

SAY ON CLIMATE ASSESSMENT

	<p>Country</p>  <p>UK</p>	<p>Year</p> <p>2026</p>
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<p>Transparency rating Alignment with FIR recommendations</p>	<p>38%</p>	<p>PERFORMANCE SCORE</p> <p>39%</p>	<p>NARRATIVE SCORE</p> <p>A B C D E</p>	<p>TREND SCORE</p> <p>-</p>
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Anglo American has set a net zero ambition for 2040 limited to scopes 1 and 2 (1.7 Mt CO₂e), which nevertheless represent less than 2% of the group's total emissions, while scope 3 emissions (86.4 Mt CO₂e) are almost entirely linked to the downstream processing of iron ore. For scopes 1 and 2, the trajectory is on track, with a 26% reduction in emissions achieved in 2025 compared to 2020, against a target of -30% by 2030. A strengthened ambition of -35% by 2030 has been announced, but without a formal commitment. However, the company has not obtained SBTi validation, due to its coal production, the absence of a sectoral pathway for the diversified mining sector, and the requirement for a scope 3 net zero target, which it considers unrealistic given its dependence on the steel industry. The Scope 3 target, which was previously expressed in absolute terms, is now defined in intensity terms, is not validated by a third party, covers only 86% of the relevant emissions, and does not include any interim targets before 2040. While the decarbonization levers for scopes 1 and 2 are identified and credible, those for scope 3 remain insufficiently quantified and lack action-level contribution estimates. Finally, no CAPEX is explicitly allocated to decarbonization, with investments instead directed toward products the company considers "priority for the transition", and the remuneration policy remains insufficient, as the 2025 and 2026 LTIP includes no explicit environmental or climate-related criteria.

- SUMMARY**
- ▶ [Assessment based on the FIR's analysis framework](#)
 - ▶ [Assessment according to ACT](#)
 - ▶ [FIR Recommendations Grid](#)
 - ▶ [ACT assessment methodology](#)
 - ▶ [ACT assessment methodology for the generic sector](#)

As early as 2021, the **Forum for Responsible Investment (FIR)** called for the widespread adoption of rigorous Say on Climate (SOC) resolutions. Following an initial initiative in 2022, it co-signed [an open letter with 48 French and European signatories](#) in March 2023 to encourage the development of SOC. At the same time, in 2022, [the FIR began analysing the climate plans of French companies](#) that put them to a shareholder vote. Having joined forces in 2023, the **FIR and ADEME** expanded their partnership in 2024 by teaming up with **Ethos and the World Benchmarking Alliance** to analyse the transparency and performance of companies' climate plans, based on the [ACT methodology](#). Once again this year, these organisations will work together to examine the climate plans of **European companies** submitted to a consultative shareholder vote at their general meetings in 2026.

The analyses will be published progressively in the run-up to their AGMs. As in previous years, the FIR wishes **to commend the efforts of companies that contribute to improving shareholder dialogue and encourages companies to repeat the Say on Climate exercise annually.**

SAY ON CLIMATE ASSESSMENT



Alignment with FIR
recommendations

38%

Net Zero 2050 Ambition

Net Zero ambition for Scopes 1 and 2 by 2040 for the simplified portfolio (excluding Kumba's iron ore scope, whose mineral reserves are expected to be depleted around 2040)

Maximum 10% offsetting of residual emissions compared to 2020 for Scopes 1 & 2

▷ Net Zero ambition excluding Scope 3 (98% of emissions)

Reference scenario(s) used

The company compares its Scope 1 & 2 trajectory with the SBTi 1.5°C and IAE Net Zero 2050 trajectories. It acknowledges that its 2030 Scope 1 & 2 target is not aligned with these trajectories. However, the 2040 Scope 1 & 2 target is aligned, according to the company and the Carbon Trust. However, Anglo American has not received SBTi validation for several reasons cited by the company: it cannot obtain SBTi validation because it still produces coal* with the ongoing sale of its Australian coking coal mines, there is no sectoral pathway for the diversified mining sector, and the requirement for a Scope 3 net-zero target is deemed unrealistic given the company's dependence on the steel industry. The company is committed to continuing to work with the SBTi without a specific deadline.

▷ A Carbon Trust validation against a 1.5°C pathway was carried out for the 2040 net-zero ambition, but dates from 2022 and was not conducted on the current simplified portfolio

For Scope 3, Anglo American considers that the reduction target is aligned with the IEA's production assumptions under a 1.5°C aligned pathway that steelmaking emissions intensity must fall to below 1.34 t CO₂e/tCS by 2040.

▷ This target has not been independently verified and does not cover the entirety of Scope 3 (86% of emissions in 2025)

Current GHG emissions** (2025 vs 2024)

Emissions have fallen overall compared with 2023 and 2024: -7.7% between 2023 and 2025 for Scope 1, emissions remaining stable for Scope 2 despite a fall in 2024, and -9.5% between 2023 and 2025 for Scope 3. Compared to the target of a 30% reduction in emissions by 2030 for Scopes 1 and 2, the current reduction stands at 26% (with 1.7 Mt CO₂e compared to 2020 (2.3 Mt CO₂e)). The -30% target therefore appears achievable, and the additional ambition to reach -35% to align with the Paris Agreement must be pursued.

SCOPE 1	SCOPE 2	SCOPE 3
1.2 MtCO ₂ eq (vs 1.2) 1.4%	0.5 MtCO ₂ eq (vs 0.4) 0.6%	86.4 MtCO ₂ eq (vs 92) 98%

Short-term GHG emissions reduction target (2030)

Scopes 1 & 2: -30% by 2030 (vs. 2020 baseline) (target of -35% if conditions permit)

▷ No interim target before 2040 for Scope 3

Medium-term GHG emissions reduction target (between 2030 and 2040)

Carbon neutrality by 2040 for Scopes 1 and 2: reduction of at least 90% in emissions compared to 2020

Scope 3: carbon intensity target of 1.3 tCO₂e/t of crude steel by 2040 (base year 2020: 2.2 t CO₂e/t)

▷ The Scope 3 target is presented in terms of intensity rather than absolute values and covers only 86% of Scope 3 emissions. It has not been validated by a third party.

Long-term GHG emissions reduction target (2050 or earlier)

Carbon neutrality by 2040 for Scopes 1 and 2

▷ No information for Scope 3 beyond 2040

* SBTi does not certify the targets of coal-producing companies

** The restructuring of Anglo American's portfolio, including the spin-off of Valterra Platinum, the divestment of coking coal, nickel and the ongoing separation of the De Beers, has led to a reduction of approximately 86% in Scope 1 and 2 emissions (from 11.6 Mt to 1.6 Mt CO₂e) and approximately 46% in Scope 3 emissions, mainly through the removal of emissions linked to the use of coking coal by steel industry customers (category 11). The remaining Scope 3 emissions are now almost exclusively linked to the processing of the iron ore sold. Emissions have been restated by the company to provide a comparable basis for recent financial years.

Key:

- All criteria for achieving full marks have been met, but suggestions for improvement regarding transparency
- ▷ Shortcomings preventing the award of full marks

Next slide



SAY ON CLIMATE ASSESSMENT



Alignment with FIR
recommendations

38%

Measures in the action plan

Leverages for Scopes 1 & 2:

- Energy productivity: Optimisation of transport trucks, digitalisation... (maximum reduction potential of 5%***)
- Renewable energy: South America already 100% renewable since 2023; 63 MW solar in Sishen (2027); 11 MW in Kolomela (2026) via Envusa (maximum reduction potential of 55%***)
- Diesel replacement: Studies and trials underway (BEV, trolley assist, hybrid); partnerships with Komatsu and Caterpillar (maximum reduction potential of 45%***)
- Compensation: Priority internal projects (Smart Protein, reforestation in Brazil, etc.) and market offsets capped at 10%

Leverages for Scope 3 / iron ore:

- Increase the proportion of premium ore (pellets, lump) suitable for low-carbon technologies
- Collaborate with customers and the sector: direct cooperation with steelmakers (e.g. Nippon Steel, ThyssenKrupp) to optimise ore utilisation, signing of memoranda of understanding (MoUs) including climate commitments, participation in ResponsibleSteel and deployment of Valutrax (emissions and origin traceability tool)
- Investing in alternative technologies (innovative start-ups such as Helios, work on new methods of low-carbon steel production, etc.)

Scope 3 / upstream supply chain:

- Sustainability agreements with 11 critical mining equipment suppliers, including decarbonisation commitments
- Emissions tracking integrated into supply chain data systems
- Survey of the top 200 suppliers by absolute emissions (>50% of upstream emissions)

Scope 3 / shipping:

- Fleet of 10 dual-fuel LNG vessels (Ubuntu fleet): up to 35% reduction in CO2 compared to conventional vessels
- ▷ No formal target for shipping due to technological and regulatory uncertainty
- ▷ Scope 3 measures are not, or only minimally, quantified, and there is no information on the contribution of each action

Alignment of CAPEX and OPEX investments

No CAPEX specifically identified for the transition / no quantification of the net cost of the transition, which is integrated directly into overall growth CAPEX as it is considered to create value for the company. Growth CAPEX: \$0.9bn for 2026; \$0.6bn for 2027; \$0.3bn for 2028. The company explains that investments are directed toward products it considers "priority for the transition" (including the Woodsmith project (Crop Nutrients), among others).

- ▷ Growth CAPEX is focused on copper, premium iron ore and crop nutrients, but there is no breakdown of CAPEX dedicated to decarbonisation initiatives
- ▷ No information on the alignment of CAPEX with the taxonomy (company not subject to it, as it is outside the EU)

Remuneration

Short-term variable remuneration for two executive directors (CEO and CFO) and 400 senior executives:

SHE (Safety, Health and Environment) indicator. Accounts for 20% of the total bonus, with 10% of this indicator allocated to reduction in the Group's environmental footprint based on four pillars of ecological health (land, air, water and nature)

- ▷ No publication of a quantified emissions reduction target or criteria for achieving the target

Long-term incentive plan (LTIP) for two executive directors (CEO and CFO) and 400 senior executives:

LTIP for the period 2023–2025: in 2023, criteria including a metric on renewable energy production from approved projects, weighted at 8%. Mention for 2024 of a criterion linked to the reduction of Scope 1 & 2 GHG emissions

- ▷ LTIP 2023–2025: GHG emissions are only mentioned in 2024, with no details on associated targets or figures. In 2023, 8% of the LTIP is based on renewable energy production (installed MW, not an absolute reduction in emissions) and in 2025 there is no mention of the environment or climate.
- ▷ LTIP plan for 2026 with no mention of climate

Annual advisory vote on implementation

- ▷ No annual consultation on implementation

Consultative vote every three years on the strategy

- ▷ Consultation on strategy in 2022, repeated in 2026 but without future commitment

Key:

- All criteria for achieving full marks have been met, but suggestions for improvement regarding transparency
- ▷ Shortcomings preventing the award of full marks

*** Maximum reduction potential estimated by the company for each action lever, expressed as a proportion of the 2020 baseline, with the objective of achieving carbon neutrality on Scopes 1 & 2 by 2040.

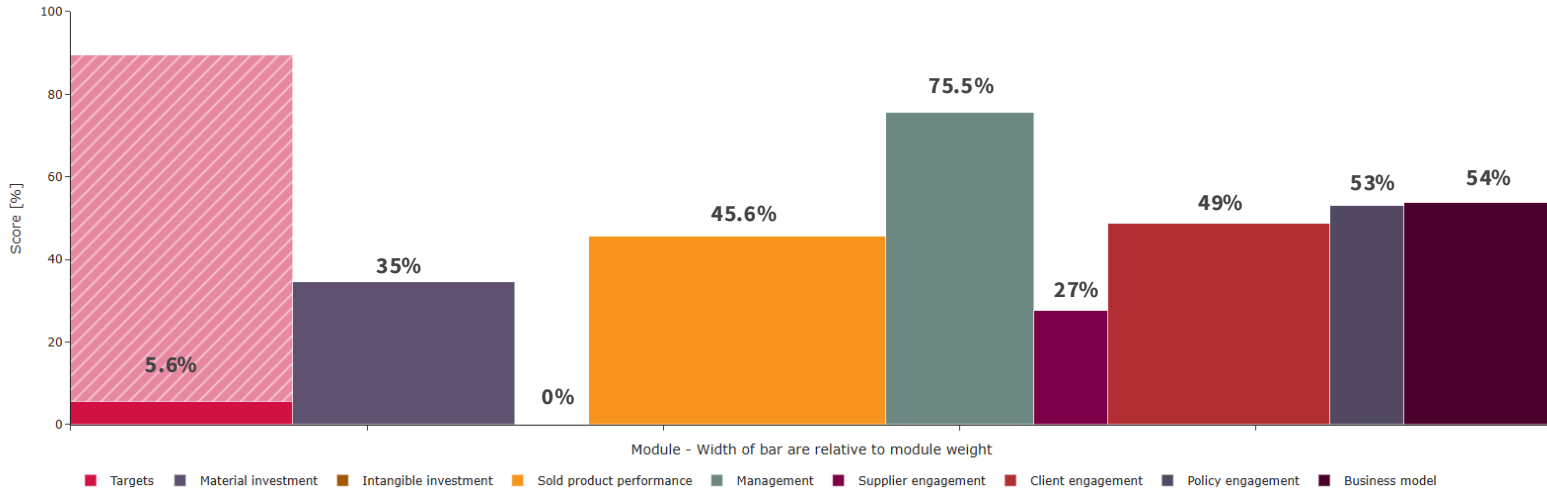


PERFORMANCE SCORE
39%

NARRATIVE SCORE
A B **C** D E

TREND SCORE
-

Generic ACT methodology



Elements for evaluating the transition plan

Performance score

1. Targets: Anglo American has revised its emission reduction targets following portfolio restructuring, with Scope 1 and 2 targets now limited to a simplified portfolio of copper, premium iron ore, and crop nutrients and maintaining a 30% reduction by 2030 and “carbon neutrality” by 2040. At the same time, it has shifted its Scope 3 target from an absolute reduction to an intensity-based metric (1.3 tCO₂e per ton of crude steel by 2040) linked to premium iron ore, raising questions about 1.5°C alignment, as it relies on efficiency improvements rather than absolute emissions cuts.

2. Material investment: Anglo American had \$0.6 billion in capital expenditure for growth projects in 2025, equivalent to 18% of its total Capex for the year, which is lower than the 2024 level of \$1.1 billion. Growth capital expenditure primarily relates to spending on the Woodsmith project (Crop Nutrients), the first phase of the Collahuasi debottlenecking initiative (Copper Chile), and Kumba’s ultra-high-density media separation (UHDMS) project (Premium Iron Ore). Such Capex mainly focuses on the company’s future-enabling products, rather than being strictly allocated to low-carbon products.

3. Intangible investment: Anglo American spent 38 million USD on R&D in 2025. However, the company does not disclose the amount of low-carbon R&D expenditure in 2025, nor does it specify the share of such spending within its total R&D.

4. Performance of products sold: Processing and use of iron ore account for 86% of Anglo American’s Scope 3 emissions in 2025 within its simplified portfolio. The company is implementing measures such as ultra-high-dense-media-separation (UHDMS) technology to increase the share of premium iron ore from its Sishen mine, supporting higher margins and extending mine life. It is also deploying a fleet of LNG dual-fuelled Capesize+ bulk carriers to reduce shipping emissions, which represent around 2% of Scope 3 emissions in 2025.

5. Management: Strategic oversight of climate change and sustainability matters is led at the highest level by the Sustainability Committee of the Board of Directors, which is responsible for overseeing material policies, decarbonisation pathways, and strategies designed to manage climate-related risks and opportunities.

6/7. Value chain engagement: Anglo American encourages its 13,000+ suppliers to meet minimum sustainability requirements through its Responsible Sourcing Standard but is shifting toward more targeted interventions by surveying its top 200 suppliers, which represent over 50% of its upstream emissions, to inform a new engagement strategy in 2026. To address its most significant source of emissions downstream, the company engages steelmaking clients through decarbonisation Memorandums of Understanding (MoUs), which now cover 22% of premium iron ore sales by volume.

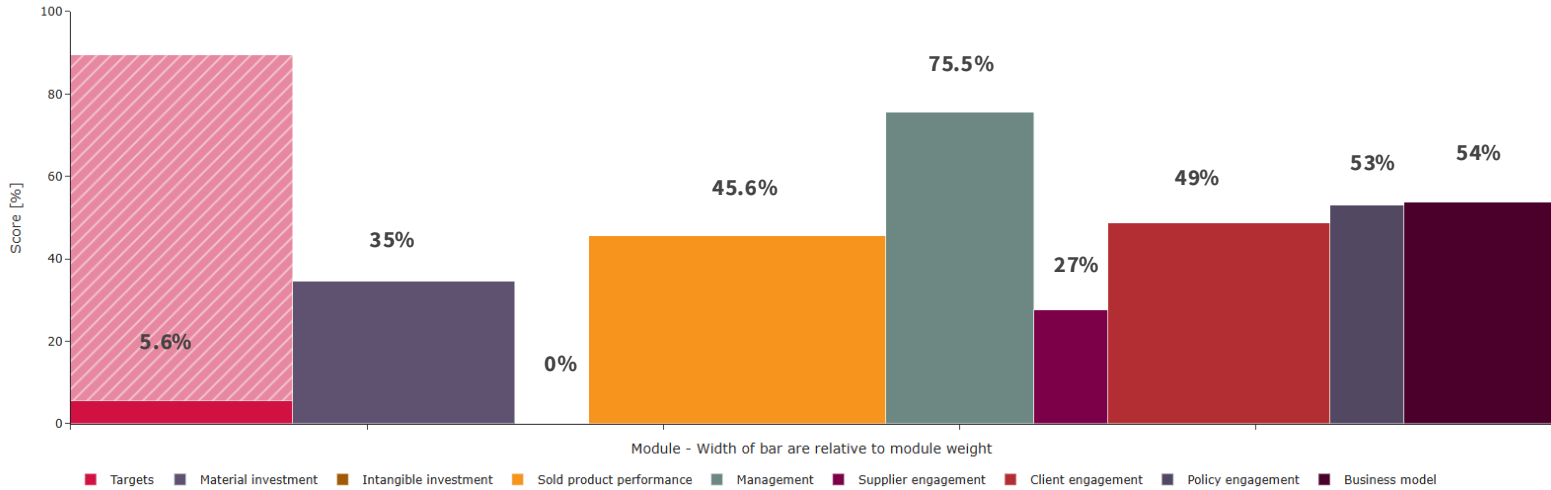


PERFORMANCE SCORE
39%

NARRATIVE SCORE
A B **C** D E

TREND SCORE
-

Generic ACT methodology



Elements for evaluating the transition plan

Performance score

8. Public engagement: Anglo American publicly supports the Paris Agreement and its 1.5°C goal, ensuring its Group-level advocacy is guided by a refreshed set of public policy positions on critical issues such as carbon pricing, nature conservation, and the just transition. The company has implemented a rigorous internal governance process to review the climate positions of the industry associations to which it belongs, disclosing an independent alignment audit every two years.

9. Business model: Approximately 43% of Anglo American’s 2025 revenue from continuing operations is derived from products the Group classifies as "future-enabling" (Copper and Crop Nutrients) which are considered essential for the transition to a low-carbon economy. While premium iron ore is strategically positioned as a critical feedstock for decarbonizing the steel sector via technologies like Direct Reduced Iron (DRI), its absolute "green" status is questioned by its dependency on downstream industry adoption and the fact that the Kumba operations are currently excluded from the Group’s 2040 “carbon neutrality” ambition.

Climate consistency (narrative score): The company applies a simplified portfolio approach to its emissions targets, reflecting a shift toward transition-enabling products but raising questions about ambition and coverage due to asset exclusions. At the same time, it has revised its Scope 3 target from an absolute reduction to an intensity-based metric linked to premium iron ore, which may signal a weakening of ambition compared to its 2024 target of a 50% reduction by 2040, as it prioritizes relative efficiency over absolute emissions cuts.

Trend score: The trend in Anglo American’s targets and material investment indicators appears negative compared to the previous year, reflecting weaker alignment and a shift toward less ambitious, intensity-based Scope 3 targets. While there are improvements in management practices, including transition planning and scenario analysis, the company would need to strengthen its targets and investment alignment with absolute emissions reductions to achieve a positive overall trend.

Areas for improvement identified:

- Anglo American needs to scale up its emissions reduction commitments, as the **simplified portfolio covers less than 30% of its total Scope 1 and 2 emissions** in 2025, limiting overall impact.
- Anglo American should **strengthen its Scope 3 target**, setting more ambitious and absolute reduction goals to better address value chain emissions.
- The company could enhance its transition plan by **integrating financial planning elements** into its decarbonisation action levers.
- Anglo American could further **formalise its post-2025 supplier engagement strategy** by introducing clear environmental performance thresholds within its Responsible Sourcing Standard.

SAY ON CLIMATE 2026 EVALUATION GRID

Based on monitoring of FIR recommendations

Net zero ambition for 2050	Whether the ambition to contribute to carbon neutrality by 2050 has been declared and clear explanations provided on how to achieve this neutrality The level of negative emissions is limited	The ambition to contribute to carbon neutrality by 2050 is stated and explanations on how to achieve this neutrality are clear. The level of negative emissions is high or unclear.	Ambition declared but very unclear on how the company intends to achieve carbon neutrality (no long-term targets, targets set are not credible, heavy reliance on offsetting, etc.) or no stated ambition for carbon neutrality by 2050.
Reference scenarios used	The company positions its climate strategy in relation to a 1.5°C warming scenario across all scopes and in the medium and long term	The company uses a reference scenario limiting warming to between 2°C and 1.5°C or 1.5°C for only part of its scope or only in the medium or long term	No reference scenario explicitly mentioned or the scenario(s) is/are not used to define the strategy
Current GHG emissions	Disclosure of greenhouse gas emissions in absolute terms; breakdown by scope; reduction in absolute emissions over the last three years	Insufficiently detailed publication of absolute greenhouse gas emissions disclosure or no justification for the increase in absolute emissions over the last three years	Absence of public data or if the upward trend in emissions intensity and absolute emissions is poorly justified or not justified at all
Short-term GHG emissions reduction target	Whether the quantified emission reduction targets before 2030, expressed as a minimum in absolute terms, cover all three scopes and are set in relation to the company's 1.5°C alignment trajectory. This trajectory has been scientifically validated.	If the quantified emission reduction targets before 2030 do not cover the majority of the company's activities, or if these targets cover all activities but are on a trajectory between 2°C and 1.5°C.	No short-term quantified emission reduction targets or unambitious short-term targets (reference year too distant, no absolute reduction, not scientifically validated, etc.)
Medium-term GHG emissions reduction target	If the quantified emission reduction targets for 2030, expressed as a minimum in absolute terms, cover all three scopes and are aligned with a 1.5°C scenario. This trajectory has been scientifically validated.	If the quantified emission reduction targets for 2030 do not cover the majority of the company's activities, or if these targets cover all activities but are on a trajectory between 2°C and 1.5°C.	No quantified medium-term emissions reduction targets or unambitious medium-term targets (reference year too distant, no absolute reduction, not scientifically validated, etc.)
Long-term GHG emissions reduction target	If the quantified emission reduction targets for 2050 or earlier, expressed as a minimum in absolute terms, cover all three scopes and are set in relation to the company's 1.5°C alignment trajectory. This trajectory has been scientifically validated.	If the quantified emission reduction targets for 2050 or earlier do not cover the majority of the company's activities, or if these targets cover all activities but are on a trajectory between 2°C and 1.5°C.	No quantified long-term emission reduction targets or unambitious long-term targets (reference year too distant, no absolute reduction, not scientifically validated, etc.)
Action plan measures	Detailed measures for each scope of the company with a sufficient level of detail, including short- and medium-term figures, enabling the alignment of this plan with the objectives set to be assessed.	Detailed measures for each scope of the company, but with insufficient detail to assess the level of alignment with the objectives set. (insufficient quantitative measures in particular).	Measures with little or no detail.
Alignment of investments (OPEX/CAPEX)	Details the share of investments (OPEX and CAPEX) that contribute to meeting short- and medium-term objectives and explains how these investments enable the objectives to be achieved.	The information provided on the contribution of investments to meeting the objectives set does not make it possible to understand how the company is achieving the objectives set	No investments contributing to the achievement of the stated objectives
Remuneration	All variable components of executive compensation include at least one criterion that assesses the achievement of greenhouse gas emission reduction targets. The percentage of compensation determined by this criterion is published; it represents a significant portion (10% or more). (10% or more).	At least part of the variable portion of executive compensation is subject to an undiluted criterion for reducing greenhouse gas emissions in line with the reduction trajectory defined by the company.	The criterion integrated into the remuneration of corporate officers related to the reduction of greenhouse gas emissions is diluted or does not follow the reduction trajectory defined by the company. Or absence of a criterion linked to the reduction of greenhouse gas emissions in executive compensation.
Annual consultation on implementation	The company undertakes to consult shareholders annually on the implementation of the climate strategy.	The company undertakes to consult shareholders on the implementation of the climate strategy in the coming years or consults for the second consecutive year or more	The company does not commit to consulting shareholders on the implementation of its climate strategy
Consultation every three years on the strategy	The company commits to consulting shareholders on its climate strategy at least every three years.	The company commits to consulting shareholders on its climate strategy in the coming years or consults for the second consecutive year or more	The company does not commit to consulting shareholders on its climate strategy

ACT METHODOLOGY

→ IT'S TIME TO ACT

WHAT IS ACT ?

A joint voluntary initiative of the UNFCCC secretariat Global Climate Agenda.

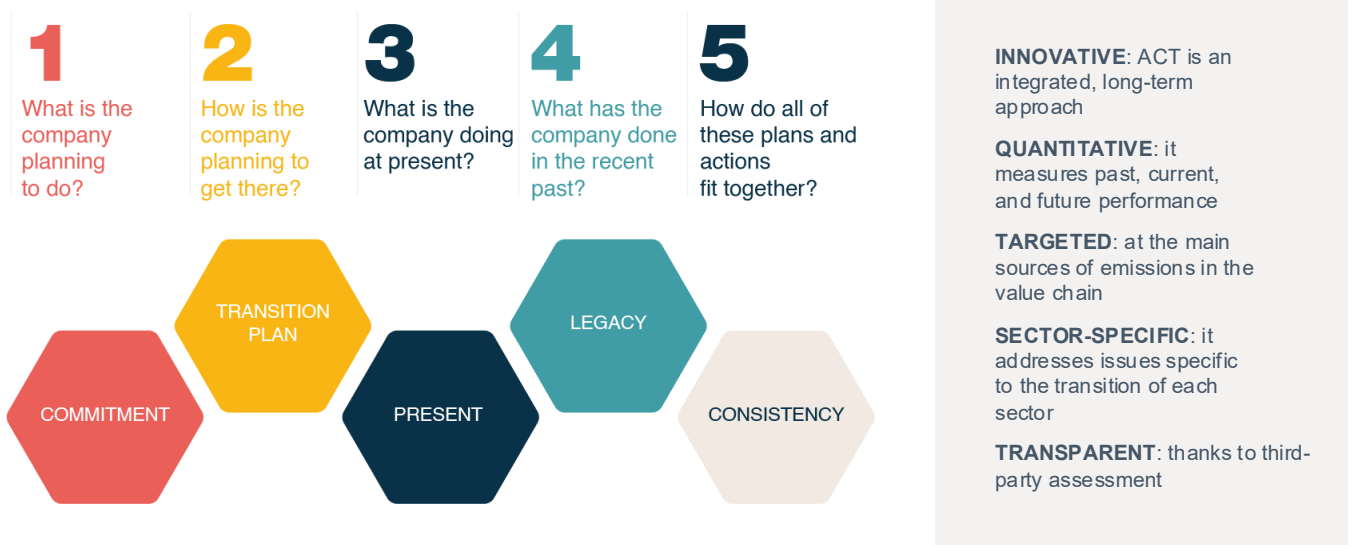
WHY ACT ?

Drive climate action by companies and align their strategies with low-carbon pathways.

HOW DOES ACT WORK ?

ACT provides sectoral methodologies as an accountability framework to assess how companies' strategies and actions contribute to the Paris mitigation goals.

FRAMEWORK



ACT ASSESSMENT

ACT ASSESSMENT

For what purpose?
Credibly measure the contribution to the net-zero objective in relation to sectoral low-carbon trajectories.

For whom?
Companies with science-based objectives and/or a transition plan ready for assessment



ACT METHODOLOGY

Generic Sector

All the components of the ACT methodology for the Generic sector can be found on [its website](#). The detailed assessment is summarized by a score based on three criteria: performance, overall consistency, and trend. It takes the following form:

- **Performance:** score between 0 and 100
- **Evaluation (consistency):** letter between A and E
- **Trend:** + (improvement), - (deterioration), = (stable)

Module	Indicator
1. Targets	1.1 Alignment of Scope 1 and 2 emissions reduction targets
	1.2 Alignment of upstream Scope 3 emission reduction targets
	1.3 Alignment of Scope 3 downstream emission reduction targets
	1.4 Time horizon for targets
	1.5 Historical target and company performance
2. Material investment	2.1 Past emissions trajectory
	2.2 Future emissions trajectory
	2.3 Share of capital expenditure (CAPEX) dedicated to the transition
3. Intangible investment	3.1 R&D investment dedicated to technologies that mitigate climate change
	3.2 Patenting activity related to transition activities
4. Performance of products sold	4.1 Interventions on products and services
	4.2 Past performance trends for products/services
5. Management	5.1 Oversight of climate change issues
	5.2 Capacity to monitor climate change
	5.3 Status of transition plan
	5.4 Incentives for climate change management
	5.5 Climate change scenario testing
6. Suppliers	6.1 Strategy to encourage suppliers to reduce their greenhouse gas emissions
	6.2 Activities to encourage suppliers to reduce their GHG emissions
7. Customers	7.1 Strategy to influence customer behavior to reduce greenhouse gas emissions
	7.2 Activities to encourage customers to reduce their GHG emissions
8. Engagement policy	8.1 Company policy on engagement with professional associations
	8.2 Supported professional associations do not engage in activities or take positions that are detrimental to the climate
	8.3 Positioning on important climate policies
	8.4 Collaboration with local public authorities
9. Business model	9.1 Revenue from low-carbon products
	9.2 Changes in the business model

Evaluation score

1. Business model and strategy
2. Consistency and credibility
3. Data quality
4. Reputation
5. Risks

Trend score

1. Probability of change in emissions
2. Changes in business model and strategy

Disclaimer :

The information and assessments presented here do not in any way constitute investment or voting advice. Each organisation determines for itself the most appropriate way to use this information.

Furthermore, the information and assessments contained in this document reflect a judgement at the time these assessments were made and do not guarantee that the company's most recent information has been taken into account, as such information may have been published between the time of the assessment and the publication or consultation of this document.