate of the Issuer, or any resale of such Rule 144A Global Note in reliance on Rule 144 under the Securities Act for the account of either the acquirer or any subsequent holder of such Rule 144A Global Note, in each case demonstrated to the reasonable satisfaction of the Issuer or the Company (which may require delivery of legal opinions). Unless a Holder of a Rule 144A Global Note holds such Rule 144A Global Note for the entire applicable holding period, such Holder may not be able to determine the Specified Date because such Holder may not be able to determine the last date on which the Issuer, the Company or any affiliate thereof was the beneficial owner of such Holder’s Rule 144A Global Note. The registrars and the transfer agents for the Notes will not be required to accept for registration or transfer any Rule 144A Global Notes, except upon presentation of satisfactory evidence (which may include legal opinions) that the restrictions on transfer have been complied with, all in accordance with such reasonable regulations as the Issuer and the Company may from time to time agree with such registrars and the transfer agents.

For so long as any Notes remain outstanding and are “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act, the Company will, during any period in which it is neither subject to Section 13 or 15(d) of the Exchange Act, nor exempt from reporting pursuant to Rule 12g3-2(b) under the

Exchange Act, make available to any registered Holder of Notes (or any Holder of a book-entry interest in such Notes designated by the registered holder thereof) in connection with any sale thereof and to any prospective purchaser of Notes or a book-entry interest in Notes designated by such registered holder, in each case upon request of such registered holder, the information specified in, and meeting the requirements of, Rule 144A(d)(4) under the Securities Act. As of the date of this Offering Memorandum, the Company is exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act.

The Regulation S Global Notes will be resold by the Initial Purchasers only to non-US persons located outside the United States in offshore transactions in reliance on Regulation S.

### **Principal, Maturity and Interest**

The Notes will be unsecured and unsubordinated obligations of the Issuer and will be unconditionally guaranteed on a senior, unsecured basis by the Company (the “**Guarantees**”). The Notes are initially issuable in an aggregate principal amount not to exceed US\$900 million and will mature on May 2, 2033. The Notes will bear interest at 5.500% per annum from the date of the initial issuance of the Notes or from the most recent interest payment date to which interest has been paid or provided for.

Interest on the Notes is payable semi-annually in arrear on May 2 and November 2 of each year, commencing November 2, 2023, to the person in whose name any such Note is registered at the close of business on April 15 and October 15 (whether or not a business day) immediately preceding such interest payment date (each, a “**record date**”), notwithstanding any transfer or exchange of such Notes subsequent to the record date and prior to such interest payment date, except that, if and to the extent the Issuer shall default in the payment of the interest due on such interest payment date and the applicable grace period shall have expired, such defaulted interest may, at the option of the Issuer, be paid to the persons in whose names Notes are registered at the close of business on a subsequent record date (which shall not be less than five days which are business days in New York City prior to the date of payment of such defaulted interest) established by notice given by mail by or on behalf of the Issuer to the Holders (which term means registered holders) of the Notes not less than fifteen days preceding such subsequent record date. Interest will be computed on the basis of a 360-day year consisting of twelve 30-day months and in the case of an incomplete month, the number of days elapsed. If the date on which any interest payment or principal payment is to be made is not a business day in New York City and the place of payment of such interest or principal, such payment will be made on the next day which is a business day in New York City and the place of payment of such interest or principal without any further interest or other amounts being paid or payable in connection therewith.

### **Form and Denomination**

The Notes will be issued in fully registered form and only in denominations of US\$200,000 and integral multiples of US\$1,000 in excess thereof. The Notes will be issued initially as Global Notes.

### **Further Issues**

The Issuer may, from time to time, without notice to or the consent of the Holders of the Notes, issue as many distinct series of debt securities under the Indenture as it wishes. It may also from time to time, without notice to or the consent of the Holders of the Notes, “reopen” the Notes and create and issue additional notes having identical terms and conditions as the Notes (or in all respects except for the payment of interest accruing prior to the issue date of such additional notes or except for the first payment of interest following the issue date of such additional notes) so that the additional notes are consolidated and form a single series of notes with the Notes (a “**Further Issue**”); *provided* that any additional notes which have the same CUSIP, ISIN or other identifying number as the outstanding Notes must be fungible with such outstanding Notes for US federal income tax purposes.

The period of resale restrictions applicable to any Notes previously offered and sold in reliance on Rule 144A shall automatically be extended to the last day of the period of any resale restrictions imposed on any such additional notes.

## Status of the Notes and the Guarantees

The Notes will be unsecured and unsubordinated obligations of the Issuer and will rank *pari passu* in right of payment among themselves and with other unsecured and unsubordinated indebtedness of the Issuer (save for certain obligations required to be preferred by law). Upon issue, the Company will unconditionally guarantee, on a senior, unsecured basis, the due and punctual payment (and not collectability) of the principal of and interest on the Notes (and the payment of additional amounts described under “—*Payment of Additional Amounts*”) when and as the same shall become due and payable, whether at stated maturity, by declaration of acceleration, call for redemption or otherwise. The Guarantees will be an unsecured and unsubordinated obligation of the Company and will rank *pari passu* in right of payment with other unsecured and unsubordinated indebtedness of the Company (save for certain obligations required to be preferred by law).

## Payment of Additional Amounts

The Issuer or, if applicable, the Company (pursuant to the terms of the Guarantees) will make payments of, or in respect of, principal, any premium and interest on the Notes or any payment pursuant to the Guarantees, as the case may be, without withholding or deduction for or on account of any and all present or future tax, levy, impost or other governmental charge whatsoever imposed, assessed, levied or collected (“**Taxes**”) by or for the account of a Relevant Jurisdiction (as defined below), unless such withholding or deduction is required by law.

If the Issuer or, if applicable, the Company, is required by a Relevant Jurisdiction to deduct or withhold Taxes, the Issuer or, if applicable, the Company, will pay to a Holder of a Note such additional amounts (“**Additional Amounts**”) as may be necessary so that the net amount received by such Holder will equal the amount such Holder would have received if such Taxes had not been withheld or deducted; *provided, however*, that the Issuer or, if applicable, the Company, shall not be required to pay any Additional Amounts for or on account of:

- (i) any Taxes that would not have been so imposed, assessed, levied or collected but for the fact that the Holder or beneficial owner of the applicable Note or Guarantee (or a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of a power over, such Holder or beneficial owner, if such Holder or beneficial owner is an estate, trust, partnership or corporation) is or has been a domiciliary, national or resident of, or engaging or having been engaged in a trade or business or maintaining or having maintained a permanent establishment or being or having been physically present in the jurisdiction in which such Taxes have been imposed, assessed, levied or collected or otherwise having or having had some connection with such jurisdiction, other than the mere holding or ownership of, or the collection of principal of, and premium and interest on, a Note or the enforcement of a Guarantee, as the case may be;
- (ii) any Taxes that would not have been so imposed, assessed, levied or collected but for the fact that, where presentation is required in order to receive payment, the applicable Note or Guarantee was presented more than 30 days after the date on which such payment became due and payable or was provided for, whichever is later, except to the extent that the Holder thereof would have been entitled to Additional Amounts had the applicable Note or Guarantee been presented for payment on any day during such 30-day period;
- (iii) any estate, inheritance, gift, sales, transfer, excise, personal property or similar Taxes;
- (iv) any Taxes that are payable otherwise than by deduction or withholding from payments on or in respect of the applicable Note or Guarantee;
- (v) any Taxes that would not have been so imposed, assessed, levied or collected but for the failure by the Holder or the beneficial owner of the applicable Note or Guarantee to comply (following a written request addressed to the Holder), with any certification, identification or other reporting requirements concerning the nationality, residence or identity of such Holder or beneficial owner or its connection with a Relevant Jurisdiction if compliance is required by statute, regulation or administrative practice of such Relevant Jurisdiction as a condition to relief or exemption from such Taxes;

- (vi) any withholding or deduction required to be made from a payment pursuant to Sections 1471-1474 of the US Internal Revenue Code of 1986, as of the issue date (or any amended or successor version) (the “Code”), any current or future regulations or official interpretations thereof, any intergovernmental agreement between a non-US jurisdiction and the United States with respect to the foregoing, any similar law or regulations adopted pursuant to such an intergovernmental agreement or any agreements entered into pursuant to Section 1471(b)(1) of the Code; or
- (vii) any combination of the Taxes described in (i) through (vi) above.

In addition, Additional Amounts will not be paid in respect of any payment in respect of the Notes or Guarantees to any Holder of the Notes or Guarantees that is a fiduciary, a partnership, a limited liability company or any person other than the sole beneficial owner of such payment to the extent such payment would be required by the laws of a Relevant Jurisdiction to be included, for tax purposes, in the income of a beneficiary or settlor with respect to such fiduciary, a member of such partnership, an interest holder in such limited liability company or a beneficial owner that would not have been entitled to such amounts had such beneficiary, settlor, member, interest holder or beneficial owner been the Holder of the Notes or Guarantees.

Whenever the Company refers in this Offering Memorandum to the payment of the principal of any premium, any interest or other amounts to which a holder or beneficial owner is entitled, if any, on or in respect of the Notes or the Guarantees, unless the context otherwise requires, the Company means to include the payment of Additional Amounts to the extent that, in context, Additional Amounts are, were or would be payable.

## **Redemption**

### ***Optional Redemption***

Prior to February 2, 2033 (three months prior to the maturity date of the Notes (the “**Notes Par Call Date**”)), the Notes may be redeemed, in whole or in part, at any time and from time to time, at the option of the Issuer, at a redemption price (expressed as a percentage of principal amount and rounded to three decimal places) equal to the greater of:

1. (a) the sum of the present values of the remaining scheduled payments of principal and interest thereon discounted to the redemption date (assuming the Notes matured on the Notes Par Call Date) on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 35 basis points, less (b) interest accrued to the date of redemption, and
2. 100% of the principal amount of the Notes to be redeemed,

plus, in either case, accrued and unpaid interest thereon to the redemption date and any Additional Amounts payable with respect thereto.

On or after the Notes Par Call Date, the Notes will be redeemable, in whole or in part, at any time and from time to time, at the option of the Issuer, at a redemption price equal to 100% of the principal amount of the Notes to be redeemed, plus accrued but unpaid interest to (but excluding) the redemption date and any Additional Amounts payable with respect thereto.

“**Treasury Rate**” means, with respect to any redemption date, the yield determined by the Issuer in accordance with the following two paragraphs.

The Treasury Rate shall be determined by the Issuer after 4:15 p.m., New York City time (or after such time as yields on U.S. government securities are posted daily by the Board of Governors of the Federal Reserve System), on the third Business Day preceding the redemption date based upon the yield or yields for the most recent day that appear after such time on such day in the most recent statistical release published by the Board of Governors of the Federal Reserve System designated as “Selected Interest Rates (Daily) - H.15” (or any successor designation or publication) (“**H.15**”) under the caption “U.S. government securities—Treasury constant maturities—Nominal” (or any successor caption or heading). In determining the Treasury Rate, the Issuer shall select, as applicable: (1) the yield for the Treasury constant maturity on H.15 exactly equal to the period from the redemption date to the Notes

Par Call Date (the “**Remaining Life**”); or (2) if there is no such Treasury constant maturity on H.15 exactly equal to the Remaining Life, the two yields – one yield corresponding to the Treasury constant maturity on H.15 immediately shorter than and one yield corresponding to the Treasury constant maturity on H.15 immediately longer than the Remaining Life – and shall interpolate to the Notes Par Call Date on a straight-line basis (using the actual number of days) using such yields and rounding the result to three decimal places; or (3) if there is no such Treasury constant maturity on H.15 shorter than or longer than the Remaining Life, the yield for the single Treasury constant maturity on H.15 closest to the Remaining Life. For purposes of this paragraph, the applicable Treasury constant maturity or maturities on H.15 shall be deemed to have a maturity date equal to the relevant number of months or years, as applicable, of such Treasury constant maturity from the redemption date.

If on the third Business Day preceding the redemption date H.15 or any successor designation or publication is no longer published, the Issuer shall calculate the Treasury Rate based on the rate per annum equal to the semi-annual equivalent yield to maturity at 11:00 a.m., New York City time, on the second Business Day preceding such redemption date of the United States Treasury security maturing on, or with a maturity that is closest to, the Notes Par Call Date, as applicable. If there is no United States Treasury security maturing on the Notes Par Call Date but there are two or more United States Treasury securities with a maturity date equally distant from the Notes Par Call Date, one with a maturity date preceding the Notes Par Call Date and one with a maturity date following the Notes Par Call Date, the Issuer shall select the United States Treasury security with a maturity date preceding the Notes Par Call Date. If there are two or more United States Treasury securities maturing on the Notes Par Call Date or two or more United States Treasury securities meeting the criteria of the preceding sentence, the Issuer shall select from among these two or more United States Treasury securities the United States Treasury security that is trading closest to par based upon the average of the bid and asked prices for such United States Treasury securities at 11:00 a.m., New York City time. In determining the Treasury Rate in accordance with the terms of this paragraph, the semi-annual yield to maturity of the applicable United States Treasury security shall be based upon the average of the bid and asked prices (expressed as a percentage of principal amount) at 11:00 a.m., New York City time, of such United States Treasury security, and rounded to three decimal places.

The Issuer’s actions and determinations in determining the redemption price shall be conclusive and binding for all purposes, absent manifest error.

Notice of any redemption will be given in accordance with “Notices” below at least 10 days but not more than 60 days before the redemption date to each Holder of the Notes to be redeemed. Any redemption notice may, at the Issuer’s discretion, be subject to one or more conditions precedent, including but not limited to, completion of a debt or equity financing, acquisition, divestment or other corporate transaction or event. In addition, the Issuer in any related notice of redemption shall describe each such condition and, if applicable, shall state that, at the Issuer’s discretion, the date of redemption may be delayed until such time (including more than 60 days after the date the notice of redemption was mailed or delivered) as any or all such conditions shall be satisfied (or waived by the Issuer in its sole discretion), or that such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied or waived by the date of redemption, or by the date of redemption as so delayed.

Upon presentation of any Note redeemed in part only, the Issuer will execute and instruct the Trustee to authenticate and deliver to or on the order of the Holder thereof, at the expense of the Issuer, a new Note or Notes, of authorized denominations, in principal amount equal to the unredeemed portion of the Note so presented.

In the case of a partial redemption of the Notes, selection of the Notes for redemption will be made *pro rata*, by lot or by such other method as the Issuer in its sole discretion deems appropriate and fair. No Notes of a principal amount of US\$200,000 or less will be redeemed in part. If any Note is to be redeemed in part only, the notice of redemption that relates to the Note will state the portion of the principal amount of the Note to be redeemed. A new Note in a principal amount equal to the unredeemed portion of the Note will be issued in the name of the holder of the Note upon surrender for cancellation of the original Note, provided the minimum denomination of such Note

must be US\$200,000 held by a beneficial holder. For so long as the Notes are held by DTC (or another depository), the redemption of the Notes shall be done in accordance with the policies and procedures of the depository.

The Issuer shall notify the redemption price to the Trustee, each paying agent and the Holders no later than two business days prior to the redemption date of the Notes, and the Trustee and each paying agent for the Notes shall be entitled to rely on such calculation. Unless the Issuer defaults in payment of the redemption price, on and after the redemption date interest will cease to accrue on the Notes or portions thereof called for redemption.

On or before the redemption date of the Notes, the Issuer shall deposit with the Trustee money sufficient to pay the redemption price of and accrued interest on the Notes to be redeemed on such date. If less than all the Notes are to be redeemed, the Notes to be redeemed shall be selected by the Trustee by such method as the Trustee shall deem fair and appropriate.

The Issuer may at any time and from time to time purchase the Notes in the open market or otherwise. Any Notes purchased in the open market or otherwise will be cancelled or remain outstanding as instructed in each case by the Issuer.

### ***Final Maturity***

Unless previously purchased or redeemed by the Issuer or the Company or any of their Subsidiaries, and canceled, the principal amount of the Notes will mature and become due and payable on May 2, 2033 in an amount equal to their principal amount, with accrued and unpaid interest to such date.

### ***Reacquisition***

There is no restriction on the ability of the Issuer or the Company or any of their respective Subsidiaries to purchase or repurchase Notes.

### ***Redemption for Tax Reasons***

The Notes are redeemable by the Issuer at the Issuer's option at any time prior to their maturity if due to a Change in Tax Law (as defined below) (i) the Issuer or, if applicable, the Company, in accordance with the terms of the Notes or the Guarantees, respectively, has, or would, become obligated to pay to the Holder or beneficial owner of any Note any Additional Amounts; (ii) in the case of the Company, (A) the Company would be unable, for reasons outside its control, to procure payment by the Issuer or (B) the procuring of such payment by the Issuer would be subject to withholding taxes imposed by a Relevant Jurisdiction; and (iii) in the case of the obligation described in (i), the obligation cannot be avoided by the Issuer or, if applicable, the Company taking reasonable measures available to it. In such case, the Issuer may redeem the Notes in whole, but not in part, upon not less than 30 nor more than 60 days' notice as provided in "Notices" below, at 100% of the principal amount of the Notes plus accrued and unpaid interest to, but not including, the redemption date and any Additional Amounts payable with respect thereto; *provided that* (a) no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, if applicable, the Company would be obligated to pay any such Additional Amounts were a payment in respect of the Notes or the Guarantees then due and (b) at the time such notice is given, such obligation to pay such Additional Amounts remains in effect. The Issuer's right to redeem the Notes shall continue as long as the Issuer or the Company, as the case may be, is obligated to pay such Additional Amounts, notwithstanding that the Issuer or the Company shall have made payments of Additional Amounts. Prior to the giving of any such notice of redemption, the Issuer must deliver to the Trustee (1) a certificate stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (2) an opinion of independent counsel of recognized standing selected by the Issuer or the Company, as applicable, to the effect that the Issuer or the Company has, or would, become obligated to pay such Additional Amounts as a result of such change or amendment.

For purposes hereof, "Change in Tax Law" shall mean (i) any changes in, or amendment to, any law of a Relevant Jurisdiction (including any regulations or rulings promulgated thereunder) or any amendment to or change in the application or official interpretation (including judicial or administrative interpretation) of such law, which change

or amendment is announced, if applicable, and becomes effective on or after April 27, 2023 or (ii) if the Issuer or the Company consolidates or merges with, or transfers or leases its assets substantially as an entirety to, any person that is incorporated or tax resident under the laws of any jurisdiction other than a Relevant Jurisdiction, as defined immediately prior to such consolidating merger or other transaction, and as a consequence thereof such person becomes the successor obligor to the Issuer or the Company in respect of Additional Amounts that may become payable (in which case, for purposes of this redemption provision, all references to the Issuer, or the Company hereunder, as applicable, shall be deemed to be and include references to such person), any change in, or amendment to, any law of the jurisdiction of incorporation or residence for tax purposes of such person or any successor entity, or any political subdivision or taxing authority thereof or therein for purposes of taxation (including any regulations or rulings promulgated thereunder) or any amendment to or change in the application or official interpretation (including judicial or administrative interpretation) of such law, which change or amendment becomes effective on or after the date of such consolidation, merger or other transaction.

### **Certain Definitions**

Set forth below are certain of the defined terms used in the Notes and the Indenture. You should refer to the Notes and the Indenture for the full set of definitions.

**“Attributable Debt”** means, as to any particular lease under which any Person is liable at the time as lessee, and at any date as of which the amount of the payment is to be determined, the total net amount of rent required to be paid by such Person under such lease during the remaining term of such lease (including any period for which such lease has been extended or may, at the option of the lessor, be extended), discounted from the respective due dates thereof to the date of determination at a rate per annum equivalent to the rate inherent in such lease (as determined by the directors of the Company) compounded semi-annually, excluding amounts required to be paid on account of or attributable to operating costs and overhead charges and including, in certain circumstances, any termination penalty in the case of a lease terminable by the lessee.

**“Business Day”** means any day which is not, in London, England, New York City, or the place of payment of interest or principal a Saturday, Sunday, a legal holiday or a day on which banking institutions in such places are authorized or obligated by law to close.

**“Company Jurisdiction”** means any of the jurisdictions of incorporation or residence for tax purposes of the Company or any successor entity, or any political subdivision or taxing authority thereof or therein.

**“Consolidated Net Tangible Assets”** means the aggregate amount of assets (less applicable provisions) after deducting therefrom (1) all current liabilities; (2) all goodwill, trade names, trademarks, patents, unamortized debt discount and financings costs and all similar intangible assets; and (3) appropriate adjustments on account of minority interests of other Persons holding stock in any Subsidiary of the Company, all as set forth on the most recent consolidated balance sheet of the Company and computed in accordance with IFRS.

**“Government Obligations”** means money or obligations issued by the United States government.

**“IFRS”** means International Financial Reporting Standards as adopted by the United Kingdom.

**“Indebtedness”** means all obligations for borrowed money represented by notes, bonds, debentures or similar evidence of indebtedness and obligations for borrowed money evidenced by credit, loan or other like agreements.

**“Issuer Jurisdiction”** means any of the jurisdictions of incorporation or residence for tax purposes of the Issuer or any successor entity, or any political subdivision or taxing authority thereof or therein.

**“Mortgage”** means any mortgage, deed of trust, pledge, hypoth c, lien, encumbrance, charge or other security interest of any kind.

**“Person”** means any individual, corporation, partnership, joint venture, association, limited liability company, joint stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

**“Principal Property”** means the interest of the Company or any Subsidiary in any (a) mineral property or (b) manufacturing or processing plant, building, structure, dam or other facility, together with the land upon which it is erected and fixtures comprising a part thereof, whether owned as of the date of the Indenture or thereafter acquired or constructed by the Company or any Subsidiary, of which interest the net book value in each case, on the date as of which the determination is being made, is an amount which exceeds 10% of Consolidated Net Tangible Assets, other than (i) any such mineral property, manufacturing or processing plant, building, structure, dam or other facility which, in the opinion of the Board, is not of material importance to the total business conducted by the Company and its Subsidiaries as an entirety or (ii) any portion of any such property which, in the opinion of the Board, is not of material importance to the use or operation of such property.

**“Project Financing”** means the financing or refinancing of the acquisition, construction, expansion, improvement or development of any physical assets in which the providers of such finance or refinance solely look to the entity that owns and operates such assets, the equity interests in such entity, the assets themselves, and/or the revenues generated thereby as the source of repayment of the amounts financed or refinanced, without recourse to the Company or any Subsidiary (other than such entity) other than through a completion guarantee or other obligations that are customary in non-recourse financing or refinancing.

**“Relevant Jurisdiction”** means an Issuer Jurisdiction and/or a Company Jurisdiction.

**“Restricted Subsidiary”** means (1) any Subsidiary which owns or leases a Principal Property; and (2) any Subsidiary engaged primarily in the business of owning or holding securities of Restricted Subsidiaries.

**“Sale and Leaseback Transactions”** mean any arrangement with a bank, insurance company or other lender or investor (other than the Company or a Restricted Subsidiary) providing for the leasing by the Company or any Restricted Subsidiary of any Principal Property which has been or is to be sold or transferred, more than 180 days after the later of the acquisition, completion of construction or commencement of full operation thereof by the Company or such Restricted Subsidiary to such lender or investor or to any Person to whom funds have been or are to be advanced by such lender or investor on the security of that property or asset.

**“Significant Subsidiary”** means any Subsidiary that would be a “significant subsidiary” under the definition in Article 1, Rule 1-02(w)(2) of Regulation S-X (but as calculated pursuant to IFRS), promulgated pursuant to the Securities Act, as such Regulation is in effect on the date hereof.

**“Subsidiary”** means, at any relevant time, any person of which the voting shares or other interests carrying more than 50% of the outstanding voting rights attached to all outstanding voting shares or other interests are owned, directly or indirectly, by or for the Company and/or one or more Subsidiaries of the Company.

## **Covenants of the Issuer and the Company**

### ***Negative Pledge***

Each of the Issuer and the Company will covenant under the Indenture that for so long as any of the Notes are outstanding under the Indenture, and subject to the provisions of the Indenture, it will not, and the Company will not permit any Restricted Subsidiary to, create, permit to exist, incur, issue, guarantee, assume or otherwise have outstanding any Mortgage on or over any Principal Property now owned or hereafter acquired by the Company or a Restricted Subsidiary to secure any Indebtedness of the Issuer, the Company or any Restricted Subsidiary, or on shares of stock or Indebtedness of any Restricted Subsidiary now owned or hereafter acquired by the Company or a Restricted Subsidiary to secure any Indebtedness of the Issuer, the Company or any Restricted Subsidiary, unless at the time thereof or prior thereto the Notes then outstanding under the Indenture are secured equally and ratably with (or prior to) any and all such Indebtedness for so long as such Indebtedness is so secured by such Mortgage; *provided, however*, such negative pledge will not apply to or operate to prevent or restrict the following permitted encumbrances:

- (1) any Mortgage on property, shares of stock or Indebtedness of any Person existing at the time such Person becomes a Restricted Subsidiary or created, incurred, issued or assumed in connection with the acquisition of any such Person;



- (2) any Mortgage on any Principal Property created, incurred, issued or assumed at or prior to the time such property became a Principal Property or existing at the time of acquisition of such Principal Property by the Company or a Restricted Subsidiary, whether or not assumed by the Company or such Restricted Subsidiary; provided that no such Mortgage will extend to any other Principal Property of the Company or any Restricted Subsidiary;
- (3) any Mortgage on all or any part of any Principal Property (including any improvements or additions to improvements on a Principal Property) hereafter acquired, developed, expanded or constructed by the Company or any Restricted Subsidiary to secure the payment of all or any part of the purchase price, cost of acquisition or cost of development, expansion or construction of such Principal Property or of improvements or additions to improvements thereon (or to secure any Indebtedness incurred by the Company or a Restricted Subsidiary for the purpose of financing all or any part of the purchase price, cost of acquisition or cost of development, expansion or construction thereof or of improvements or additions to improvements thereon) created prior to, at the time of, or within 360 days after the later of, the acquisition, development, expansion or completion of construction (including construction of improvements or additions to improvements thereon), or commencement of full operation of such Principal Property; provided that no such Mortgage will extend to any other Principal Property of the Company or a Restricted Subsidiary other than, in the case of any such construction, improvement, development, expansion or addition to improvement, all or any part of any other Principal Property on which the Principal Property so constructed, developed or expanded, or the improvement or addition to improvement, is located;
- (4) any Mortgage on any Principal Property of any Restricted Subsidiary to secure Indebtedness owing by it to the Company, the Issuer or another Restricted Subsidiary;
- (5) any Mortgage on any Principal Property of the Company to secure Indebtedness owing by it to the Issuer or another Restricted Subsidiary;
- (6) any Mortgage on any Principal Property or other assets of the Company or any Restricted Subsidiary existing on the date of the Indenture;
- (7) any Mortgage on any Principal Property arising by operation of law (or an agreement solely evidencing otherwise applicable law) and (i) arising in the ordinary course of business or (ii) not securing amounts more than 90 days overdue or otherwise being contested in good faith;
- (8) Judgment Mortgages on any Principal Property not giving rise to an Event of Default;
- (9) any Mortgage on any Principal Property of the Company or any Restricted Subsidiary in favor of the government of any country or political subdivision thereof, or any instrumentality of any of them, securing the obligations of the Company or any Restricted Subsidiary pursuant to any contract or payments owed to such entity pursuant to applicable laws, rules, regulations or statutes;
- (10) any Mortgage on or over all or any part of the interest of the Company or any Restricted Subsidiary in any joint venture, partnership or similar undertaking, including the revenues and assets derived by the Company or any Restricted Subsidiary from such joint venture, partnership or similar undertaking, or employed by the Company or any Restricted Subsidiary in such joint venture, partnership or similar undertaking, which is in favor of its co-ventures and/or the manager or operator of the joint venture, partnership or similar undertaking as security for the due payment of amounts payable under or in respect of such joint venture, partnership or similar undertaking;
- (11) Mortgages arising in connection with any Project Financing;
- (12) any Mortgage on any Principal Property or other assets of the Company or any Restricted Subsidiary created for the sole purpose of extending, renewing, altering or refunding any of the foregoing Mortgages (or any successive extension, renewal, alteration or refunding thereof); provided that the Indebtedness secured thereby will not exceed the principal amount of Indebtedness so secured at the

time of such extension, renewal, alteration or refunding, plus an amount necessary to pay fees and expenses, including premiums, related to such extensions, renewals, alterations or refundings, and that such extension, renewal, alteration or refunding Mortgage will be limited to all or any part of the same Principal Property and improvements and additions to improvements thereon and/or shares of stock and Indebtedness of a Restricted Subsidiary which secured the Mortgage extended, renewed, altered or refunded either of such property or shares of stock or Indebtedness;

- (13) Mortgages on any Principal Property subject to Sale and Leaseback Transactions described below in clause (1) or (3) of the section headed “Limitation on Sale and Leaseback Transactions”; or
- (14) any Mortgage on any Principal Property or on any shares of stock or Indebtedness of any Restricted Subsidiary created, incurred, issued or assumed to secure Indebtedness of the Company or any Restricted Subsidiary, which would otherwise be subject to the foregoing restrictions, in an aggregate amount which, together with the aggregate principal amount of other Indebtedness secured by Mortgages on any Principal Property or on any shares of stock or Indebtedness of any Restricted Subsidiary then outstanding (excluding Indebtedness secured by Mortgages permitted under the foregoing exceptions) and the Attributable Debt in respect of all Sale and Leaseback Transactions entered into after the date of the Indenture (not including Attributable Debt in respect of any such Sale and Leaseback Transactions described below in clause (1) or (3) of the section headed “Limitation on Sale and Leaseback Transactions”) would not then exceed the greater of US\$4 billion or 15% of Consolidated Net Tangible Assets of the Company.

#### ***Limitation on Sale and Leaseback Transactions***

Each of the Issuer and the Company will covenant under the Indenture that for so long as any of the Notes are outstanding under the Indenture, and subject to the provisions of the Indenture, it will not, and the Company will not permit any Restricted Subsidiary to, enter into any Sale and Leaseback Transaction unless (1) such transaction involves a lease or right to possession or use for a temporary period not to exceed three years following such transaction, by the end of which it is intended that the use of such property by the lessee will be discontinued; (2) immediately prior to the entering into of such transaction, the Company or such Restricted Subsidiary could create a Mortgage on Principal Property subject to the Sale and Leaseback Transaction securing Indebtedness in an amount equal to the Attributable Debt with respect to the particular Sale and Leaseback Transaction; or (3) the proceeds of such transaction within 180 days after such transaction, are applied to either (A) the payment of all or any part of the purchase price, cost of acquisition, cost of development, cost of expansion or cost of construction of a Principal Property or cost of improvements or additions to improvements thereon or (B) the retirement of long-term debt ranking at least ratably with the Notes.

#### ***Limitation on Mergers and Consolidations***

The Indenture will provide that for so long as any of the Notes are outstanding under the Indenture, each of the Issuer and the Company may not consolidate or amalgamate with or merge (including by way of a scheme of arrangement) into or with any other Person, or, directly or indirectly, sell, convey, transfer or lease its properties and assets as an entirety or substantially as an entirety to any Person (other than a Person satisfying the condition set forth in clause (i), below, that is directly or indirectly wholly owned by the Company), unless:

- (i) the Person formed by or continuing from such consolidation or amalgamation or into which the Issuer or the Company is merged or the Person which acquires or leases the Issuer’s or the Company’s properties and assets as an entirety or substantially as an entirety is organized and existing under the laws of the United States, the United Kingdom or any other country that is a member of the Organization for Economic Cooperation and Development, or the Republic of South Africa, Brazil or India;
- (ii) the successor Person assumes, or assumes by operation of law, the Issuer’s or the Company’s obligations under the Notes, the Guarantees and the Indenture to pay Additional Amounts;

- (iii) if the Issuer or Company, as applicable, is not the continuing entity, the successor Person expressly assumes or assumes by operation of law all of the Issuer's or the Company's obligations under the Notes, the Guarantees and under the Indenture;
- (iv) immediately before and after giving effect to such transaction, no Event of Default (as defined below) and no event which, after notice or lapse of time or both, would become an Event of Default, will have happened and be continuing; and
- (v) certain other conditions are met.

If, as a result of any such transaction, any of the Issuer's or the Company's Principal Properties become subject to a Mortgage, then, unless such Mortgage could be created pursuant to the Indenture provisions described under the section headed "*Negative Pledge*" without equally and ratably securing the Notes, the Issuer or the Company, simultaneously with or prior to such transaction, will cause the Notes to be secured equally and ratably with or prior to the Indebtedness secured by such Mortgage.

The Notes will not contain covenants or other provisions to afford protection to Holders in the event of a highly leveraged transaction or a change in control of the Issuer or the Company except as provided herein.

Upon certain mergers or consolidations involving the Issuer or the Company, or upon certain sales or conveyances of the respective properties of the Issuer or the Company as an entirety or substantially as an entirety, the obligations of the Issuer or the Company, as the case may be, under the Notes or the Guarantees, as the case may be, shall be assumed by the Person formed by such merger or consolidation or which shall have acquired such property (except in the case of an acquisition of such property, for any such Person that meets the condition set forth in clause (i), above, that is directly or indirectly wholly owned by the Company) and upon such assumptions such Person shall succeed to and be substituted for the Issuer or the Company, as the case may be, and then the Issuer or the Company, as the case may be, will be relieved from all obligations under the Notes or the Guarantee, as the case may be. The terms "Issuer" and "Company", as used in the Notes, the Guarantees and the Indenture, also refer to any such successors or assigns so substituted.

#### ***Provision of Financial Information***

For so long as any Notes are outstanding, each Issuer and the Company shall deliver to the Trustee, or post on its website copies of any annual reports or periodic results announcements it files with each of the United Kingdom Financial Conduct Authority and the London Stock Exchange within 30 days after it files such documents with the United Kingdom Financial Conduct Authority or London Stock Exchange, as the case may be; *provided, however*, that this covenant shall not create any obligation under the Indenture to make any such filings or to make such filings in a timely manner.

#### **Change of Control Repurchase Event**

If a Change of Control Repurchase Event occurs, unless the Issuer has exercised its right to redeem the Notes as described above, the Issuer or the Company will be required to make an offer to each holder of Notes to repurchase all or any part (equal to US\$200,000 or an integral multiple of US\$1,000 in excess thereof) of that holder's Notes at a repurchase price in cash equal to 101% of the aggregate principal amount of Notes repurchased plus any accrued and unpaid interest on the Notes repurchased to, but not including, the date of repurchase.

Within 30 days following any Change of Control Repurchase Event or, at the option of the Issuer or the Company, prior to any Change of Control, but after the public announcement of the Change of Control, the Issuer or the Company will mail, by first class mail or equivalent, a notice to each holder, with a copy to the Trustee, describing the transaction or transactions that constitute or may constitute the Change of Control Repurchase Event and offering to repurchase Notes on the payment date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed. The notice shall, if mailed prior to the date of consummation of the Change of Control, state that the offer to purchase is conditioned on a Change of Control Repurchase Event occurring on or prior to the payment date specified in the notice.

The Issuer and the Company will comply with the requirements of the Exchange Act, and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control Repurchase Event. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control Repurchase Event provisions of the Notes, the Issuer and the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached their respective obligations under the Change of Control Repurchase Event provisions of the Notes by virtue of such conflict.

On the repurchase date following a Change of Control Repurchase Event, the Issuer or the Company will, to the extent lawful:

1. accept for payment all Notes or portions of Notes properly tendered pursuant to the Issuer's or the Company's offer;
2. deposit an amount equal to the aggregate purchase price and accrued interest in respect of all Notes or portions of Notes properly tendered with the Agent (or with such other agent as agreed upon at such time); and
3. deliver or cause to be delivered to the Trustee the Notes properly accepted, together with an officers' certificate stating the aggregate principal amount of Notes being purchased by the Issuer or the Company.

The Agent will promptly mail to each holder of Notes properly tendered the purchase price for the Notes, and the Trustee will promptly authenticate and mail (or cause to be transferred by book-entry) to each holder a new note equal in principal amount to any un-purchased portion of any Notes surrendered; *provided that* each new note will be in a principal amount of US\$200,000 or an integral multiple of US\$1,000 in excess thereof.

The Issuer or the Company will not be required to make an offer to repurchase the Notes upon a Change of Control Repurchase Event if a third party makes such an offer in the manner, at the times and otherwise in compliance with the requirement for an offer made by the Issuer or the Company and such third party purchases all Notes properly tendered and not withdrawn under its offer.

For purposes of the foregoing description of a repurchase at the option of the holders, the following definitions are applicable:

**"Below Investment Grade Ratings Event"** means that the Notes cease to be rated Investment Grade by at least two of the three Rating Agencies on any date during the period commencing 60 days prior to, and ending 60 days after (which 60-day period will be extended so long as the rating of the notes is under publicly announced consideration for a possible downgrade by any Rating Agency) the earlier of (1) the occurrence of a Change of Control; or (2) public notice of the occurrence of a Change of Control or the intention of the Company to effect a Change of Control. Notwithstanding any of the foregoing, a Below Investment Grade Ratings Event otherwise arising by virtue of a particular reduction in rating shall not be deemed to have occurred in respect of a particular Change of Control (and thus shall not be deemed a Below Investment Grade Ratings Event for purposes of the definition of Change of Control Repurchase Event hereunder) if the Rating Agencies making the reduction in rating to which this definition would otherwise apply do not announce or publicly confirm or inform the Trustee in writing at its request that the reduction was the result, in whole or in part, of any event or circumstance comprised of or arising as a result of, or in respect of, the applicable Change of Control (whether or not the applicable Change of Control shall have occurred at the time of the ratings event).

**"Change of Control"** means the occurrence of one or more of the following:

1. the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of consolidation, amalgamation or merger), in one or a series of related transactions, of all or substantially all of the assets of the Company and its Subsidiaries taken as a whole to any "person" (as that term is used in Section 13(d)(3) of the Exchange Act), other than to the Company or one of its Subsidiaries;

2. the consummation of any transaction (including, without limitation, any consolidation, amalgamation, or merger or other combination (including by way of a scheme of arrangement)) the result of which is that any “person” (as that term is used in Section 13(d)(3) of the Exchange Act) becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of the outstanding Voting Stock of the Company, measured by voting power rather than number of shares;
3. the Company consolidates with, or merges with or into, any Person, or any Person consolidates with, or merges with or into, the Company, in any such event pursuant to a transaction in which any of the outstanding Voting Stock of the Company or such other Person is converted into or exchanged for cash, securities or other property, other than any such transaction where the shares of the Voting Stock of the Company outstanding immediately prior to such transaction constitute, or are converted into or exchanged for, a majority of the Voting Stock of the surviving Person immediately after giving effect to such transaction;
4. the first day on which the majority of the members of the board of directors of the Company cease to be Continuing Directors; or
5. the adoption of a plan relating to the liquidation, winding up or dissolution of the Company.

Notwithstanding the foregoing, a transaction will not be deemed to involve a change of control for the purposes of this definition only if (1) the Company becomes a direct or indirect wholly owned subsidiary of a holding company and (2)(A) the direct or indirect holders of the Voting Stock of such holding company immediately following that transaction are substantially the same as the holders of the Company’s Voting Stock immediately prior to that transaction or (B) immediately following that transaction no person (other than a holding company satisfying the requirements of this sentence) is the beneficial owner, directly or indirectly, of more than 50% of the Voting Stock of such holding company.

“**Change of Control Repurchase Event**” means the occurrence of both a Change of Control and a Below Investment Grade Ratings Event.

“**Continuing Director**” means, as of any date of determination, any member of the board of directors of the Company who:

1. was a member of such board of directors on the date of the Indenture; or
2. was nominated for election or elected to such board of directors with the approval of a majority of the Continuing Directors who were members of such board of directors at the time of such nomination or election.

“**Exchange Act**” means the United States Securities Exchange Act of 1934.

“**Fitch**” means Fitch Ratings Ltd. and its successors.

“**Investment Grade**” means a rating of Baa3 or better by Moody’s (or its equivalent under any successor rating categories of Moody’s); a rating of BBB- or better by S&P or Fitch (or its equivalent under any successor rating categories of S&P and Fitch); or the equivalent Investment Grade credit rating from any additional Rating Agency or Rating Agencies selected by the Issuer or the Company.

“**Moody’s**” means Moody’s Investor Services Ltd.

“**Person**” means any individual, corporation, partnership, joint venture, association, limited liability company, joint stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

“**Rating Agency**” means each of Moody’s, S&P and Fitch; *provided that* if any of Moody’s, S&P or Fitch ceases to rate the Notes or fails to make a rating of the Notes publicly available for reasons outside of the Issuer’s or the Company’s control, a “nationally recognized statistical rating organization” within the meaning of Section 3(a)(62) of the Exchange Act, selected by the Issuer or the Company (as certified by a resolution of the Chief

Executive Officer or Chief Financial Officer) as a replacement agency for Moody's, S&P or Fitch, or all of them, as the case may be.

“**S&P**” means S&P Global Ratings UK Limited.

“**Subsidiary**” means, at any relevant time, any person of which the voting shares or other interests carrying more than 50% of the outstanding voting rights attached to all outstanding voting shares or other interests are owned, directly or indirectly, by or for the Company and/or one or more subsidiaries of the Company.

“**Voting Stock**” of any specified “person” (as that term is used in Section 13(d)(3) of the Exchange Act) as of any date means the capital stock of such person that is at the time entitled to vote generally in the election of the board of directors of such person.

The Change of Control Repurchase Event feature of the Notes may in certain circumstances make more difficult or discourage a sale or takeover of the Company and, thus, the removal of incumbent management. Subject to the limitations discussed below, the Issuer or the Company could, in the future, enter into certain transactions, including acquisitions, refinancings or other recapitalizations, that would not constitute a Change of Control under the Notes, but that could increase the amount of indebtedness outstanding at such time or otherwise affect the Issuer's or the Company's capital structure or credit ratings on the Notes.

The Issuer or the Company may not have sufficient funds to repurchase all the Notes, or any other outstanding debt securities that the Issuer or the Company would be required to repurchase, upon a Change of Control Repurchase Event.

#### **Events of Default**

The Notes will contain the following Events of Default (each an “**Event of Default**”) with respect to the Notes:

- (i) default in the payment of any installment of interest (excluding Additional Amounts) upon any Note as and when the same shall become due and payable, and continuance of such default for 30 days; or
- (ii) default in the payment of the applicable Additional Amounts as and when the same shall become due and payable, and continuance of such default for a period of 30 days; or
- (iii) default in the payment of all or any part of the principal of or premium on any Note as and when the same shall become due and payable either at maturity, upon any redemption, by declaration or otherwise; or
- (iv) default in the performance or breach of any covenant of the Issuer or the Company in respect of the Notes or the Indenture (other than those described in paragraphs (i), (ii) and (iii) above), and continuance of such default or breach for a period of 90 days after there has been given a written notice, by registered or certified mail, to the Issuer and the Company by the Trustee or to the Issuer, the Company and the Trustee by the Holders of at least 25% in principal amount of the outstanding Notes affected thereby, specifying such default or breach and requiring it to be remedied and stating that such notice is a “Notice of Default” under the Indenture; or
- (v) (a) any present or future indebtedness of the Issuer, the Company or any Significant Subsidiary, other than the Notes, for or in respect of moneys borrowed is declared or becomes due and payable prior to its stated maturity as the result of any event of default (howsoever described), or (b) any such indebtedness is not paid when due or, as the case may be, within any applicable grace period or (c) the Issuer, the Company or any Significant Subsidiary fails to pay, within any applicable grace period therefor, any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised; provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned in this paragraph (v) will have occurred (which indebtedness, guarantees or indemnities have not been repaid or paid and as to which such default has not been cured or such acceleration has not been rescinded or annulled) exceeds US\$100,000,000 or its equivalent; or

- (vi) a distress, attachment, execution or other legal process is levied or enforced against any assets of the Issuer, the Company or any Significant Subsidiary having a value exceeding US\$100,000,000 following upon a decree or judgment of a court of competent jurisdiction and (A) is not discharged or stayed within 90 days or (B) is the subject of a bona fide active dispute (for the avoidance of doubt, any such distress, attachment, execution or other legal process shall be deemed discharged upon any enforcement of a Mortgage on any such assets); or
- (vii) the Issuer, the Company or any Significant Subsidiary admits in writing that it is unable to pay its debts generally; a resolution is passed by the board of directors of the Issuer or the Company for such entity to be wound up or dissolved; the Issuer or Company is unable to pay its debts within the meaning of Section 123(2) of the Insolvency Act of Great Britain or makes a general assignment for the benefit of its creditors; an administrator is appointed in respect of, or an administration order is made in relation to, the Issuer or the Company; the Issuer or the Company stops payment of its obligations generally or ceases to carry on its business or substantially all thereof; or an encumbrancer takes possession or an administrative or other receiver is appointed over the whole or any material part of the either the Issuer's or the Company's assets; or
- (viii) certain specified events in bankruptcy, insolvency or reorganization involving the Issuer, the Company or any Significant Subsidiary; or
- (ix) the Company ceases to own, directly or indirectly, all of the Voting Stock of the Issuer.

The Issuer and/or the Company shall promptly notify the Trustee in writing upon becoming aware of the occurrence of an Event of Default.

The Indenture provides that if an Event of Default occurs and is continuing in respect of the Notes, (x) then and in each and every such case (other than certain Events of Default specified in paragraphs (vii) and (viii) above with respect to the Issuer or the Company), unless the principal of the Notes shall have already become due and payable, either the Trustee (at the direction of the Holders) or the Holders of not less than 25% in aggregate principal amount of the Notes then outstanding, by notice in writing to the Issuer and the Company (and to the Trustee if given by the Holders), may declare the entire principal amount of all Notes issued pursuant to the Indenture and interest accrued and unpaid thereon, if any, to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable, without any further declaration or other act on the part of the Trustee or any Holder and (y) if certain Events of Default described in paragraph (vii) or (viii) above occur with respect to the Issuer or the Company and are continuing, the principal amount of and accrued and unpaid interest on all the Notes issued pursuant to the Indenture shall become immediately due and payable, without any declaration or other act on the part of the Trustee or any Holder. Under certain circumstances, the Holders of a majority in aggregate principal amount of the Notes then outstanding, by written notice to the Issuer, the Company and the Trustee, may waive defaults and rescind and annul declarations of acceleration and its consequences, but no such waiver or rescission and annulment shall extend to or shall affect any subsequent default or shall impair any right consequent thereon.

The Holders of a majority in aggregate principal amount of the Notes then outstanding will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee, subject to certain limitations to be specified in the Indenture.

The Indenture provides that no Holder of any Note may institute any action or proceeding at law or in equity or in bankruptcy or otherwise upon or under or with respect to the Indenture, or for the appointment of a trustee, receiver, liquidator, custodian or other similar official or for any other remedy under the Indenture (except suits for the enforcement of payment of overdue principal or interest) unless such Holder previously shall have given to the Trustee written notice of an Event of Default and continuance thereof and unless the Holders of not less than 25% in aggregate principal amount of the Notes then outstanding shall have made written request upon the Trustee to institute such action or proceedings in its own name as Trustee and shall have offered the Trustee reasonable indemnity, the Trustee shall not have instituted any such action or proceeding within 90 days of its receipt of such

notice, request and offer of indemnity and the Trustee shall not have received direction inconsistent with such written request by the Holders of a majority in aggregate principal amount of the Notes at the time outstanding.

An Event of Default with respect to the Notes would not necessarily constitute an event of default with respect to the securities of any other series issued in the future under the Indenture.

The Indenture provides that each of the Issuer and the Company will each furnish to the Trustee on or before June 30 in each year, if Notes are then outstanding, a certificate from an officer as to his or her knowledge of the Issuer's or the Company's, as the case may be, compliance with all conditions and covenants under the Indenture.

### **Defeasance**

The Indenture provides that the Issuer will have the option either (a) to be deemed (together with the Company) to have paid and discharged the entire indebtedness represented by, and obligations under, the Notes and the Guarantees and to have satisfied all the obligations under the Indenture relating to the Notes, and the Guarantees (except for certain obligations, including those relating to the defeasance trust and obligations to register the transfer or exchange of Notes, to replace mutilated, destroyed, lost or stolen Notes and to maintain paying agencies) on the day after the applicable conditions described below have been satisfied or (b) to cease (together with the Company) to be under any obligation to comply with the covenants described under “—*Covenants of the Issuer and the Company—Negative Pledge*”, “—*Covenants of the Issuer and the Company—Provision of Financial Information*” and “—*Covenants of the Issuer and the Company—Limitation on Sale and Leaseback Transactions*” and the condition relating to the absence of any events of default under “—*Covenants of the Issuer and the Company—Limitation on Mergers and Consolidations*” under the Notes, and noncompliance with such covenants and the occurrence of certain events described above under “*Events of Default*” will not give rise to any Event of Default under the Indenture, at any time after the applicable conditions described below have been satisfied.

In order to exercise either defeasance option, the Issuer must deposit with the Trustee, irrevocably in trust, money or Government Obligations for the payment of principal of and interest (including Additional Amounts) on the outstanding Notes to and including the redemption date irrevocably designated by the Issuer on or prior to the date of deposit of such money or Government Obligations, and must (i) comply with certain other conditions, including delivering to the Trustee an opinion of US counsel, or a ruling received from or published by the US Internal Revenue Service, to the effect that beneficial owners of the Notes will not recognize income, gain or loss for United States federal income tax purposes as a result of the exercise of such option and will be subject to US federal income tax on the same amount and in the same manner and at the same time as would have been the case if such option had not been exercised and, in the case of (a) above, such opinion must state that it is based on a change of law or final and binding ruling received from or published by the US Internal Revenue Service after April 27, 2023 and (ii) pay in full all other amounts due and owing under the Indenture.

### **Modification and Waiver**

#### ***Without Consent of Noteholders***

The Indenture provides provisions permitting the Issuer, the Company and the Trustee, without the consent of the Holders of any of the Notes at any time outstanding, from time to time and at any time, to enter into an indenture or indentures supplemental to the Indenture or to otherwise amend the Indenture:

- to convey, transfer, assign, mortgage or pledge to the Trustee as security for the Notes any property or assets;
- to evidence the succession of another person to the Issuer or the Company, as the case may be, or successive successions, and the assumption by the successor person of the covenants, agreements and obligations of the Issuer or the Company, as the case may be, pursuant to the Indenture;
- to evidence and provide for the acceptance of appointment of a successor trustee, principal paying agent, registrar or transfer agent, as the case may be;
- to add to the covenants of the Issuer and the Company, as the case may be, such further covenants, restrictions, conditions or provisions as the Issuer and the Company, as the case may be, and the Trustee shall consider to be



for the protection of the Holders of the Notes, and to make the occurrence, or the occurrence and continuance, of a default in any such additional covenants, restrictions, conditions or provisions an Event of Default under the Indenture permitting the enforcement of all or any of the several remedies provided in the Indenture, the Notes or the related Guarantees; provided that, in respect of any such additional covenant, restriction, condition or provision, such supplemental indenture may provide for a particular period of grace after default (which may be shorter or longer than that allowed in the case of other defaults) or may limit the remedies available to the Trustee upon such an Event of Default or may limit the right of Holders of a majority in aggregate principal amount of the Notes to waive such an Event of Default;

- to modify the restrictions on, and procedures for, resale and other transfers of the Notes pursuant to law, regulation or practice relating to the resale or transfer of restricted securities generally;
- to cure any ambiguity or to correct or supplement any provision contained in the Indenture which may be defective or inconsistent with any other provision contained therein or to make such other provision in regard to matters or questions arising under the indenture as the Issuer or the Company may deem necessary or desirable and which will not adversely affect the interests of the Holders of the Notes in any material respect (provided that any modification or amendment to conform language in the Indenture to that appearing in this description of notes shall be deemed not to adversely affect the interests of the Holders of the Notes in any material respect); or
- to issue as many distinct series of debt securities under the Indenture as the Issuer wishes or to “reopen” each series of notes and create and issue additional notes having identical terms and conditions as an existing series of Notes (or in all respects except for the payment of interest accruing prior to the issue date of such additional notes or except for the first payment of interest following the issue date of such additional notes) so that the additional notes are consolidated and form a single series with the Notes.

***With Consent of Noteholders***

The Indenture provides provisions permitting the Issuer, the Company and the Trustee, with the consent of the Holders of not less than a majority in aggregate principal amount of the Notes at the time outstanding (including consents obtained in connection with a tender offer or exchange offer for the Notes), from time to time and at any time, to enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture or any supplementary indenture or of modifying in any manner the rights of the Holders of the Notes or the Guarantees; *provided* that no such indenture may, without the consent of the Holder of each of the Notes so affected:

- change the stated maturity of the principal of or the date for payment of any instalment of interest on any Note;
- reduce the principal amount of or interest on any Note or Additional Amounts payable with respect thereto or reduce the amount payable thereon in the event of redemption or default;
- change the currency of payment of principal of or interest on any Note or Additional Amounts payable with respect thereto;
- change the obligation of the Issuer or the Company, as the case may be, to pay Additional Amounts;
- impair the right to institute suit for the enforcement of any such payment on or with respect to any Note;
- reduce the aforesaid percentage in principal amount of the outstanding Notes, the consent of whose Holders is required for any such supplemental indenture; or
- reduce the aforesaid aggregate principal amount of any Note outstanding necessary to modify or amend the Indenture or any such Notes or to waive any future compliance or past default or reduce the quorum requirements or the percentage of aggregate principal amount of any Notes outstanding required for the adoption of any action at a meeting of holders of such Notes or reduce the percentage of the aggregate principal amount of such Notes outstanding necessary to rescind or annul any declaration of the principal of and all accrued and unpaid interest on any Notes to be due and payable; provided that no consent of any Holder of any

Note shall be necessary to permit the Trustee, the Issuer and the Company to execute supplemental indentures described under “*Modification and Waiver—Without Consent of Noteholders*” above.

Any modifications, amendments or waivers to the Indenture or to the conditions of the Notes will be conclusive and binding on all Holders of the Notes, whether or not they have consented to such action or were present at the meeting at which such action was taken, and on all future holders of the Notes, whether or not notation of such modifications, amendments or waivers is made upon the Notes. Any instrument given by or on behalf of any Holder of such a Note in connection with any consent to any such modification, amendment or waiver will be irrevocable once given and will be conclusive and binding on all subsequent registered holders of such Note.

### **Prescription**

Under New York’s statute of limitations, any legal action upon the Notes in respect of interest or principal must be commenced within six years after the payment thereof is due. Thereafter the Notes and the Guarantees will become generally unenforceable.

### **Listing**

The Issuer expects to make an application for Admission of the Notes to listing on the Official List and to trading on the London Stock Exchange’s Main Market, a regulated market for purposes of Article 2(1)(13) of Regulation 600/2014 as it forms part of domestic law by virtue of the EUWA (“**UK MiFIR**”).

The Issuer and the Company will use their reasonable best efforts to have such (i) Admission of the Notes to trading on the Main Market of the London Stock Exchange and (ii) listing of the Notes on the Official List become effective and then maintain such listing for so long as any of the Notes remain outstanding.

### **Notices**

Notices to Holders of Notes will be mailed by first-class mail (or equivalent) postage prepaid to Holders of Notes at their last registered addresses as they appear in the Notes register. The Issuer and the Company will consider any mailed notice to have been given two Business Days after it has been sent.

For so long as the Notes are held in DTC in global note form, notices to be given to a Holder of a Notes shall be given to DTC, in accordance with its applicable policies as in effect from time to time, for communication by DTC to the relevant accountholders.

In addition, for so long as the Notes are listed on the Official List and admitted to trading on the London Stock Exchange’s Main Market, and the rules of the London Stock Exchange so require, the Issuer and the Company will publish notices to the Holders of the Notes in a leading newspaper having general circulation in London, England (which is initially expected to be the *Financial Times*) and immediately provide a copy thereof to the Trustee. The Issuer and the Company will consider any published notice to be given on the date of its first publication.

### **Consent to Service, Submission to Jurisdiction; Enforceability of Judgments**

Each of the Issuer and the Company will appoint Corporation Service Company, as its process agent for any action brought by a holder based on the Indenture or the Notes or Guarantees, as applicable, instituted in any state or federal court in the Borough of Manhattan, The City of New York.

Each of the Issuer and the Company will irrevocably submit to the non-exclusive jurisdiction of any state or federal court in the Borough of Manhattan, The City of New York in respect of any action brought by a holder based on the Notes, the Guarantees or the Indenture. Each of the Issuer and the Company will also irrevocably waive, to the extent permitted by applicable law, any objection to the venue of any of these courts in an action of that type. Holders of the Notes may, however, be precluded from initiating actions based on the Notes, the Guarantees or the Indenture in courts other than those mentioned above.

Each of the Issuer and the Company will, to the fullest extent permitted by law, irrevocably waive and agree not to plead any immunity from the jurisdiction of any of the above courts in any action based upon the Notes, the Guarantees or the Indenture.

Since a substantial portion of the assets of each of the Issuer and the Company is outside the United States, any judgment obtained in the United States against the Issuer or the Company, including judgments with respect to the payment of principal, premium, interest and any redemption price and any purchase price with respect to the Notes or payments due under the Guarantee, may not be collectable within the United States.

### **Governing Law**

The Indenture, the Notes and the Guarantees shall be governed by and construed in accordance with the laws of the State of New York, without regard to principles of conflicts of laws thereof.

### **Book-Entry System; Delivery and Form**

Upon issuance, the Notes will be represented by beneficial interests in Global Notes. Each Global Note will be deposited with, or on behalf of, DTC and registered in the name of Cede & Co., as nominee of DTC. Except under the circumstances described below, Global Notes will not be exchangeable at the option of the holder for certificated notes and Global Notes will not otherwise be issuable in definitive form.

Upon issuance of the Global Notes, DTC will credit the respective principal amounts of the Notes represented by the Global Notes to the accounts of institutions that have accounts with DTC or its nominee (called participants of DTC), including Euroclear and Clearstream. The accounts to be credited shall be designated by the Initial Purchasers. Ownership of beneficial interests in the Global Notes will be limited to participants or persons that may hold interests through participants. Ownership of beneficial interest in the Global Notes will be shown on, and the transfer of that ownership will be effected only through, records maintained by DTC or its nominee (with respect to participants' interests) or by participants or persons that hold through participants. Such beneficial interest shall be in denominations of US\$200,000 and in multiples of US\$1,000 in excess thereof.

So long as DTC, or its nominee, is the registered owner or holder of the Global Notes, DTC or its nominee, as the case may be, will be considered the sole owner and holder of the Global Notes for all purposes under the Indenture.

Except as set forth below, owners of beneficial interests in the Global Notes:

- will not be entitled to have the Notes represented by the Global Notes registered in their names, and
- will not receive or be entitled to receive physical delivery of Notes in definitive form and will not be considered the owners or holders thereof under the Indenture.

Accordingly, each person owning a beneficial interest in the Global Notes must rely on the procedures of DTC, and indirectly Euroclear and Clearstream, and, if such person is not a participant, on the procedures of the participant through which such person owns its interest, to exercise any rights of a holder under the Indenture.

Principal and interest payments on Global Notes registered in the name of or held by DTC or its nominee will be made to DTC or its nominee, as the case may be, as the registered owner or holder of the Global Note. None of the Issuer, the Company, the Trustee or any paying agent for such Global Notes will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

The Issuer expects that DTC, upon receipt of any payments of principal or interest in respect of the Global Notes, will credit the accounts of the related participants (including Euroclear and Clearstream), with payments in amounts proportionate to their respective beneficial interests in the principal amount of the Global Notes as shown on the records of DTC. Payments by participants to owners of beneficial interest in the Global Notes held through such participants will be the responsibility of the participants, as is now the case with securities held for the accounts of customers in bearer form or registered in "street name".

Unless and until it is exchanged in whole or in part for Notes in definitive form in accordance with the terms of the Indenture, a Global Note may not be transferred except as a whole by the depositary to a nominee of the depositary or by a nominee of DTC to DTC or another nominee of DTC.

If any note, including a Global Note, is mutilated, defaced, stolen, destroyed or lost, such note may be replaced with a replacement note at the office of the registrar or any successor registrar or transfer agent, on payment by the Noteholder of such costs and expenses as may be incurred in connection with the replacement, and on such terms as to evidence and indemnity as we may reasonably require. Mutilated or defaced Notes must be surrendered before replacement Notes will be issued.

#### ***Exchanges of Global Notes for Definitive Notes***

Global Notes shall be exchangeable for definitive notes registered in the names of persons other than DTC or its nominee for such Global Notes only if:

- DTC has notified the Issuer that it is unwilling or unable to continue as depositary or has ceased to be a clearing agency registered under the Exchange Act, and in either case, we have failed to appoint a successor depositary within 90 days of such notice, or
- there shall have occurred and be continuing an Event of Default (as defined in the Indenture) with respect to the Notes; or
- the Issuer shall have determined in its sole discretion that the Notes shall no longer be represented by the applicable Global Notes.

Any Global Note that is exchangeable for definitive notes pursuant to the preceding sentence shall be exchangeable for Notes issuable in denominations of US\$200,000 and in multiples of US\$1,000 in excess thereof and registered in such names as DTC shall direct. Subject to the foregoing, a Global Note shall not be exchangeable, except for a Global Note of like denomination to be registered in the name of DTC or its nominee. Bearer notes will not be issued.

#### ***Exchanges Between and Among Global Notes***

The “distribution compliance period”, as defined in Regulation S, will begin on the closing date and end 40 days after the closing date of the offering.

Beneficial interests in one Global Note may generally be exchanged for interests in another Global Note. Depending on whether the transfer is being made during or after the distribution compliance period, and to which Global Note the transfer is being made, the Trustee may require the seller to provide certain written certifications in the form provided in the Indenture.

A beneficial interest in a Global Note that is transferred to a person who takes delivery through another Global Note will, upon transfer, become subject to any transfer restrictions and other procedures applicable to beneficial interests in the other Global Note.

#### ***Transfers from Definitive Notes to Global Notes***

Definitive notes, if any, may be transferred or exchanged for a beneficial interest in the relevant Global Note in accordance with the procedures described in the Indenture.

## BOOK-ENTRY SETTLEMENT AND CLEARANCE

### The Global Notes

The Notes will be issued in the form of several registered notes in global form, without interest coupons, which we refer to as the Global Notes, as follows:

- Notes sold to qualified institutional buyers under Rule 144A will be represented by one or more Rule 144A Global Notes; and
- Notes sold in offshore transactions to non-US persons in reliance on Regulation S will be represented by one or more Regulation S Global Notes.

Upon issuance, each of the Global Notes will be deposited with the Registrar and Transfer Agent as custodian for DTC and registered in the name of Cede & Co., as nominee of DTC.

Ownership of beneficial interests in each Global Note will be limited to persons who have accounts with DTC, or DTC participants, or persons who hold interests through DTC participants. We expect that under procedures established by DTC:

- upon deposit of each Global Note with DTC's custodian, DTC will credit portions of the principal amount of the Global Note to the accounts of the DTC participants designated by the Initial Purchasers; and
- ownership of beneficial interests in each Global Note will be shown on, and transfer of ownership of those interests will be effected only through, records maintained by DTC (with respect to interests of DTC participants) and the records of DTC participants (with respect to other owners of beneficial interests in the Global Note).

Each Global Note and beneficial interests in each Global Note will be subject to restrictions on transfer as described under "Transfer Restrictions".

See "*Description of the Notes and the Guarantees—Book-Entry System; Delivery and Form*".

### Book-Entry Procedures for the Global Notes

All interests in the Global Notes will be subject to the operations and procedures of DTC, Euroclear and Clearstream. We provide the following summaries of those operations and procedures solely for the convenience of investors. The information in this section concerning DTC, Euroclear and Clearstream, Luxembourg (referred to herein as Clearstream) and their book-entry systems has been obtained from sources that we believe to be reliable, but neither we nor the Initial Purchasers take any responsibility for or make any representation or warranty with respect to the accuracy of this information. DTC, Euroclear and Clearstream are under no obligation to follow the procedures described herein to facilitate the transfer of interest in Global Notes among participants and account holders of DTC, Euroclear and Clearstream, and such procedures may be discontinued or modified at any time. Neither we, the Company, the Trustee nor any paying agent will have any responsibility for the performance of DTC, Euroclear and Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

DTC has advised us that it is:

- a limited purpose trust company organized under the laws of the State of New York;
- a "banking organization" within the meaning of the New York State Banking Law;
- a member of the Federal Reserve System;
- a "clearing corporation" within the meaning of the Uniform Commercial Code; and
- a "clearing agency" registered under Section 17A of the Securities Exchange Act of 1934.

DTC was created to hold securities for its participants and to facilitate the clearance and settlement of securities transactions between its participants through electronic book-entry changes to the accounts of its participants.

DTC's participants include securities brokers and dealers, including the Initial Purchasers; banks and trust companies; clearing corporations and other organizations. Indirect access to DTC's system is also available to others such as banks, brokers, dealers and trust companies; these indirect participants clear through or maintain a custodial relationship with a DTC participant, either directly or indirectly. Investors who are not DTC participants may beneficially own securities held by or on behalf of DTC only through DTC participants or indirect participants in DTC.

So long as DTC's nominee is the registered owner of a Global Note, that nominee will be considered the sole owner or holder of the Notes represented by that Global Note for all purposes under the Indenture.

As a result, each investor who owns a beneficial interest in a Global Note must rely on the procedures of DTC to exercise any rights of a holder of Notes under the Indenture (and, if the investor is not a participant or an indirect participant in DTC, on the procedures of the DTC participant through which the investor owns its interest).

Payments of principal, premium (if any) and interest with respect to the Notes represented by a Global Note will be made by the Paying Agent to DTC's nominee as the registered holder of the Global Note. Neither we nor the Paying Agent will have any responsibility or liability for the payment of amounts to owners of beneficial interests in a Global Note, for any aspect of the records relating to or payments made on account of those interests by DTC, or for maintaining, supervising or reviewing any records of DTC relating to those interests.

Payments by participants and indirect participants in DTC to the owners of beneficial interests in a Global Note will be governed by standing instructions and customary industry practice and will be the responsibility of those participants or indirect participants and DTC.

Transfers between participants in DTC will be effected under DTC's procedures and will be settled in same-day funds. Transfers between participants in Euroclear or Clearstream will be effected in the ordinary way under the rules and operating procedures of those systems.

Cross-market transfers between DTC participants, on the one hand, and Euroclear or Clearstream participants, on the other hand, will be effected within DTC through the DTC participants that are acting as depositaries for Euroclear and Clearstream. To deliver or receive an interest in a Global Note held in a Euroclear or Clearstream account, an investor must send transfer instructions to Euroclear or Clearstream, as the case may be, under the rules and procedures of that system and within the established deadlines of that system. If the transaction meets its settlement requirements, Euroclear or Clearstream, as the case may be, will send instructions to its DTC depositary to take action to effect final settlement by delivering or receiving interests in the relevant Global Notes in DTC, and making or receiving payment under normal procedures for same-day funds settlement applicable to DTC. Euroclear and Clearstream participants may not deliver instructions directly to the DTC depositaries that are acting for Euroclear or Clearstream.

Because of time zone differences, the securities account of a Euroclear or Clearstream participant that purchases an interest in a Global Note from a DTC participant will be credited on the business day for Euroclear or Clearstream immediately following the DTC settlement date. Cash received in Euroclear or Clearstream from the sale of an interest in a Global Note to a DTC participant will be received with value on the DTC settlement date but will be available in the relevant Euroclear or Clearstream cash account as of the business day for Euroclear or Clearstream following the DTC settlement date.

DTC, Euroclear and Clearstream have agreed to the above procedures to facilitate transfers of interests in the Global Notes among participants in those settlement systems. However, the settlement systems are not obligated to perform these procedures and may discontinue or change these procedures at any time. Neither we nor the Trustee will have any responsibility for the performance by DTC, Euroclear or Clearstream or their participants or indirect participants of their obligations under the rules and procedures governing their operations.

## TAXATION

The comments below are of a general nature and are not intended to be exhaustive. They assume that there will be no substitution of the Issuer and do not address the consequences of any such substitution (notwithstanding that such substitution may be permitted by the terms and conditions of the Notes). Any Noteholders who are in doubt as to their own tax position should consult their professional advisers. In particular, Noteholders should be aware that the tax legislation of any jurisdiction where a Noteholder is resident or otherwise subject to taxation (as well as the jurisdictions discussed below) may have an impact on the tax consequences of an investment in the Notes including in respect of any income received from the Notes.

### UK Tax Considerations

The summary below is of a general nature and describes certain UK tax implications of acquiring, holding or disposing of Notes. It is not tax advice and is not intended to be exhaustive. The summary is based on current UK tax law as applied in England and Wales and UK H.M. Revenue and Customs (“HMRC”) practice, which may not be binding on HMRC, in each case as at the latest practicable date before the date of this Offering Memorandum.

References in this part to “interest” shall mean amounts that are treated as interest for the purposes of UK taxation. Any premium payable on a redemption of the Notes at the option of the Issuer may, in certain circumstances, constitute interest for UK tax purposes and so be treated in the manner described below. The statements below do not take account of any different definitions of interest which may prevail under any other law.

**Please consult your own tax advisor concerning the consequences of acquiring, owning and disposing of the Notes under UK tax law and the laws of any other jurisdiction in which you may be subject to tax.**

***Withholding tax on Interest Payments:*** While the Notes continue to be listed on a recognised stock exchange within the meaning of Section 1005 Income Tax Act 2007, payments of interest by the Issuer may be made without withholding or deduction for or on account of UK income tax. The London Stock Exchange is a recognised stock exchange for these purposes. Securities will be treated as listed on the London Stock Exchange if they are included in the Official List of the Financial Conduct Authority and are admitted to trading on the Main Market (excluding the High Growth Segment) or the Professional Securities Market of the London Stock Exchange.

If the Notes are not listed as described above, or cease to be listed, interest will generally be paid by the Issuer under deduction of income tax at the basic rate (currently 20 per cent.) unless:

(i) when that interest is paid the Issuer which makes the payment reasonably believes that the person beneficially entitled to the interest is:

- a. a company resident in the UK; or
- b. a company not resident in the UK which carries on a trade in the UK through a permanent establishment and which brings into account the interest in computing its UK taxable profits; or
- c. a partnership each member of which is a company referred to in (a) or (b) above or a combination of companies referred to in (a) or (b) above,

and HMRC has not given a direction that the interest should be paid under deduction of tax; or

(ii) the Issuer has received a direction to the contrary from HM Revenue & Customs in respect of such relief as may be available pursuant to the provisions of any applicable double taxation treaty.

If interest were paid under deduction of UK income tax (e.g. if the Notes lost their listing/admission to trading), Note holders who are not resident in the UK may be able to recover all or part of the tax deducted if there is an appropriate provision in an applicable double taxation treaty.

***Withholding tax on payments in respect of the Guarantees:*** The UK withholding tax treatment of payments by the Company under the terms of the Guarantees in respect of interest on the Notes (or other amounts due under the Notes other than the repayment of principal amounts) is uncertain. In particular, such payments by the Company

may not be eligible for the exemption in respect of securities listed on a recognised stock exchange described above in relation to payments of interest by the Issuer. Accordingly, if the Company makes any such payments, these may be subject to UK withholding tax at the basic rate (currently 20 per cent.).

**Noteholders within the charge to UK corporation tax:** Noteholders within the charge to UK corporation tax (including non-resident holders whose Notes are used, held or acquired for the purposes of a trade carried on in the UK through a permanent establishment) will generally be subject to tax as income on all profits and gains from the Notes broadly in accordance with their statutory accounting treatment. Such Noteholders will generally be charged in each accounting period by reference to interest and other amounts which, in accordance with generally accepted accounting practice, are recognised in determining the Note holder's profit or loss for that period. Fluctuations in value relating to foreign exchange gains and losses in respect of the Notes will be brought into account as income.

**Other UK Noteholders:** Noteholders who are either individuals or trustees and are resident for tax purposes in the UK (or non-resident holders who carry on a trade, profession or vocation in the UK through a branch or agency to which the Notes are attributable) will generally be liable to UK tax on the amount of any interest received in respect of the Notes.

The disposal (including the redemption) of Notes by Noteholders who are either individuals or trustees and are resident for tax purposes in the UK (or non-resident holders who carry on a trade, profession or vocation in the UK through a branch or agency to which the Notes are attributable) or, in the case of individuals, who cease to be resident in the UK for a period of five years or less, may give rise to chargeable gains or allowable losses for the purposes of taxation of capital gains. In calculating any gain or loss on disposal of the Notes, sterling values are compared at acquisition and transfer. Accordingly, a taxable profit can arise even where the foreign currency amount received on a disposal is less than or the same as the amount paid for the Notes.

Transfers of Notes by holders who are either individuals or trustees and are resident for tax purposes in the UK, (or non-resident holders who carry on a trade, profession or vocation in the UK through a branch or agency to which the Notes are attributable) may give rise to a charge to tax on income in respect of an amount representing interest on the Notes which has accrued since the preceding interest payment date under the provisions of Chapter 2 of Part 12 of the Income Tax Act 2007 (Accrued Income Profits and Losses) (**'Accrued Income Scheme'**).

Holders of Notes who are UK tax payers other than UK corporation tax payers are advised to consult their own professional advisors for further information about the Accrued Income Scheme.

Dependent, among other things, on the discount (if any) at which the Notes are issued, the Notes may be deemed to constitute "deeply discounted securities" for the purposes of Chapter 8 of Part 4 of the Income Tax (Trading and Other Income) Act 2005. Any profit made by an individual or trustee (resident for tax purposes in the UK or who carries on a trade, profession or vocation in the UK through a branch or agency to which the Notes are attributable) on the transfer (including redemption) of the Notes, will be taxed as income. Holders of Notes are advised to consult their own professional advisors if they require any advice or further information relating to "deeply discounted securities".

**Non-UK Noteholders:** The interest that is payable in respect of the Notes is expected to have a UK source and accordingly may be chargeable to UK tax by direct assessment irrespective of the residence of the Noteholder. However, where the interest is paid without withholding or deduction on account of UK tax, the interest will not be assessed to UK tax in the hands of Noteholders (other than certain trustees) who are not resident for tax purposes in the UK, except where the Noteholder carries on a trade, profession or vocation through a branch or agency, or in the case of a corporate holder, carries on a trade through a permanent establishment in the UK, in connection with which the interest is received or to which the Notes are attributable, in which case (subject to exemptions for interest received by certain categories of agent) tax may be levied on the UK branch or agency, or permanent establishment.

The disposal (including the redemption) of Notes by Noteholders who are not resident for tax purposes in the UK (other than Noteholders who carry on a trade, profession or vocation in the UK through a branch or agency to



which the Notes are attributable) will generally not give rise to any chargeable gain or allowable loss for the purposes of taxation of capital gains in the UK.

Special rules may apply to individual holders who have ceased to be resident for UK tax purposes in the UK and once again become resident for UK tax purposes in the UK after a period of non-residence. Such holders should consult their own tax advisors.

***Stamp Duty and Stamp Duty Reserve Tax (“SDRT”)***: No UK stamp duty or SDRT should arise on the issue or transfer of a Note, or on its redemption.

***Provision of Information***: Information relating to the Notes, their holders and beneficial owners may be required to be provided to tax authorities in certain circumstances pursuant to domestic or international reporting and transparency regimes. This may include (but is not limited to) information relating to the value of the Notes, amounts paid or credited with respect to the Notes, details of the holders or beneficial owners of the Notes and information and documents in connection with transactions relating to the Notes. In certain circumstances, the information obtained by a tax authority may be provided to tax authorities in other countries.

### **Proposed Financial Transactions Tax (“FTT”)**

On February 14, 2013, the European Commission published a proposed draft for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (each, other than Estonia, a “**participating Member State**”). However, Estonia has since stated that it will not participate.

The published draft for a common FTT has very broad scope and could, if introduced in its current form, apply to certain transactions relating to the Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No. 1287/2006 are expected to be exempt.

Under current proposals the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain transactions relating to the Notes where at least one party is a financial institution (as defined in the FTT), and at least one party is established in a participating Member State. A party may be deemed to be “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is the subject of the transaction is issued in a participating Member State.

The EU Economic and Financial Affairs Council indicated in a report dated June 14, 2019 that participating Member States are discussing the option of adopting a common FTT based on France’s domestic model of the financial transaction tax, which would apply initially to certain listed company shares and may therefore not apply to dealings in the Notes. However, no final agreement has been reached yet.

The FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate and/or certain of the participating Member States may decide to withdraw. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

### **Certain US Federal Tax Considerations**

This section describes certain US federal income tax consequences to a US holder (as defined below) of owning or disposing of the Notes we are offering. It applies to you only if you acquire Notes in the offering at the initial offering price and you hold your Notes as capital assets for US federal income tax purposes. This section does not describe all the US federal income tax considerations that may apply to you if you are a member of a class of owners subject to special rules, such as:

- a dealer in securities or currencies;
- a trader in securities that elects to use a mark-to-market method of accounting for your securities holdings;
- a bank or other financial institution;

- an insurance company;
- a tax-exempt organization;
- a real estate investment trust;
- a regulated investment company;
- a US expatriate;
- a person that owns Notes that are a hedge or that are hedged against interest rate risks;
- an accrual method taxpayer required to recognize income for US federal income tax purposes no later than when such income is taken into account in applicable financial statements;
- a person who holds the Notes in connection with a trade or business outside the United States;
- a person that owns Notes as part of a straddle or conversion transaction for tax purposes; or
- a person whose functional currency for tax purposes is not the US dollar.

If a partnership (or an entity or arrangement treated as a partnership for US federal income tax purposes) holds Notes, the US federal income tax treatment of a partner will generally depend on the status of the partner and the tax treatment of the partnership. Partnerships (or entities or arrangements treated as partnerships for US federal income tax purposes) holding Notes and their partners should consult their tax advisors with regard to the US federal income tax treatment of an investment in the Notes in their particular circumstances.

This section is based on the Internal Revenue Code of 1986, as amended (the “**Code**”), its legislative history, existing and proposed regulations under the Code, published rulings and court decisions, and the US-UK income tax treaty (the “**Treaty**”), all as of the date hereof. These laws are subject to change, possibly on a retroactive basis. This section does not address alternative minimum tax consequences, US federal estate and gift tax consequences, the applicability of the Medicare tax on net investment income or any US state and local or non-US tax consequences of acquiring, owning or disposing of Notes.

**Please consult your own tax advisor concerning the consequences of owning these Notes in your particular circumstances under the Code and the laws of any other taxing jurisdiction.**

You are a US holder if you are a beneficial owner of a Note and you are for US federal income tax purposes:

- a citizen or individual resident of the United States;
- a corporation, or other entity treated as a corporation for US federal income tax purposes, created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate whose income is subject to US federal income tax regardless of its source; or
- a trust if (i) a US court can exercise primary supervision over the trust’s administration and one or more US persons are authorized to control all substantial decisions of the trust or (ii) a valid election is in place to treat the trust as a US person.

**Payments of Interest:** You will be taxed on the gross amount of interest (including any non-US taxes withheld and Additional Amounts paid with respect thereto), as ordinary income at the time you receive the interest or when it accrues, depending on your method of accounting for US federal income tax purposes.

Interest paid by us on the Notes is income from sources outside the United States for the purposes of the rules regarding the foreign tax credit allowable to a US holder. The interest will generally be “passive” category income for purposes of computing the US holder’s foreign tax credit limitations. As described under *UK Tax Considerations – Withholding tax on Interest Payments*, payments of interest by the Issuer are generally not expected to be subject to UK withholding taxes while the Notes are listed on a “recognised stock exchange”. However, US holders should note that if UK taxes are withheld from interest payments (including payments by the Guarantor), such taxes are unlikely to be creditable for US holders that qualify for the benefits of the Treaty. The

rules governing foreign tax credits are complex and recently issued final U.S. Treasury regulations have imposed additional requirements that must be met for a foreign tax to be creditable. Accordingly, US holders should consult their tax advisors regarding the availability of foreign tax credits and the US federal income tax consequences of any non-US taxes withheld in their particular circumstances.

In certain circumstances, we may be obligated to pay certain additional amounts on the Notes. If a Change of Control Repurchase Event occurs, the Issuer or Company will be required to make an offer to each holder of Notes to repurchase all or any part of that holder's Notes at a repurchase price in cash equal to 101% of the aggregate principal amount of Notes repurchased and any accrued interest (see "*Description of the Notes and the Guarantees—Change of Control Repurchase Event*"). Notwithstanding this possibility, we do not believe that the Notes are contingent payment debt instruments for US federal income tax purposes, and, consequently, we do not intend to treat the Notes as contingent payment debt instruments. Our position is binding on a US holder, unless the holder discloses in the proper manner to the Internal Revenue Service that it is taking a different position. Our position is not binding on the Internal Revenue Service. If, notwithstanding our view, any of the Notes were treated as contingent payment debt instruments, a US holder generally will be required to accrue ordinary income at a rate that is different to the stated interest rate on such Notes and to treat as ordinary income (rather than capital gain) any gain recognized on a sale or other taxable disposition of such Notes. The remainder of this discussion assumes that the Notes will not be treated as contingent payment debt instruments for US federal income tax purposes.

***Disposition of a Note:*** You generally will recognize capital gain or loss on the sale, exchange, redemption, retirement or other taxable disposition of your Notes equal to the difference between the amount you realize on the sale, exchange, redemption, retirement or other taxable disposition, excluding any amounts attributable to accrued but unpaid interest, which will be taxed as described above, and your tax basis in your Notes. Your tax basis in your Notes generally will be their cost. Capital gain of a non-corporate US holder is generally taxed at preferential rates where the property is held for more than one year. The deductibility of capital losses is subject to limitations. UK taxes (if any) imposed on disposition gains are generally unlikely to be creditable for a US holder. Prospective purchasers should consult their tax advisers as to the foreign tax credit and other US federal income tax implications (including the determination of the amount realized) if any UK taxes are imposed on disposition gains in their particular circumstances.

***Information with Respect to Foreign Financial Assets:*** Certain owners of "specified foreign financial assets" with an aggregate value in excess of US\$50,000 (and in some circumstances, a higher threshold) may be required to file an information report (IRS Form 8938) with respect to such assets with their US federal income tax returns. "Specified foreign financial assets" generally include financial accounts maintained by foreign financial institutions, including those in which Notes may be held, and securities issued by non-US persons, such as the Notes, if they are not held in accounts maintained by financial institutions. Holders are urged to consult their tax advisors regarding the application of this reporting requirement to their ownership of the Notes.

***Backup Withholding and Information Reporting:*** Backup withholding and information reporting requirements may apply to certain payments to US holders of interest on the Notes and to the proceeds of a sale or other disposition of a Note. Backup withholding (currently at a rate of 24%) may be required if you fail (i) to furnish your taxpayer identification number, (ii) to certify that you are not subject to backup withholding or (iii) to otherwise comply with the applicable requirements of the backup withholding rules. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules from a payment to a US holder generally may be claimed as a credit against such US holder's US federal income tax liability and any excess may result in a refund, provided that the required information is timely furnished to the Internal Revenue Service.

## PLAN OF DISTRIBUTION

Subject to the terms and conditions of a purchase agreement among the Issuer, the Company and the Initial Purchasers, the Issuer has agreed to sell to the Initial Purchasers, and each Initial Purchaser has severally agreed to purchase from the Issuer, the principal amount of Notes indicated in the following table.

Initial Purchasers	Principal Amount of the Notes
BMO Capital Markets Corp.....	\$180,000,000
Goldman Sachs & Co. LLC.....	\$180,000,000
HSBC Securities (USA) Inc. ....	\$180,000,000
Scotia Capital (USA) Inc. ....	\$180,000,000
Bank of China Limited, London Branch.....	\$90,000,000
CIBC World Markets Corp. ....	\$90,000,000
Total.....	<u>\$900,000,000</u>

The obligations of the Initial Purchasers under the purchase agreement, including their agreement to purchase Notes from the Issuer, are several and not joint. The purchase agreement provides that the Initial Purchasers will purchase all the Notes if any of them are purchased.

The Initial Purchasers initially propose to offer and sell the Notes at the respective prices set forth on the cover page of this Offering Memorandum. The Initial Purchasers may change such offering prices and any other selling terms at any time without notice. The offering of the Notes by the Initial Purchasers is subject to receipt and acceptance and subject to the Initial Purchasers' right to reject any order in whole or part. The Initial Purchasers may offer and sell Notes through certain of their affiliates.

In the purchase agreement, the Issuer and the Company have agreed to indemnify the several Initial Purchasers, their affiliates, directors, officers, employees and controlling persons against certain liabilities in connection with this offering, including liabilities under the Securities Act, and to contribute to payments that the several Initial Purchasers may be required to make in respect thereof.

The Initial Purchasers expect that delivery of the Notes will be made against payment therefore on the Settlement Date, which will be the third business day following the pricing date of the offering (this settlement cycle being referred to as “T+3”). Under Rule 15c6-1 of the Exchange Act, trades in the secondary market generally are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Notes on the day of pricing or the next two succeeding business days will be required, by virtue of the fact that the Notes initially will settle in three business days, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of the Notes who wish to trade the Notes prior to their date of delivery hereunder should consult their own legal advisor.

The Notes and the Guarantees have not been, and will not be, registered under the Securities Act or qualified for sale under the securities laws of any state or any jurisdiction inside or outside the United States. The Initial Purchasers propose to resell the Notes and the Guarantees to qualified institutional buyers in reliance on Rule 144A and outside the United States to certain non-US persons in reliance on Regulation S. Each purchaser of the Notes offered hereby in making its purchase will be deemed to have made by its purchase certain acknowledgments, representations, warranties and agreements as set forth under the sections entitled “*Notice to Investors*” and “*Transfer Restrictions*”.

In connection with sales outside the United States, the Initial Purchasers have agreed that they will not offer, sell or deliver the Notes to, or for the account or benefit of, US persons (i) as a part of the Initial Purchasers' distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering or the date the Notes are originally issued other than in accordance with Regulation S or another exemption from the registration requirements of the Securities Act. The Initial Purchasers will send to each broker or dealer to whom

they sell such Notes during such 40-day distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, US persons.

In addition, until the expiration of the 40-day distribution compliance period referred to above, an offer or sale of the Notes within the United States by a broker/dealer, whether or not participating in this offering, may violate the registration requirements of the Securities Act if such sale is made otherwise than in accordance with Rule 144A or pursuant to another exemption from registration under the Securities Act.

The Notes are a new issue of securities for which there currently is no market. The Issuer intends to make an application for Admission of the Notes to listing on the Official List and to trading on the London Stock Exchange's Main Market, a regulated market for purposes of UK MiFIR. The Initial Purchasers have advised the Issuer that following the completion of this offering, they presently intend to make a market in the Notes. They are not obligated to do so, however, and any market-making activities with respect to the Notes may be discontinued at any time at their sole discretion without notice. The ability of the Initial Purchasers to make a market in the Notes may be impacted by changes in any regulatory requirements (including as a result of regulatory developments such as the SEC's interpretation of Rule 15c2-11 under the Exchange Act and its application to debt securities) applicable to the marketing, holding and trading of, and issuing quotations with respect to, the Notes. In addition, such market-making activity will be subject to the limits imposed by the Securities Act and the Exchange Act. Accordingly, the Issuer cannot give any assurance as to the development of any market or the liquidity of any market for the Notes.

In connection with this offering, the Stabilization Managers may engage in over-allotment, stabilizing transactions, syndicate covering transactions and penalty bids. Over-allotment involves sales in excess of the offering size, which creates a short position for the Initial Purchasers. Stabilizing transactions involve bids to purchase the Notes in the open market for the purpose of pegging, fixing or maintaining the price of the Notes. Syndicate covering transactions involve purchases of the Notes in the open market after the distribution has been completed in order to cover short positions. Penalty bids permit the Stabilization Managers to reclaim a selling concession from a broker/dealer when the Notes originally sold by such broker/dealer are purchased in a stabilizing or syndicate covering transaction to cover short positions. Any of these activities may prevent a decline in the market price of such Notes, and may also cause the price of such Notes to be higher than it would otherwise be in the absence of these transactions. The Stabilization Managers may conduct these transactions in the over-the-counter market or otherwise. If the Stabilization Managers commence any of these transactions, they may discontinue them at any time.

In connection with the issue of the Notes, any one of the Stabilization Managers or any person acting on behalf of a Stabilization Manager may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilization may not necessarily occur. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the date on which the Issuer received the proceeds of the offering, or no later than 60 days after the date of the allotment of the Notes, whichever is the earlier. Any such stabilization or over-allotment must be conducted by the Stabilization Managers (or persons acting on behalf of any Stabilization Manager) in accordance with all applicable laws, regulations and rules and on the London Stock Exchange or OTC market.

The Issuer and the Company have each agreed not to, for a period from the date hereof until the date of delivery of the Notes, without the prior written consent of the Initial Purchasers, directly or indirectly, issue, sell, offer to sell, grant any option for the sale of, or otherwise dispose of, any securities similar (other than debt securities issued in Euro or pound sterling pursuant to the euro medium term note programme of the Company and the Guarantor) to the Notes, or any securities convertible into or exchangeable for the Notes or any such similar securities or the Guarantees, except for the Notes sold to the Initial Purchasers pursuant to the purchase agreement.

The Initial Purchasers and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Certain of the Initial Purchasers and their respective affiliates have provided, and may in the future provide, a variety of these services to the Issuer and the Company and to persons and entities with relationships with the Issuer and the Company, for which they received or will receive customary fees and expenses. In particular, affiliates of certain of the Initial Purchasers are lenders under certain of our existing credit facilities, and proceeds from the sale of the Notes may be used to service or repay these facilities.

In the ordinary course of their various business activities, the Initial Purchasers and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments, including serving as counterparties to certain derivatives and hedging instruments, and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the Issuer or the Company (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Issuer or the Company. Certain of the Initial Purchasers or their affiliates that have a lending relationship with the Issuer or the Company routinely hedge their credit exposure to the Issuer or the Company consistent with their customary risk management policies. Typically, such Initial Purchasers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the securities of the Issuer or the Company, including potentially the Notes offered hereby. Any such credit default swaps or short positions could adversely affect future trading prices of the Notes offered hereby. The Initial Purchasers and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

To the extent any Initial Purchaser that is not a US registered broker dealer intends to effect any offers or sales of any Notes in the United States, it will do so through one or more US registered broker dealers in accordance with the applicable US securities laws and regulations.

#### ***European Economic Area***

Each Initial Purchaser has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive EU 2016/97 (as amended or superseded, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

#### ***United Kingdom***

Each Initial Purchaser has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) 2017/565 as it forms part of domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) 600/2014 as it forms part of domestic law by virtue of the EUWA.

Each Initial Purchaser has represented and agreed that (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the

Company; and (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything in relation to the Notes in, from or otherwise involving the United Kingdom.

### ***Hong Kong***

The contents of this Offering Memorandum have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this Offering Memorandum, you should obtain independent professional advice.

The Notes may not be offered or sold in Hong Kong by means of any document other than (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and any rules made under that Ordinance, or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) or which do not constitute an offer to the public within the meaning of that Ordinance; and no advertisement, invitation or document relating to the Notes may be issued or may be in the possession of any person for the purposes of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and any rules made under that Ordinance.

### ***Singapore***

This Offering Memorandum has not been registered as a prospectus under the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”) by the Monetary Authority of Singapore, and the offer of the Notes in Singapore is made primarily pursuant to the exemptions under Sections 274 and 275 of the SFA. Accordingly, this Offering Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes be offered or sold, or made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor as defined in Section 4A of the SFA (an “**Institutional Investor**”) pursuant to Section 274 of the SFA, (ii) to an accredited investor as defined in Section 4A of the SFA (an “**Accredited Investor**”) or other relevant person as defined in Section 275(2) of the SFA (a “Relevant Person”) and pursuant to Section 275(1) of the SFA, or to any person pursuant to an offer referred to in Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with, the conditions of any other applicable exemption or provision of the SFA.

It is a condition of the offer that where the Notes are subscribed for or acquired pursuant to an offer made in reliance on Section 275 of the SFA by a Relevant Person which is:

- (a) a corporation (which is not an Accredited Investor), the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an Accredited Investor; or
- (b) a trust (where the trustee is not an Accredited Investor), the sole purpose of which is to hold investments and each beneficiary of the trust is an individual who is an Accredited Investor,

the securities or securities-based derivatives contracts (each as defined in Section 2(1) of the SFA) of that corporation and the beneficiaries’ rights and interest (howsoever described) in that trust, shall not be transferred within six months after that corporation or that trust has subscribed for or acquired the notes except:

- (1) to an Institutional Investor, an Accredited Investor, a Relevant Person, or which arises from an offer referred to in Section 275(1A) of the SFA (in the case of that corporation) or Section 276(4)(i)(B) of the SFA (in the case of that trust);
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;

- (4) as specified in Section 276(7) of the SFA; or
- (5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

**Singapore Securities and Futures Act Product Classification** – Solely for the purposes of our obligations pursuant to Sections 309(B)(1)(a) and 309(B)(1)(c) of the SFA, we have determined, and hereby notify all relevant persons (as defined in Section 309A of the SFA) that the Notes are “prescribed capital markets products” (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and “Excluded Investment Products” (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

#### ***Switzerland***

This offering memorandum is not intended to constitute an offer or solicitation to purchase or invest in the notes. The notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act (“**FinSA**”) and no application has or will be made to admit the notes to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this offering memorandum nor any other offering nor marketing material relating to the notes constitutes a prospectus pursuant to the FinSA, and neither this offering memorandum nor any other offering or marketing material relating to the notes may be publicly distributed or otherwise made publicly available in Switzerland.

#### ***Taiwan***

The Notes have not been and will not be registered or filed with, or approved by, the Financial Supervisory Commission of Taiwan and/or any other regulatory authority of Taiwan pursuant to relevant securities laws and regulations and may not be sold, issued or offered within Taiwan through a public offering or in circumstances which could constitute an offer within the meaning of the Securities and Exchange Act of Taiwan or relevant laws and regulations that require a registration, filing or approval of the Financial Supervisory Commission of Taiwan and/or any other regulatory authority of Taiwan. No person or entity in Taiwan has been authorized to offer or sell the Notes in Taiwan through a public offering or in any offering that requires registration, filing or approval of the Financial Supervisory Commission of Taiwan except pursuant to the applicable laws and regulations of Taiwan and the competent authority’s rulings thereunder.

#### ***Japan***

The securities offered hereby have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948 as amended, the “**FIEL**”) and each Initial Purchaser has agreed that it will not offer or sell any securities, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEL and any other applicable laws, regulations and ministerial guidelines of Japan.



## TRANSFER RESTRICTIONS

The Notes and the Guarantees have not been registered under the Securities Act or any other applicable securities laws, and may not be offered, sold or delivered in the United States or to, or for the account or benefit of, any US person, except pursuant to an effective registration statement or in a transaction not subject to the registration requirements of the Securities Act or in accordance with an applicable exemption from the registration requirements and those other laws. Accordingly, the Notes and the Guarantees are being offered and sold only (i) to qualified institutional buyers in a private sale exempt from the registration requirements of the Securities Act pursuant to Rule 144A and any other applicable securities laws or (ii) outside the United States to non-US persons in compliance with Regulation S.

Each purchase of Notes is subject to restrictions on transfer as summarized below. By purchasing Notes, each purchaser will be deemed to have made the following acknowledgements, representations to and agreements with us and the Initial Purchasers:

- (1) The purchaser understands and acknowledges that:
  - each of the Notes and the Guarantees have not been registered under the Securities Act or any other securities laws and are being offered for resale in transactions that do not require registration under the Securities Act or any other securities laws; and
  - unless so registered, the Notes and the Guarantees may not be offered, sold or otherwise transferred except under an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or any other applicable securities laws, and in each case in compliance with the conditions for transfer set forth in paragraph (3) below.
- (2) The purchaser represents that it is not an affiliate (as defined in Rule 144 under the Securities Act) of the Company or the Issuer, that the purchaser is not acting on behalf of such persons and that either:
  - the purchaser is a qualified institutional buyer (as defined in Rule 144A), is aware that the sale to it is being made in reliance on Rule 144A and is purchasing Notes for its own account or for the account of another qualified institutional buyer; or
  - the purchaser is not a US person (as defined in Regulation S) or is acquiring the Notes for its own account or as a fiduciary or agent for others in a transaction outside the United States pursuant to Regulation S.
- (3) The purchaser represents that it is purchasing Notes for its own account, or for one or more investor accounts for which it is acting as a fiduciary or agent, in each case not with a view to, or for offer or sale in connection with, any distribution of the Notes in violation of the Securities Act, subject to any requirement of law that the disposition of its property or the property of that investor account or accounts be at all times within its or their control and subject to its or their ability to resell the Notes pursuant to Rule 144A or any other available exemption from registration under the Securities Act. The purchaser agrees on its own behalf and on behalf of any investor account for which it is purchasing Notes, and each subsequent holder of the Notes by its acceptance of the Notes will agree, that until the end of the Resale Restriction Period (as defined below), the Notes may be offered, sold or otherwise transferred only: (a) to us; (b) under a registration statement that has been declared or has become effective under the Securities Act; (c) for so long as the Notes are eligible for resale under Rule 144A, to a person the seller reasonably believes is a qualified institutional buyer that is purchasing for its own account or for the account of another qualified institutional buyer and to whom notice is given that the transfer is being made in reliance on Rule 144A; (d) through offers and sales that occur outside the United States within the meaning of Regulation S; (e) to an institutional accredited investor (within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act) that is purchasing for its own account or for the account of another institutional accredited investor, in each case in a minimum principal amount of Notes of US\$250,000; or (f) under any other available

exemption from the registration requirements of the Securities Act; in each case in compliance with any applicable state securities laws; subject in each of the above cases to any requirement of law that the disposition of the seller's property or the property of an investor account or accounts be at all times within the seller's or account's control.

The purchaser also acknowledges that:

- the above restrictions on resale will apply from the closing date until the date after which such Notes may be freely transferred pursuant to Rule 144 under the Securities Act (in the case of the Notes sold pursuant to Rule 144A) or 40 days (in the case of the Notes sold pursuant to Regulation S) after the later of the closing date and the last date that we or any of our affiliates were the owner of the Notes or any predecessor of the Notes (the "Resale Restriction Period"), and will not apply after the applicable Resale Restriction Period ends;
- if a holder of Notes proposes to resell or transfer Notes under clause (e) above before the applicable Resale Restriction Period ends, the seller must deliver to us and the Trustee a letter from the purchaser in the form set forth in the indenture which must provide, among other things, that the purchaser is an institutional accredited investor that is not acquiring the Notes for distribution in violation of the Securities Act;
- we and the Trustee reserve the right to require in connection with any offer, sale or other transfer of Notes under clauses (d), (e) and (f) above the delivery of an opinion of counsel, certifications and/or other information satisfactory to us and the Trustee; and
- each Note being sold pursuant to Rule 144A will contain a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION. THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, ONLY (A) TO THE ISSUER, (B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BECOME OR BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ANOTHER QUALIFIED INSTITUTIONAL BUYER AND TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT, (E) TO AN INSTITUTIONAL "ACCREDITED INVESTOR" WITHIN THE MEANING OF RULE 501(a)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT THAT IS ACQUIRING THE SECURITY FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ANOTHER INSTITUTIONAL ACCREDITED INVESTOR, IN EACH CASE IN A MINIMUM PRINCIPAL AMOUNT OF THE SECURITIES OF US\$250,000, FOR INVESTMENT PURPOSES AND NOT WITH A VIEW TO OR FOR OFFER OR SALE IN CONNECTION WITH ANY DISTRIBUTION IN VIOLATION OF THE SECURITIES ACT, (F) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE) OR (G) PURSUANT TO ANOTHER

AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT TO THE ISSUER'S AND THE TRUSTEE'S RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSES (D), (E), (F) OR (G) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/ OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.

- each Note being sold pursuant to Regulation S will contain a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION, AND MAY NOT BE OFFERED, SOLD OR DELIVERED IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY US PERSON, UNLESS SUCH NOTES ARE REGISTERED UNDER THE SECURITIES ACT OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS THEREOF IS AVAILABLE. THIS LEGEND WILL BE REMOVED AFTER THE EXPIRATION OF FORTY DAYS FROM THE LATER OF (i) THE DATE ON WHICH THESE NOTES WERE FIRST OFFERED AND (ii) THE DATE OF ISSUE OF THESE NOTES.

- (4) The purchaser has received a copy of the prospectus relating to the offering of the Notes and the Guarantees and acknowledges that (a) neither we nor the Initial Purchasers or any person representing us or the Initial Purchasers have made any representation to it with respect to us or the offering and the sale of the Notes and the Guarantees other than the information contained in and incorporated by reference into this Offering Memorandum and (b) it has had access to such financial and other information and has been offered the opportunity to ask questions of us and received answers thereto, as it deemed necessary in connection with the decision to purchase Notes.
- (5) The purchaser understands that we, the Company, the Initial Purchasers and others will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements and agrees that if any of the representations and acknowledgements deemed to have been made by it by its purchase of the Notes are no longer accurate, the purchaser shall promptly notify us and the Initial Purchasers. If the purchaser is acquiring the Notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such account and it has full power to make the foregoing representations, acknowledgements and agreements on behalf of such account.
- (6) The purchaser: (a) is able to fend for itself in the transactions contemplated by this Offering Memorandum; (b) has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its prospective investment in the Notes; and (c) has the ability to bear the economic risks of its prospective investment and can afford the complete loss of such investment.
- (7) By acceptance of a Note, each purchaser and subsequent transferee will be deemed to have represented and warranted that either (a) no portion of the assets used by such purchaser or transferee to acquire or hold the Notes constitutes assets of any employee benefit plan that is subject to Title I of the United States Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), a plan, individual retirement account or other arrangement that is subject to Section 4975 of the United States Internal Revenue Code of 1986, as amended (the "**Code**") or provision under any federal, state, local, non-US or other laws, rules or regulations that are similar to such provisions or ERISA or the Code (collectively, "**Similar Laws**") or entity whose underlying assets are considered to include "plan assets" of any such plan, account or arrangement or (b) the purchase and holding of the Notes will not constitute a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a violation under any applicable Similar Laws.

## **LEGAL MATTERS**

Certain legal matters in connection with this offering will be passed upon for us by Linklaters LLP, as to matters of United States federal law, New York State law and English law. Certain legal matters in connection with this offering will be passed upon for the Initial Purchasers by Davis Polk & Wardwell London LLP, as to matters of United States federal and New York State law.

## **INDEPENDENT AUDITORS**

The consolidated financial statements of the Group as at and for the year-ended December 31, 2022 and the consolidated financial statements of the Group as at and for the year-ended December 31, 2021, prepared in accordance with the requirements of the Companies Act 2006, UK-adopted International Accounting Standards and those parts of the Companies Act 2006 applicable to companies reporting under those standards and the requirements of the Disclosure Guidance and Transparency rules of the Financial Conduct Authority in the United Kingdom as applicable to periodic financial reporting, have been audited by PwC, as stated in their reports incorporated by reference herein. The consolidated financial statements of the Group as at and for the year-ended December 31, 2020, prepared in accordance with IFRS as adopted by the European Union, have been audited by PwC, independent auditors, as stated in their report incorporated by reference herein.

The audit reports of PwC, in accordance with guidance issued by The Institute of Chartered Accountants in England and Wales, includes the following limitations: “This report, including the opinions, has been prepared for and only for the Parent Company’s members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.”

## DESCRIPTION OF ANGLO AMERICAN CAPITAL PLC

### **Incorporation, Registered Office and Purpose**

Anglo American Capital, a wholly owned subsidiary of Anglo American, was incorporated and registered in England and Wales under the registered number 04658814 on February 6, 2003 and operates under the Companies Act 2006 as a public limited company. Its registered office is at 17 Charterhouse Street, London, EC1N 6RA. Anglo American Capital was formed as a special purpose company solely for the purposes of issuing debt securities and has no subsidiaries.

Anglo American Capital's authorized share capital is £50,000 and US\$1,000,000,000 divided into 50,000 3% cumulative preference shares of £1.00 each and 1,000,000,000 ordinary shares of US\$1.00 each, of which 50,000 3% cumulative preference shares and 5,700 ordinary shares are in issue and fully paid up. All of Anglo American Capital's issued shares are beneficially owned by Anglo American.

### **Board of Directors**

The Directors of Anglo American Capital and their functions and principal activities outside Anglo American Capital are as follows:

Name	Title	Principal Activities outside Anglo American Capital
Alan Macpherson	Director	Group Head of Finance Transformation of Anglo American plc
Stephen Pearce	Director	Finance Director of Anglo American plc, De Beers, Anglo American Platinum Limited, Non-Executive Director of BAE Systems plc
Clare Davage	Director	Deputy Company Secretary of Anglo American plc
Claire Murphy	Director	Assistant Company Secretary of Anglo American plc
Richard Price .....	Director	Group General Counsel and Company Secretary of Anglo American plc
Craig Fish	Director	Group Head of Treasury of Anglo American plc
Zahira Quattrocchi	Director	Group Head of Tax of Anglo American plc
Aaron Field	Director	Assistant Treasurer of Anglo American plc
Chandrika Kher	Director	Interim Assistant Company Secretary of Anglo American plc

The business address of each of the above is 17 Charterhouse Street, London EC1N 6RA and the telephone number of Anglo American Capital's registered office is: +44 (0) 20 7968 8888.

No potential conflicts of interest exist between the Directors' duties to Anglo American Capital and their private interests or other duties.

**Financial Statements**

PwC audited Anglo American Capital's accounts in accordance with International Standards on Auditing (UK and Ireland) from January 1, 2020.

## GENERAL INFORMATION

### Authorization

The issue of the Notes, or, in the case of the Company, the giving of the guarantee, has been duly authorized by the resolutions of the Board of Directors of Anglo American plc dated February 21, 2023 and of the Board of Directors of Anglo American Capital plc dated March 3, 2023.

### Legal Entity Identifiers

The Legal Entity Identifier of the Issuer is TINT358G1SSHR3L3PW36.

The Legal Entity Identifier of the Guarantor is 549300S9XF92D1X8ME43.

### Listing

Application has been made to the FCA for the Notes to be admitted to the Official List and to the London Stock Exchange for the Notes to be admitted to trading on the London Stock Exchange's Main Market, a regulated market for purposes of UK MiFIR, and is expected to be effective as of May 5, 2023, subject only to the issuance of the Global Notes. The listing of the Notes on the Official List will be expressed as a percentage of their nominal amount (exclusive of accrued interest). Prior to listing of the Notes on the Official List and Admission to trading, however, dealings will be permitted by the London Stock Exchange in accordance with its rules. Transactions will normally be effected for delivery on the third working date after the day of the transaction.

The Issuer's and the Company's out-of-pocket expenses in relation to Admission to trading of the Notes on the London Stock Exchange's Main Market are expected to amount to approximately £300,000.

### Clearing Reference Numbers

The Notes have been accepted for clearance through DTC's book-entry settlement system. The CUSIP and ISIN numbers for the Notes are as follows:

Notes distributed pursuant to Rule 144A: CUSIP 034863 BD1 / ISIN US034863BD17

Notes distributed pursuant to Regulation S: CUSIP G0446N AY0 / ISIN USG0446NAY07

The address of DTC is The Depository Trust Company, 55 Water Street, New York, NY 10041-0099, USA.

### Financial Performance and Position and Prospects

There has been no significant change in the financial performance and financial position of the Group since December 31, 2022, being the date of its last published audited financial statements.

There has been no material adverse change in the prospects of the Group since December 31, 2022, being the date of its last published audited financial statements.

There has been no significant change in the financial performance and financial position of the Issuer since December 31, 2022, being the date of its last published audited financial statements.

There has been no material adverse change in the prospects of the Issuer since December 31, 2022, being the date of its last published audited financial statements.

### Litigation

#### *Proceedings in South Africa*

#### Silicosis class action

Anglo American South Africa Limited ("AASA"), a wholly owned subsidiary of Anglo American plc, was named as one of 32 respondents in a consolidated class certification application filed in the South Gauteng High



Court (Johannesburg) on behalf of former mineworkers (or their dependents or survivors) who allegedly contracted silicosis or tuberculosis as a result of having worked for various gold mining companies including some in which AASA was a shareholder and to which AASA provided various technical and administrative services.

The parties reached a settlement agreement in May 2018. This settlement (i) required approval by the High Court of South Africa, and (ii) contained a provision that no more than 2,000 people opt out of the approved settlement agreement. The settlement agreement was approved by the High Court in July 2019, and the final condition precedent was achieved in December 2019, when it was confirmed that fewer than 2,000 persons elected to opt out of the settlement agreement.

The settlement accordingly became effective on December 10, 2019. As a result, the independent trust has been constituted, and is responsible for tracking and tracing potential claimants, conducting benefit evaluations to determine whether the claimants qualify for benefits and the disbursements of compensation to qualifying claimants. The compensation from the trust will be in addition to the statutory benefit the claimants may receive. The trust is established on a defined benefit model, with compensation payable to all potentially qualifying claimants. Funding for payment of compensation will be provided on a drip feed model over the 13-year duration of the trust.

AASA's anticipated 21% share of the remaining cost of implementing the agreement is currently estimated at circa US\$35 million. The ultimate cost of the settlement will depend on the number of eligible claimants, claim history and disease prevalence. The assumptions underpinning the financial provisions remain unchanged. The provided amount has been amended to take into account payments made in previous years, foreign exchange fluctuations, discounting to current values, and allocations to current and non-current liabilities.

#### Kabwe

In October 2020, an application was filed in the Gauteng Local Division (Johannesburg) of the High Court in South Africa to seek the certification of two classes of claimants in a legal action against AASA.

The legal action relates to lead contamination in the vicinity of a former lead mine in Kabwe, Zambia, which is alleged to have resulted from the operation of the mine, specifically between 1925 and 1974. AASA held a shareholding in the company that operated the mine during this period while other entities within the Anglo American Group at the time, and on occasion AASA, provided services to the mine during the period.

The mine was then nationalized and continued to operate for 20 years until its closure in 1994.

The claim fails to take into account the existence of a number of parties that had roles in the ownership and operation of the mine between the inception of the mine and 1994, and in the post-closure management of the mine site during the 27 years which have passed since its closure in 1994. The industrial processing of metals continues at and around the mine site to this day, as does significant informal mining activity.

The central allegation in the case is that lead emissions from operational and waste management activities undertaken at the mine in the period from 1925 to 1974 have made a material contribution to lead-related health impacts experienced by members of the local community, giving rise to alleged actionable claims against AASA.

The application seeks to certify two classes of claimants, the first consisting of children from the Kabwe District and the second of women of child-bearing age from the Kabwe District. The claimants' lawyers allege that members of each class have suffered actionable injury as a result of exposure to lead. The application proposes that the first stage of the claim (where common issues will be decided) should proceed on an 'opt-out' basis (meaning anyone who meets the criteria for one of the classes is automatically included as a claimant unless they opt-out) while the second stage (where claimants will need to prove their individual claims) should proceed on an 'opt-in' basis (where individuals will need to actively 'opt-in' to become a claimant). There are 13 individuals representing the two classes and at the time of the application there were said to be 1,071 individuals who have signed up to bring individual claims as part of the second opt-in stage, in the event that the classes are certified and the claim proceeds beyond the first stage. The application contends that it is likely that a substantial number of additional potential claimants would seek to join the claim at the second stage. The claimants' lawyers have estimated that the

two classes of claimants, as they are currently defined, could ultimately comprise approximately 142,000 individuals.

The claimants are seeking compensation for alleged personal injury and the costs of remediation, however no indication of the amount of damages being sought (either on a per claimant or total basis) has been provided in the application.

AASA is defending the matter and filed its answering affidavit to the certification application on August 31, 2021. AASA filed a supplementary answering affidavit on November 11, 2021, with further pleadings exchanged in March, June and July 2022.

The class certification hearing took place in January 2023, with a ruling likely to follow several months later. In the event that certification is granted, the actual class action will commence, which action is unlikely to be concluded before end 2025.

This litigation remains subject to significant uncertainty, and it is not currently possible to make a reasonable estimate of the outcome, quantum or timing of any potential future determination, and therefore no provision has been recognized.

Other than as disclosed in this section, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company or the Issuer is aware), during the 12 months preceding the date of this Offering Memorandum which may have, or have had in the recent past, significant effects on the Issuer and/or the Group's financial position or profitability.

#### **Nature of Financial Information and Auditors**

PricewaterhouseCoopers LLP has made reports under Chapter 3 of Part 16 of the Companies Act 2006 on the statutory accounts of the Company and the Issuer ended for the years ended December 31, 2022, 2021 and 2020 (incorporated by reference in this Offering Memorandum), which were unqualified and did not contain any statement as is described in Section 498(2) or (3) of the Companies Act 2006. Any financial information included in this Offering Memorandum (other than the statutory accounts incorporated by reference in this Offering Memorandum) do not constitute the statutory accounts of the Company or the Issuer within the meaning of Section 435 (1) and (2) of the Companies Act 2006 for any period presented. Statutory accounts of the Company and the Issuer have been delivered to the Registrar of Companies in England and Wales for the year-ended December 31, 2022 in accordance with, and as required by, UK law.

The independent auditors of the Company and the Issuer for the years ended December 31, 2022, 2021 and 2020 were PricewaterhouseCoopers LLP of 1 Embankment Place, London WC2N 6RH, who are registered to carry out audit work by the Audit Inspection Unit of the Professional Oversight Board of the Financial Reporting Council in the United Kingdom, whose address is Eighth Floor, 1 Canada Square, Canary Wharf, London E14 5AG. PwC has no interest in the Issuer or the Company.

#### **Yield**

The projected yield of the Notes will be 5.569%. Such projection has been calculated on the basis of the offering prices as at the date of this Offering Memorandum and is not an indication of actual future returns for investors.

#### **Interests of Natural and Legal Persons Involved in the Issue**

Save for any fees payable to the Initial Purchasers, so far as the Company and the Issuer are aware, no person involved in the issue of the Notes has an interest material to the offer.

#### **Documents**

For the life of this Offering Memorandum, copies of the following documents will be available for inspection at (i) in the case of the documents listed in (a) and (d), <https://www.angloamerican.com/investors/fixed-income-investors/usd-investor-downloads> (ii) in the case of the documents listed in (b),

<https://www.angloamerican.com/investors/fixed-income-investors/issuer-document-downloads> and (iii) in the case of the documents listed in (c), at the websites listed in the section entitled “*Incorporation of Certain Information by Reference*”:

- (a) this Offering Memorandum;
- (b) the Memorandum and Articles of Association of Anglo American plc and Anglo American Capital plc;
- (c) The Group 2022 Consolidated Financial Statements, the Group 2021 Consolidated Financial Statements, the Group 2020 Consolidated Financial Statements, the Issuer 2022 Financial Statements, the Issuer 2021 Financial Statements and the Issuer 2020 Financial Statements; and
- (d) the Indenture.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Offering Memorandum. You must not rely on any unauthorized information or representations. This Offering Memorandum has been prepared solely for the purpose of Admission of the Notes and does not constitute an offer for sale of Notes. The information contained in this Offering Memorandum is current only as of its date.

## TABLE OF CONTENTS

	Page
DEFINED TERMS	7
PRESENTATION OF FINANCIAL INFORMATION	15
SERVICE OF PROCESS AND ENFORCEMENT OF CIVIL LIABILITIES	23
AVAILABLE INFORMATION	24
INCORPORATION OF CERTAIN INFORMATION BY REFERENCE	25
OVERVIEW	27
SUMMARY FINANCIAL INFORMATION	36
RISK FACTORS	38
CAPITALIZATION	55
RECENT DEVELOPMENTS	56
USE OF PROCEEDS	57
BUSINESS DESCRIPTION	58
MINERAL PRODUCTION	77
INDUSTRY OVERVIEW	80
SELECTED FINANCIAL INFORMATION	83
OPERATING AND FINANCIAL REVIEW	85
REGULATION	115
SUSTAINABILITY (INCLUDING SAFETY, HEALTH, ENVIRONMENT AND SOCIAL)	119
BOARD OF DIRECTORS AND MANAGEMENT OF ANGLO AMERICAN PLC	125
RELATED PARTY TRANSACTIONS	134
DESCRIPTION OF THE NOTES AND THE GUARANTEES	135
BOOK-ENTRY SETTLEMENT AND CLEARANCE	155
TAXATION	157
PLAN OF DISTRIBUTION	162
TRANSFER RESTRICTIONS	167
LEGAL MATTERS	170
INDEPENDENT AUDITORS	171
DESCRIPTION OF ANGLO AMERICAN CAPITAL PLC	172
GENERAL INFORMATION	174

**US\$900,000,000**



## **Offering Memorandum Anglo American Capital plc**

**US\$900,000,000 5.500% Senior  
Notes due 2033**

**Guaranteed by Anglo  
American plc**

*Joint Bookrunners*

**BMO Capital Markets**

**Goldman Sachs & Co. LLC**

**HSBC**

**Scotiabank**

**Bank of China**

**CIBC Capital Markets**