

RETIREMENT SPEECH - LONDON

BUILDING FOUNDATIONS

ACKNOWLEDGEMENTS

Thank you to the Master of Ceremonies.

To our government dignitaries:

- The Peru Ambassador to the UK, Mt Juan Carlos Gamarra,
- The Ambassador for Australia, Mr George Brandis,
- The departing UK Ambassador the Peru, Kate Harrison,
- The High Commissioner for the Republic of Namibia, Linda Scott.

To Bishop David Urquhart, Bishop of Birmingham, and other members of the Clergy.

To the Chair of Anglo American, Mr Stuart Chambers and to our Past Chair, Sir John Parker. And to both current and former Board members.

To work and professional colleagues, and of course,

To friends and family.

Thank you for joining us this evening.

OPENING REMARKS

In making an opening observation the first thing that came to mind, given the magnificent venue, was the fact we are here with so many dinosaurs - and - with the Natural History Museum exhibits seeming to complement the guest list.

The other point I wanted to make despite my age credentials and my family's view of my mental competence, I have no intention to retire. I would like to think of my next step in life as a new phase, a third innings or a chance to really annoy a whole new range of work colleagues and family members.

Now, in doing the research for my "retirement speech" I googled "Best Retirement Quotes" and had a choice of 60 great lines – most were uplifting, focussed on doing great deeds and having great success, but they didn't quite work for me. However, I did find a George Bernard Shaw quote that seemed to ring true for me:

"A life spent making mistakes is not only more honourable, but more useful than a life spent doing nothing."

I have long held the view that leadership is not about always being right, it is more about doing the right things and having the courage to step up and lead and make tough calls, particularly when confronted with our biggest challenges.

In my view leadership is always about people. And in my experience people want to be inspired, they want to have a Purpose and they want to know that their leadership has the courage to make tough calls. And while I am pretty sure they don't identify "making mistakes" as a necessarily desirable attribute for the leader – I know they appreciate engagement; they value a genuine consideration of their views on the things that matter, and they expect courage that goes with making tough calls.

Making tough calls knowing the information you have is imperfect is part of the job, but at the same time being confident enough to adjust, to pivot, or to even pirouette as both context and the facts change similarly requires a level of belief in the foundations built to support long term outperformance. And I appreciate it can be unnerving for some, terrifying for many and just plain bloody minded when viewed from a short term perspective. However, big shifts in strategy can only ever be delivered through the noise and exigencies of short term external context when the organisation is built on solid foundations that connect technical, commercial, and social capabilities. So, having the physical assets is a great start, building the core processes is just plain hard work, and having the right people working towards a common objective is what makes an organisation unbeatable in the longer term.

And if I am considered to have made a positive impression on any of those points, I can leave satisfied with the work we have done.

In our case, and as the world turned on its head through 2015, the hard yards we took in 2014 helped us navigate and set the business up for the rapid recovery we saw in 2016, and the continuing improvements and record earnings in 2021. And while our 2021 result had a bit of help on the pricing side, a 40% reduction in real operating costs compared to 2013 played the biggest single part in our financial performance recovery. And on today's share price we have delivered around a 20% annual average shareholder return since 2013 – the best performance of our global peer set.

And on the 2014/2015 restructuring, I must say I was inspired by the people in the organisation that could see what we were trying to do – they gave us all they had, and they led the creation of the new Anglo American. In my heart of hearts, I know that you are here acknowledging my retirement, but it really is more a celebration of people and the progress we are making on an exciting transformation journey.

In my case, and what best sums up how I feel at this moment, retirement is that point in life when you move from building a career and a professional legacy, to building a better world for my family and leaving a more personal legacy. While the point of departure in those two worlds is never clear cut, there is a point where the shift from one to the other dominates your waking hours.

For me, that transition in perspective has been occurring over some time – and so it is now time to respect that personal and contextual shift and take that next step in retiring from a single dedicated Executive position.

INTRODUCTION

Consistent with that personal context, the primary purpose of my speech this evening is to say thank you.

And in the process, I hope I can leave you with something to think about.

As most people know, I hold certain beliefs that to be true in business life and in the life of a business:

- **First**, I believe business has a responsibility to be a partner with governments, communities, and our broader stakeholder universe to help make the world a better place. Given how businesses work as meritocracies, with reward systems focussed on delivery of results, the likely high concentration of skills and capabilities we tend to attract across the business should **not** be singularly dedicated to securing company profits. In fact, based on our experience, if we do not help with the development of broader social infrastructure, our ability to create shareholder value will ultimately be constrained by our immediate and broader external environment. In an increasingly complex world, we all need to be active participants and contributors to finding solutions to our most intractable social challenges. We are all in this together. And if people don't see us as part of a broader solution to these problems, we have no future as an organisation or as an industry.
- **Second**, successful organisations are built on Trust. Trust defines how the Board and the Executive work together, it defines how the Executive must lead the organisation and how we need to work with both our business and social stakeholders to ensure we build a healthy ecosystem in which we can all prosper, grow, and create a better future for our children. Trust is the social lubricant that ensures we have the right conversations about the key issues to ensure we are all focused on what really matters.
- **Third**, no individual should be bigger than the organisation or be allowed to put the organisation at risk, or to shape the organisation as an extension of their personal preferences or idiosyncrasies. It is in that context that robust debate, challenge, and spirited engagement is the food that nourishes the intellectual foundations for how the organisation defines the critical issues and how it develops new strategies that guide our pathway towards a better and more sustainable future.

In the context of our 9 years together – while we were improving safety, health, environment performance and building our new social pathways with our communities, we were also delivering improving shareholder returns. In that context I think we have shown that good business and sustainable business performance go hand in hand.

A CONVERSATION ON WHAT MATTERS

On the things that matter to me, I get one last chance to pitch my personal picadilloes in the Anglo American context.

And so, to pick up my first point and its key theme - Mining's Role in Society is not broadly understood. As Strother Martin so famously observed of the classic movie

'Cool Hand Luke' and Luke's continuous conflicts with the establishment: "What we have here, is a failure to communicate". However, I believe it is more than a simple "failure to communicate". I believe our actions in that industry context reinforce the weakness in our engagement and communication processes. In falling into the temptation of being critical of politicians and others with more obvious social obligations, we fail to reflect on our own responsibilities in these same conversations. It is one thing to be critical of our public institutions, but there is no excuse for us if we do not take responsibility to play our part in building a fair and cohesive society. In these matters it is easy to be critical of governments, but much more difficult to define and play a role that makes a material difference in society. And consistent with understanding the role we should be playing; it must start with responsible public speaking and the establishment of an inclusive debate that addresses the issues with proper analysis and proposals that address the key issues.

Building public and social infrastructure is the responsibility of all citizens and organisations across society. As an industry and as industry leaders we must take responsibility for actions to support local institutions to build capacity to deliver social and physical infrastructure. This is not about doing the government's job. This is about being a good corporate citizen and being a true partner with governments, with local communities and other social institutions in building communities and ultimately great nations.

When society judges our leadership and our contribution to the wealth and welfare of nations to be inadequate, it is not simply a communication problem. To me, that is simply convenient, and a narrow truth. It is not just about what we do or don't say – it is more about what and how we do what we do. In our world actions speak much louder than words – and while none of my 7 children pay attention to what I say, I know they watch everything I do.

Our work with governments, multi-lateral institutions, communities, and other key stakeholders is about understanding how we can make a more substantial contribution in the communities in which we work and for society in its broadest sense. And on my crusade with Faith-Based Institutions it was never about religion – it was always about culture and values and understanding how to meaningfully contribute to our local communities. It was about listening and understanding what fairness felt like from their perspective and partnering on future developments that contributed to a future for which they aspire.

And to connect the work we do as industry players, our Purpose, to "reimagine mining to improve people's lives" was true to that broader belief in the difference we felt we could make in society. And to help create an internal imperative that inspired everyone in our organisation to make a difference – an 18 month debate to land on 7 words felt like it was time well spent. And as each day goes by, I continue to be inspired by Anglo American colleagues that are making a difference in our world.

At Anglo American we talk about Organisation Models, we talk about Operating Models, and we talk about changing the way we go about doing our work. But more importantly we have been implementing deep and material change. The "industrialisation of mining" is about safety, it is about productivity, and it is about being the most competitive business in the industry. I make no apologies for taking the tough decisions we had to take to create a new and competitive business. However, what I do apologise for is the tough decisions that had negative

consequences for individuals both inside and outside the business. I have not yet developed my own skills to ensure change is a positive experience for all. But at the same time, I hope people feel the changes we have made have been made reflecting integrity, honesty, and a dedication to doing what is right for the long term health of shareholders, employees and our broader business and social stakeholders.

It is not my inclination to quote too many numbers this evening – others can reflect on where we have come from and how we are performing today. My only view is that although we have come a long way, we are still a work in progress, and we have much more we can do.

If you would like to take the time to understand what we have done at Anglo American – a couple of hours watching the Brad Pitt movie Moneyball might be instructive. It was the harnessing of digital concepts in building smarter and more effective ways to compete. And we added further dimensions in our transformation through with “Futuresmart Mining”, the development of our Marketing and Trading business and our Sustainability platforms. In our case we don’t have the major regional positions in iron ore that have been a base load for the largest mining players, but we do have high quality niche positions that we work to potential with our focus on quality and associated high margins and improving returns. We have a range of good assets across a broad and future facing asset portfolio, led and managed by wonderful people, and they can, and do, move mountains.

On a personal level, it has been an exciting, sometimes bumpy ride and there were moments when we had to reflect, adjust, and dare I say it, pivot. But that is the nature of leadership in a complex world. We must remain acutely aware of the imperfections of data and the interpretation of events that shape our broader world. I think we generally got the basics right with our organisation changes and business process work, and so we were able to continue to build off a solid foundation that kept improving. And we also know we are not yet the full package, that is, we know we have so much more we can do.

In the context of change and support, I must acknowledge the Board for their unwavering support through the major changes we navigated.

And to my GMC colleagues – your friendship, the camaraderies and the collaboration has created a Materials Solutions Company that reflects our Vision of what the future could be.

And to all our colleagues, friends, and business partners – we appreciate your support and the difference we have made together.

I have been extraordinarily lucky in my 45 years of paid work – whether working as a miner or working as a Chief Executive – it has always been about people and how we create success together. Building an internal environment where people can make a difference has been a dedicated work that is the key foundation to enable delivery of sustainable improvement.

SUMMARY

Irrespective of the career choice and choices any of us make – we all need to do our best to make a difference and contribute to society. In the end the most important thing is to be accountable to your own conscience.

I think we can all make a difference and so I hope the accolades Anglo American has received reflects the wonderful foundations the Oppenheimer family created in its establishment of the business, that we as employees and colleagues share a sense of achievement as we have delivered improvements together, and that our shareholders and business and social stakeholders see and feel the benefits of the work we have done.

In leading an organisation, if you can help people define a purpose and then work consistent with delivering on that purpose – people will invariably “give you the best they’ve got”.

Everyone has their own story to tell – and no-one is more important than the next. I feel very privileged to be able to tell my story and have so many friends to share it with. And when I sit back and have a beer with Dale, John, and Barry back in Wollongong, I will tell them about some new friends I have met and how kind they were to me at my send-off. Knowing them, they will likely observe you were just making sure I left the building.

A FINAL WORD

And for the future...

What helped us get to this point in our journey is likely not going to be enough to take the organisation to its next and most important destination. That is not a criticism of where we have come from, just an acknowledgement of the changing world in which we live. The new leadership team under Duncan, will have to navigate new pathways to achieve new and more exciting outcomes. In the final analysis the best I can hope for is people will say of our time – they did their job and set the foundations for a new chapter in a book that remains, an exciting “works in progress”.

Mark Cutifani

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