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25 July 2024

Anglo American Interim Results 2024

Strong operational performance delivers $5.0 billion of underlying EBITDA

- Underlying EBITDA* of $5.0 billion: improved cost performance largely offset a 10% lower product basket price
- Copper and Iron Ore performance and margins particularly strong, contributing $3.5 billion of EBITDA
- Unit costs improved by 4%, reflecting weaker currencies, operational improvements and effective cost control
- $0.7 billion loss attributable to equity shareholders, impacted by a $1.6 billion impairment of Woodsmith due to the decision to slowdown the project's development
- Net debt* of $11.1 billion, with leverage steady at 1.1x annualised EBITDA
- On track to reduce annual costs by c.$1.7 billion and reduce capex by c.$1.6 billion over 2024-26
- $0.5 billion interim dividend, equal to $0.42 per share, consistent with 40% payout policy

Duncan Wanblad, Chief Executive of Anglo American, said: "I am very encouraged by a strong operational performance that delivered steady volumes and a 4% improvement in unit costs, while still facing weak cyclical markets for PGMs and diamonds. We are on track to reduce our annual run rate costs by $1.7 billion and reduce capital spend by $1.6 billion over the 2024-2026 period. We are moving at pace to create a much more agile and structurally profitable mining company focused on our exceptional quality Copper and Premium Iron Ore businesses, which both continue to perform very strongly, while maintaining our growth optionality in crop nutrients. We are committed to completing the key elements of this transformation by the end of 2025, creating a simpler, highly valued mining company with extensive growth options and considerable strategic flexibility.

"In the first six months of this year, I am very sad to report that we lost two colleagues who died in an accident at our Amandelbult PGMs mine in South Africa. We offer our deepest condolences to their families, friends and colleagues. We are absolutely committed to workforce safety and we are working to ensure that every colleague returns home safe and well each day. More broadly, we continue to make progress on safety, achieving our lowest ever injury rate and a 23% improvement compared to just two years ago.

"Our focus on operational performance is delivering results, most notably in our Copper and Premium Iron Ore businesses, with EBITDA margins* of 53% and 43% respectively. Copper is tracking well, Minas-Rio achieved its strongest first half production for several years, and Kumba continues to perform strongly while we work with Transnet on rail reliability. The Steelmaking Coal business has also improved its production and cost performance, though the incident at Grosvenor will set production back. Most importantly, everyone there is safe. Our process to divest that business is well under way with continued strong interest from a large number of potential new owners.

"Underlying EBITDA for the half year of $5.0 billion at a 33% EBITDA margin* reflects a 10% lower product basket price, partly offset by a 4% improvement in unit costs, with broadly flat production volumes. Net debt increasing marginally to $11.1 billion reflects tight discipline to optimise capital allocation and free cash flow. Our decision to temporarily slowdown the Woodsmith crop nutrients project and thereby push out its production timing has resulted in a $1.6 billion impairment of the project. As we progress our portfolio transformation, we expect to substantially reduce our overhead and other non-operational costs in phases, but weighted towards the end of the process to minimise business risk.

"We are transforming Anglo American by focusing on our world-class asset base in copper, premium iron ore and crop nutrients, thereby accelerating the recognition of value inherent in our business. From that compelling platform, I believe our proven project delivery capabilities, global relationship networks and longstanding reputation as a responsible mining company will together help us unlock the outstanding mineral endowment options within our portfolio and other growth opportunities that we will aim to secure over time. We have taken clear and decisive action to deliver value in the long term interests of our shareholders and other stakeholders, from a portfolio that will deliver the products that underpin the energy transition, improving global living standards and food security."

Six months ended US$ million, unless otherwise stated	30 June 2024	30 June 2023	Change
Revenue	14,464	15,674	(8) %
Underlying EBITDA*	4,980	5,114	(3)%
EBITDA margin*	33%	31%	
Attributable free cash flow*	506	(466)	n/a
(Loss)/Profit attributable to equity shareholders of the Company	(672)	1,262	n/a
Basic underlying earnings per share* ($)	1.06	1.38	(23)%
Basic earnings per share ($)	(0.55)	1.04	n/a
Interim dividend per share ($)	0.42	0.55	(24)%
Group attributable ROCE*	14%	18%	

Terms with this symbol * are defined as Alternative Performance Measures (APMs). For more information, refer to page 83.

Sustainability performance

Sustainability performance

Key sustainability performance indicators[1]

Anglo American tracks its strategic progress using KPIs that are based on our seven pillars of value: safety and health, environment, socio-political, people, production, cost, and financial. In addition to the financial performance set out above and our operational performance on pages 7-33, our performance for the first four pillars is set out below:

Pillar of value	Metric	30 June 2024	30 June 2023	Target	Target achieved
Safety and health	Work-related fatal injuries	2	1	Zero	Not achieved
	Total recordable injury frequency rate (TRIFR) per million hours[2]	1.69	1.91	Reduction year on year	On track
	New cases of occupational disease[2]	9	3	Reduction year on year	Not achieved
Environment	GHG emissions - Scopes 1 & 2 (Mt CO_2e)[3]	5.0	5.1	Reduce absolute GHG emissions by 30% by 2030	On track
	Fresh water withdrawals (ML)[3]	17,261	14,096	Reduce fresh water abstraction in water scarce areas by 50% by 2030	On track for 2030 target
	Level 4-5 environmental incidents	0	0	Zero	On track
Socio-political	Social Way 3.0 implementation[4]	73%	66%	Full implementation of the Social Way 3.0 by end 2022	Behind schedule
	Number of jobs supported off site[5]	139,300	114,500		
	Local procurement spend ($bn)[6]	6.2	6.5		
	Taxes and royalties ($m)[7]	2,481	2,828		
People	Women in management[8]	35%	33%	To achieve 33% by 2023	Achieved
	Women in the workforce	26%	25%		
	Voluntary labour turnover	4%	3%	< 5%	On track

(1) Sustainability performance indicators for the six months ended 30 June 2024 and the comparative period are not externally assured.

(2) TRIFR data for the prior period has been restated following adjustments to working hours identified through the year end assurance process. Prior period data related to new cases of occupational disease has been restated due to cases identified in H1 2023 that were not confirmed until H2 2023.

(3) Data for current and prior period is to 31 May 2024 and 31 May 2023, respectively. Prior period comparatives have been restated to reflect data model updates and the results of external assurance findings at 31 December 2023.

(4) Current and prior period data presented is at 31 December 2023 and 2022, respectively. While sites are assessed annually against all requirements applicable to their context, for consistency during the transition period, the metric reflects performance against the Social Way foundational requirements. For further information on progress, see Thriving Communities commentary on page 5.

(5) Jobs supported since 2018, in line with the Sustainable Mining Plan Livelihoods stretch goal. Current and prior period data presented is at 31 December 2023 and 2022, respectively.

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

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

(8) Management includes middle and senior management across the Group.

Sustainable Mining Plan

Anglo American's longstanding and holistic approach to sustainability helps to build trust with our employees and stakeholders across society, reduces operational risk and in many cases delivers direct financial value for our business. Our reputation as a responsible mining company supports our ability to access future resource development opportunities, both from the significant endowments within our business and more broadly - critical to delivering our growth ambitions.

Our Sustainable Mining Plan is designed to be a flexible, living plan and we continue to evolve it as we learn and make progress and as technologies develop, while also ensuring it stays relevant and suitably stretching, in tune with our employees' and stakeholders' ambitions for our business. We are reviewing the Sustainable Mining Plan to reflect the Group's future portfolio composition that was announced in May 2024. We are also using this opportunity to ensure that our sustainability ambitions deliver tangible value to our many stakeholders and will set out an update when we have completed the review, likely only once the portfolio transformation has made significant progress. Progress against the existing Sustainable Mining Plan targets is discussed below.

Zero mindset

Occupational safety

Anglo American's number one value is safety, and it is our first priority, always. We are committed to preventing our people from being harmed at work. Keeping our workforce safe is an unremitting endeavour and comes foremost in everything we do. We are unconditional about safety and train, equip and empower our people to work safely, because we believe that everybody, everywhere should return home safe and well at the end of their working day because we believe that everybody, everywhere should return home safe and well at the end of their working day.

In 2024, we continued to focus on three key safety levers that we believe are critical to improving front line safety: supporting operational leaders to spend more time in the field; using our Operating Model principles to deliver planned work; and implementing our new Contractor Performance Management framework across the business. Following the achievement of a record low total recordable injury frequency rate (TRIFR) of 1.78 in 2023, we continued to make solid progress in our safety journey, with our TRIFR further improving to 1.69 in the six months to 30 June 2024 (30 June 2023: 1.91). While encouraged by this continued improvement, we are deeply saddened to have lost two colleagues at Dishaba mine, part of the Amandelbult PGMs complex in South Africa, who were fatally injured after falling down a raised ore-pass. We also lost a colleague at the independently managed, joint venture Jwaneng diamond mine in Botswana. Full investigations are currently under way to understand the circumstances behind these incidents and we extend our deepest condolences to families, friends and colleagues.

Following the underground fire that started at the Grosvenor steelmaking coal mine in Australia on 29 June 2024, all emergency protocols were followed and the workforce was safely evacuated without injury. Our primary focus continues to be the safety and well-being of our workforce and local communities. The mine has been stabilised and we are re-establishing comprehensive underground gas monitoring, prior to being able to assess the steps towards a safe re-entry into the mine.

Alongside our continued use of innovative technologies to help make Anglo American a safer and healthier place to work, we are building an ever stronger safety culture, based on the established concept of Visible Felt Leadership. This programme is focused on ensuring all leaders, at all levels in the organisation, are spending sufficient time in the field having quality interactions with our workforce. These interactions are helping to deliver considerable improvements in work conditions and execution methods, as well as empowering our employees and contractors to speak up if they have concerns about the safety of their work activities.

Applying the principles of our Operating Model across all our activities, but particularly to our maintenance work, has played a major role in lowering injury levels across the Group. Planned maintenance allows for better identification and mitigation of risk and ensures work is appropriately resourced and executed, with the right people with the correct skills completing the work safely.

To deliver safe, responsible production, we know that we need to be better at how we work with our contractors and how we support their safety on our sites, ensuring they too feel valued and respected as a critical contributor to everyone's safety. Our Contractor Performance Management programme is a three-year initiative, started in 2023, which has been designed to ensure that the work our contractors undertake is well planned, aligned with our Operating Model and meaningfully risk assessed and resourced with the right skills.

Occupational health

Our health and well-being strategy, aligned with the World Health Organization (WHO) Healthy Workplace model, has been updated to include Total Worker Health concepts that integrate actions to support the health and well-being of our workforce and host communities. This integrated strategy incorporates our WeCare well-being programme and other social performance activities, including our livelihoods support programmes. It requires us to work synergistically to support our people and achieve our health and well-being goals.

Occupational diseases

In the six months to 30 June 2024, there were 9 reported new cases of occupational disease, all of which were related to noise exposure (30 June 2023: 3, 2 of which were related to noise exposure). A significant challenge in reporting occupational disease is that many hazards do not cause immediate symptoms or measurable health harms. Occupational disease is often not detectable or definable until many years after exposure. This means cases reported in a given year are most likely to reflect accumulated past working conditions. This latency challenge underscores the importance of risk assessment and preventative management strategies, continuous environment monitoring, and comprehensive worker occupational health surveillance. These activities are an ongoing focus at Anglo American and, as we continue to improve the rigour of our reporting processes and proactive case management, we may detect further historic cases of occupational disease.

Healthy environment

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

Climate change

In addition to our existing 2030 operational emissions reduction target, we have stated our aim to achieve carbon neutrality across our operations by 2040, and an ambition to halve our Scope 3 emissions, also by 2040. We continue to make progress across the current portfolio in reducing our emissions, with our Scope 1 and 2 GHG emissions lower than the prior period. Since 2023, our managed operations in South America have been supplied with 100% renewable electricity and the managed operations in Australia are scheduled to move to renewable supply from 2025. At this stage, 60% of the global grid supply for the current Anglo American portfolio would be drawn from renewable sources. We continue to make progress towards addressing Anglo American's largest remaining current source of Scope 2 emissions - our electricity supply in southern Africa. Our jointly owned renewable energy venture with EDF Renewables, known as Envusa Energy, completed the project financing for the first three wind and solar projects in South Africa in February 2024. These three renewable energy projects, known as the Koruson 2 cluster and located on the border of the Northern and Eastern Cape provinces of South Africa, are designed to have a total capacity of 520 MW of wind and solar electricity generation.

Methane emissions from the Australian steelmaking coal operations represent the largest component of our current Scope 1 emissions and we continue to work hard to capture, use and abate those emissions. We have invested significantly over several years, in excess of $100 million per annum, in methane capture infrastructure at our underground steelmaking coal operations. This investment has allowed those operations to capture gas before and during mining. In 2023, this resulted in approximately 60% of methane emissions, the equivalent of about 5.3 million tonnes of CO_2e, being abated and has provided gas to adjacent power stations with our partner and operator, EDL, providing power for the local area.

We have set an ambition to achieve carbon neutrality across our controlled ocean freight activities by 2040, with an interim 30% reduction in emissions by 2030. The delivery in Q1 2024 of the final two vessels of a 10-strong chartered an interim 30% reduction in emissions by 2030. The delivery in Q1 2024 of the final two vessels of a 10-strong chartered fleet of Capesize+ liquefied natural gas (LNG) dual-fuelled bulk carriers, marks a significant milestone towards achieving our commitment to more sustainable shipping. The LNG-dual-fuelled vessels offer an estimated 35% reduction in emissions compared to ships fuelled by conventional marine oil fuel and are the most efficient vessels of their type today.

Water

With more than 80% of our global assets located in water scarce areas, we need to reduce our dependence on fresh water and are working on a number of projects and technologies to help us achieve our freshwater reduction targets.

At 31 December 2023, Anglo American had reduced fresh water withdrawals by 22%, compared with the 2015 baseline. Although this is encouraging, progress is not always linear due to factors such as variable operational requirements and changing precipitation levels.

In the five months to 31 May 2024, fresh water withdrawals increased to 17,261 ML (31 May 2023: 14,096 ML), owing to higher water use across most sites, driven principally by an increase in production at Steelmaking Coal, adverse hydrological conditions at several operations and an increase in dewatering, particularly at Kumba (Iron Ore). While annual variability is expected until such time as major fresh water savings and replacement projects are delivered, we believe we are still on track to meet our 2030 target of a 50% reduction in fresh water withdrawals in water scarce areas.

Biodiversity

As custodians of the land and ecosystems around our operations, we seek to improve the footprint of our operations and direct our efforts towards delivering positive and lasting environmental outcomes for host communities and our wide range of stakeholders. Within our Sustainable Mining Plan we have a commitment to deliver Net Positive Impact on biodiversity across Anglo American by 2030, compared with the 2018 baseline.

We have now completed detailed biodiversity baseline assessments across all our managed operations, defining and assessing significant biodiversity features including key habitats and species, as well as identifying those ecosystems that require protection and restoration. Detailed biodiversity management programmes have been developed for each site and have been independently reviewed by our NGO partners.

We have continued to refine our measurement processes to develop, in partnership with two long term NGO partners, a new science-based metric called Quality Habitat Hectares (QHH) that will help us to measure our contribution to internal and global biodiversity targets, as well as nature-positive outcomes. QHH enables an objective assessment of quantity and quality that are reliable and replicable through incorporating the extent, type and condition of ecosystems and species impacted in and around our operations.

We believe that the development of a metric such as QHH represents a significant advancement in the metals and mining sector, offering a new tool for measuring and reporting on nature related impacts and dependencies. This metric can serve as a catalyst for enhancing transparency and accountability across industries, encouraging businesses to disclose their interactions with nature more openly. By adopting such measures, companies can align their approach with the mitigation hierarchy, which prioritises avoiding, minimising, and compensating for biodiversity impacts.

Thriving communities

We continue working to strengthen and broaden our social performance competencies through embedding our social performance management system - the Social Way - across Anglo American. Through the implementation of the Social Way - which we believe is one of the most robust and comprehensive social performance management systems in the mining sector - and through our collaborative regional development initiatives, we are working actively to support local and regional economies, as well as the lives and livelihoods of the communities where we operate.

Since the launch of our Sustainable Mining Plan, we have supported more than 139,000 off site jobs through livelihoods programmes. One example of where we are offering support beyond traditional social investment is our Impact Finance Network, which provides tailored technical assistance to help match third-party impact capital to host-region, non-mining impact businesses and enterprises. Since 2021, we have supported a pipeline of over 100 businesses across southern Africa and South America, having helped close deals with a cumulative value of $65 million, and support for over 20,000 livelihoods. Building off the work in southern Africa, we now have a strong footprint in South America. We are into our third year of operation in Chile, are about to launch the post-pilot phase in Peru, and intend to roll out a pilot in Brazil before the end of 2024.

While we did not meet our ambitious goal of full implementation of the Social Way at all sites by the end of 2022, we continue to progress embedding the system and have implemented a significant majority of the core elements. In 2023, we re-baselined the site-level implementation pathways and by the end of the year, our operations reported 96% delivery against those implementation pathways. The Social Way is critical to underpinning many of our ambitious 2030 Sustainable Mining Plan targets, demonstrating our commitment to partnering with host communities and governments.

Trusted corporate leader

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

By the end of 2023, we exceeded our consolidated target of 33% female representation across our management population, reaching 34%. For the six months to 30 June 2024, the percentage of females in management increased to 35%. We have also seen positive improvements in other key performance metrics such as the percentage of women in the workforce which increased to 26% in the period (30 June 2023: 25%).

To demonstrate the high standards to which we operate, we have been at the forefront of developing and adopting some of the most trusted sustainability certification programmes for the mining sector, including the Initiative for Responsible Mining Assurance (IRMA) and the Responsible Jewellery Council (RJC).

Having met our Sustainable Mining Plan interim target in 2022 of having half of our operations undergo third-party audits against recognised responsible mine certification systems, we continue to work towards our 2025 target for audits of all operations.

Some of the most recent achievements for our sites that were assessed against IRMA's comprehensive mining standard include:

- Our Mototolo and Amandelbult mines in South Africa became the first PGMs mines in the country to complete the audit - achieving the IRMA 75 and IRMA 50 level of performance, respectively;
- Confirmation from IRMA that the Unki PGMs mine in Zimbabwe retained its IRMA 75 level of performance; and
- Our Minas-Rio and Barro Alto mines in Brazil are the first iron ore and nickel-producing mines in the world to complete an IRMA audit. Both mines achieved the IRMA 75 level of performance.

The success of our business is shared with a wide range of stakeholders, including national governments and host communities, through the significant corporate tax, mining tax and royalty payments that we make. Total taxes and royalties borne and taxes collected amounted to $2.5 billion, an 11% decrease compared with the first half of 2023, reflecting lower revenues and profit before tax.

Operational and financial review of Group results for the six months ended 30 June 2024

Operational performance

Production	H1 2024	H1 2023	% vs H1 2023
Copper (kt)[1]	**394**	387	2%
Iron ore (Mt)[2]	**30.7**	30.7	0%
Platinum group metals (koz)[3]	**1,755**	1,844	(5)%
Diamonds (Mct)[4]	**13.3**	16.5	(19)%
Steelmaking coal (Mt)	**8.0**	6.9	16%
Nickel (kt)[5]	**19.5**	19.6	(1)%
Manganese ore (kt)	**1,140**	1,811	(37)%

(1) Contained metal basis. Reflects copper production from the Copper operations in Chile and Peru only (excludes copper production from the Platinum Group Metals business).

(2) Wet basis.

(3) Produced ounces of metal in concentrate. 5E + gold (platinum, palladium, rhodium, ruthenium and iridium plus gold). Reflects own mined production and purchase of concentrate.

(4) Production is on a 100% basis, except for the Gahcho Kué joint operation which is on an attributable 51% basis.

(5) Reflects nickel production from the Nickel operations in Brazil only (excludes 7.3 kt of H1 2024 nickel production from the Platinum Group Metals business).

Production volumes decreased by 1% on a copper equivalent basis, as Manganese was impacted by a suspension to the Australian operations due to the impact of tropical cyclone Megan in the first half of 2024, the disposal of Kroondal at PGMs, and the decision to intentionally lower production at De Beers in response to weaker rough diamond demand. This is offset by Steelmaking Coal, as the underground operations were impacted by longwall moves in the first half of 2023, and higher throughput at Copper Peru since commercial production was reached in June 2023.

Group copper equivalent unit costs decreased by 4% driven by weaker local currencies. Excluding the favourable impact of foreign exchange, unit costs were flat as high unit costs at De Beers, due to intentional lower production and the ramp up of Venetia underground, and higher costs at Copper Peru, as the asset has now moved into commercial production, were offset by effective cost control measures at Copper Chile and favourable unit costs at Steelmaking Coal, driven by higher production.

For more information on each Business' production and unit cost performance, please refer to the following pages 16-33.

Financial performance

Anglo American's profit/(loss) attributable to equity shareholders decreased to a loss of $0.7 billion (30 June 2023: profit of $1.3 billion). Underlying earnings were $1.3 billion (30 June 2023: $1.7 billion), while operating profit was $1.5 billion (30 June 2023: $3.0 billion).

Underlying EBITDA*

Group underlying EBITDA decreased by $0.1 billion to $5.0 billion (30 June 2023: $5.1 billion). Financial results were impacted by lower iron ore prices and sales, and the effect of the cyclone at Manganese, largely offset by higher copper prices, price-driven POC normalisation at PGMs and effective progress in our cost-out programmes. The reductions in cost and normalisation of POC drove an improvement in the Group's underlying EBITDA margin* to 33% (30 June 2023: 31%). Our ongoing focus on cost control and cash generation has positioned us well as we execute our strategy. A reconciliation of 'Profit before net finance costs and tax', the closest equivalent IFRS measure to underlying EBITDA, is provided within note 4 to the Condensed financial statements.

Underlying EBITDA* by segment

$ million	Six months ended 30 June 2024	Six months ended 30 June 2023
Copper	**2,038**	1,492
Iron Ore	**1,413**	1,775
Crop Nutrients	**(22)**	(20)
PGMs	**675**	667
De Beers	**300**	347
Steelmaking Coal	**592**	615
Nickel	**28**	110
Manganese	**11**	138
Corporate and other	**(55)**	(10)
Total	**4,980**	5,114

Underlying EBITDA* reconciliation for the six months ended 30 June 2023 to six months ended 30 June 2024

The reconciliation of underlying EBITDA from $5.1 billion in 2023 to $5.0 billion in 2024 shows the major controllable factors (e.g. cost and volume), as well as those outside of management control (e.g. price, foreign exchange and inflation), that drive the Group's performance.

$ billion	
H1 2023 underlying EBITDA*	**5.1**
Price	**(0.6)**
Foreign exchange	**0.2**
Inflation	**(0.3)**
Net cost and volume	**0.7**
Other	**(0.1)**
H1 2024 underlying EBITDA*	**5.0**

Price

Average market prices for the Group's basket of products decreased by 10% compared with the first half of 2023, reducing underlying EBITDA by $0.6 billion. This was driven by the weighted average realised price for iron ore which reduced by 11%, alongside the PGMs basket price which decreased by 24%, primarily driven by rhodium and palladium which decreased by 49% and 34%, respectively. The decrease was predominantly in H2 2023, with prices fairly stable through H1 2024. This was partly offset by a 9% increase in the copper weighted average realised price and the price-driven normalisation of POC at PGMs.

Foreign exchange

Favourable foreign exchange benefited underlying EBITDA by $0.2 billion, primarily reflecting the favourable impact of the weaker Chilean peso.

Inflation

The Group's weighted average CPI was 4% in the first six months of 2024, as inflation continued to increase in all regions, albeit lower than the 6% in 2023 over the same period. The impact of CPI inflation on costs reduced underlying EBITDA by $0.3 billion (30 June 2023: $0.5 billion).

Net cost and volume

The net impact of cost and volume was a $0.7 billion increase in underlying EBITDA, driven by effective cost-out programmes across the Group, alongside higher sales volumes at PGMs from a drawdown of finished goods, and higher sales at Steelmaking Coal driven by higher production due to longwall moves in 2023.

Other

The $0.1 billion unfavourable movement was driven by the temporary suspension of the Australia-based Manganese operations since mid-March 2024 as a result of the impact of tropical cyclone Megan and losses relating to PGM's share in AP Ventures. This was partly offset by a fair value gain of a non-diamond royalty right at De Beers.

Underlying earnings*

Group underlying earnings decreased to $1.3 billion (30 June 2023: $1.7 billion), driven by higher depreciation and amortisation, higher finance costs and slightly lower underlying EBITDA, partly offset by a corresponding decrease in income tax expense and earnings attributable to non controlling interests.

Reconciliation from underlying EBITDA* to underlying earnings*

Six months ended Six months ended

$ million	Six months ended 30 June 2024	Six months ended 30 June 2023
Underlying EBITDA*	**4,980**	5,114
Depreciation and amortisation	**(1,517)**	(1,265)
Net finance costs and income tax expense	**(1,644)**	(1,550)
Non-controlling interests	**(529)**	(629)
Underlying earnings*	**1,290**	1,670

Depreciation and amortisation

Depreciation and amortisation increased by 20% to $1.5 billion (30 June 2023: $1.3 billion), largely due to Quellaveco commencing commercial production in June 2023 and an increase in shipping leases.

Net finance costs and income tax expense

Net finance costs, before special items and remeasurements, were $0.4 billion (30 June 2023: $0.2 billion). The increase was principally driven by the impact of higher floating interest rates on the Group's interest expense coupled with higher gross debt, as well as Copper Peru commencing commercial production in June 2023 resulting in the cessation of interest capitalised on the project.

The underlying effective tax rate was higher than the prior period at 40.3% (30 June 2023: 37.0%), impacted by the relative levels of profits arising in the Group's operating jurisdictions. The tax charge for the period, before special items and remeasurements, was $1.2 billion (30 June 2023: $1.2 billion).

Non-controlling interests

The share of underlying earnings attributable to non-controlling interests of $0.5 billion (30 June 2023: $0.6 billion) principally relates to minority shareholdings in Kumba (Iron Ore), Copper and PGMs.

Special items and remeasurements

Special items and remeasurements (after tax and non-controlling interests) are a net charge of $2.0 billion (30 June 2023: net charge of $0.4 billion), principally relating to the impairments of $1.6 billion recognised in Woodsmith (Crop Nutrients) and restructuring costs linked to the strategic change programme across the Group of $0.3 billion.

Full details of the special items and remeasurements recorded are included in note 11 to the Condensed financial statements.

Net debt*

$ million	2024	2023
Opening net debt* at 1 January	**(10,615)**	(6,918)
Underlying EBITDA* from subsidiaries and joint operations	**4,802**	4,685
Working capital movements	**562**	(701)
Other cash flows from operations	**(203)**	(53)
Cash flows from operations	**5,161**	3,931
Capital repayments of lease obligations	**(200)**	(125)
Cash tax paid	**(884)**	(1,096)
Dividends from associates, joint ventures and financial asset investments	**142**	208
Net interest[(1)]	**(476)**	(303)
Distributions paid to non-controlling interests	**(300)**	(362)
Sustaining capital expenditure	**(2,197)**	(2,024)
Sustaining attributable free cash flow*	**1,246**	229
Growth capital expenditure and other[(2)]	**(740)**	(695)
Attributable free cash flow*	**506**	(466)
Dividends to Anglo American plc shareholders	**(503)**	(905)
Acquisitions and disposals	**16**	197
Foreign exchange and fair value movements	**1**	(2)
Other net debt movements[(3)]	**(493)**	(704)
Total movement in net debt*	**(473)**	(1,880)
Closing net debt* at 30 June	**(11,088)**	(8,798)

Closing net debt* at 30 June	**(11,088)**	(8,798)

(1)Includes cash outflows of $243 million (30 June 2023: outflows of $196 million), relating to interest payments on derivatives hedging net debt, which are included in cash flows from derivatives related to financing activities.

(2)Growth capital expenditure and other includes $46 million (30 June 2023: $59 million) of expenditure on non-current intangible assets.

(3)Includes the purchase of shares (including for employee share schemes) of $111 million; Mitsubishi's share of Quellaveco's capital expenditure of $26 million; other movements in lease liabilities (excluding variable vessel leases) increasing net debt by $132 million; and contingent and deferred consideration paid in respect of acquisitions completed in previous years of $58 million. 30 June 2023 includes the purchase of shares (including for employee share schemes) of $187 million; Mitsubishi's share of Quellaveco capital expenditure of $83 million; other movements in lease liabilities (excluding variable vessel leases) increasing net debt by $89 million; and contingent and deferred consideration paid in respect of acquisitions completed in previous years of $124 million.

Net debt (including related derivatives) of $11.1 billion increased by $0.5 billion from 31 December 2023. Net debt at 30 June 2024 represented gearing (net debt to total capital) of 26% (31 December 2023: 25%). The net debt to EBITDA ratio of 1.1x (31 December 2023: 1.1x) remains unchanged, and well within our target range of <1.5x at the bottom of the cycle.

Cash flow

Cash flows from operations and Cash conversion*

Cash flows from operations increased to $5.2 billion (30 June 2023: $3.9 billion), reflecting the impact of a working capital reduction of $0.6 billion (30 June 2023: build of $0.7 billion) and an increase in underlying EBITDA from subsidiaries and joint operations. Receivables decreased by $0.7 billion, led by a lower iron ore price, coupled with lower Copper sales volumes more than offsetting the higher copper price. Inventory reduced by $0.1 billion, driven by a sell-down of finished diamonds inventory. This was partly offset by a decrease in payables of $0.3 billion, owing to lower costs and the impact of lower coal prices on royalties at Steelmaking Coal and phasing on consumable and marketing spend at De Beers.

These factors contributed to the Group's cash conversion increasing to 86% (30 June 2023: 52%).

Capital expenditure*

$ million	Six months ended 30 June 2024	Six months ended 30 June 2023
Stay-in-business	**1,370**	1,242
Development and stripping	**531**	510
Life-extension projects	**301**	274
Proceeds from disposal of property, plant and equipment	**(5)**	(2)
Sustaining capital	**2,197**	2,024
Growth projects	**694**	636
Total capital expenditure	**2,891**	2,660

Capital expenditure increased to $2.9 billion (30 June 2023: $2.7 billion), driven by both higher sustaining and growth capital compared to the prior period.

Sustaining capital expenditure increased to $2.2 billion (30 June 2023: $2.0 billion), driven by additional stay-in-business expenditure for the tailings filtration plant at Minas-Rio (Iron Ore) in Brazil, desalination plant project at Collahuasi, and increased expenditure at Quellaveco as the project has transitioned to commercial production.

Growth capital expenditure was $0.7 billion (30 June 2023: $0.6 billion), primarily related to the Woodsmith project (Crop Nutrients).

Attributable free cash flow*

The Group's attributable free cash flow increased to an inflow of $0.5 billion (30 June 2023: outflow of $0.5 billion), mainly due to an increase in cash flows from operations to $5.2 billion (30 June 2023: $3.9 billion), decreased tax payments of $0.9 billion (30 June 2023: $1.1billion) and a reduction in distributions paid to non-controlling interests to $0.3 billion (30 June 2023: $0.4 billion). This was partly offset by an increase in capital expenditure to $2.9 billion (30 June 2023: $2.7 billion) and in net interest paid to $0.5 billion (30 June 2023: $0.3 billion). This attributable free cash flow was then used in the funding of dividends paid to Anglo American plc shareholders of $0.5 billion.

Shareholder returns

In line with the Group's established dividend policy to pay out 40% of underlying earnings, the Board has approved an interim dividend of 40% of first half underlying earnings, equal to $0.42 per share (30 June 2023: $0.55 per share), equivalent to $0.5 billion (30 June 2023: $0.7 billion).

Balance sheet

Net assets decreased by $0.8 billion to $30.9 billion (31 December 2023: $31.6 billion), reflecting dividend payments to Company shareholders and non-controlling interests, foreign exchange movements as well as the loss in the period

Company shareholders and non-controlling interests, foreign exchange movements as well as the loss in the period, which was impacted by the impairment at Crop Nutrients.

Attributable ROCE*

Attributable ROCE decreased to 14% (30 June 2023: 18%). Annualised attributable underlying EBIT decreased to $4.6 billion (30 June 2023: $5.9 billion), reflecting the impact of lower realised prices for the Group's products, inflationary cost pressures and higher depreciation and amortisation. Average attributable capital employed increased to $33.7 billion (30 June 2023: $33.1 billion), primarily due to capital expenditure, largely at Platinum Group Metals and Steelmaking Coal, partly offset by the reduction in capital employed following the De Beers and Nickel impairments recorded in 2023.

Liquidity and funding

Group liquidity stood at $15.7 billion (31 December 2023: $13.2 billion), comprising $8.6 billion of cash and cash equivalents (31 December 2023: $6.1 billion) and $7.1 billion of undrawn committed facilities (31 December 2023: $7.2 billion).

During the first six months of 2024, the Group issued $2.9 billion of bond debt. In March 2024, the Group issued €500 million 3.75% Senior Notes due June 2029 and €750 million 4.125% Senior Notes due March 2032, and in April 2024, $1.0 billion 5.75% Senior Notes due April 2034 and $500 million 6% Senior Notes due April 2054. These were swapped to US dollar floating interest rate exposures in line with the Group's policy.

Consequently, the weighted average maturity on the Group's bonds increased to 7.8 years (31 December 2023: 7.4 years).

Attractive growth options

Anglo American continues to evolve its portfolio of competitive, world class assets towards those future-enabling products that are fundamental to enabling a low carbon economy, improving global living standards, and that help address food security. In addition to a strong pipeline of organic growth projects, Anglo American also continues to progress opportunities with industry partners in respect of adjacent assets where there is significant value to be unlocked.

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

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

Operation	Scope	Capex $bn	Remaining capex $bn	First production
Copper				
Collahuasi	Commissioning of the fifth ball mill, adding c.15 ktpa (44% share), started at the end of October 2023 and is ongoing.	Fifth ball mill c.0.1 (44% share)	0.0	2023
	Investment in additional crushing capacity and flotation cells is expected to add production of c.10 ktpa (44% share) on average from 2026.	Additional crushing capacity and flotation cells c.0.2 (44% share)	0.2 (44% share)	2026
	Further debottlenecking options remain under study and are expected to add c.15 ktpa (44% share) with capex from 2025 to 2028. Beyond that, studies and permitting are required to be finalised for a fourth processing line in the plant and mine expansion that would add up to c.150 ktpa (44% share) from ~2032. The desalination plant that is currently under construction has been designed to accommodate capital efficient expansion in light of the growth potential at the asset.		Expansion studies ongoing. Subject to permitting and approvals	
Quellaveco	The plant throughput is permitted to a level of 127.5 ktpd and a recent change in legislation has increased the permit allowance from 5% to 10%, enabling throughput of up to c.140 ktpd. In light of this, studies are underway for an incremental expansion to c.140 ktpd, potentially by late 2026. A subsequent increase to c.150 ktpd, which was already considered in the development of the greenfield project, is in the pre-feasibility study stage, and subject to further permitting, that could benefit production from 2027. No additional water rights will be required. Further local and regional expansion potential at Quellaveco is also being evaluated.	Expansion studies ongoing. Subject to permitting and approvals.		
Sakatti	Polymetallic greenfield project in Finland containing copper, nickel, platinum, palladium, gold, silver and cobalt. Expected to deliver c.100 ktpa copper equivalent production from a state-of-the-art mine design with minimal surface footprint. The EIA was approved by the Finnish authorities in 2023 and the Natura 2000 assessment is progressing.		Studies ongoing. Subject to permitting and approvals.	c.2033
Los Bronces	The underground project will partly replace lower grade open pit tonnes with higher grade underground tonnes. It is located 5km from the existing pit and will use the same plant and tailings deposit capacity used by the current operation, without requiring any additional fresh water. The underground development was permitted as		Studies ongoing. Subject to approvals.	Early 2030s

Operation	Scope	Capex $bn	Remaining capex $bn	First production
	part of the wider Los Bronces Integrated Project permit granted in 2023. Studies are under way with the aim being to develop a modern operation with minimal surface impact while maximising value delivery from the project.			
Premium iron ore				
Minas-Rio	The acquisition of the neighbouring Serpentina resource from Vale is currently expected to complete in Q4 2024, subject to regulatory conditions. At completion, Vale will contribute Serpentina and $157.5 million in cash to acquire a 15% shareholding in the enlarged Minas-Rio, subject to normal completion adjustments. Serpentina is of a higher iron ore grade than Minas-Rio's ore and contains predominantly softer friable ore that together are expected to translate into lower unit costs and capital requirements. The combination of Minas-Rio with the scale and quality of the Serpentina endowment also offers considerable expansion opportunities, including the potential to double production towards 60Mtpa. Vale will also have an option to acquire an additional 15% shareholding in the enlarged Minas-Rio for cash (at fair value calculated at the time of exercise of the option), if and when certain events relating to a future expansion occur. Near-term access to the Serpentina ore as well as the potential future expansion are both subject to obtaining normal licenses, which are expected to take a number of years.		Subject to studies, permitting and approvals.	
Crop Nutrients				
Woodsmith	New polyhalite (natural mineral fertiliser) mine being developed in North Yorkshire, UK. Expected to produce POLY4 - a premium quality, comparatively low carbon fertiliser suitable for organic use. Final design capacity of c.13 Mtpa is expected, subject to studies and approval.	Refer to page 21 for more information on project progress		

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

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

Operation	Scope	Capex $bn	Remaining capex $bn	Expected first production
Diamonds				
Venetia	4 Mctpa underground replacement for the open pit. First production achieved in 2023 with ramp-up over the next few years as development continues.	2.3	0.6	Achieved in June 2023
Jwaneng	9 Mctpa (100% basis) replacement for Cuts 7 and 8. The Cut-9 expansion of Jwaneng will extend the life of the mine by 9 years to 2036.	0.4 (19.2% share)	0.1 (19.2% share)	2027
Iron Ore				
Kolomela	High grade iron ore replacement project of c.4 Mtpa. The development of a new pit, Kapstevel South, and associated infrastructure at Kolomela to sustain output of 10-11Mtpa.	0.4	0.0	First ore mined in June 2024
PGMs				
Mototolo/ Der Brochen	Project leverages the existing Mototolo infrastructure, enabling mining to extend into the adjacent and down-dip Der Brochen resource to extend life of asset to c.2074.	0.3	0.2	2024
Mogalakwena	Evaluating various options to support possible future underground operations of the mine through progressing the drilling, twin exploration decline and studies for underground operations.	Studies under review with a number of options being considered		

Technology projects[1]

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

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

The Board

There have been no changes to the composition of the Board in the six months to 30 June 2024.

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

Principal risks and uncertainties

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

- Catastrophic (tailings dam failure; geotechnical failure; mineshaft failure; and fire and explosion) and natural catastrophe risks
- Product prices
- Cybersecurity
- Geopolitical
- Community and social relations
- Safety
- Corruption
- Operational performance (including interruption to power supply and the failure of critical third-party owned and operated infrastructure)
- Regulatory and permitting
- Water
- Climate change
- Pandemic
- Future demand

The Group is exposed to changes in the economic environment, including tax rates and regimes, as with any other business. Details of any key risks and uncertainties specific to the period are covered in the business reviews on pages 16-33. Details of relevant tax matters are included in note 7 to the Condensed financial statements.

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

Copper

Operational and financial metrics

	Production volume	Sales volume	Price	Unit cost*	Group revenue*	Underlying EBITDA*	EBITDA margin*	Underlying EBIT*	Capex*	ROCE*
	kt	kt(1)	c/lb(2)	c/lb(3)	$m(4)	$m		$m	$m	
Copper Total	394	391	429	152	3,875	2,038	53%	1,564	855	25%
Prior period	*387*	*389*	*393*	*179*	*3,493*	*1,492*	*43%*	*1,176*	*878*	*19%*
Copper Chile	247	242	437	176	2,455	1,196	49%	893	620	33%
Prior period	*249*	*238*	*393*	*205*	*2,263*	*691*	*31%*	*418*	*657*	*20%*
Los Bronces(5)	97	92	n/a	241	873	369	42%	244	146	n/a
Prior period	*113*	*103*	*-*	*310*	*843*	*128*	*15%*	*24*	*340*	*-*
Collahuasi(6)	125	127	n/a	119	1,204	782	65%	654	463	n/a
Prior period	*114*	*114*	*-*	*114*	*1,014*	*565*	*56%*	*447*	*297*	*-*
Other operations(7)	24	23	n/a	n/a	378	45	12%	(5)	11	n/a
Prior period	*23*	*21*	*-*	*-*	*406*	*(2)*	*0%*	*(53)*	*20*	*-*
Copper Peru (Quellaveco)(8)	147	149	415	112	1,420	842	59%	671	235	17%
Prior period	*138*	*151*	*394*	*132*	*1,230*	*801*	*65%*	*758*	*221*	*18%*

(1) Excludes 168 kt third-party sales (30 June 2023: 178 kt).
(2) Represents realised copper price and excludes impact of third-party sales.
(3) C1 unit cost includes by-product credits.
(4) Group revenue is shown after deduction of treatment and refining charges (TC/RCs).
(5) Figures on a 100% basis (Group's share: 50.1%).
(6) 44% share of Collahuasi production, sales and financials.
(7) Other operations form part of the results of Copper Chile. Production and sales are from El Soldado mine (figures on a 100% basis, Group's share: 50.1%). Financials include El Soldado and Chagres (figures on a 100% basis, Group's share: 50.1%), third-party trading, projects and corporate costs. El Soldado mine C1 unit costs decreased by 26% to 224c/lb (30 June 2023: 301c/lb).
(8) Figures on a 100% basis (Group's share: 60%).

Operational performance

Copper Chile

Copper production of 246,500 tonnes was broadly in line with the prior period (30 June 2023: 249,400 tonnes), due to planned higher throughput and grades at Collahuasi and El Soldado, offset by planned lower grade at Los Bronces.

At Los Bronces, production decreased by 14% to 97,100 tonnes (30 June 2023: 112,500 tonnes), due to planned lower ore grade (0.48% vs 0.52%) and throughput associated with continued ore hardness. As previously disclosed, the unfavourable ore characteristics in the current mining area will continue to impact operations until the next phase of the mine, where the grades are expected to be higher and the ore softer. Development work for this phase is now under way and it is expected to benefit production from early 2027 (refer to 'Operational outlook' below for further details). As planned, in line with our broader focus on improving cash generation, the older, smaller (c.40% of plant capacity) and more costly Los Bronces processing plant will be placed on care and maintenance by the end of July, in light of the current unfavourable ore characteristics in the mine.

At Collahuasi, Anglo American's attributable share of copper production increased by 9% to 125,000 tonnes (30 June 2023: 114,400 tonnes), due to higher throughput driven by the fifth ball mill that started up in Q4 2023 and planned higher grade (1.13% vs 1.07%), partially offset by lower copper recovery.

Production at El Soldado increased by 8% to 24,400 tonnes (30 June 2023: 22,500 tonnes) due to planned higher grade (0.94% vs 0.84%).

The central zone of Chile, where Los Bronces and El Soldado are located, experienced record levels of rain and snow - with the wettest June and also the most snowfall in over 20 years. While both operations were impacted, there has been limited disruption, despite the extent of snowfall.

Copper Peru

Quellaveco production increased by 7% to 147,300 tonnes (30 June 2023: 137,800 tonnes), reflecting the higher throughput reached since commercial production was achieved in June 2023, despite the impact of planned lower grades during the first six months of 2024. Operational performance is tracking well against the revised mine plan.

Focus is on the ramp up of the coarse particle recovery plant that treats flotation tails, leading to improved metal recoveries.

Markets

	30 June 2024	30 June 2023
Average market price (c/lb)	**412**	394
Average realised price (Copper Chile - c/lb)	**437**	393
Average realised price (Copper Peru - c/lb)	**415**	394

The differences between the market price and the realised prices are largely a function of provisional pricing adjustments and the timing of sales across the year. At Copper Chile, 72,800 tonnes of copper were provisionally priced at 432 c/lb at 30 June 2024 (30 June 2023: 134,500 tonnes provisionally priced at 377 c/lb). At Copper Peru, 64,600 tonnes of copper were provisionally priced at 410 c/lb at 30 June 2024 (30 June 2023: 91,700 tonnes provisionally priced at 377 c/lb).

Copper prices were firmer during the first six months of 2024, with LME prices averaging 412 c/lb, up 5% from last year (30 June 2023: 394 c/lb). Investor flows into base metals helped drive copper prices higher, reaching an all-time nominal high in May, offsetting slower physical demand growth from China during the second quarter. Copper prices remain well supported by ongoing global decarbonisation efforts and energy transition infrastructure investment.

Financial performance

Underlying EBITDA for Copper increased by 37% to $2,038 million (30 June 2023: $1,492 million), driven by the higher copper price and improved cost performance.

Copper Chile

Underlying EBITDA increased by 73% to $1,196 million (30 June 2023: $691 million), driven by higher copper prices, the benefit of a weaker Chilean peso, lower costs and slightly higher copper sales volumes. C1 unit costs decreased by 14% to 176 c/lb (30 June 2023: 205 c/lb), reflecting effective cost control and the benefit of a weaker Chilean peso.

Capital expenditure decreased by 6% to $620 million (30 June 2023: $657 million), driven by a weaker Chilean peso and lower expenditure at Los Bronces, partially offset by expected higher expenditure at Collahuasi on the desalination plant project.

Copper Peru

Underlying EBITDA increased by 5% to $842 million (30 June 2023: $801 million), driven by higher copper prices and lower unit costs. C1 unit costs decreased by 15% to 112 c/lb (30 June 2023: 132 c/lb), reflecting the benefit of increased molybdenum production offsetting higher costs due to entering commercial production.

Capital expenditure increased by 6% to $235 million (30 June 2023: $221 million), due to higher sustaining capital in the current period as the asset commenced commercial production in June 2023. This is partly offset by decreased growth capital following project completion.

Operational outlook

Copper Chile

Los Bronces

Los Bronces is currently mining a single phase with expected lower grades. Stripping of additional mining phases is progressing according to plan, aiming to mitigate previous delays in mine development, permitting and operational challenges.

Los Bronces is a world class copper deposit, accounting for more than 2% of the world's known copper resources. While the operation effectively works through the challenges in the mine, and until the economics improve, the older, smaller (c.40% of production volumes) and more costly Los Bronces processing plant will be placed on care and maintenance, now scheduled for the end of July 2024. This value over volume decision will enable the business to build on the strong cost performance from the first half of 2024, with some cost savings from the expected plant closure on the strong cost performance from the first half of 2024, with some cost savings from the expected plant closure already being achieved, improving the asset's competitive position.

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

Pre-feasibility studies to advance the permitted Los Bronces open pit expansion and underground development are progressing and are expected to be finalised in mid-2025.

Collahuasi

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

A desalination plant is currently under construction that will meet a large portion of the mine's water requirements when complete in 2026 and has been designed to accommodate capital-efficient expansion as the fourth processing line project progresses. Until then, the operation continues to progress mitigation measures to optimise and reduce water consumption and secure third-party sources.

El Soldado

Production in 2024 is expected to be broadly comparable to 2023, before declining to 30,000-35,000 tpa until end of mine life which is expected by mid-2028. Options to extend the life of the mine beyond 2028 are being evaluated.

Copper Chile

These impacts are reflected in the unchanged guidance provided on pages 34-35. Production guidance for Chile for 2024 is 430,000-460,000 tonnes, subject to water availability and is weighted to the first half of the year owing to the planned closure of the Los Bronces plant by the end of July. 2024 unit cost guidance is c.190 c/lb[1]. The first half unit cost of 176 c/lb was lower than guidance, reflecting the benefit of a weaker Chilean peso.

Copper Peru

A localised geotechnical fault in one of the high grade phases previously scheduled for mining in 2024 necessitated a revised mining plan in the latter part of 2023, as it was determined that a change in the inter-ramp angle of that phase was required to ensure safety standards. This stripping work is progressing well, with other lower grade phases being mined, until the high grade phase is accessed in 2027.

There is significant expansion potential that could sustain production beyond the initial high grade area. Currently, the plant throughput is permitted to a level of 127,500 tonnes per day (tpd) and a recent change in legislation has increased the permit allowance from 5% to 10%, enabling throughput to increase from 133,800 tpd to c.140,000 tpd. In light of this, studies are underway for an incremental expansion to c.140,000 tpd, potentially by late 2026. A subsequent increase to c.150,000 tpd is in the pre-feasibility study stage, and subject to further permitting, that could benefit production from 2027. No additional water rights will be required. Beyond that, different expansion alternatives are under study, including a possible third ball mill. There is also interesting regional potential that our Discovery team is progressing - including the adjacent Mamut area, c.10 km away.

These impacts are reflected in the unchanged guidance provided on pages 34-35. Production guidance for Peru for 2024 is 300,000-330,000 tonnes. Production in Peru is weighted to the second half of the year as a higher grade area of the mine is accessed. 2024 unit cost guidance is c.110 c/lb[1]. The first half unit cost of 112 c/lb, was slightly higher than guidance, reflecting the weighting of production volumes to the second half of the year.

(1) The copper unit costs are impacted by FX rates and pricing of by-products, such as molybdenum. 2024 unit cost guidance was set at c.850 CLP:USD for Chile and c.3.7 PEN:USD for Peru.

Iron Ore

Operational and financial metrics

	Production volume	Sales volume	Price	Unit cost*	Group revenue*	Underlying EBITDA*	EBITDA margin*	Underlying EBIT*	Capex*	ROCE*
	Mt[1]	Mt[1]	$/t[2]	$/t[3]	$m	$m		$m	$m	
Iron Ore Total	30.7	29.5	93	37	3,296	1,413	43%	1,171	495	21%
Prior period	*30.7*	*30.3*	*105*	*36*	*3,660*	*1,775*	*48%*	*1,554*	*382*	*30%*
Kumba Iron Ore[4]	18.5	18.1	97	39	1,988	888	45%	742	266	47%
Prior period	*18.7*	*19.0*	*106*	*39*	*2,169*	*1,105*	*51%*	*975*	*277*	*69%*
Iron Ore Brazil (Minas-Rio)	12.3	11.4	86	33	1,308	525	40%	429	229	14%
Prior period	*12.0*	*11.4*	*104*	*32*	*1,491*	*670*	*45%*	*579*	*105*	*20%*

(1) Production and sales volumes are reported as wet metric tonnes. Product is shipped with c.1.6% moisture from Kumba and c.9% moisture from Minas-Rio.

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

(3) Unit costs are reported on an FOB wet basis. Unit costs for total iron ore are a blended average.

(4) Sales volumes, stock and realised price could differ to Kumba's stand-alone reported results due to sales to other Group companies.

Operational performance

Kumba
Production decreased by 2% to 18.5 Mt (30 June 2023: 18.7 Mt), driven by a 12% decrease at Kolomela to 5.3Mt (30 June 2023: 6.0Mt) partly offset by a 3% increase at Sishen to 13.2 Mt (30 June 2023: 12.8 Mt). Kumba reduced production in the fourth quarter of 2023 to alleviate mine stockpile constraints, followed by an operational reconfiguration implemented in the first quarter of 2024 to align with Transnet's rail capacity. Sales volumes were 18.1 Mt, 5% below the prior period (30 June 2023: 19.0 Mt), reflecting the impact of equipment challenges at Saldanha Bay port, which were partly mitigated by a proactive mini-shut and stacker reclaimer repairs in April.

As a result of rail and port challenges during the first half of the year, total finished stock increased by 1.1 Mt to 8.2 Mt, with stock at the mines increasing by 0.9 Mt to 7.4 Mt, above desired levels. Consequently, stock at the port remains low at 0.8 Mt, an increase of only 0.2 Mt in the first six months of the year.

Minas-Rio

Production increased by 2% to 12.3 Mt (30 June 2023: 12.0 Mt), reflecting the strongest half-year performance since 2020 and a record second quarter. This performance was a result of good preparation at the mine at the end of 2023, with high stock levels available to secure the ore feed, despite the highest rainfall in the last six years and lower mining fleet availability. Production also benefitted from an improved performance at the crushing circuit and beneficiation plant.

Markets

	30 June 2024	30 June 2023
Average market price (Platts 62% Fe CFR China - $/tonne)	**118**	118
Average market price (MB 65% Fe Fines CFR - $/tonne)	**131**	132
Average realised price (Kumba export - $/tonne) (FOB wet basis)	**97**	106
Average realised price (Minas-Rio - $/tonne) (FOB wet basis)	**86**	104

The Platts 65-62 differential averaged $13/dmt in the first half compared to $14/dmt in the same period of last year. Lump premium averaged $0.13/dmtu during the first half of 2024, largely unchanged over the comparative period. Persistent margin pressure at mills and a focus on cost reduction rather than productivity kept premia in line with 2023 levels.

Kumba's FOB realised price of $97/wet metric tonne (wmt) was broadly in line with the equivalent Platts 62% Fe FOB Saldanha market price (adjusted for moisture) of $96/wmt. The premiums for higher iron content (at 64.1%) and lump product (approximately 64%) were partially offset by the impact of provisionally priced sales volumes.

Minas-Rio's pellet feed product is higher grade (with iron content of c.67% and lower impurities) so the MB 65 Fines index is used when referring to the Minas-Rio product. The Minas-Rio realised price of $86/wmt FOB was 9% lower than the equivalent MB 65 FOB Brazil index (adjusted for moisture) of $94/wmt, impacted by provisional pricing which more than offset the premium for our high quality product, including higher (~67%) Fe content.

Financial performance

Underlying EBITDA for Iron Ore decreased by 20% to $1,413 million (30 June 2023: $1,775 million), principally driven by a 3% decrease in sales volumes and 11% decrease in the realised iron ore price.

Kumba

Underlying EBITDA decreased by 20% to $888 million (30 June 2023: $1,105 million), driven by a lower average realised price and lower sales volumes. Unit costs were flat at $39/tonne (30 June 2023: $39/tonne), as the benefit of the mine and cost optimisation work and a slightly weaker South African rand were offset by lower production.

Capital expenditure decreased by 4% to $266 million (30 June 2023: $277 million), reflecting planned lower growth and life-extension spend, partly offset by higher deferred stripping capitalisation.

Minas-Rio

Underlying EBITDA decreased by 22% to $525 million (30 June 2023: $670 million), primarily due to lower realised prices and higher unit costs. Unit costs increased by 3% to $33/tonne (30 June 2023: $32/tonne), primarily due to maintenance costs associated with the mining fleet, partially offset by cost reduction initiatives.

Capital expenditure was 118% higher at $229 million (30 June 2023: $105 million), primarily due to the construction of the new tailings filtration plant, which is expected to start-up in 2026.

Operational outlook

Kumba

Kumba

Production is expected to remain at 35-37 Mtpa[1] for the period 2024 to 2026, in line with the expected third-party logistics constraint and to help ensure a balanced value chain. Unit costs are expected to be between $38-40/tonne during this three-year period, benefiting from Kumba's business reconfiguration and cost optimisation programme, in line with the lower production profile.

These impacts are reflected in the unchanged guidance provided on pages 34-35. Production guidance for 2024 is 35-37 Mt, subject to third-party rail and port availability and performance, and 2024 unit cost guidance is c.$38/tonne[2]. The first half unit cost of $39/tonne is higher than guidance, reflecting the slightly stronger South African rand and the remaining benefit of the cost-out programme that will be realised in the second half of the year, as planned.

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

Minas-Rio

Following the record quarterly production in the fourth quarter of 2023, focus is on embedding consistent, stable and strong operating performance, while increasing the maturity of capital projects to sustain and grow production volumes. Optionality is also being evaluated to maximise long term value in light of the agreement to acquire and integrate the contiguous Serra da Serpentina high grade iron ore resource.

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

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

These impacts are reflected in the unchanged guidance provided on pages 34-35. Production guidance for 2024 is 23-25 Mt and 2024 unit cost guidance is c.$35/tonne[2].The first half unit cost of $33/tonne is lower than guidance, reflecting the benefit of slightly higher volumes in the first half of the year.

(2) 2024 unit cost guidance was set at c.19 ZAR:USD for Kumba and c.5.0 BRL:USD for Minas-Rio.

Crop Nutrients

Operational and financial metrics

	Production volume	Sales volume	Group revenue*	Underlying EBITDA*	EBITDA margin*	Underlying EBIT*	Capex*	ROCE*
			$m	$m		$m	$m	
Crop Nutrients	n/a	n/a	86	(22)	n/a	(22)	500	n/a
Prior period	-	-	*93*	*(20)*	-	*(20)*	*307*	-
Woodsmith project	n/a	n/a	n/a	n/a	n/a	n/a	500	n/a
Prior period	-	-	-	-	-	*n/a*	*307*	-
Other[1]	n/a	n/a	86	(22)	n/a	(22)	n/a	n/a
Prior period	-	-	*93*	*(20)*	-	*(20)*	-	-

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

Crop Nutrients

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

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

Progress update

Woodsmith project

In the first half of the year, the focus has been on continuing to progress core infrastructure activities of shaft sinking and tunnel boring, with good progress being made.

The service shaft is at a depth of 745 metres and has been undergoing preparatory works ahead of intersecting the Sherwood sandstone strata, expected in the second half of 2024. The sandstone is a key focus area for shaft sinking due to the expected hardness of the rock and potential for water fissures. The production shaft has reached a depth of 712 metres, and the tunnel has reached 29.2km of the total 37 km length.

On 14 May 2024, the Group announced that in order to support deleveraging of its balance sheet, it will be slowing the pace of development of the Woodsmith project in the near-term. Crop Nutrients is identified as one of the three key pillars of the Group's more focused portfolio, and as such the focus will shift to preserving the long-term value of this high quality asset, and enabling the project's future development. To that end, work is under way to identify and secure one or more strategic syndication partners for Woodsmith.

Forecast capital expenditure for 2024 remains c.$0.9 billion, focused on core infrastructure, with $500 million spent during the half (30 June 2023: $307 million). Capital expenditure for 2025 and 2026 is c.$0.2 billion and nil, respectively.

Operating expenditure for 2025 and 2026 is expected to be c.$0.2 billion and c.$0.1 billion, respectively.

A detailed review has been conducted to identify the critical value-adding works to be executed during the slowdown period to de-risk the overall project schedule, preserve progress on areas that will be entering a period of care and maintenance, and further optimise certain scopes of the project ready for ramp-up when conditions allow.

Shaft sinking activities are planned to continue on the service shaft to progress through the key Sherwood sandstone strata, subject to capital allocation priorities. Sinking activities on the production shaft have now been paused and will enter a phase of care and maintenance. The tunnel has reached the final intermediate shaft at Ladycross. The tunnel boring machine is undergoing a planned maintenance stop during which time the tunnel and Ladycross shaft will be connected. Following this, tunnel boring activities will continue at a significantly reduced pace. During the slowdown period, key permits will be maintained to allow project ramp-up in due course.

The study programme, focused on enhancing the project's configuration, enabling efficient, scalable mining methods over time, and optimising additional infrastructure, is being rescoped to fit the revised funding and syndication plan, with critical technical studies planned to complete prior to future project approval and restart. The expected final design capacity remains c.13 Mtpa, subject to studies and approval.

The reduced pace of construction will result in an extended development schedule and, primarily due to this, an impairment charge of $1.6 billion has been recognised to the carrying value of the asset within 'special items and remeasurements'.

We will continue to fund our Thriving Communities programmes that focus on vulnerable young people. We will also engage regularly with local stakeholders and community partners to ensure that they are informed of changes to the project and any concerns are addressed. We are currently working closely with a number of local organisations on a social response plan that will help people affected by the slowdown to find new roles in the local area through our partnerships with other businesses, suppliers and local councils.

Market development - POLY4

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

The ongoing focus of market development activities has been to develop and implement detailed sales and marketing strategies for each region and to support customers with their own market development activities to further promote POLY4 to the end-users of the product - farmers. We have engaged deeper into the food value chain working with our distribution partners, leading UK retailers, large distributors, major blenders, influencers, farming associations, and research institutions to help ensure we deliver what is needed at the farm gate. Through our global agronomy programme, we have conducted over 1,900 field demonstrations to date, on over 80 crops, and our research continues to reinforce these superior qualities and characteristics of POLY4.

During the project slowdown period, the focus of marketing work will be on the key commercial and technical relationships that are already well established, maintaining presence in our key selling regions and consolidating the data that we have around product characteristics.

Woodsmith remains a Tier 1 resource entirely aligned with the demand trends of decarbonisation and food security. Anglo American has high confidence, backed by its proven track record in project delivery, to develop the Woodsmith project once the balance sheet is suitably deleveraged and the pathway to syndication is clear.

Platinum Group Metals (PGMs)

Operational and financial metrics

	Production volume PGMs	Sales volume PGMs	Basket price	Unit cost*	Group revenue*	Underlying EBITDA*	EBITDA margin*	Underlying EBIT*	Capex*	ROCE*
	koz[1]	koz[2]	$/PGM oz[3]	$/PGM oz[4]	$m	$m		$m	$m	
PGMs	1,755	1,974	1,442	976	2,796	675	24%	481	455	17%
Prior period	*1,844*	*1,807*	*1,885*	*993*	*3,531*	*667*	*19%*	*505*	*449*	*20%*
Mogalakwena	452	518	1,428	859	737	290	39%	190	271	n/a
Prior period	*461*	*462*	*1,930*	*961*	*898*	*437*	*49%*	*355*	*210*	-
Amandelbult	285	320	1,601	1,211	511	119	23%	92	27	n/a
Prior period	*299*	*309*	*2,174*	*1,200*	*676*	*206*	*30%*	*187*	*29*	-
Other operations[5]	315	487	1,361	933	523	15	3%	(31)	157	n/a
Prior period	*438*	*414*	*1,815*	*954*	*773*	*235*	*30%*	*186*	*210*	-
Processing and trading[6]	704	649	n/a	n/a	1,025	251	24%	230	n/a	n/a
Prior period	*646*	*622*	-	-	*1,184*	*(211)*	*(18)%*	*(223)*	-	-

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

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

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

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

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

(6) Includes purchase of concentrate from joint operations and third parties for processing into refined metals, tolling and third-party trading activities, with the exception of production and sales volumes which exclude tolling and trading. The disposal of our 50% interest in Kroondal on 1 November 2023, resulted in Kroondal moving to a 100% third-party POC arrangement, until it transitions to a toll arrangement expected in H2 2024.

Operational performance

Total PGM production decreased by 5% to 1,755,100 ounces (30 June 2023: 1,844,300 ounces) primarily due to lower production from the Kroondal joint operation (now sold), difficult ground conditions at Mototolo and operational challenges at Amandelbult.

Own mined production

PGM production from own-managed mines (Mogalakwena, Amandelbult, Unki and Mototolo) and equity share of joint operations decreased by 12% to 1,051,500 ounces (30 June 2023: 1,198,700 ounces) due to the disposal of Kroondal. Second quarter production was 9% higher than the first quarter, positioning the business well into the second half of the year.

Amandelbult production decreased by 5% to 284,700 ounces (30 June 2023: 299,400 ounces) primarily due to operational challenges at the concentrator as a result of blending open pit ore in the first quarter. However, there were early-stage improvements in the second quarter driven by operational efficiencies which allowed for higher grades and throughput from underground material.

Mogalakwena production decreased by 2% to 452,100 ounces (30 June 2023: 461,400 ounces) primarily due to blending low grade stockpiles as the new bench cut sequence progressed during the second quarter, which resulted in higher waste tonnes extracted in the short term.

Production from other operations decreased by 28% to 314,700 ounces (30 June 2023: 437,900 ounces) mainly due to the disposal of Kroondal, difficult ground conditions at Mototolo as a section of the mine nears the end of its life and the planned, temporary mining of a low-grade section at Unki.

Purchase of concentrate

Purchase of concentrate increased by 9% to 703,600 ounces (30 June 2023: 645,600 ounces) reflecting the transition of Kroondal to a 100% third-party purchase of concentrate arrangement. Normalising the comparative period to include 100% of Kroondal results in a 6% decrease, reflecting lower third-party receipts, as well as the planned ramp-down at Kroondal.

Refined production and sales volumes

Refined PGM production (excluding toll-treated metal) increased by 5% to 1,781,500 ounces (30 June 2023: 1,699,800 ounces) driven by a draw down of work-in-progress inventory compared to the same period last year. There was no Eskom load-curtailment during the first half of the year.

PGM sales volumes increased by 9% to 1,973,600 ounces (30 June 2023: 1,807,300 ounces) resulting from higher refined production and due to a draw down of finished goods compared to the same period last year.

Markets

	30 June 2024	30 June 2023
Average platinum market price ($/oz)	945	1,009
Average palladium market price ($/oz)	976	1,505
Average rhodium market price ($/oz)	4,602	8,957
Realised basket price ($/PGM oz)	1,442	1,885

Average PGM prices in H1 2024 were considerably lower than in H1 2023, driving a 24% decrease in the realised basket price to $1,442/oz (30 June 2023: $1,885/oz). This was driven largely by decreases in the realised prices of rhodium, palladium and platinum by 49%, 34% and 4% respectively.

Platinum's average price in the first half of 2024 suffered due to a stronger dollar compared to the same period in 2023, albeit strong investor demand on signs of a tightening supply and demand balance and surging prices for gold and silver have provided support through the period. The palladium price has, despite periodic rallies, continued to trend lower during most of this period on poor speculative sentiment. Rhodium's large year-on-year fall was driven by events in the first half of 2023, when it fell sharply on glass industry stock disposals, to hit a four-year low as of mid-year. After that, prices stabilised, before modestly strengthening in the first half of 2024 on solid automotive buying.

Sales of light vehicles that require PGM catalytic converters continued to rise in the first half of 2024, adding around 2% on the same period in 2023. This was despite slowing growth in the overall light vehicle sector this year compared with 2023 due to the fading of pent-up demand and some other consumer headwinds. Helping combustion sales was a moderation to the growth in sales of battery-electric vehicles. Plug-in hybrid electric vehicles continue to take share, at around 6% in 2024 so far, from 4% last year.

Financial performance

Underlying EBITDA increased to $675 million (30 June 2023: $667 million) primarily driven by the price-driven normalisation of POC, higher sales as a result of higher refined production, a draw down of finished goods, and effective early results from the cost-out programme. This was partly offset by a 24% decrease in the basket price, which impacted revenue. The cost savings, alongside favourable foreign exchange, contributed to own-mined unit costs decreasing by 2% to $976/PGM ounce (30 June 2023: $993/PGM ounce).

Capital expenditure of $455 million (30 June 2023: $449 million) was broadly flat, as planned lower stay-in-business expenditure was offset by planned higher spend on lifex projects, predominantly at Mogalakwena and Mototolo.

Operational outlook

PGM prices remain at low levels and the prevailing macro-economic conditions and uncertainty prompted the difficult but necessary action to reconfigure our PGM business in the first half of 2024 to ensure the long term sustainability and competitive position of our operations.

The consultation process for section 189A restructuring has been completed and the Mortimer Smelter placed on care and maintenance at the end of April 2024.

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

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

These impacts are reflected in the unchanged guidance provided on pages 34-35. PGM metal in concentrate production guidance for 2024 is 3.3-3.7 million ounces, with own-mined output of 2.1-2.3 million ounces and purchase of concentrate of 1.2-1.4 million ounces. Refined PGM production guidance for 2024 is 3.3-3.7 million ounces. Production remains subject to the impact of Eskom load-curtailment.

Unit cost guidance for 2024 is c.$920/PGM ounce(1). The first half unit cost of $976/PGM ounce is higher than guidance, reflecting lower production and the slightly stronger South African rand. The remaining benefit of the cost-out programme will be realised in the second half of the year, as planned, which together with higher production will deliver guidance.

(1) Unit cost is per own mined 5E + gold PGMs metal in concentrate ounce. 2024 unit cost guidance was set at c.19 ZAR:USD.

De Beers - Diamonds

Operational and financial metrics(1)

	Production volume	Sales volume	Price	Unit cost*	Group revenue*	Underlying EBITDA*	EBITDA margin(6)	Underlying EBIT*	Capex*	ROCE*(7)
	'000 cts	'000 cts(2)	$/ct(3)	$/ct(4)	$m(5)	$m		$m	$m	
De Beers	13,312	11,945	164	85	2,247	300	13%	150	264	(4)%
Prior period	*16,520*	*15,303*	*163*	*63*	*2,831*	*347*	*12%*	*190*	*302*	*5%*
Botswana	9,697	n/a	145	36	n/a	177	n/a	150	32	n/a
Prior period	*12,728*	-	*175*	*30*	-	*274*	-	*242*	*30*	-
Namibia	1,194	n/a	435	270	n/a	84	n/a	66	18	n/a
Prior period	*1,231*	-	*550*	*223*	-	*102*	-	*84*	*20*	-
South Africa	1,103	n/a	93	107	n/a	(13)	n/a	(41)	164	n/a
Prior period	*1,205*	-	*130*	*68*	-	*54*	-	*50*	*202*	-
Canada	1,318	n/a	80	51	n/a	41	n/a	23	28	n/a
Prior period	*1,356*	-	*89*	*46*	-	*23*	-	*1*	*32*	-
Trading	n/a	n/a	n/a	n/a	n/a	58	3%	56	-	n/a
Prior period	-	-	-	-	-	*61*	*2%*	*58*	*1*	-
Other(8)	n/a	n/a	n/a	n/a	n/a	(47)	n/a	(104)	22	n/a
Prior period	-	-	-	-	-	*(167)*	-	*(245)*	*17*	-

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

(2) Total sales volumes on a 100% basis were 12.7 million carats (30 June 2023: 17.3 million carats). Total sales volumes (100%) include De Beers Group's joint arrangement partners' 50% proportionate share of sales to entities outside De Beers Group from Diamond Trading Company Botswana and Namibia Diamond Trading Company.

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

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

(5) Includes rough diamond sales of $2.0 billion (30 June 2023: $2.5 billion).

(6) De Beers EBITDA margin includes the impact of mining as well as non-mining activities, third party sales, purchases, trading, brands and consumer markets and corporate. Mining EBITDA margin for De Beers is 40% (30 June 2023: 50%).

(7) De Beers' attributable ROCE is based on the prior 12 months, rather than the annualised half year performance, owing to the seasonality of sales and underlying EBIT profile of De Beers.

(8) Other includes Element Six, brands and consumer markets, and corporate.

Markets

Following a challenging 2023, demand for rough diamonds recovered slightly at the start of 2024 following the cessation of the voluntary moratorium on rough diamond imports into India in late 2023 and improved demand for diamond jewellery over the year-end retail selling season in the United States. However, with midstream polished inventories remaining higher than normal and continued cautious restocking from retailers, demand for rough diamonds deteriorated in the second quarter of the year.

Global consumer demand for natural diamond jewellery in the first half of 2024 experienced very different trends within the key consumer countries. In China, the ongoing economic challenges, particularly within the property market and low consumer confidence, have delayed the expected recovery from the sharp decline in 2023, with jewellery retailers largely selling from existing stocks rather than placing new orders. Consumer demand in the United States continued to be affected by economic uncertainty, soft consumer confidence and lab-grown diamonds. Conversely, in India, strong economic growth underpinned positive natural diamond jewellery demand growth.

The bifurcation of natural and lab-grown diamonds accelerated. Wholesale lab-grown diamond prices continue to fall with retailers, including Lightbox Jewelry, having to repeatedly reduce their prices to remain competitive, affecting their top-line performance and shifting retailer financial incentives increasingly towards natural diamond jewellery.

Operational performance

Mining

Rough diamond production reduced to 13.3 million carats (30 June 2023: 16.5 million carats). This reflects the decision to intentionally lower production and change short term plant feed mix in response to the weaker rough diamond demand due to the higher than average levels of inventory in the midstream and cautious retailer restocking.

In Botswana, production was reduced by 24% to 9.7 million carats (30 June 2023: 12.7 million carats), driven by intentional lower production and short-term changes in plant feed at Jwaneng and Orapa.

Namibia production decreased by 3% to 1.2 million carats (30 June 2023: 1.2 million carats), with planned lower production at Debmarine Namibia, partially offset by planned mining of areas with higher grades and recoveries at Namdeb.

South Africa production decreased by 8% to 1.1 million carats (30 June 2023: 1.2 million carats), due to planned processing of lower grade stockpiles at Venetia whilst the underground operations ramp-up over the next few years.

Production in Canada was broadly flat at 1.3 million carats (30 June 2023: 1.4 million carats).

Financial performance

Total revenue decreased to $2.2 billion (30 June 2023: $2.8 billion), with rough diamond sales decreasing to $2.0 billion (30 June 2023: $2.5 billion). Total rough diamond sales volumes decreased by 22% to 11.9 million carats (30 June 2023: 15.3 million carats). The average realised price is broadly flat at $164/ct (30 June 2023: $163/ct), reflecting a larger proportion of higher value rough diamonds being sold, offset by a 20% decrease in the average rough price index.

Underlying EBITDA decreased to $300 million (30 June 2023: $347 million), driven by reduced sales volumes and high unit costs due to intentional lower production and the ramp up of Venetia underground. Earnings benefitted from strategic progress on announced business streamlining, with a fair value gain of $127 million recognised in the period in relation to a non-diamond royalty right.

De Beers has focused on managing its rough diamond inventory levels through the softer trading conditions by reducing production to supply into demand.

Capital expenditure decreased by 13% to $264 million (30 June 2023: $302 million), reflecting phasing of life extension spend for the Venetia underground project. Investment in the ramp-up of the Venetia underground project continues as well as the execution of other life-extension projects, including Jwaneng Cut-9.

De Beers and the Government of the Republic of Botswana have previously signed Heads of Terms setting out the key terms for a new 10-year sales agreement for Debswana's rough diamond production (through to 2034) and the new 25-year Debswana mining licences (through to 2054). De Beers and the Government of Botswana are working together to progress and then implement the formal new sales agreement and related documents including the mining licences. In the interim, the terms of the most recent sales agreement remain in place. The new arrangements constitute a related party transaction for the purposes of the current UK Listing Rules given the Government of the Republic of Botswana holds a 15% interest in De Beers and is therefore deemed a related party of Anglo American. In line with the requirements under the current UK Listing Rules, Anglo American had previously communicated that the new arrangements would be subject to approval by Anglo American's shareholders. As part of the recently announced changes to the UK Listing Rules which come into effect on 29 July 2024, not only has the requirement for shareholder approval been removed with respect to related party transactions, the threshold at which a shareholder is deemed a related party has been increased from 10% to 20%. This means that from 29 July 2024 the new arrangements will not require approval by Anglo American's shareholders and will cease to qualify as a related party transaction for the purposes of the new UK Listing Rules. As such, Anglo American does not propose to seek shareholder approval for the new arrangements.

Corporate strategy

De Beers communicated its new Origins strategy at the end of May, with a focus on four key pillars underpinned by a plan to streamline the business sustainably by reducing overhead costs by $100 million per year. These comprised i) focusing upstream investments on the major projects that will deliver the highest returns; ii) integrating the midstream to deliver greater efficiency; iii) resetting the downstream by reinvigorating category marketing and evolving proprietary brands through scaling up De Beers Jewellers and refocusing Forevermark solely on the fast-growing Indian market; and iv) pivoting synthetics, with Lightbox suspending production of lab-grown diamonds for jewellery allowing Element Six to focus on its position as a world-leading provider of synthetic diamond technology solutions.

Brands and consumer markets

De Beers Jewellers delivered positive performance in design-led pieces across high jewellery and collections, while bridal and solitaire demand remained challenged by macro-economic headwinds and slower Chinese recovery.

New natural diamond marketing collaborations were established with world-leading diamond jewellery retailers: Signet in the US and Chow Tai Fook in China. The collaborations focus on driving long term desirability for natural diamonds in two of the world's leading consumer countries for natural diamonds. The collaborations will also benefit from promotional messages being amplified through the wide reach of these leading retail businesses.

De Beers also announced the introduction of *DiamondProof*, a new device to be used on the jewellery retail counter for rapidly distinguishing between natural diamonds and lab-grown stones, supporting retailers in communicating the attributes of natural diamonds, providing customers with enhanced confidence in the authenticity of their natural diamond purchase and deterring undisclosed lab-grown diamonds from entering the natural supply chain.

Market outlook

Weaker demand is expected to continue for some time, given the prevailing levels of midstream inventories. This is expected to be followed by a gradual recovery as demand from the United States, India and other countries draws down midstream inventories. Retailer re-stocking is expected to be supported by new natural diamond marketing, increasing engagement rates, improving macro-economic conditions and consumer confidence.

The wholesale prices of lab-grown diamonds continue to fall, exacerbated by ballooning stocks of lab-grown diamonds in India. In turn, lab-grown diamond retail prices remain on a downward trajectory, and it is expected that these trends will further reinforce consumers' understanding of the fundamental differences between lab-grown and natural diamond jewellery. Given the rapidly deteriorating economics of selling lab-grown diamonds as their prices continue to drop, there are also signs that retailers in the United States are returning their focus to natural diamonds.

In addition, there is a growing focus on diamond provenance which has the potential to reinforce demand for De Beers' ethically sourced rough diamonds, supported by provenance data registered on the blockchain Tracr™ platform, particularly given enhanced sanctions on Russian diamond import restrictions by G7 nations expected to be introduced in September 2024.

Operational outlook

Venetia is processing lower grade surface stockpiles while the operation transitions to underground. This will continue as the underground production slowly ramps up following the first production blast in mid-2023. It is expected to ramp up to steady-state levels of c.4 million carats per annum production over the coming years.
Production in 2026 is expected to benefit from an expansion project at Gahcho Kué (Canada).

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

These impacts are reflected in the guidance provided on pages 34-35. Production guidance for 2024 has been revised lower to 23-26 million carats (previously 26-29 million carats), following the finalisation of discussions with our production partners, as the business responds to the prolonged period of lower demand, higher than normal levels of inventory in the midstream, and a focus on working capital. Production remains subject to trading conditions.

2024 unit cost guidance is consequently revised to c.$95/carat(1) (previously c.$90/carat). The first half unit cost of $85/carat is lower than this guidance, reflecting the impact of lower production volumes in the second half of the year.

(1) Unit cost is based on De Beers' share of production volume. 2024 unit cost guidance was set at c.19 ZAR:USD.

Steelmaking Coal

Operational and financial metrics

	Production volume	Sales volume	Price	Unit cost*	Group revenue*	Underlying EBITDA*	EBITDA margin*	Underlying EBIT*	Capex*	ROCE*
	Mt(1)	Mt(2)	$/t(3)	$/t(4)	$m	$m		$m	$m	
Steelmaking Coal	8.0	7.9	265	125	2,108	592	28%	346	257	20%
Prior period	*6.9*	*6.9*	*274*	*135*	*2,000*	*615*	*31%*	*371*	*273*	*26%*

(1) Production volumes are saleable tonnes, excluding thermal coal production of 0.5 Mt (30 June 2023: 0.8 Mt). Includes production relating to third-party product purchased and processed at Anglo American's operations, and may include some product sold as thermal coal.

(2) Sales volumes exclude thermal coal sales of 0.7 Mt (30 June 2023: 0.8 Mt). Includes sales relating to third-party product purchased and processed by Anglo American.

(3) Realised price is the weighted average hard coking coal and PCI export sales price achieved at managed operations.

(4) FOB unit cost comprises managed operations and excludes royalties.

Operational performance

Production increased to 8.0 Mt (30 June 2023: 6.9 Mt), reflecting higher production from the underground operations, which were impacted by longwall moves during the first half of 2023.

The increased production was partly offset by ongoing challenges with difficult strata conditions at the Moranbah and Aquila longwall operations.

Markets

	30 June 2024	30 June 2023
Average benchmark price - hard coking coal ($/tonne)(1)	**276**	294
Average benchmark price - PCI ($/tonne)(1)	**164**	261
Average realised price - hard coking coal ($/tonne)(2)	**274**	280
Average realised price - PCI ($/tonne)(2)	**200**	236

(1) Represents average spot prices.

(2) Realised price is the export sales price achieved at managed operations.

Average realised prices differ from the average market prices due to differences in material grade and timing of shipments. Hard coking coal (HCC) price realisation increased to 99% of average benchmark price (30 June 2023: 95%), primarily as a result of the timing of sales.

The average benchmark price for Australian HCC in the first half of 2024 was $276/tonne (30 June 2023: $294/tonne). At the start of 2024, coal loading operations at Queensland ports were disrupted by high sea swells, exacerbated by the arrival of cyclone Kirrily. However, metallurgical coal exports from Australia regained momentum in the following months as weather conditions improved. Consequently, quarterly prices softened from $308/tonne in the first quarter to $242/tonne in the second quarter.

Demand for premium seaborne metallurgical coal from Indian steelmakers remained robust due to strong crude steel output, but this demand was primarily met through long-term contracts, with limited observable spot buying. In China, interest in importing seaborne Australian coking coal remained very low due to a persistent lack of import arbitrage interest in importing seaborne Australian coking coal remained very low due to a persistent lack of import arbitrage.

Financial performance

Underlying EBITDA decreased to $592 million (30 June 2023: $615 million), as a result of a 3% decrease in the weighted average realised price for steelmaking coal, which is partly offset by the 7% decrease in unit costs to $125/tonne (30 June 2023: $135/tonne). Unit costs benefited from the higher production in the period and a marginally weaker Australian dollar.

Capital expenditure decreased to $257 million (30 June 2023: $273 million), reflecting lower life-extension spend at Aquila as some spend remained in H1 2023 after the completion of the project in 2022, and a reduction in capitalised development costs at Moranbah in line with the mine advance.

Operational outlook

Production has been suspended at the Grosvenor mine following an underground fire that started on 29 June 2024. The workforce was safely evacuated from the mine without injury. The mine has been stabilised and we are re-establishing comprehensive underground gas monitoring, prior to being able to assess the steps towards a safe re-entry into the mine. The procedures are expected to take several months as a result of the likely damage underground. The other steelmaking coal mines are operating normally.

Export steelmaking coal production guidance for 2024 is 14-15.5 Mt. A planned longwall move at Moranbah is expected to take place during Q4 2024. A walk-on/walk-off longwall move at Aquila, that will have a minimal production impact, is scheduled in Q3 2024.

2024 unit cost guidance is $130-140/tonne(1), impacted by second half costs at Grosvenor despite no associated production. The first half unit cost of $125/tonne is higher than the c.$115/tonne guidance prior to the Grosvenor incident, due to lower than expected production from the higher fixed cost underground operations at Moranbah and Aquila.

(1) 2024 unit cost guidance was set at c.1.5 AUD:USD.

Nickel

Operational and financial metrics

	Production volume	Sales volume	Price	Unit cost*	Group revenue*	Underlying EBITDA*	EBITDA margin*	Underlying EBIT*	Capex*	ROCE*
	t	t	$/lb(1)	c/lb(2)	$m	$m		$m	$m	
Nickel	19,500	19,000	6.85	505	331	28	8%	24	50	8%
Prior period	*19,600*	*19,100*	*9.04*	*550*	*383*	*110*	*29%*	*72*	*41*	*12%*

(1)Realised price.
(2)C1 unit cost.

Operational performance

Nickel production was stable at 19,500 tonnes (30 June 2023: 19,600 tonnes), reflecting operational stability at both sites.

Markets

	30 June 2024	30 June 2023
Average market price ($/lb)	**7.94**	10.98
Average realised price ($/lb)	**6.85**	9.04

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

The average LME nickel price of $7.94/lb in the first half of 2024 was 28% lower than the same period of 2023 (30 June 2023: $10.98/lb). The price weakness was driven by increased supply from Indonesia and a sharp increase in visible stockpiles highlighting the refined market surplus. Demand nevertheless remains very strong globally, helped by solid demand from batteries and stainless steel.

Financial performance

Underlying EBITDA decreased by 75% to $28 million (30 June 2023: $110 million), as significantly lower realised prices more than offset the benefit of C1 unit costs. The C1 unit costs decreased by 8% to 505c/lb (30 June 2023: 550c/lb), driven by energy cost efficiencies and one-off costs in 2023.

Capital expenditure increased by 22% to $50 million (30 June 2023: $41 million), mainly driven by higher deferred stripping capitalisation.

Operational outlook

The next higher grade area of the pit is currently going through permitting, with production expected from 2028 to blend with the lower grade areas of the existing pit. Additional drilling is under way to increase coverage and enhance confidence levels within the geological models.

These impacts are reflected in the unchanged guidance provided on pages 34-35. Production guidance for 2024 is 36,000-38,000) tonnes. 2024 unit cost guidance is c.550 c/lb(1). The first half unit cost of 505c/lb is lower than guidance, reflecting the benefit of slightly higher volumes in the first half of the year and lower input costs, primarily from energy cost efficiencies.

(1) 2024 unit cost guidance was set at c.5.0 BRL:USD.

Manganese

Operational and financial metrics

	Production volume	Sales volume	Group revenue*	Underlying EBITDA*	EBITDA margin*	Underlying EBIT*	Capex*	ROCE*
	Mt	Mt	$m	$m		$m	$m	
Manganese	1.1	1.2	219	11	5 %	(35)	-	(53)%
Prior period	*1.8*	*1.8*	*346*	*138*	*40 %*	*96*	-	*95%*

Operational performance

Attributable manganese ore production has decreased 37% to 1.1 Mt (30 June 2023: 1.8 Mt), due to the temporary suspension of the Australian operations since mid-March 2024 as a result of the impact of tropical cyclone Megan. The weather event caused widespread flooding and significant damage to critical infrastructure. Operational recovery has focused on re-establishing critical services, dewatering targeted mining pits and in June, a phased return to mining activities has commenced. Engineering studies are under way on the infrastructure restoration.

The sale of the South African manganese alloy smelter, which has been on care and maintenance since March 2020, is subject to certain conditions and is expected to complete by the end of 2025.

Financial performance

Underlying EBITDA decreased by 92% to $11 million (30 June 2023: $138 million), primarily driven by a 34% decrease in export sales from the Australian operations, the weaker average realised manganese ore price, partially offset by lower operating costs.

The average benchmark price for manganese ore (Metal Bulletin 44% manganese ore CIF China) increased by 7% to $5.54/dmtu (30 June 2023: $5.19/dmtu). Prices have been on an increasing trend following cyclone damage to critical infrastructure at the Australian operation in May, which has removed more than 10% of manganese mined supply and up to a third of high-grade supply.

Corporate and Other

Financial metrics

	Group revenue*	Underlying EBITDA*	Underlying EBIT*	Capex*
	$m	$m	$m	$m
Corporate and Other	231	(55)	(216)	15
Prior period	*254*	*(10)*	*(95)*	*28*
Exploration	n/a	(60)	(60)	-
Prior period	-	*(65)*	*(65)*	-
Corporate activities and unallocated costs(1)	231	5	(156)	15
Prior period	*254*	*55*	*(30)*	*28*

(1) Revenue within Corporate activities and unallocated costs primarily relates to third-party shipping activities, as well as the Marketing business' energy solutions activities. Refer to note 4 to the Condensed financial statements for more detail.

Financial overview

Exploration

Exploration expenditure was $60 million, marginally lower than the prior period (30 June 2023: $65 million), reflecting corporate savings and timing of spend during 2024.

Corporate activities and unallocated costs

Underlying EBITDA was $5 million (30 June 2023: $55 million), driven by lower earnings from the Marketing business' energy solutions activities and proportionately lower corporate costs recognised in the underlying business. These were partly offset by strong performance within the Marketing business' shipping activities alongside further corporate cost reduction activities since mid-2023. The targeted annual run-rate reduction of $0.5 billion in corporate costs was delivered in the first six months of 2024.

Guidance summary

Guidance summary

Production and unit costs

	Unit costs 2024F	Production volumes			
		Units	2024F	2025F	2026F
Copper(1)	c.157 c/lb	kt	730-790	690-750	760-820
Iron ore(2)	c.$37/t	Mt	58-62	57-61	58-62
PGMs - metal in concentrate(3)	c.$920/oz	Moz	3.3-3.7	3.0-3.4	3.0-3.4
Own mined		Moz	2.1-2.3	2.1-2.3	2.1-2.3
Purchase of concentrate		Moz	1.2-1.4	0.9-1.1	0.9-1.1
PGMs - refined(4)		Moz	3.3-3.7	3.0-3.4	3.0-3.4
Diamonds(5)	c.$95/ct *(previously c.$90/ct)*	Mct	23-26 *(previously 26-29)*	30-33	32-35
Steelmaking Coal(6)	$130-140/t	Mt	14-15.5	17-19	18-20
Nickel(7)	c.550 c/lb	kt	36-38	35-37	35-37

Further commentary on the operational outlook at each business is included within the respective business reviews on pages 16-33.

Note: Unit costs exclude royalties, depreciation and include direct support costs only. 2024 unit cost guidance was set at: c.850 CLP:USD, c.3.7 PEN:USD, c.5.0 BRL:USD, c.19 ZAR:USD, c.1.5 AUD:USD.

(1) Copper business only. On a contained-metal basis. Total copper is the sum of Chile and Peru. Unit cost total is a weighted average based on the mid-point of production guidance. 2024 Chile: 430-460 kt; Peru 300-330 kt. 2025 Chile: 380-410 kt; Peru: 310-340 kt. 2026 Chile: 440-470 kt; Peru 320-350 kt. Chile production guidance is subject to water availability and is lower for the next three years impacted by Los Bronces due to lower grades and continued ore hardness, with the smaller and less efficient of the two processing plants being put on care & maintenance by the end of July 2024. In 2025, grades decline at all operations in Chile. In 2026, production benefits from improved grades at Collahuasi. Peru production in 2024 is weighted to the second half of the year, as a higher grade area of the mine is accessed. Chile 2024 unit cost is c.190 c/lb. Peru 2024 unit cost is c.110 c/lb.

(2) Wet basis. Total iron ore is the sum of Kumba and Minas-Rio. Unit cost total is a weighted average based on the mid-point of production guidance. 2024 Kumba: 35-37 Mt; Minas-Rio: 23-25 Mt. 2025 Kumba: 35-37 Mt; Minas-Rio: 22-24 Mt (impacted by pipeline inspection). 2026 Kumba: 35-37 Mt; Minas-Rio: 23-25 Mt. Kumba production is subject to the third-party rail and port availability and performance. 2024 unit cost guidance for Kumba is c.$38/tonne and for Minas-Rio is c.$35/tonne.

(3) Unit cost is per own mined 5E + gold PGMs metal in concentrate ounce. Production is 5E + gold PGMs produced metal in concentrate ounces. Includes own mined production and purchased concentrate volumes - please see split in above table. The average metal in concentrate split by metal is Platinum: c.45%; Palladium: c.35% and Other: c.20%. POC volumes decline as agreements reach their contractual conclusion. Kroondal is expected to move from 100% third-party POC to a toll arrangement (4E metals) in H2 2024. In 2025, the Siyanda POC agreement will transition to a tolling arrangement (4E metals). At the end of 2026, the Sibanye-Stillwater toll agreement concludes (impacting POC due to the minor metal volumes retained). Production remains subject to the impact of Eskom load-curtailment.

(4) 5E + gold produced refined ounces. Includes own mined production and purchased concentrate volumes. Production remains subject to the impact of Eskom load-curtailment.

(5) Production is on a 100% basis except for the Gahcho Kué joint operation, which is on an attributable 51% basis, and remains subject to trading conditions. Production has been revised lower as the business responds to the prolonged period of lower demand, higher than normal levels of inventory in the midstream, and a focus on working capital. Venetia continues to transition to underground operations, it is expected to ramp-up to steady-state levels of c.4Mctpa production over the next few years. 2026 production benefits from an expansion at Gahcho Kué. Unit cost is based on De Beers' share of production and has consequently been revised higher reflecting the lower production. Near term unit cost is impacted by a low carat profile from Venetia as the underground ramps up and is subsequently expected to reach a steady-state of c.$75/ct from 2026.

(6) Steelmaking Coal FOB/tonne unit cost comprises managed operations and excludes royalties. Production excludes thermal coal by-product and reflects the challenging operating environment of the longwalls due to the gas, depth and strata as well as the operating protocols. 2024 production guidance excludes Grosvenor in the second half of the year given the current uncertainties. 2025 and 2026 production guidance includes c.4.0Mtpa of production from Grosvenor. A planned longwall move at Moranbah is expected to take place during Q4 2024. A walk-on/walk-off longwall move at Aquila, that will have a minimal production impact, is scheduled in Q3 2024.

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

Capital expenditure ($bn)(1)

	2024F	2025F	2026F
Growth	c.$1.2bn *Includes ~$0.9bn Woodsmith capex*	c.$0.5bn *Includes ~$0.2bn Woodsmith capex*(2)	c.$0.3bn *Includes nil Woodsmith capex*(2)
Sustaining	c.$4.5bn *Reflects c.$3.4bn baseline, c.$0.7bn lifex projects and c.$0.4bn Collahuasi desalination plant*(3)	c.$4.4bn *Reflects c.$3.5bn baseline, c.$0.7bn lifex projects and c.$0.2bn Collahuasi desalination plant*(3)	c.$4.0bn *Reflects c.$3.5bn baseline and c.$0.5bn lifex projects*
Total	c.$5.7bn	c.$4.9bn	c.$4.3bn

Further details on Anglo American's high quality growth and life-extension projects, including details of the associated volumes benefit, are disclosed on pages 12-14.

Long term sustaining capital expenditure is expected to be $3.0-3.5 billion per annum(4), excluding life-extension projects.

Other guidance

- 2024 depreciation: $3.0-3.2 billion
- 2024 underlying effective tax rate: 40-42%(5)
- Dividend payout ratio: 40% of underlying earnings
- Net debt:EBITDA: <1.5x at the bottom of the cycle

(1)Cash expenditure on property, plant and equipment including related derivatives, net of proceeds from disposal of property, plant and equipment, and includes direct funding for capital expenditure from non-controlling interests. Guidance includes unapproved projects and is, therefore, subject to the progress of project studies. Refer to the H1 2024 results presentation for further detail on the breakdown of the capex guidance at project level. Given the current uncertainties, no adjustment has been made to the guidance for Grosvenor, which is currently suspended, with c.$0.2bn pa of capex included in 2024-26.

(2)Woodsmith: operating costs for 2025 and 2026 are expected to be c.$0.2 billion and c.$0.1billion, respectively.

(3)Collahuasi desalination capex shown includes related infrastructure, with other water management projects included in baseline sustaining. Attributable share of capex at 44%.

(4)Long term sustaining capex guidance is shown on a 2023 real basis.

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

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

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

www.angloamerican.com

Webcast of presentation:
A live webcast of the results presentation, starting at 9.00am UK time on 25 July 2024, can be accessed through the Anglo American website at www.angloamerican.com

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

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