



# ANGLO AMERICAN

The 16<sup>th</sup> Shanghai Derivatives Market Forum - May 2019



Real Mining. Real People. Real Difference.

# CAUTIONARY STATEMENT

---

**Disclaimer:** This presentation has been prepared by Anglo American Marketing Ltd and comprises the written materials/slides for a presentation concerning Anglo American Marketing Ltd. By attending this presentation and/or reviewing the slides you agree to be bound by the following conditions.

This presentation is for information purposes only and does not constitute an offer to sell or the solicitation of an offer to buy shares in Anglo American plc or any other entity within the Anglo American group of companies (collectively "Anglo American"). Further, it does not constitute a recommendation by Anglo American or any other party to sell or buy shares in Anglo American or any other securities. All written or oral forward-looking statements attributable to Anglo American or persons acting on their behalf are qualified in their entirety by these cautionary statements.

No representation or warranty, either express or implied, is provided in relation to the accuracy, completeness or reliability of the information contained herein. None of Anglo American, its affiliates, advisors or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this material or otherwise in connection with this material.

## **Forward-Looking Statements**

This presentation includes forward-looking statements. All statements other than statements of historical facts included in this presentation, including, without limitation, those regarding Anglo American's financial position, business, acquisition and divestment strategy, plans and objectives of management for future operations (including development plans and objectives relating to Anglo American's products, production forecasts and reserve and resource positions), are forward-looking statements. By their nature, such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Anglo American, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Such forward-looking statements are based on numerous assumptions regarding Anglo American's present and future business strategies and the environment in which Anglo American will operate in the future. Important factors that could cause Anglo American's actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, levels of actual production during any period, levels of global demand and commodity market prices, mineral resource exploration and development capabilities, recovery rates and other operational capabilities, the availability of mining and processing equipment, the ability to produce and transport products profitably, the availability of transportation infrastructure, the impact of foreign currency exchange rates on market prices and operating costs, the availability of sufficient credit, the effects of inflation, political uncertainty and economic conditions in relevant areas of the world, the actions of competitors, activities by governmental authorities such as permitting and changes in taxation or safety, health, environmental or other types of regulation in the countries where Anglo American operates, conflicts over land and resource ownership rights and such other risk factors identified in Anglo American's most recent Annual Report. Forward-looking statements should, therefore, be construed in light of such risk factors and undue reliance should not be placed on forward-looking statements. These forward-looking statements speak only as of the date of this presentation. Anglo American expressly disclaims any obligation or undertaking (except as required by applicable law, the City Code on Takeovers and Mergers (the "Takeover Code"), the UK Listing Rules, the Disclosure and Transparency Rules of the Financial Conduct Authority, the Listings Requirements of the securities exchange of the JSE Limited in South Africa, the SWX Swiss Exchange, the Botswana Stock Exchange and the Namibian Stock Exchange and any other applicable regulations) to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in Anglo American's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Nothing in this presentation should be interpreted to mean that future earnings per share of Anglo American will necessarily match or exceed its historical published earnings per share.

Certain statistical and other information about Anglo American included in this presentation is sourced from publicly available third party sources. As such it has not been independently verified and presents the views of those third parties, but may not necessarily correspond to the views held by Anglo American and Anglo American expressly disclaims any responsibility for, or liability in respect of, such information.

## **No Investment Advice**

This presentation has been prepared without reference to your particular investment objectives, financial situation, taxation position and particular needs. It is important that you view this presentation in its entirety. If you are in any doubt in relation to these matters, you should consult your stockbroker, bank manager, solicitor, accountant, taxation adviser or other independent financial adviser (where applicable, as authorised under the Financial Services and Markets Act 2000 in the UK, or in South Africa, under the Financial Advisory and Intermediary Services Act 37 of 2002.).

# CONTENTS

- INTRODUCTION TO ANGLO AMERICAN
- OUR MARKETING BUSINESS UNIT
- ANGLO AMERICAN'S PRESENCE IN CHINA

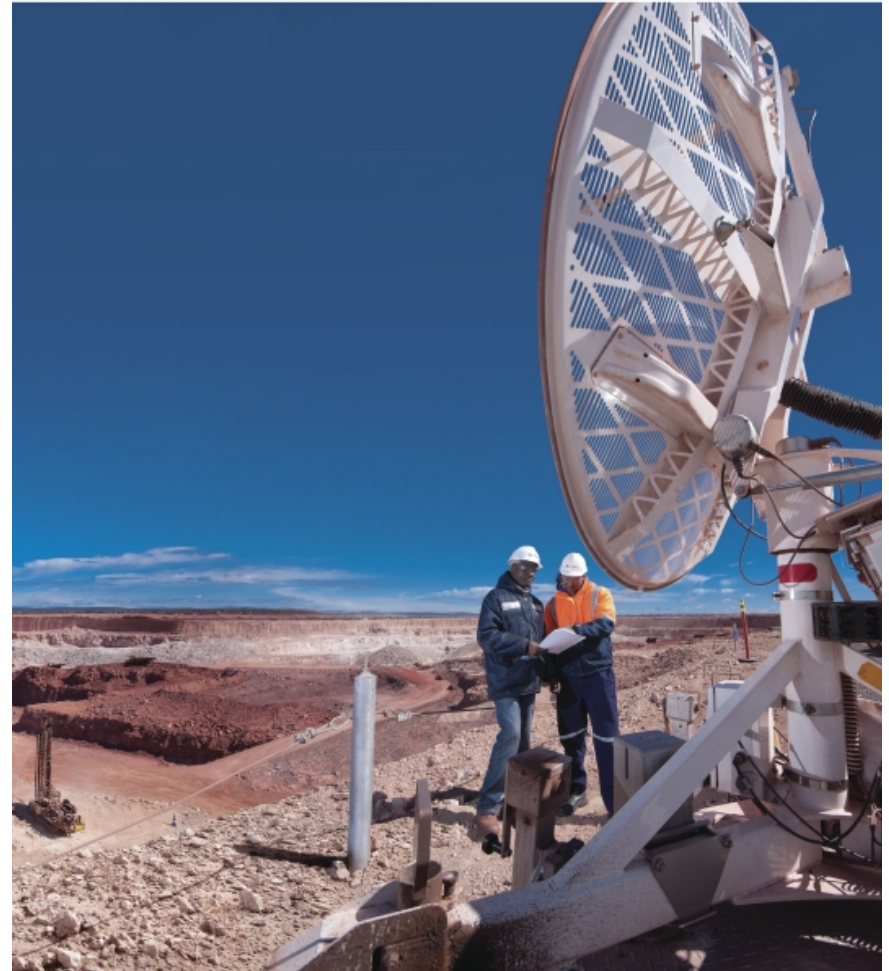
# WHO WE ARE AT A GLANCE

Anglo American is a globally diversified mining business

---

Our portfolio of world-class competitive mining operations and undeveloped resources provides the metals and minerals to meet the growing consumer-driven demands of the world's developed and maturing economies. With our people at the heart of our business, we use innovative practices and the latest technologies to discover new resources and mine, process, move and market our products to our customers around the world.

- Diamonds (De Beers)
- Copper
- Platinum Group Metals (PGMs)
- Iron Ore
- Coal (metallurgical & thermal)
- Nickel & Manganese



# OUR RICH HERITAGE

Anglo American: Founded by Sir Ernest Oppenheimer in 1917

---



*Sir Ernest Oppenheimer, 1917*



*Sir Ernest Oppenheimer, founder, 1938*



*West Springs mine, South Africa, 1918*



*The first gold bars, 1954*



*Centenary celebrations in 2017*

# OUR PURPOSE

Re-imagine mining to improve people's lives

---

Anglo American's purpose is to:

**Re-imagine mining**

**What mining could be and how we envisage mining in the future.** How we think differently and innovatively about mining and our entire value chain.

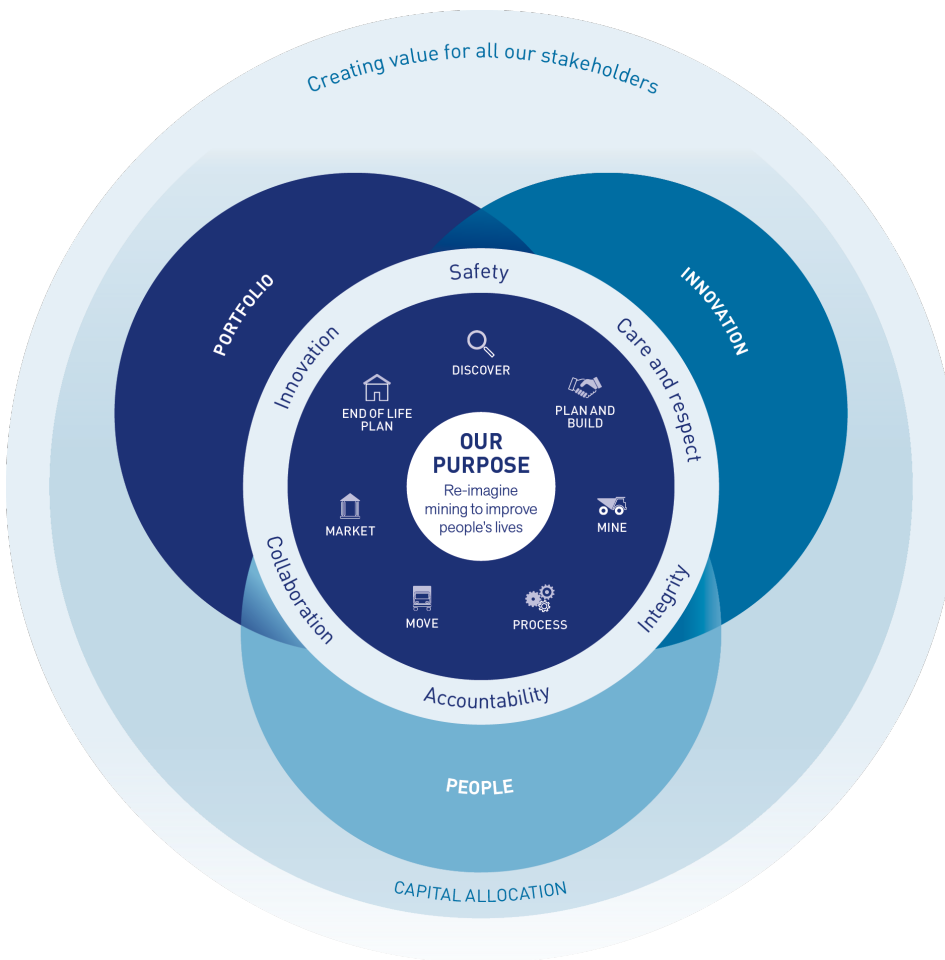
**to improve people's lives**

A Purpose is about more than just the work we do and the profits we make, it's about the **impact we have on everything we touch.**



# OUR STRATEGY

## Portfolio, Innovation, People



### Portfolio

- High quality and long-life assets
- Differentiated portfolio with growth options
- Sustainable cash flow and returns

### Innovation

- FutureSmart Mining™
  1. Technical innovation
  2. Operating Model
  3. Sustainable Mining Plan
- Marketing – creating value from mine to market

### People

- Valuing partnerships – our licence to operate
- High performance, inclusive culture
- Organisation Model

# OUR SEVEN PILLARS OF VALUE

Designed to deliver value for all our stakeholders

---

We track our strategic progress using KPIs based on our seven pillars of value:

- **Safety and Health:** to do no harm to our workforce
- **Environment:** to minimise our impact on the environment
- **Socio-political:** to partner in the benefits of mining with local communities and governments
- **People:** create sustainable competitive advantage through capable people and an effective, performance-driven organisation
- **Production:** to sustainably produce valuable product
- **Cost:** to be competitive by operating as efficiently as possible
- **Financial:** to deliver sustainable returns to our shareholders.





# WHERE WE OPERATE

## Our operating assets

GLOBAL  
FOOTPRINT<sup>(1)</sup>



<sup>(1)</sup> Number of operating mining assets/major projects under development per business unit.

- De Beers
- Iron Ore
- Copper
- Coal
- Platinum
- Nickel and Manganese

# MARKETING

PETER WHICUTT, CEO

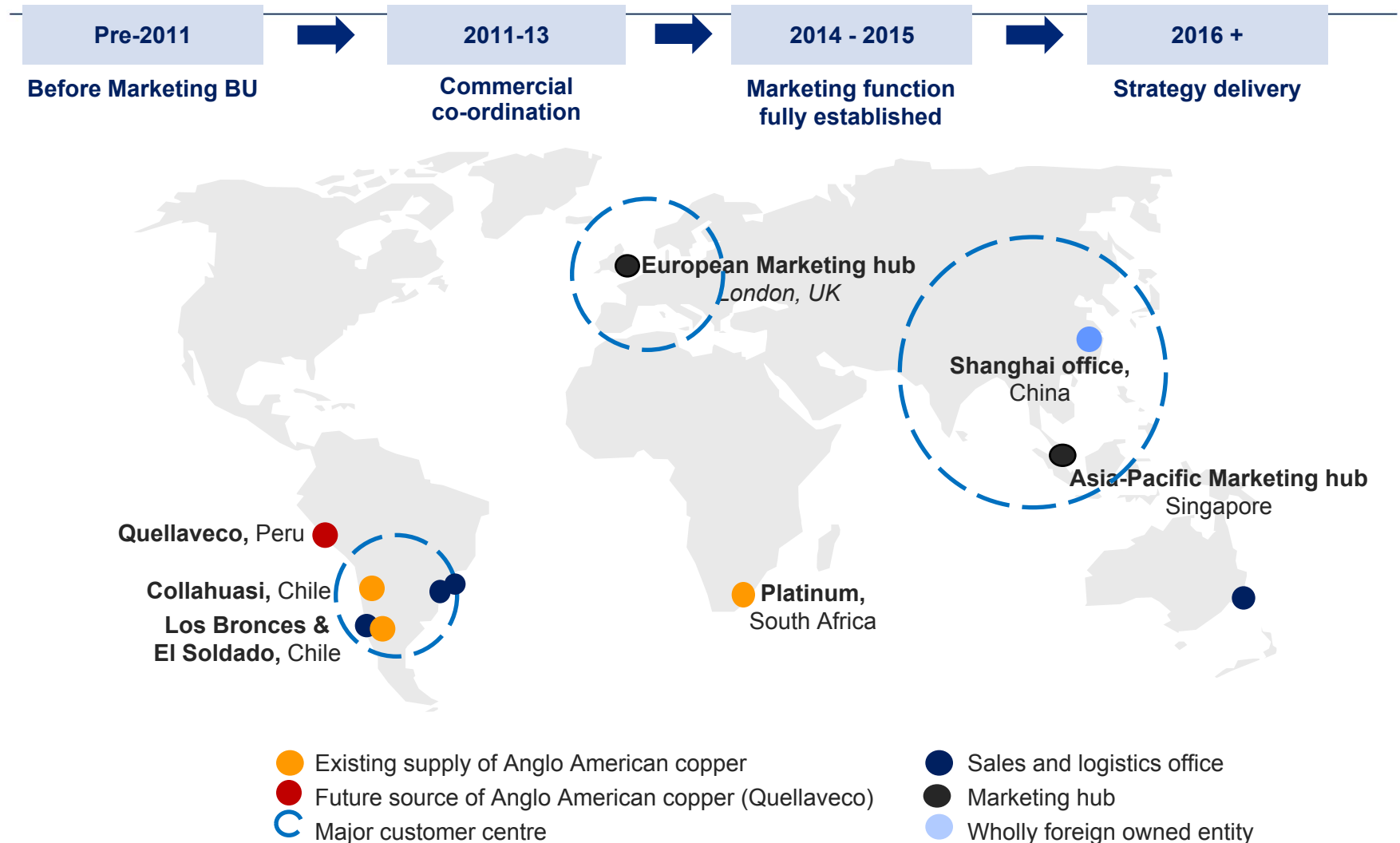
---

## CREATING COMMERCIAL VALUE ACROSS THE ENTIRE VALUE CHAIN FROM MINE TO MARKET

- Through our partnership approach, we are able to offer innovative solutions to meet our customers' own challenges
- This includes physical products, logistics and technical support, as well as pricing and financing solutions
- By offering freight services as well as actively managing the entire value chain, we ensure cost effective, reliable product supply and quality, when and where our customers need it
- Our Marketing activities contribute to the Group in a number of ways:
  - improving EBIT
  - enhancing cash flow through tighter working capital management
  - better risk and control management
  - and stimulating sustainable demand, in particular for PGMs, through an innovative market development and investment programme



# GLOBALLY LOCATED TO MAXIMISE VALUE FROM OUR MINERAL RESOURCES & MARKET PRESENCE



# OUR WINDOW TO THE WORLD: UNIQUE MARKET INSIGHT GATHERED “IN THE FIELD”

## Production Chain



Deeper and specific  
**insights into the  
production chain**

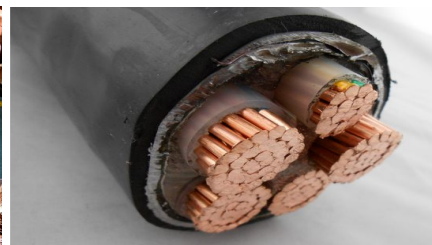
where data is  
unavailable or  
ambiguous

## Market Insight



**Corroborating  
available statistics  
and experts’  
opinions**, and making  
decisions on what we  
see and learn

## Customer Expectations



Obtaining a forward-  
looking view of **what  
our customers and  
their customers are  
expecting** – insights  
into how they are  
planning their  
businesses and  
aligning our strategies

## Sector Trends

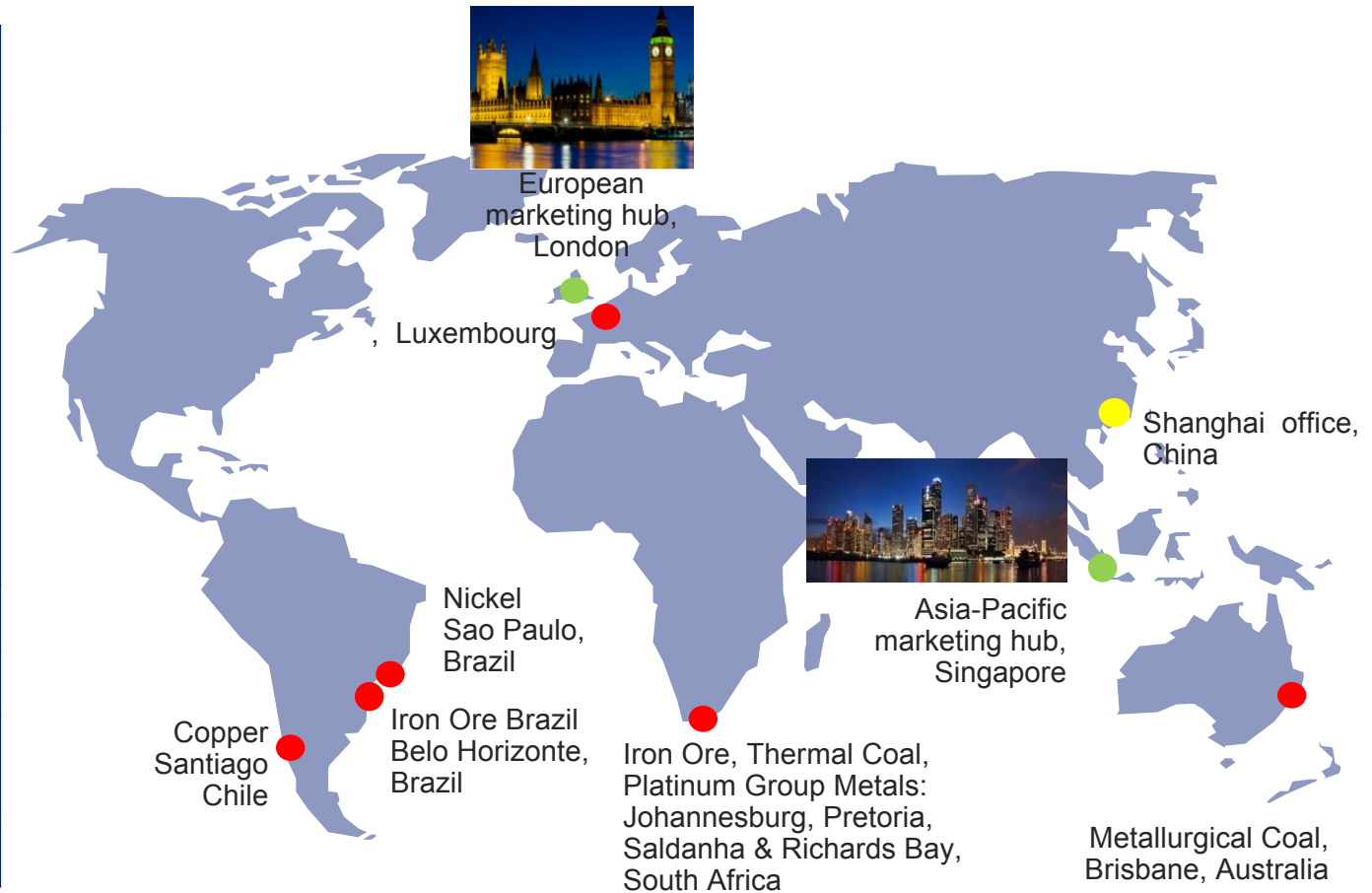


Gaining a more  
sophisticated “**on the  
ground**” **impression  
of sector activity** and  
trends determining the  
future demand for  
copper units, and  
listening to industry  
leaders and  
policymakers

# WE ARE A GLOBAL MARKETING TEAM

\* Figures as of 30 March 2019

Marketing at a glance!
346* people
181 in Singapore
58 in London,
48 in SA
22 in China
17 in Australia
12 in Chile
6 in Brazil
2 in Luxembourg
8 countries
26 nationalities
Diverse and deep experience
47% female



- Sales and logistics operations
- Marketing hubs
- Wholly-owned foreign entity (WPFE)

**INTERNAL**

# ANGLO AMERICAN IN CHINA

---



# ANGLO AMERICAN'S GROUP PRESENCE IN CHINA

---

- China is Anglo American's single largest market with growth potential.
- China has also been a place for investment and partner in business development. Together with our subsidiaries and participation in PGMs' (platinum group metals) market development initiatives, the Group has 9 footprints in China.
  - Anglo American Resources Trading (China) Co., Ltd.
  - We are a major participant in the Platinum Guild International (**PGI**) which plays a key role in supporting and growing the platinum jewellery market.
  - We are a major participant in the World Platinum Investment Council (**WPIC**) which plays a key role in developing the platinum investment market.
  - As one of the founding members of International Hydrogen Fuel Cell Association, we in partnership with SAE in China participate in hydrogen economy value chain development.
  - Anglo American markets polished diamonds through our **Forevermark** brand and sell finished pieces through De Beers Diamond Jewellers, while we design, develop and produce industrial diamond supermaterials through our **Element Six** business. De Beers, Forevermark and Element Six have 5 offices, factory or trading office in China and Hong Kong.
  - In partnership with the China Development Research Foundation, we participate in local community development programmes in China and also contribute to Chinese Young Leaders development programme under the China Development Forum.
- China is also a supply base of goods and services for capital projects and mining operations.

# FURTHER INFORMATION

## Useful links

---

### Group Reports

- [www.angloamerican.com/reporting](http://www.angloamerican.com/reporting)

### Our History

- [Digital timeline](#) – learn more about our history

### Video Content

- [2018 Financial Results](#) – our financial results for 2018 with Mark Cutifani and Stephen Pearce
- [Launching our Sustainability Strategy](#) – Leadership launch film
- [Say hello to our Sustainability Strategy](#) – animation explaining the components of our Sustainability Strategy
- [Smartbox](#) – Internal animation explaining the Smartbox programme
- [Our Purpose](#) – A short film that takes you through the full story behind our Purpose
- [Our story of diversification](#) – A brief look at Anglo American's history of diversification



**THANK YOU**